Payment platforms to crack the code for India's digital payments

RS Software

.....and how RS Software intends to leverage them for sustainable growth

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FORWARD-LOOKING STATEMENT

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion on future performance.

We cannot guarantee that these forward-looking statements will be realised, 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 materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

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

Building payments. Changing lives

"Blood, sweat and respect.
First two you give,
Last one you earn."

- Dwayne Johnson

RS Software is in the middle of transition of its strategy to emerge as a platform and products company embedded deeply in the global digital payments space. We are confident to earn the respect of our investors and all stakeholders.

We have embarked on this journey and we see light at the end of the tunnel. A strategic transformation journey is full of Blood and Sweat... with the commitment of earning Respect in the end.

During the fiscal year 16-17, RS Software delivered two major payment platforms. The then Governor Raghuram Rajan of RBI officially launched the Unified Payment Interface (UPI) on 11th April, 2016; and on 31st August, 2016, Bharat Bill Payment System (BBPS) was soft launched. The BHIM app that runs on the core UPI engine was launched on 30th December, 2016 and has already experienced about 20 million downloads, generating in the month of May 2017, ~9 mn transactions.

This is what is happening outside

01
The world's largest taxi company owns no taxis (Uber).

02
The largest phone companies own no telco infra (Skype and WeChat).

03
The world's most popular media owners create no content (Facebook).

04
The world's largest movie house owns no cinemas (Netflix).

05
The world's biggest software vendors don't write the apps (Apple and Google).

This is how RS Software is transforming inside

01
From legacy to emerging technologies.

02
From status quo to innovation.

03
From profitability to sustainability.

04
From managed services to cutting-edge platforms.

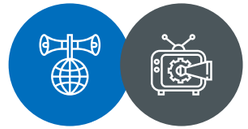
05
From excessive dependence on a large customer to presence across wider customers.

Building payments, changing lives

Raj Jain,
Chairman

The purpose of RS Software is to help enhance the economic circumstances of individuals, communities and countries through the transformative power of electronic payments.

The 'deep moat' for RS Software lies in its domain knowledge of payments, built over 25 years of building electronic payments infrastructure - software applications that execute an electronic payment transaction at a high speed and high volume within the regulatory framework.



Increasingly, merchants are demanding more from their payment providers, seeing processing alone as a commodity service.

Transitioning of payments

Cash continues to be replaced by card and card is incrementally getting replaced by mobile or token and what is coming next is wearables. The combination of artificial intelligence, machine learning, virtual reality and voice activation is bringing life-impacting changes in the areas of payments.

Wide moats keep payment networks safe, but competition rages at the outskirts of the ecosystem. In payments, economic moats remain the strongest at the centre of the ecosystem, where major payment networks like Visa and Mastercard maintain massive networks of banks working on their behalf to add consumers and merchants. The role these companies play in setting standards is becoming more important as payment options proliferate. Card Issuers are competing heavily for spending volume, merchants are taking back control of loyalty and rewards and software is replacing hardware at the point of sale. This leaves issuers like and hardware providers in a difficult position. This transition gives Application Development companies an opportunity to help economies transition to cashless.

Market scenario & opportunity

McKinsey estimates that sales volume at small U.S. merchants will grow much faster than the rest of the market, doubling by 2020 to $2 trillion. A similar trend is expected in markets like India where some estimates indicate presence of almost 50 mn small merchants, with only about 2% digitally enabled today. The growing bargaining power of merchants is a key factor driving change in the payment sector.

The top 15 U.S. merchants now account for more than 20% of retail sales and are using their weight to gain price concessions from suppliers payment companies included. This trend will continue, with negative implications for the companies providing interchangeable products to merchant customers. Simple payment processing services and point-of-sale hardware do not confer an economic moat and companies not contributing much additional value lack competitive advantages. Point-of-sale and increasingly commodified payment processing combine to increase the already intense competition. The only answer lies in providing value-add to merchants and consumers, using the knowledge of payments.

Sellers of all sizes continue to exert pricing pressure on payment providers. Large-merchant margins are already low; McKinsey estimates that medium-size and small merchants generate much higher processing margins than large merchants. However, the consulting firm also expects pricing pressure to continue over the next several years across all segments--a fair assumption, given the changes occurring in the business.

In addition to being more profitable, small-merchant sales volume is set to grow quickly, in part due to the benefits of cheaper technology. The long-tail theory posits that advances in production and distribution methods are making it profitable to serve small niches, allowing small merchants unprecedented growth potential. The opportunity to profitably serve this growing segment is driving an increase in competitive pressures.

Payments increasingly integrated with Customer Engagement, Business Management Software

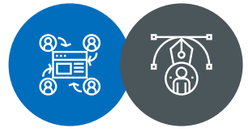
Somewhat related is the growing importance of integrated payments. In a digital environment, payment functions often do not stand alone. Instead, they are integrated into other aspects of business management systems. Payment software is increasingly required to work with accounting, inventory and customer relationship management systems. More functionality is also required at the point of sale itself, including loyalty, rewards and other forms of marketing. All of this is driving a transition from hardware-centered point-of-sale products to software products. Payment processing is therefore becoming an enterprise software industry.

Increasingly, merchants are demanding more from their payment providers, seeing processing alone as a commodity service. Beginning with large merchants, which typically have long integrated payment functionality with other services, think gas pumps and grocery checkout lines--the move toward greater integration now spans the payment processing industry. Today, competitive pricing, adequate customer service and high levels of data security are merely table stakes in the payment processing industry. The ability to work with various enterprise software applications and quickly adapt software offerings to merchant needs are a key distinguishing feature among firms, most of which offer a combination of proprietary software and tools for use by outside developers. Firms that can integrate payments into larger business management systems and customise their offerings

for different use cases are most likely to increase customer switching costs, though such adaptation is a constant battle. As an example, Vantiv, a major acquirer in US has increased switching costs in comparison to peers via its emphasis on developer and software dealer relationships. Possibly more than 10% of its revenue now comes through its integrated payments business. Its network of developers has resulted in the company's processing technology being embedded in over 1,000 point-of-sale applications and its relationships with independent software vendors lower its cost of distribution and thus its operating expenses--compared with peers. There will be a huge opportunity to connect merchants with individual customers based on individual preferences and spending patterns.

Technology at the base of disruption in payments - Fintech

Changes in consumer behaviour continue to be rapid, disruptive and largely driven by technology influences, such as mobile devices, big data, the cloud, IoT and machine learning. Simultaneously, security breaches are growing and continue to place both consumers and businesses at risk.



While cash and credit cards may never disappear entirely, this convergence of forces is driving one of the most profound shifts to how we pay for goods and services.

The most popular application of AI in financial services — and perhaps the most limited — is the chatbot, a program that converses with customers through text or speech. In financial services, chatbots are usually used to make the first interaction with a customer, answering questions or directing customers to an area of the website. For more complex interactions, the bot hands the conversation over to a human representative.

"There are a lot of chatbots in the industry right now dealing with the easy tasks, reducing complexity by dealing with multiple people at once," said Sumeet Vermani, a global marketing leader working for fintech providers such as Red Box Recorders. Chatbots are about "having a digital one-stop shop for customer communication and interaction. Customers are increasingly wanting a single point in which to communicate with their payments providers, whether it's to transact in a messenger app, learn more about a product or lodge a complaint."

And in the future, chatbots could be even better at up-selling customers than humans, able to parse through large amounts of data to determine the timing a specific product is needed.

While cash and credit cards may never disappear entirely, this convergence of forces is driving one of the most profound shifts to how we pay for goods and services, challenging both financial institutions and retail providers to adjust their strategy for the future of payments. Here are the three leading technologies paving the way.

Contactless payments

Debit and credit cards may never go away, but swiping them just might.

Example: Contactless payments rose 164 percent in the U.K. last year, they doubled in Canada in 2015 and 53 percent of Australians have made a contactless payment. We expect the U.S. to follow suit as more merchants upgrade their point-of-service terminals to accept chip cards and along with them, contactless payments.

Put a finger on authentication

Recognising that security is critical in digital payments, regulators like RBI keep raising the bar for authentication. India took a lead in the enforcement of 2 factor authentication. However all this leads to interferes with making payments frictionless. RBI is fast moving towards making Aadhaar identity as the key authentication factor.

Example: Rather than forcing customers to tap in their usernames and passwords every time they want to make an online transaction, NCR's Digital Insight developed TouchID, which allows customers of financial institutions to log in to their bank accounts with nothing more than their fingertips. In addition to being a uniquely accurate identifier, fingerprints are infinitely more difficult to lose than a password—and much harder to hack, too.

Voice-activated transactions

In emerging markets like India in particular, voice-activated transactions can be a significant boost to adopting digital payments and accelerating financial inclusion.

Example: Customers who use Amazon gadgets can simply ask the virtual assistant Alexa to take care of financial transactions for them. As with fingerprint technology, this innovation saves consumers the hassle of remembering yet another password and going through a tedious login procedure every time they want to make or receive a payment. In the future, especially as voice recognition technology improves, we expect this method of sending and receiving money to gain more traction.

Far from being mutually exclusive goals, efficiency and security are tied tightly together in the world of payments. As we develop the technology to move away from passwords that can be guessed or stolen to more unique identifiers such as voices, fingerprints and sensors that eliminate point-of-service terminals, we also move toward a more secure future. The very things that will make consumers' lives easier will also protect them—a win-win if ever there was one.

Cash is king?

RS Software is focused on enhancing cashlessness, strengthening financial inclusion and increasing consumer convenience. The CEOs of the two largest payment networks in the world say that their largest competitor is cash and not another company. Inspite of the electronic payments industry being in place for over forty years, cash valued in trillions of US dollars and other currencies still represent significant global spend on personal consumer expenditure today.

This clearly indicates the opportunity to move cash transactions to electronic and digital and this is where the opportunity is. There is undoubtedly a secular trend in the growth of digital payments which will continue for several years to come. Global card purchase volume for goods and services alone amounted to ~ $20 trillion in 2016. The six major global payment network; Visa, UnionPay, MasterCard, JCB, Diners Club/ Discover and American Express generated 257 billion purchase transactions at merchants in 2016.

RS Software is well positioned to leverage the growth from 257 billion electronic payment transactions to potentially 1 trillion transactions per year!

RS Software has taken the world's largest payment network from a capability of authorising 500 transactions/second to 56,000 transactions/second, which now executes about 50% of the total transactions globally, ~ 120 billion transactions per year. This core competence built over 25 years is the MOAT for the company which not only provides a great competitive advantage, but something that will make it very difficult for competition to penetrate the company's MOAT. The market for digital payments is growing globally and in India.

Globally, India lags in terms of transaction volumes and value of cashless transactions. A recent Kotak Economics Research study

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reveals that while the gross transaction throughput in India ($1.8 trillion) is comparable to that in other major countries and that the value per transaction ($146) is among its peers, India fares poorly in per capita transaction value ($1,000).

Nevertheless, the report states that India's transition is "likely to be faster than the current less-cash economies" (such as the UK and Sweden)—if the existing technological advancements are proactively supported.

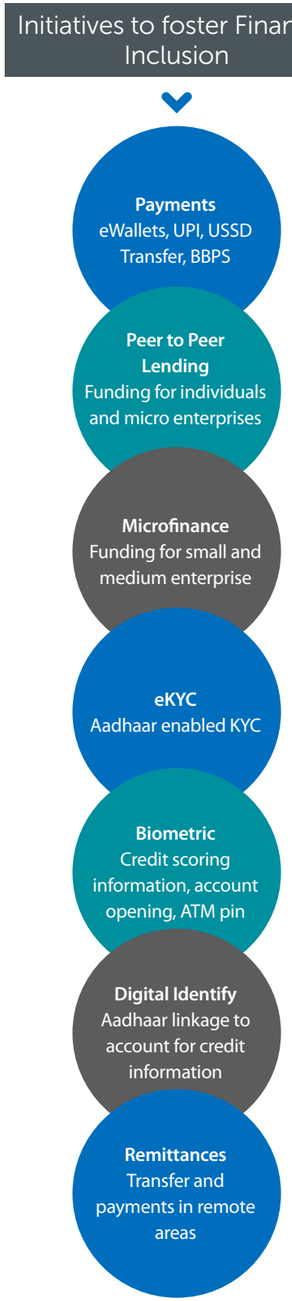
In this context, the role of regulators in fostering quick adoption assumes great importance. The learning for policymakers is twofold: One, too much regulation on the supply side can be detrimental to the emergence of a level-playing ecosystem and innovation in the payments domain—a case in point being mobile wallets being excluded from the Unified Payments Interface (UPI) so as to allow banks to catch-up to them in terms of services.

Two, there has to be an arm's length distance between the regulator and any entity operating on commercial grounds providing retail payment solutions—be it prepaid payment instrument (PPI) issuers, Bharat Bill Payment System operating units, white label automated teller machines, or Aadhaar Enabled Payment System (AEPS) providers.

For this, two consumer principles should form the bedrock of a fresh consumer-centric architecture. The first principle is to ensure zero friction in the use of various

RS Software on track with its strategy transition

- Investing the ₹2 Billion cash reserves to achieve Digital Equity direction
- Diversified revenue sources
  - Added 20+ US Clients in the last 12 months
  - Added new geographies – India and Asia
- Vindicates the investments that the company is making in Sales & Marketing
- Platforms are the major driver of growth in the digital world
- India attracting major investors in this area
  - RS Software is investing significantly in this area
  - Our global clients are transitioning from legacy to digital area
- RS Software builds for India - UPI, BBPS
- **100** countries that are at varying stages in building their digital Payments Infrastructure



electronic payment methods. Zero implies no hoops and jumps to make even a Re1 transaction, including authentication. The second principle concerns incentives/ disincentives and proper awareness of multiple modes of payments to get the desired consumer behaviour–substitution of cash. Incentive schemes such as referral bonus for consumers or cashback schemes for merchants accepting digital payments should be devised so as to align different market participants–merchants, payments companies, banks, etc. Growing awareness of unique selling propositions of each mode among consumers will be the key here.

RS Software and India market

During the fiscal year 16-17 RS Software delivered two major payment platforms. The then governor Raguram Rajan of RBI officially launched the Unified Payment Interface(UPI) in April 2016; and in August 2016, Bharat Bill Payment System (BBPS) had a soft launch. The BHIM app that runs on the core UPI engine was launched in December 2016 and has already had about 20 mn downloads, generating in the month of May,2017 ~9 mn transactions. The company has integrated several banks in India to the core UPI and BBPS platforms, to enable consumer related transactions for merchants, bill payments and P2P. Having built the core digital payment infrastructure in India gives RS Software a significant advantage to leverage the 10X growth in the next 5 years as being forecasted by BCG and Google report on India.

Nevertheless, in India, a one-size-fits-all strategy will not work. It is critical to recognise the diverse perceptions that influence decisions to adopt digital payments and there is a need for customised strategy. What has worked in other parts of the globe will not necessarily work here, but core payment principles are the same in all parts of the world. This is where the unique strength of RS Software comes into play. Keen segmentation of customers needs to be done, based on addressing the universe of Internet and non-Internet users, cardholders and non-card consumers and smartphone as well as feature phone users.

Given the country's vast population, any combination can easily constitute hundreds of millions of consumers. A conical, three-tiered customer-facing architecture can be devised: traditional cards-based networks (POS, online) at the top end; instant real-time 24x7 systems (bank-to-bank account via Internet and non-Internet channels) at the middle; and hybrid systems (wallets, non-app Internet protocols and non-Internet for person-to-person and person-to-merchant payments), at the base of the cone.

Demonetisation, an almost revolutionary action, has become a big bonanza for the digital payments companies in India. All of the digital payments players have benefited in the 3 months since its introduction. PPI wallets, the most available digital payment product for the masses, have gained most handsomely, while the 'new kid on the block' – the UPI payment product - is consistently showing gains in adoption in terms of the value of transactions. Visa reported a gain of 75% growth in volumes of transactions on its payment products in India. But the challenge for the major card payment networks like Visa is that India has the lowest per capita Point of Sale infrastructure – limiting any cardholder's ability to make purchases at physical locations. On the other hand, India has over a billion mobile phones, each of which are a potential payment device. The Ola Money app had a1,500% growth in downloads in about 8 hours after the government's announcement about demonetisation, while Paytm reported users increased its mobile app's usage by nearly 600% in the first few days following the change. The BHIM app, launched only in December 2016 has seen downloads in excess of 20 mn.

The government has set a target for growth to 25 billion digital payment transactions during fiscal 2017-18. MEITY, Govt. of India has been assigned the charter to meet this goal.

The future of payment is undergoing a transformation, as new entrants are enabling the market with new technologies such as QR code, Aadhaar enabled payment system, contactless payment, NFC enabled smartphones, cloud-based PoS and digital wallets.

With the emergence of new payments and small finance banks in India, the road is set ahead for surge in adoption of Bank in a Box solution.

UPI and Blockchain are two big technology revolutions that are projected to have a favourable impact on the expansion of P2P lending business in India.

Strategy implementation and next steps that will reward the company's stakeholders

RS Software's strategy during the fiscal 2016-17 has progressed to provide in-country payment infrastructure, expand from services revenue model to include platforms, products and grow in new markets like India. We continue to make significant investments in building digital assets that are at the core of our competencies to win a disproportionate share of success as we transition. We continue to look at growth acceleration through alliances and partnerships to complement our growth strategy. During the fiscal year 2016-17, RS Software delivered two major payment platforms in India.

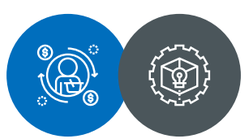
These developments will continue to be strengthened during the fiscal 2017-18 and the company will launch its own payment platforms in emerging markets.

The global industry needs continual enhancement, new build and maintenance of the core infrastructure, with a focus on retail electronic payments.

Digital commerce needs a new revolutionary payment reach to the dual constituency of the merchant and the consumer.

Ecommerce/M commerce, now on the cusp of explosion, is being made possible by technology and the ease of adoption of technology by the millennial generation

RS, which has been working with global leaders for the last 20+ years, has a macro strategy to offer capabilities, both in infrastructure building and digital payments.



RS will take bold rather than timid investment decisions in areas where there is a sufficient probability of gaining market leadership advantages.

Our past track record for taking bold decisions

RS will take bold rather than timid investment decisions in areas where there is a sufficient probability of gaining market leadership advantages.

The emphasis on the long term may result in RS making decisions and weighing tradeoffs differently than some companies.

We have embarked on this journey and we see light at the end of the tunnel. A strategic transformation journey is full of Blood & Sweat… with the commitment of earning Respect in the end. The world and India in particular is today looking at a secular growth trend in the platform economy, where digital payments are at its core and commerce and payments come together to change the everyday life of humanity. RS Software is committed to achieve this vision and execute effectively its strategy and reward its stakeholders. We believe that a fundamental measure of our success will be the shareholder value we create over the long term. This value will be a direct result of our ability to extend and solidify our leadership in being a niche company that has its MOAT in its exclusive focus in the domain area of electronic payments industry.

"We are completely on track in reinventing our company from services to platforms and products"

A 2016-17 review by the RS Software management

Principally, we believe that the transition of the company from a single client business model to a multiple clients business model is on track and in line with expectations.

Q: Was the management satisfied with the company's performance for 2016-17?

A: The management was satisfied with the performance in 2016-17 for a number of reasons.

Principally, we believe that the transition of the company from a single client business model to a multiple clients business model is on track and in line with expectations.

Two, the company added 20 new clients, all in the Fin-tech space, reinforcing its market positioning and revenues.

Three, the company launched its India strategy following the successful handover of the United Payments Interface coupled with the soft launch of the Bharat Bill Payment System, which will drive financial inclusion in the country and reinforce the company's respect as a platform solutions provider.

Four, the company integrated seven banks in India to the digital core infrastructure run by the National Payments Corporation of India; these banks included the largest banks in India, strengthening the company's respect.

Five, we strengthened our revenues pipeline with the development of digital assets that will be progressively launched, translating into attractive revenues.

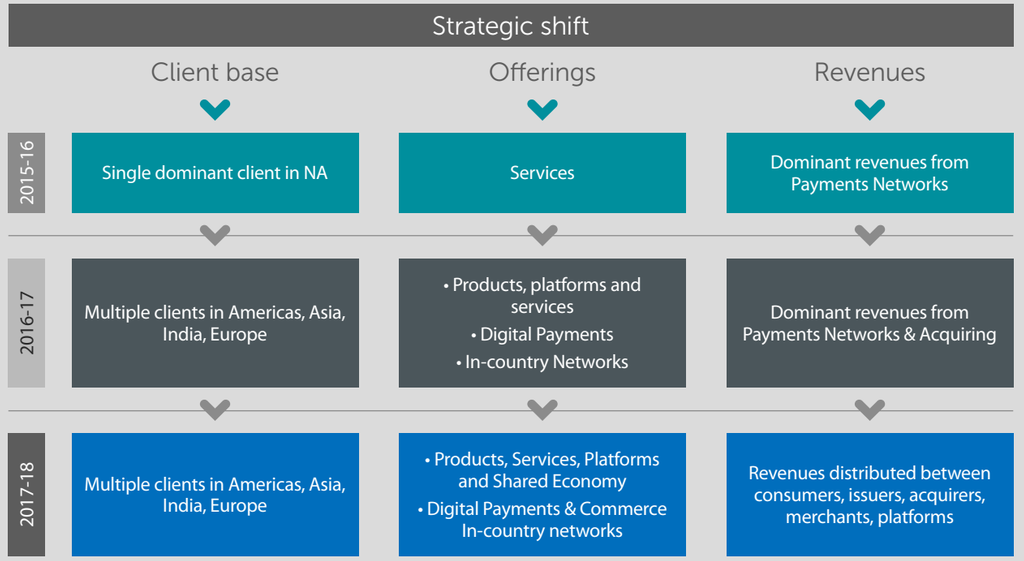
Six, we built our proprietary digital payments platform called Payabbhi under Paypermint, which we believe will be the first of its kind in the country (75 per cent subsidiary of the company) and is likely to be launched in the second quarter of 2017-18.

Seven, the company continued to invest in its business through the proactive recruitment of talent.

Through these various initiatives, we believe that during the year under review, we rebuilt our business to address the challenges of a rapidly evolving marketplace.

Q: What are some of the initiatives that provide optimism?

A: The management intends to communicate that the digital assets that it has created have been created with prospects of sustainable revenues, were built in good time and at a low cost. Besides, these assets are relevant to the way the marketplace is evolving. One such asset is the platform Merchant Edge, which provides value-added capacity to merchants from the KYC stage right up to the digital platform. The other platform is called I-Fin Switch, our proprietary switch built using the same technology with which we created the United Payments Interface. When combined with Merchant Edge and the UPI integration switch, this patented UPI payments product focuses on the merchant management platform. Our optimism is derived from the fact that the Finance Minister in his Budget speech indicated that India would need to graduate to 25 billion digital transactions a year. This increase in this throughput would be facilitated by the company's platform.



Q: The company reported a loss during the year under review. Shareholders would be keen to know when the company would be likely to break even?

A: The number of business initiatives that the company took during the last financial year will soon translate into revenues – a combination of license fees and recurring revenues arising out of transactions on our platforms. The company generated 100 per cent of its revenues from services until 2016-17; we expect to generate 50 per cent of our revenues from platforms and products and another 50 per cent from services by 2020; we expect this to increase to 80 per cent by the year 2025. We believe that following the launch of our proprietary platforms and products from 2017-18, we would have embarked on the first year of reinventing our company.

Q: What is the big message that the management wishes to communicate to shareholders?

A: The big message that the management wishes to communicate is that even after having 90 per cent our business written off in the space of one year from the company's largest customer, RS Software is still in business. Even better, the company possesses a strategic clarity of where it is headed, holds attractive cash on its books and nearly 80 per cent of the losses that one sees in the Profit & Loss Account are on account of business investments (frameworks and marketing).

Q: What is the large optimism the management wishes to share with shareholders?

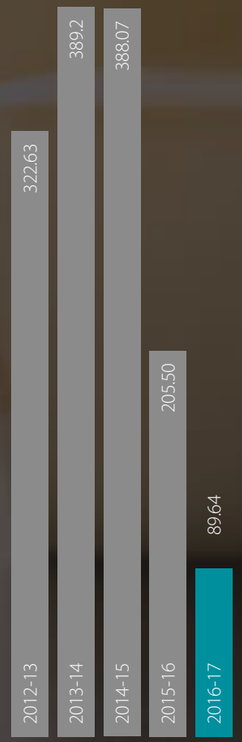
A: The transition to digitisation represents a $ 4 tn global opportunity. We believe that change will accelerate. There will be larger investments going into financial technologies; more than 40 per cent this spending will be allocated to payments, which could well emerge as the most dynamic space within financial technologies.

We believe that digital payments will democratise technology. RS Software has already embarked in this direction and built country-level digital payments infrastructure. We believe that thousands of technology players will build apps on our backbone, which will decisively extend the digital payments revolution to the consumer. We can only state the company is perched at a cusp that could transform its prospects faster than ever.

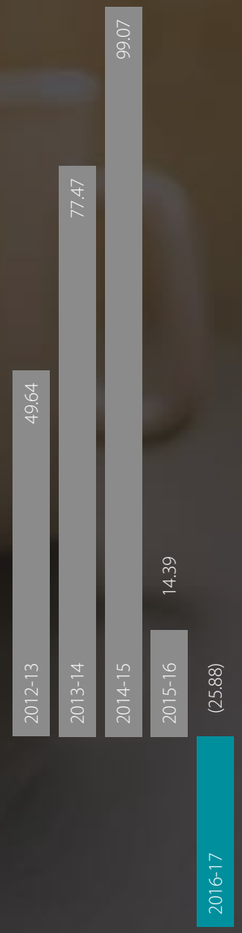
The transition to digitisation represents a $ 4 tn global opportunity. We believe that change will accelerate. There will be larger investments going into financial technologies

Review of our performance

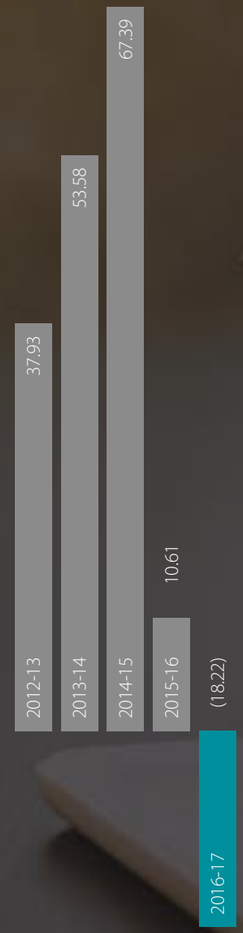
Revenue
(₹ crore)



Profit before tax
(₹ crore)



Profit after tax
(₹ crore)



EBITDA
(₹ crore)

Return on equity
(%)

All you wanted to know about platforms

...and how RS Software intends to leverage them for sustainable growth

With more millennials and modern consumers accessing platform services for everything from streaming a movie to grabbing a ride, platform- based merchants are collecting more revenue than ever before — and, the companies powering these platform payments are reaping the benefits.

In an industry generating $5.7 trillion of revenue today, we estimate that $1 trillion of revenue and costs are up for grabs from these changes. New customer platforms will be able to charge suppliers for access to flows.

The Platform Provider

Businesses that focus on processing massive amounts of data and transactions can embrace opportunities to remove friction between customers and suppliers, particularly for needs that are standardised. They provide the platforms upon which others with customer or product focus can thrive. These companies understand their end customers' needs and set up the enabling capabilities that can liberate other companies to satisfy those customer needs. In some cases, they may have outposts directly or through partnerships to gain customer insight and harvest these insights to enhance and/or expand their platform offerings. For instance, a payments provider could ensure its platforms span more scope of customer need by partnering with a bank or specialised card issuer. Their capabilities include extremely high transaction efficiency, highly standardised and open protocols for their entire range of services and rock solid reliability. They often work to co-create new offerings with their best corporate customers – the biggest users of their platforms. Well-known examples from the tech world include Uber, AirBnB and eBay. In financial services, both payment networks and stock exchanges are natural platforms that interconnect their users using standardised protocols. Innovative products and business models will capture share. Excess infrastructure capacity will be cut and suppliers of outsourced services will grow significantly.

Amongst the payment platforms, following are some names

- Alibaba
- Square
- Stripe
- WePay
- Braintree
- Tencent

It is all about reducing friction in payments

- Reducing friction remains a key mantra for most of the new entrants gaining traction
- **Square** - removing friction in opening a merchant account
- **Braintree** - streamlining the checkout process on mobile devices
- **Stripe** – Developer community channel to democratise adoption of digital payments

RS Software with its 25 years payments global experience is busy building the next generation platforms that reduces friction in all the areas

Over the coming five to ten years a next generation of digital services will solve customer hassles, removing friction from daily lives, business and investment.

How do platforms earn money?

Platform providers earn fees (both via subscription and transaction) for the use of their platform. These companies aim to have an ever-increasing number of adopters who make money in a variety of ways from the end customers; they win by brokering more interactions between a growing number of customers and product providers.

The role of Platforms in the digitising world of payments

Digitisation is having deep economic, behavioural and societal impact as it is absorbed into the broader economy. An array of low-cost technologies allow people to engage with each other and businesses in new ways, which then causes ongoing adaptation of technologies to behavioural changes and at progressively lower cost and increasing speed. As a result, digitisation expands possibilities for business reinvention, faster and at dramatically reduced cost. Advances in algorithms, abundant data and unlimited computing power changes our understanding of what can be automated and how. Learning algorithms will automate some activities with radical improvements in precision, quality and cost. Digitisation is ushering in the kind of plug-and-play standards of interconnecting services that has become standard practice within and between software companies. These "open APIs" can be a means to redeploy and recombine capabilities for flexibility and speed, or to source third-party capabilities without creating future "legacy systems."

Over the coming five to ten years a next generation of digital services will solve customer hassles, removing friction from daily lives, business and investment. These services will go far beyond the basic aggregators and apps available today. They will place powerful financial management tools of the kind now used by major corporates and institutions in the hands of consumers and small businesses.

A race is underway to build platforms which provide a cluster of services under one umbrella, with data-sharing and a frictionless overall experience. Several kinds of platforms are emerging, each with its distinctive entry point. These will deliver an integrated pathway to support a major life event, such as buying a house. While today we have property portals with clunky click-throughs to mortgage websites, we expect to see property search with virtual technology integrated with conveyancing, underwriting and financing. These will provide segment-specific services for businesses, such as property managers, retailers, sole-traders and import-exporters. Rich functionality will support e-invoicing, tenancy services, automated tax return apps, government procurement and much more. Finance and insurance solutions will be integrated seamlessly. A wide range of organisations with loyal customer bases – social media groups, telecommunications, sports clubs – will create services and functionality with potential links to financial services, particularly for payments.

Success will need platforms to eliminate customer hassles, provide unique functionality and offer wider choice, lower prices or greater speed.

What can platforms achieve for the world of trade, business and commerce?

In one word: disruption. Platforms are becoming relevant not because they are seen as making incremental changes in the competitive marketplace realities; they are seen as making extensive radical transformations. They are completely changing the way business is done and how customers are served. Since a platform allows you to build quickly, the reality is that features that were not envisaged in the original design can now be built without major changes in the underlying architecture or affecting other applications on the platform. This is a huge advantage; this makes it possible for organisations to respond to evolving market needs with a speed that they would have never imagined earlier. The result is that the new applications can be created by assembling existing applications, making it possible to shrink the time to market and reducing the need to design from scratch. So even from a market-facing perspective there is a case for shifting a company's IT presence to platforms.

Who benefits from Platforms?

Banks and insurers are well positioned to deliver compelling customer platforms. They benefit from a large number of pre-existing financial relationships, wide distribution reach and privileged access to data about customers, including their credit quality, type of employment and life cycle position. They can offer a highly secure "walled garden" where customer data is closely managed and transactions safely executed. They can also integrate platforms with a slimmed down physical network including sales agents, relationship managers, branch networks and even direct mail. To succeed, existing firms will need to keep up with services on independent platforms and, if needed, offer competitors' products. Customers need to know they are getting good advice and a competitive offering.

New customer platforms are unlikely to earn significant amounts from retail customers directly given the expectation of "free" services. Instead they will seek to charge commissions to the product provider. In industries where this has occurred, customer platforms are able to charge % commissions and even up to 30%. The largest revenue pools at stake will be in markets where products are standardised and where price and value are unclear to customers, such as personal line P&C insurance and tied retail banking distribution. We estimate that new customer platforms could capture $50-150 billion of revenues from today's banking and insurance markets. This is equivalent to several eBays or 1-2%+ of banking and insurance revenue today.

Innovative business models will succeed where technology drastically alters the cost of provision by circumventing expensive legacy infrastructure (for example in payments), where analytics allows superior customer targeting and pricing, or where new providers satisfy unmet customer needs (such as SME lending). We believe it is realistic for new business models to capture $150-250 billion of existing revenues.

Many firms in mature markets are operating with core systems that are over 25 years old or the result of firm mergers. Inflexible systems drive up costs through the proliferation of "bolt-ons", ongoing maintenance and manual processes or "work-arounds" they require.

Digitisation is ushering in the kind of plug-and-play standards of interconnecting services that has become standard practice within and between software companies. These "open APIs" can be a means to redeploy and recombine capabilities for flexibility and speed, or to source third-party capabilities without creating future "legacy systems."

A race is underway to build platforms which provide a cluster of services under one umbrella, with data-sharing and a frictionless overall experience.

Value Chain Position	Typical Activities	To build Sustainable Competitive Advantages, adopt this ecosystem archetype
Customer Platform providing all edge customer interactions	• Maintain consolidated view of the customer • Provide key channels of interaction and communication with customer • Examples include insurance brokers, investment advisors and customer-facing elements of banks	Demand Aggregator
Data and infrastructure to how data is defined, stored, used, and shared	• Provide standards for efficient data exchange and evaluation among ecosystem members (e.g. US GSEs standardisation of mortgage application information) • Provide specialised data or analytics (e.g. FICO) • Encourage trust for users by creating standards for payments, data exchange, transaction confirmation, issue resolution, etc. (e.g. VISA, NYSE)	Platform Provider
Financial Products and Services linked to a regulated balance sheet	• Provide stable source of credit without creating undue systemic risk (e.g. banks backed by deposits and stable funding) • Provide durable and trustworthy long-term risk protection (e.g. insurers)	Component Supplier

Source: Oliver Wyman, The State of the Financial Services Industry, 2017

Platforms and payments

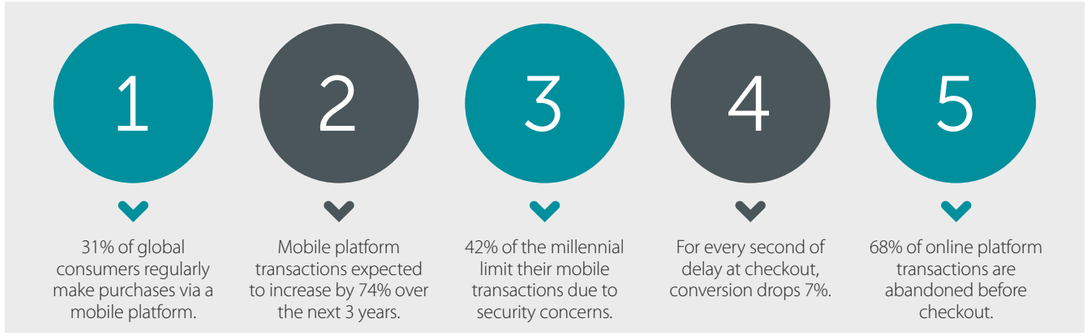
Payment platforms have triggered a whole new revolution. If people have the confidence to step out of their homes with negligible cash on their person without the slightest insecurity, then this is largely the result of the power of platforms and the millions of apps that sit on them. As time passes and transactions increase, there is every possibility that the cost of transacting through a platform could potentially decline – based on the cost negotiated for increased transaction throughput and the fact that the platform cost could have by then been largely written off following increased use.

This would make the platform competitive for users; scale would then translate into related economies. The result is that platforms are essentially built for scale; the higher one consumes its capacity, the greater the benefit.

There are two important things for payments processors to think about:

The role of accepting payments has now become commoditised and traditional processors won't be able to keep up with the increasingly growing expectations from SMBs. The players that will remain in the race are the ones that will be able to offer tablestakes features faster and with more flexibility. In this category payment processors need to be concerned with being at parity on the basics like payments methods and geography.

The second dimension is having great APIs and a strong enablement strategy as a core part of offering integrating payments for platforms. Choosing the right eCommerce platform comes down to what vertical you are operating in. There is a core piece of software every business will use to manage their business and choosing the products that provide you the workflows most tailored to your business is critical in the growth of business



Source: https://blog.wirecard.com/mobile-commerce-payments-banking-7-key-facts/
https://www.braintreepayments.com/facts

As digital cash becomes the popular way we people transact in the future, there will be a corresponding need for core payments infrastructure or platforms. In view of this, we do not see the scope and role of platforms as peripheral to the growth of digital money; we see it as integral to it.

What is the traction for platform users?

A number of things in life are supported by platforms: streaming a movie to grabbing a ride. The result is that platform-based merchants are collecting more revenue than ever; besides, the companies powering these platform payments are doing better than ever.

Take an instance Adyen, the company processing payments for popular platforms like ride-sharing service Uber and entertainment disrupter Netflix, reported double the profits than in the previous year; the number of transactions processed increased 80%.

The result is that finding the right platform to support online payments is becoming increasingly crucial for modern merchants.

What are the reasons why platforms are becoming increasingly popular?

There are various other reasons that are driving the adoption of platforms

Innovation: They provide one with a basic infrastructure to build on and largely filter the complex details of technology that makes it possible for customers to think of new products and services. The result is that we believe that platforms enhance business focus and competitiveness

Quicker response: Platforms make it possible for companies and individuals to moderate the cost and attention devoted to technology maintenance that is now address by the platform provider.

Risk Mitigation: Platform are financially friendly; in the event that a product or service suddenly loses relevance – as can happen all the time in a dynamic world - a platform makes it possible to build something else with speed to address changing needs.

Access to a larger customer base: The other advantage is one of concurrent working. A platform makes it possible to build several applications without interrupting others; it also empowers customers to create something for any segment that it wishes to address.

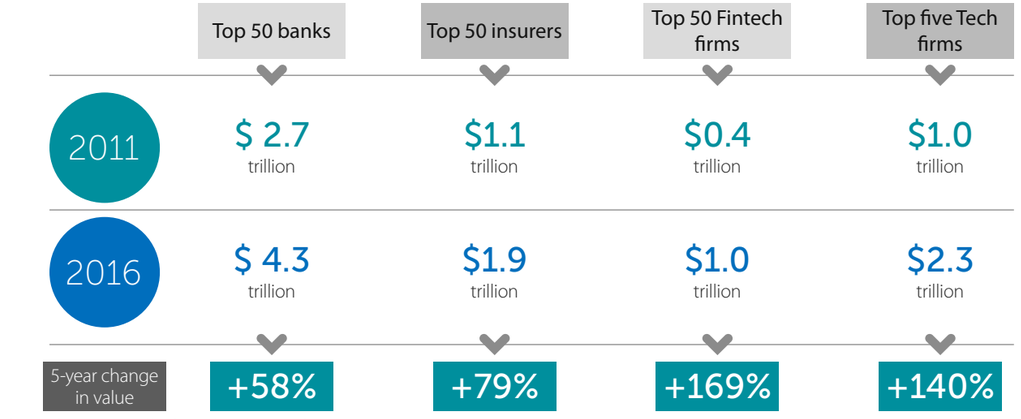
In view of these reasons, it would be easy to conclude that a number of companies will need platforms to survive.

What is the size of market that platforms address?

There is a general consensus that platforms in general enjoys an enormous scope; the market size is difficult to estimate for a good reason: the market is being virtually reinvented every single day; the market for this has not existed; whatever you create effectively becomes the 'market'. The result is that because new applications can be created to cater to any need and any market, the market for platforms by that yardstick is virtually limitless.

A next generation of digital services will solve customer hassles, removing friction from daily lives, business and investment. These services will go far beyond the basic aggregators and apps available today. A race is underway to build platforms which provide a cluster of services, with data-sharing and an overall frictionless experience. Banks with their large number of pre-existing financial relationships, wide distribution reach are well positioned to deliver compelling customer platforms. However, the largest revenue pools could be at stake where products are standardised and where price and value are unclear to customers. The result is that in an industry generating US$5.7 trillion of revenue today, it is estimated that US$1 trillion of revenue and costs are up for grabs from these changes. New customer platforms will be able to charge suppliers for access to flows.

Combined valuation of the top global firms in each category



Source: Oliver Wyman, The State of the Financial Services Industry, 2017

What drives the platforms business to attain multi-year growth and become a secular growth trend?

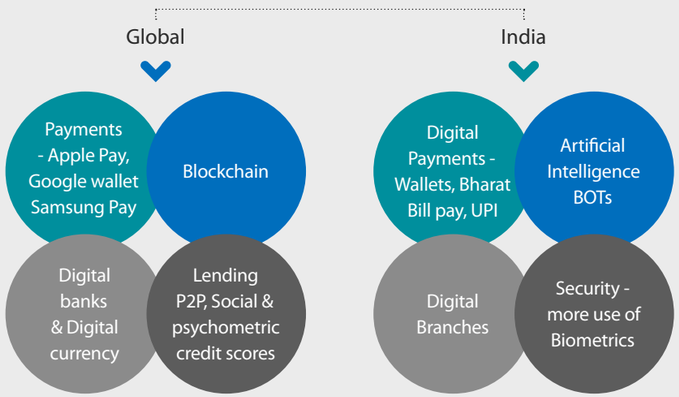
It is estimated that ~ 150 billion consumer electronic payment transactions are made in the U.S. alone (globally 257 billion transactions), which translates into US$5.7 trillion in total volume. This market has been growing at a CAGR of nearly 10% over the decade. The result is that the of cash and cheques as a method of payment are consistently reducing with the passing of each year

What is interesting is that only a small portion of the US$30 trillion in annual global spend at merchants is through a payment card. MasterCard estimates that over 80% of all global transactions are still conducted using paper (cash and checks). The result is that the untapped payment opportunity is estimated at several Trillion US$ – which will need to be transacted through digital platforms in the future. While cash will continue to survive as a payment product, Regulators in all countries, developed and emerging are pushing the move to digital payments and this is what is creating the huge opportunity.

Bottom of the Pyramid

Regulators globally focused on

Disruptive trends



Intensity of disruption

Source: https://blog.wirecard.com/mobile-commerce-payments-banking-7-key-facts/
https://www.braintreepayments.com/facts

Digital - An imperative for Indian banks India's key digital statistical indicators

Digital infrastructure rapidly expanding

- ~270 mn urban internet users in Sep 2015
- >651 mn smart phones by 2019

Regulatory changes becoming more facilitative

- Aadhaar - eKYC (UIDAI accounts rapidly expanding)
- Information bureaus for instant credit appraisal

Customer digital readiness rapidly increasing

- ~60% customers with internet digitally influenced for banking
- >40% express strong interest for right digital solutions

Integral part of the changing competitive context

- Digitisation top of the agenda for incumbents
- New / non-banks putting digital at centre of strategy
- Revenue pools coming under threat

Source: RBI Payment System Indicators, BCG Analysis.

McKinsey foresees four disruptions that can potentially alter the payments landscape in favor of payment platforms

One, non-bank digital entrants can transform the customer experience, which in turn can redefine the payments landscape. While generally smaller and younger entrants have not been perceived as a threat, the nature of new companies, the growing use of smart phones and transforming customer expectations could make it necessary for banks to transform their operating models.

Two, there is a modernisation of domestic payments infrastructure, costly at the system and bank levels as banks seek to build products and services that address a growing cashlessness.

Three, cross-border payment inefficiencies are opening doors for new players, who address transaction costs, opacity, tracking and slow processing tenures.

Four, retail banking digitisation will extend beyond consumer payments and retail banking to similar service levels in transaction banking.

The result is that about 100 countries are engaged in building their national payments infrastructure, making the electronic payments story bigger and better.

Top 50 Fintech firms by dominant archetype

Demand aggregators	Platform providers			
Combined value: $205 billion	Combined value: $820 billion			
Examples:	Payments examples:	Exchanges examples:	Data and processing	Lending Example
Intuit	• Visa	• CME	• ADP	• Lufax
SoFi	• Mastercard	• ICE	• Fiserv	
	• Paypal	• Hong Kong Exchange		
	• Ant Financial			

Source: Oliver Wyman, The State of the Financial Services Industry, 2017

Platform capabilities - extremely high transaction efficiency, highly standardised and open protocols for their entire range of services and rock solid reliability. Co-create new offerings with their best corporate customers – the biggest users of their platforms.

RS Software and the world of platforms

Overview

RS Software - The payments expert

25+ years	5 of the top 10 merchant acquirers	3 of 4 global networks	High performance 50, 000+ TPS
NPCI-UPI	Visa, Discover	Apple Pay	Global, WorldPay
Digital Payments	Data Analytics	Emerging Payments	Merchant Acquiring
Security & Compliance	QA & Testing	Core Payment Processing	Payment Platform
Token-DFS, EMV-SecureNet	Visa, NPCI-Certification	Visa, Elavon	NCPI-UPI, BBPS

Making digital payments work in Global and Emerging markets

What is the potential for a company like RS Software?

RS Software has helped to build two major payment network infrastructure globally

Visa Net that today executes $8 trillion plus value of electronic payment transactions

Unified Payment Interface (UPI) and BBPS - India's core payment infrastructure – 1 Billion Plus payment devices

RS Software's mission is to help partners and clients enhance the economic circumstances of individuals, communities and countries through the transformative power of electronic payments.

In India not too many platforms are in the payments space. This is where RS Software holds a significant advantage.

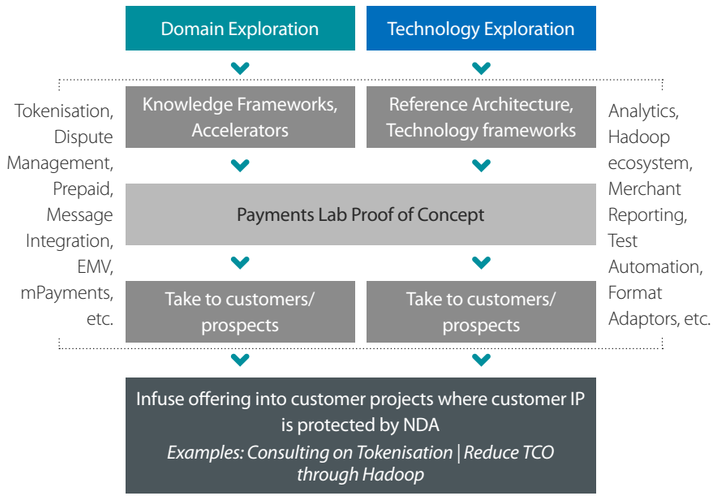
What experience does the Company have in the creation of platforms?

- RS Software's experience with the world's largest payment platform and India's Unified Payment Interface platform, the world's most advanced digital payment platform, has helped build core competency in the area of building payment infrastructure. There are 100 countries globally that are today in the process of enhancing their digital payment infrastructure and herein lies the opportunity.
- UPI executed 9 million transactions in the month of May 2017, which is within a short time of its public launch.
- The UPI has been enormously successful and had 1.75 lac users within the first week of launch.

What distinctive capabilities does RS Software possess in the creation of platforms?

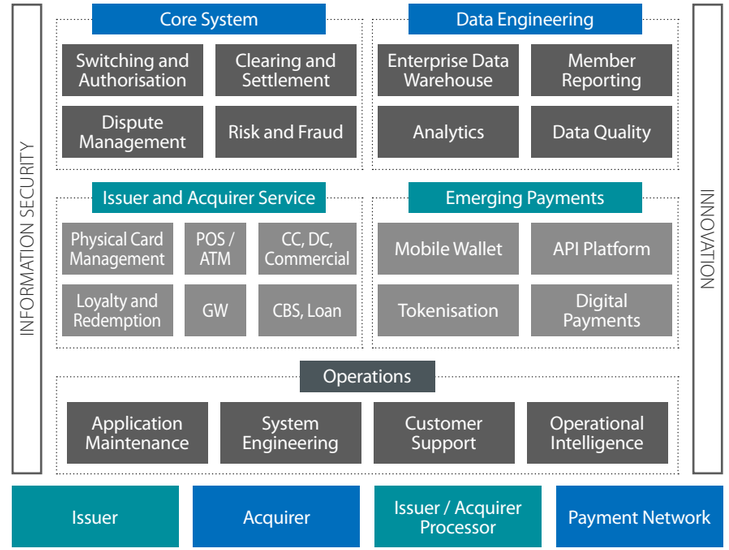
RS Software brings a distinctive capacity in having been a part of the world's largest payment network. The Company worked with Visa for a period of 25 years and this engagement strengthened the Company's understanding of the payments domain. The Company helped enhancing the core payment engine capacity from being able to authorise 500 transactions per second in 1992 to now tested for 56,000 +transactions per second. While navigating this journey, the RS Software team went through several transitions of different technology stack, including a major re-engineering effort. The Company worked with world-class talent and acquired the core competence to deliver 99.99999 uptime. In doing so, RS Software showcased two distinctive capabilities in building platforms: the ability to build for scale as well as reliability and security for round-the-clock availability.

RS Payments Lab – How we leverage



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

The RS Experience in Payments Value Chain



How has RS Software been growing its competence in this space?

The Company has invested in two initiatives in this regard - RS School of Payments and RS Payments Lab. The former maximises productivity leveraging a best-in-class knowledge management system. It provides employee courses covering the entire payment spectrum – from basic to specialised in niche areas (tokenisation and API) – offered by industry experts. The RS Payments Lab explores proofs-of-concept and developing reference architecture in new technologies (mobile, analytics, test automation and tokenisation), empowering the Company to propose solutions which enhance productivity, reduce costs and reinforce quality. In the last few years, the RS Payments Lab invested in open source platforms in analytics (Hadoop), mobile (Android, iOS) and test automation (Selenium).

How is RS Software relevant to the emerging platforms opportunity?

RS Software is in business to enhance the economic circumstances of individuals, communities and countries through the transformative power of electronic payments and its enduring moat in the area of payments knowledge. With more than two decades of experience in retail payments, the only Company to have worked globally with the world's largest payment network and built a moat of knowledge assets at the heart of its execution competence. At RS Software, our goal is to unlock the value of what we already possess: the ability to see things differently coupled with the heart to inspire our people and achieve our vision to bringing the emerging platform economy potential to reality by enabling friction-less payment. This is a fundamental part of our strategy and our transition to a new business model will take the next 18 months.

RS Software portfolio of assets#	Asset function	Name of Asset / Remarks
1	Payment Gateway	Solution component of OnePay, GET
2	Merchant Boarding and Management	RS MerchantEdge™
3	Digital Switch Kernel	RS iFinSwitch™, part of the solution of GET
4	Developer Portal	Part of UPI Merchant Platform for IDBI
5	Auto Recon	It is a click-through demo
6	Format Adapter	ISO 8583 to ISO 20022: Solution provided to Discover POC
7	Test Management Tool	RS Test2Pay™ /Build as part of 3DS Test Simulator solution for NTT
8	3DS Test Simulator	RS Test2Pay™ / Solution proposed to NTT
9	Account Linked Wallet	RS UPI-Pay™, solution for IDBI
10	Bill Payment	RS BillAbhi™
11	Entity Resolution Tool	RS IntelliEdge ™ / Offered to Discover
12	P2P, Token based digital payment	UPI

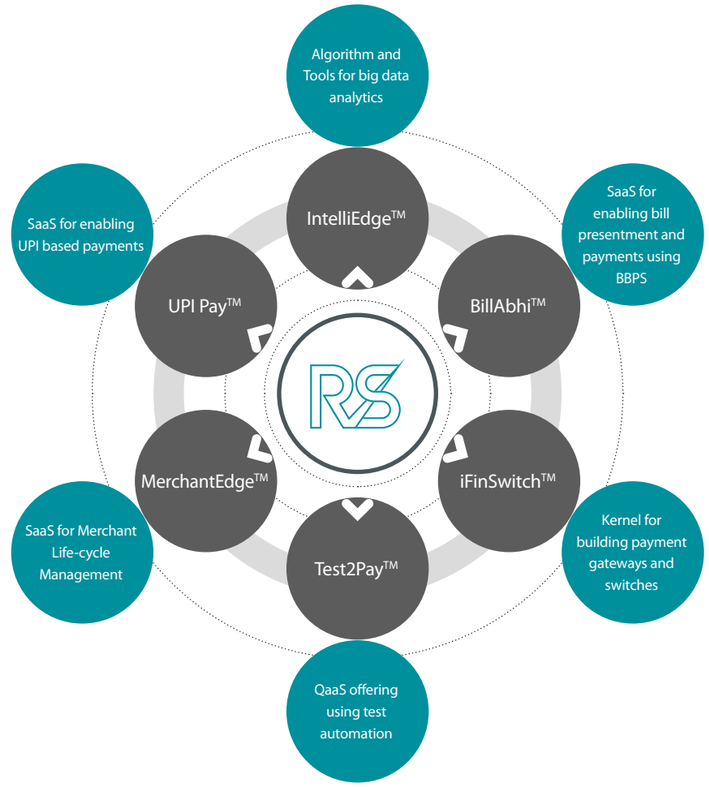
India market, an opportunity for payment platform

The number of non-cash transactions per person in India is less than 10 per year (non-cash transactions per inhabitant in US was 391 in 2013). Nearly 75 mn households are excluded from the country's banking sector; only about 10% of the entire retail ecosystem in India is supported by a dedicated card payment infrastructure. Besides, there are only 35,000 rural bank branches with over 200,000 villages outside the core banking network.

However, sweeping changes are emerging: the National Payments Corporation of India is creating an end-to-end payment infrastructure and increasing financial inclusion (Jan DhanYojana, DBT and UID, among others), increasing the number of households with bank accounts. Interestingly, the UID programme makes India the only country to offer secure, convenient biometric authentication. Besides, a sharp increase in the number of smart phone users has widened the ground for digital payments.

How is RS Software helping organisations respond to the digital revolution?

Until now the attention within the digital payments space was focused on hubs and only over the last decade is the industry action transpiring across the spokes – acquirers, issuers and merchants. A number of regulatory agencies are coming to grips with the virtual death of physical money, reflected in governments announcing regulatory guidelines to streamline digital payments. RS Software is investing in building a suite of digital assets that will accelerate the progress to enabling payment businesses to go digital. This is a multi-trillion dollar opportunity over the next 10 years.



Platforms	Market Demands
Payabbhi: Platform Economy MerchantEdge: Acquiring Workbench	**Growth in E/M-Commerce** • Easy integration of payments with commerce • Sign-up and Retain large number of merchants
iFinSwitch™: Legacy-to-API payment, Payment Gateway - mobile first view	**User-friendly finance product** Provide Payment Gateway for payments
BillAbhi™: Platform with value adds	**Bill Payment, a frictionless experience** Fetch, pay, reminders, notifications
UPI Pay™: Consumer (wallet) and Merchant (POS/ECOM) both benefit	**B2B, B2C Payments** Wallet with Mobile-first approach
IntelliEdge™: Analytics and ML tools to predict default, credit-worth, etc.	**Monetisation of Data** Analyze the data exhaust and convert to commerce
Test2Pay™: Shared cloud-based test harnesses for ATM, POS, etc.	**Automation in Testing: fast product rollout** Technology aided test automation to ensure quality

RS Advanced Analytics Offerings & Entity Resolution (IntelliEdge)

Analysing the past and present to predict the future, while developing new revenue streams

RS Data Science Offerings helps businesses convert data to actionable insights through a set of tools designed to unleash the power of analytics. Our tools helps you to enhance online Card Not Present (CNP) transaction fraud identification, check credit defaulters, gauge customer sentiments, predict customer exits and detect & fight potential financial fraud.

Descriptive Analytics

- Suite of services in Enterprise Reporting and Online Analytical Processing (OLAP)
- Operational Business intelligence
- Interactive Dashboard on Prepaid Analytics

Predictive Analytics

- Loan Default Predictor: Machine leaning model for Banks(with high NPA's) to identify the default likelihood of existing customers in order to devise proactive strategies for potential future credit losses
- Transaction Fraud Identifier: Machine learning model to flag incoming online transaction as Fraud or Non-Fraud before hitting the Payment Gateway for approval and further processing.
- Potential Fraud Ring Identifier: Graph mining solution to uncover potential fraud ring formation from Banks core banking data..
- Attrition Modelling: Advanced Analytics model to predict likelihood of customer or merchant attrition.

Entity Resolution (IntelliEdge)

The problem of entity resolution is finding and linking different mentions of the same entity in a single data source or across multiple data sources, de-duplicating into a unique entity and validating and standardising against a "Golden Copy"

IntelliEdge is a high-performance end-to End web based product for Merchant entity resolution built using distributed highly scalable Spark architecture on top of HDFS. Major functionalities are -

- Data Quality
- Address Standardisation
- Merchant De-duplication
- Leveraging Google Places API and other low cost merchant master data provider for validation as gold copy

RS BillAbhi

Comprehensive, single-window NPCI authorised Bill Payment platform for your customers

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

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

RS UPI-Pay

Account linked wallet with UPI based payment functionalities

The Indian payment landscape saw two major changes in the last one year with the launch of the RBI backed digital payment platform called UPI and the Government's initiative on demonetisation and digital payments. UPI based payment apps have been launched by almost all the major banks and are mostly targeting their own customers. Very few third party UPI enabled payment apps are available in the market to enable secured, easy to use payments.

What is the UPI Pay?

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

Differentiators

- Wallet Type – A/C linked pass through wallet
- Payments – Push and Pull Payments, Bill payments, e-Commerce
- Tender Support - QR Code
- Security
  - Virtual Payment Address [Tokenisation]
  - Device fingerprinting
  - One Time passcode [OTP]
  - Digital certificates
  - 1 Click 2 factor Authentication
  - User access management [password, pattern, biometric]
- Vale Added Services
  - Dashboard [Transaction History, Account balance, spend patterns]
  - Notification alerts [set reminders, snooze reminders, payment alerts]
  - Flexible spend control
  - Third party integration [plug-ins, digital marketing etc.]
- OS Support - Both Android and iOS

RS MerchantEdge

A comprehensive digital platform for merchant management

Go digital, go green. Embrace efficiency and accuracy with our scalable, secure, omni-channel merchant management platform.

Functional coverage

- Quick merchant signup supported with automated underwriting; and merchant relationship management through engagement lifecycle
- Assess and manage merchant business risk to reduce business risk exposure
- Digital process for higher efficiency and accuracy in back-office operations
- BI and analytic reports for faster decision making and smooth governance
- Merchant portal to enable smooth merchants business

Value Added Features

- State of the art technology architecture coming from payment industry experts
- Administrative console for platform management and system health tracking
- Intelligent interface design for quick adoption, ease of use and multi-device access
- Flexible, configurable, customisable workflows and rule management to suit dynamic business needs
- Multiple roles and access control aligned to industry practice and easy customisation for specific business needs

Other exciting developments at our Company

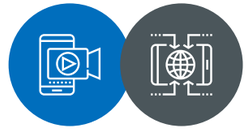
RS Software strategically invested in an innovation lab/ incubator to experiment with the latest trends in the payments space. One such innovation was the digital payments platform – Payabbhi - focused on the Indian market. This is a new standard in the direction of online payments for a market expected to grow 5X by 2020.

To provide a separate identity to the product business, Paypermint Private Limited was incorporated as a 75% subsidiary of RS Software that focuses on the product/ platform side of the business. Payabbhi is the next-generation trusted payments platform built to power online businesses that empowers businesses to accept and manage online payments in a simple and trusted manner.

What makes the platform different is that it combines the latest global technology paradigms (Mobile first, restful architecture, APIs) with optimised and localised payments flows delivered via a trusted and scalable cloud-based infrastructure. Payabbhi not only brings security and stability to online payments, one the most critical part of digital commerce value chain, but also brings transparency and intelligence by giving visibility of each step of the payments life-cycle.

paypermint

The India payments story



India is transitioning into a dynamic ecosystem offering Fintech start-ups a platform to potentially grow into billion-dollar unicorns by tapping new segments to exploring foreign markets.

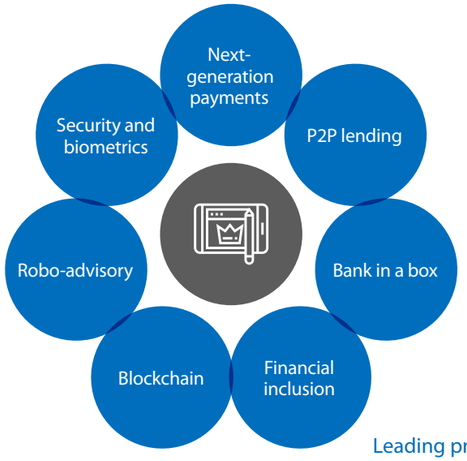
Why is one optimistic of digital payments in India?

- The world's first national digital infrastructure Aadhaar, leaping at least two generations of financial technologies
- A lot of the world's financial technology is developed, supported, managed or influenced by India's technology prowess
- India is transitioning into a dynamic ecosystem offering Fintech start-ups a platform to potentially grow into billion-dollar unicorns by tapping new segments to exploring foreign markets

It is very rare indeed that a country develops an outsized technological infrastructure breakthrough that leaves the rest of the world far behind. But exactly this has just happened in India… and no one noticed

- The sector is driven by young, first generation entrepreneurs who are now competing with the largest financial institutions in an extremely tough, cost-conscious Indian market.
- The role of incubators, accelerators and sponsored innovation labs is critical for not just funding, mentorship and peer connections but also financial industry exposure and soft skills
- Tim Cook, CEO of Apple, recently singled out India as a top priority for Apple
- Microsoft has just launched a lite version of Skype designed to work on an unstable 2G connection and is integrated with the Aadhaar database
- Payments can now be made without using mobile phones, just using fingerprints and an Aadhaar number.
- The Indian Fintech software market is forecasted to grow 100% in the next 3 years
- The traditionally cash-driven Indian economy has responded well to the Fintech opportunity triggered by a surge in e-commerce and smartphone penetration
- 1Billion+ cell phones, with Smartphones estimated to reach 400 Mn by year 2020
- India stack is the most powerful asset built to accelerate fulfilment of Digital India vision and the foundation pillar of creating trust in a society where trust is most scarce
- A framework that will make the new digital economy work seamlessly
- It provides the ability to operate in real time, transactions such as lending, bank or mobile account opening that usually can take few days to complete
- India Stack, next generation transaction plumbing, is the largest open API in the world and will allow for massive Fintech opportunities to be built around it.

There are seven themes for India's digital payment growth



Leading private sector banks are introducing innovative technologies to make the banking experience more secure

India has traditionally been a cash-based economy and adoption of digital payments methods requires technology infrastructure and behavioural change. Today, we do see a culmination of the two happening and a shock like demonetisation has helped boost the adoption rate. Only 2% of India's consumer transactions are cashless compared with 61% in Singapore and 52% in United Kingdom.(Source: Master card report, 2013). Besides, the cash in circulation in India as a % of GDP in 2014 was a high 12.2% compared to a mere 3.6% in United Kingdom (Source: Capgemini and BNP Paribas). We believe that even as the quantum of the world's non-cash transactions increased from US$ 282.1 billion in 2010 to an estimated US$ 426 billion in 2015, India lags behind the world in quantum and percentage. Interestingly, the global wallet market has been one of the fastest growing segments - US$ 47 billion in 2014 rising to US$ 113.5 billion in 2015 and a projected US$ 635 billion by 2020 (Source: BCC research). Besides, globally non-cash transactions grew 8.6% and only 1.5% in India.

What indicates that the trend may soon change?

The Indian payments sector is in the midst of rapid innovation, propelled by changing consumer patterns, initiatives taken by regulatory and banking institutions and large scale adoption of mobile payments.

The Pradhan Mantri Jan-Dhan Yojna set an ambitious target of bringing in more than 7.5 crore un-banked families into India's banking system by opening more than 15 crore bank accounts at the rate of two bank accounts per household (Source: India microfinance). Till November 9, 2016 there were total 25.51 crore accounts opened under Pradhan Mantri Jan–Dhan Yojna with ₹45,636.61 crore balances in their accounts and 23.27% of zero-balance-accounts. Under this scheme 61.42% bank accounts were opened in the rural area. Under Pradhan Mantri Jan – Dhan Yojna 19.44 crore rupee cards were issued for customers. We believe that this could be the start of digitisation from rural India, transforming the country's picture.
(Source: http://www.pmjdy.gov.in/account).

- The future of payment is undergoing a transformation, as new entrants are enabling the market with new technologies such as contactless payment, NFC enabled smartphones, cloud-based PoS and digital wallets.
- With the emergence of new payments and small finance banks in India, the road is set ahead for surge in adoption of Bank in a Box solution.
- UPI and Blockchain are two big technology revolutions that are projected to have a favourable impact on the expansion of P2P lending business in India.
- The final stroke of genius was the cash ban that forced everyone into the new digital economy and reduced everyday corruption, recapitalising the banking sector and increasing government tax take, allowing India to rebuild its crumbling infrastructure…
- Once the dust settles, cash will account for less than 40% of total transactions in the next five years and may be eliminated altogether in the next ten years
- On December 30, 2016, Indian launched BHIM (Bharat Interface for Money), a digital payments platform using UPI - another giant leap that allows non-UPI linked bank accounts into the payments system. Now payments can be made from UPI accounts to non-UPI accounts and can use QR codes for instant payments, allowing users to check bank balances
- The cash ban digitises India. No other economy in the world is even close to this.

India is becoming a Digital Country

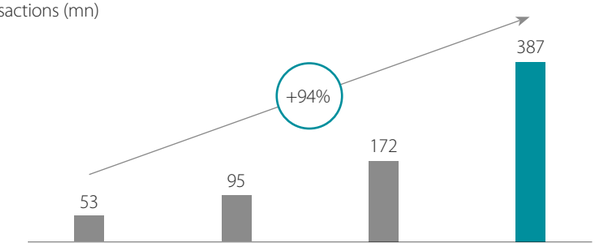
	People	Mobile phone users	Internet users	Smart phone users
	#2 in the world	#2 in the world	#2 in the world	#2 in the world
2015	1,250 mn	1,000 mn	300 mn	240 mn
2020	1,350 mn	1,200 mn	650 mn	520 mn

Sources: eMarketer, Ericsson, UN estimates, BCG research.

Prepaid Instruments Transactions Almost 2X of mBanking Transactions

Mobile banking

Number of transactions (mn)

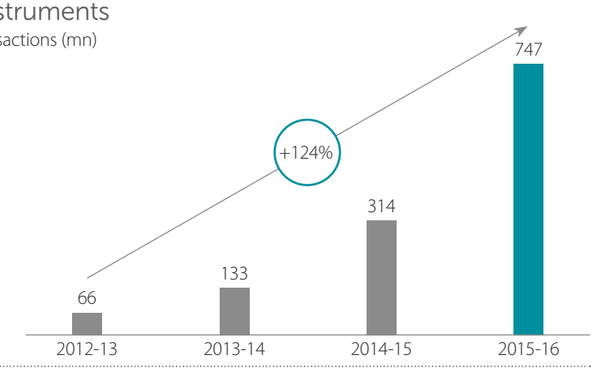


	2012-13	2013-14	2014-15	2015-16
Value ₹ billion	60	224	1,035	4,018
₹ / transaction	60	224	1,035	4,018

Source: RBI Payment System Indicators, BCG Analysis.

Prepaid instruments

Number of transactions (mn)



	2012-13	2013-14	2014-15	2015-16
Value ₹ billion	60	57	187	462
₹ / transaction	897	431	596	618

Source: RBI Payment System Indicators, BCG Analysis.

How is India different?

The single biggest difference in India is the lack of financial services penetration and the opportunity it represents. Yes, there are large Indian public sector and private banks with millions of customers but this pales in comparison with the hundreds of millions of people without any access to basic financial services. There is a massive opportunity to exponentially increase demand in almost every category – consumer lending, insurance, trade finance, digital payments and investing, among others. In each of these areas, new fintech solutions can help grow the market significantly. So the opportunity lies in unlocking the door to a much larger market rather than merely reallocating market share amongst incumbents and startups.

The opportunity for fintech startups in India and incumbents is to use this moment to re-imagine the needs of the rest of the population. There are about 400M Indians who make between ₹2L ($3000) and ₹10L ($15,000) a year. They have unique needs that have to be addressed with a new set of financial products. Unlocking this opportunity can triple or quadruple the total market for products such as small business loans, consumer financing, insurance and capital markets participation.

Consumer packaged goods companies have long mastered the segmentation, packaging, distribution and pricing of products in a heterogeneous and low-income market such as India. For example, Unilever in India sells a 300 ml bottle of Sunsilk shampoo for around ₹250 at department stores and also a 7.5 ml sachet for ₹2 at the local kirana store. Almost 80%+ of all shampoo sales in India are of the sachet variety with good profit margins.

We see the India stack or even individual layers such as Aadhaar, eKyc and UPI enabling the "sachetisation" of financial services in India. In our view there are two broad types of market opportunities that present themselves at this juncture.

The first is innovation around building segment specific vertical products unique to India and the needs of the next 400 mn customers. We are seeing some early examples that include small ticket unsecured loans, pre-paid plans for single medical procedures, instant point of sale credit, pay per day insurance, micro-investment products among others. The key for these startups is to deeply understand the segment and create solutions that are usable, affordable and profitable at a micro offering level. The same applies for the SME market where there are a plethora of opportunities to satisfy strong demand for small business working capital, trade finance and leasing.

Solving for demand aggregation and the last mile

We expect many large Indian fintech companies emerge over the next decade. But technology and product can only go so far in financial services if the business model is not designed for scale. In general, financial services is a profitable sector, but one built on aggregating demand and cross-selling multiple products at low unit transaction charges.

Fintech companies in India have the dual challenge of starting with much smaller ticket sizes and needing to scale to high volumes to build sustainable businesses. We see a lot of focus on technology and product but significant gaps in go-to-market strategy that can drive large volume.

Does this have the Government's backing?

Yes, absolutely. Our current prime ministers "Digital India" initiative, development of India Stack, demonetisation, etc. are all initiatives to back and promote digital payments and move towards a cashless economy. The Government has set a target of 25 billion digital transactions this year and MEITy has called 16 Government departments to commit to this cause. Banks have also been given a target to reach 5mn POS terminals for the year.

What are some of the other key trends driving e-commerce in India?

The Government of India embraced e-commerce platforms to contemporise traditional markets. Besides, flagship initiatives like Digital India, Start-up India, Innovation Fund and Skill India provided a shot in the arm for the e-commerce industry.

Digital India focuses on transforming India into a digitally empowered knowledge economy. Start-up India intends to build a holistic ecosystem for nurturing innovation by providing funding through a corpus of ₹10,000 crore, creating a start-up hub and offering tax exemptions for the initial three years, among others. Make in India aims to improve manufacturing industries, attracting FDI in key sectors. Skill India has targeted to train 40.2crore people under the new National Policy for Skill Development by 2022.

What is the role of the UPI and BBPS?

UPI and BBPS, both built by RS Software, act as disruptors in our current ecosystem. UPI and BBPS are new payment methods to make the consumer experience as frictionless as possible, yet to have just the right amount of friction to keep the system secure. Digital payments make transactions more traceable leading to reductions in cost of cash, corruption and black money.

UPI has made money transfer extremely frictionless and as simple as sending an email, yet secure. All one needs to have is the VPA of the payee (Eg. abcd@upi) and himself registered for UPI. Yes a simulation is possible on the spot.

The fact that India was a laggard in digital payments has actually worked out to be a boon, because when the government turned its attention to digital payments, the country graduated to the most sophisticated payment system in the world – UPI. BBPS was created to cater to the transactions that happen in bill payments alone. BBPS will create a unified and standardised system for any kind of bill payment.

The UPI built by RS Software India attempts to leverage evolving trends by providing a set of standardised APIs to create a payment infrastructure completely independent of card networks.

Can you explain the Unified Payment Interface?

The UPI built by RS Software India attempts to leverage evolving trends by providing a set of standardised APIs to create a payment infrastructure completely independent of card networks. The UPI is expected to help fulfil the Central Government's goal of reducing cash-based transactions and help people transfer money without bank accounts. It shall allow banks and other players to innovate and offer a superior customer experience to propel easy, instant payments via apps or the web. The UPI is marked by simplicity, convenience, data protection, scalability and economy of operations.

The UPI will only provide the underlying framework while the real innovation will be derived from participating banks and payment service providers. These include:

Sending collect requests to others (person-to-person or entity-to-person) with pay-by dates to allow payment requests to be snoozed and paid later (before the expiration date) without needing to prematurely freeze accounts.

Pre-authorising multiple recurring payments using methods similar to ECS (utilities, school fees, subscriptions, among others) with one-time secure authentication and rule-based access.

Hooking onto various e-wallets. For all practical purposes, the account can be a prepaid payment instrument – literally any repository offered by a regulated entity where money can be held, debited from and credited to.

Fintech and India opportunity

Each Indian fintech start-up has to solve for this based on its product and customer segment. The ideal solution is an all-digital customer acquisition and fulfilment approach. However, in an evolving market with a lot of evangelising required, it's often not the most effective for rapid scale. Leveraging other ecosystem players for access and mutual benefit is a legitimate strategy. For example, the business correspondent model used by banks is a relevant on-boarding channel for fintech solutions that require local access. Many regional NBFCs and cooperative banks have deep customer segment knowledge and are eager to partner for tech driven solutions. India's financial services sector is at an inflection point today. Indian fintech startups have a unique and in some cases larger opportunity than other global markets. But to win in this parallel universe, they have to find India-specific solutions that can place the next 400 mn on the road to financial inclusion. Most developed countries have a series of infrastructure layers that have been built over decades. These include electronic payment networks, credit scores, home ownership databases, bank accounts, government identity programs and well-oiled credit card networks, among many others. Such plumbing allows electronic transactions to take place at acceptable levels of efficiency, security and costs.

Our operational highlights, 2016-17

Human Resources

HR priority

- Alignment of HR policies and practices with business goals
- Increase process efficiency

Major HR initiatives

- Formulation of HR policy and practices for the Subsidiary company
- Brand building through employee engagement initiatives
- Implemented talent management strategies aligned with the business
- Talent realignment to address diversification to multiple clients; enhanced offerings (products and platforms) to address changing market dynamics in US and India and generate recurring revenues.
- Encouraged emotional ownership among employees and risk taking.

Skill strengthening initiatives

- Organised training programs in domain, technology, security and behavioural skills.
- Training repository in Instanet for employees to maintain and enhance knowledge and skills; e-learning site helped build domain knowledge of new/ existing employees; conducted on-the-job training
- Conducted needs assessment to enable employees to upgrade to required technical abilities.
- Implemented courses, monthly release of TechTalk and BizTalk, speaking opportunities at seminars, contribution to relevant blogs etc.
- Catalysed growth of knowledge and skills
- Reduced time-to-market for deployment

of the resources with the payment system knowledge.

Recruitment

- RS Software balanced talent attraction with retention of Key resources on one hand with a mix of experience and fresh talent on the other, to meet growing complexities of the business. The Company recruited through portals, consultants, referrals and campuses.

Performance management

- The Company has strengthened its appraisal system by introducing Quarterly appraisals for all members based on the goals set at the beginning of the quarter. The three-step appraisal process comprises of self-appraisal, appraiser (immediate line manager) review and reviewer appraisal (senior manager).

Leadership Team

- The Company has a leadership team to focus on strategies to differentiate the Company from peers. The team defines strategy and metrics to measure the success of its implementation. As part of this initiative, the leadership team attends learning forums in India and overseas with the aim of enhancing organisational effectiveness in managing Transition.

Outlook

- Going ahead, the Company will focus on individual development programmes to fast-track top performers and shrink the time to enhance their knowledge curve. The focus areas would comprise of career development and domain training. RS additionally plans to invest in team bonding to enhance organisational pride.

Competence Development

Methodology

- Grew competencies through RS School of Payments and RS Payments Lab
- For exploration, the company focused on the use of open source frameworks to build and run POCs.
- Entered into strategic alliances with OEMs like Paragon, Apigee and others for skill development.
- Silicon Valley presence helped the Company stay abreast of latest trends.
- Competence development provided thought leadership, driving the building of products, platforms, reusable digital assets and learning

Key areas of focus

- API, Machine Learning, Faster Payments, Security (3DS 2.0) and Hosted Solutions (AWS, Azure).

Outlook

- Focus on the key areas mentioned above in addition to Blockchain, Virtual Reality, PSD2 (Revised Payment Service Directive) and others.

Quality, processes and systems

Quality measures

- Software products measured for reliability, maintainability, reusability and usability. Real-time and after-the-fact data collected throughout the product-building process; relevant data derived from finished and delivered products.
- Standard assessment parameters comprise Planned and Earned Value, Defect Removal Efficiency, Defect Density, Test Coverage, Risk of Breakage, Effort burn-down, Velocity, Throughput, Schedule performance, component reusability index, churn, lifetime value, average Revenue per Customer, Customer Satisfaction, etc.

Fundamental Policy principles

- Achieving Business Process Excellence
- People Empowerment
- Continuous Process Improvement
- Highest Customer Satisfaction

Quality initiatives

- Project initiation support
- Risk Planning and Identification
- Defining Project Governance and Delivery Plans
- Independent understanding of project dynamics; perceiving points of failure to generate early alarms
- Periodic review of Software Delivery process
- Weekly review of project-reported Metrics and Customer Status Reports
- Review of final software product prior to delivery
- Defect Analysis and RCA
- Process Improvement exercises
- Gauging customer satisfaction through independent surveys
- Enhancing automation
- Metrics analysis and implementation of CAPA
- Training sessions, workshops, facilitation sessions, planned and unplanned audits, Quality Weeks and other academic and non-academic
- Quality Systems routinely audited by third party auditing organisations
- PCI-DSS certification for payment platforms

No. of employees

Country	Men	Women	Total	Average Age
India	258	98	356	35
Singapore	1	0	1	31
US	34	9	43	41
UK	3	0	3	38

Sales, Marketing and Branding

Overview

- US marketing supported from US and India offices.
- All product marketing and operations specifically from India perspective managed from Kolkata.
- Participated in key conferences (Banktech).
- Assisted banks and financial institutions in going cashless.
- Increased focus on India market

Differentiation

- Core domain knowledge and ownership of IP-based frameworks and products
- Built India's digital payment infrastructure for NPCI, Unified payment interface (UPI) and Bharat bill payment system (BBPS).
- Help banks move from legacy systems
- Innovate via APIs, offer new services, capture new customers and increase traffic to their applications.
- Leader in payment technologies, operating in four continents with US headquarters in Silicon Valley, corporate headquarters in Kolkata and offices in United Kingdom and Singapore.
- Proprietary methodology delivers mission-critical core payment systems that achieve authorisation, clearing and settlement of electronic payment transactions at high speed and high volumes, executing trillions of US dollars value of transactions.

Added 20 new customers

Business development

Focus

- Democratise e-payments (across the value chain from producer-distributor-retailer-consumer electronic)
- Integrated payments platform; growing role for Data Analytics

Initiatives

- Increased sales bandwidth in US since 2015, invested in sales and sales engineering training, improved marketing and event participation, invested in building 'products' and 'productised solutions' and improved sales management structures and processes
- Reoriented brand, improved brand message, engaged a marketing consulting company to assist with event marketing
- Focus on establishing business in India and surrounding geographies
- Focus on establishing Platform Offering

Probable impact

- Sales of IP-based digital assets increased valuation
- Acquired large brands (Discover, Merchant E-Solutions and FIS) to provide sustained revenue growth
- Reduced cost of sales ratio by a third in last two years
- Widened risk from a single customer to multiple
- India targeted to generate ~20% of 2017-18 revenues
- Competent address of market concerns when each bank or institution is looking to reach market in shortest time using latest technologies with minimal investments
- Closed platform offer deal with a large bank

Financial Management & Internal Control Systems

- Financial Management at RS Software has been driven by the philosophy of maximisation of value for stakeholders that includes shareholders, customers, employees and vendors through a culture of financial discipline laying foundation for RS Software as investment of choice, employer of choice and partner of choice
- The financial management at RS is not restricted to merely a money management process but it is a holistic approach to proactively enable the Company to improve its performance through a galore of metrics ranging from utilisation to cost structure shifts which facilitates improved decision making process
- The company has been successfully optimising its cost structure through budgeting process
- Finance as a custodian of resources of the Company targets to optimise utilisation of resources and infrastructure to maximise shareholder's value. An analysis of the financial performance of the company has been provided in the Annual Report

Our strengths

At the corporate level

Strong values

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

Solutions-oriented mindset

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

Robust financials

RS Software is a zero-debt company with relatively low equity and large cash on its Balance Sheet.

At the market level

Sectoral expertise

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

Market understanding

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

Expertise

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

Market awareness

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

At the resource level

Intellectual resources

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

Manpower proficiency

The Company comprises over 42% of its workforce with post-graduate degrees and rich industry know-how, one of the largest such global repositories.

At the process level

Quality-conscious methodology

The Company maintains the highest standards of compliance, security and quality with corresponding certifications (ISO 9001:2008, SEI-PCMM Level-III and ISO 27001:2013).

Technological backbone

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

Addressing business risks

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

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

Much of the growth in the electronic payments segment is being derived from the aggressive growth plans of downstream e-commerce and m-commerce players, along with emerging disruptive technologies facilitating user ease. The technology trends are being supported by the new generation's eagerness to shop anytime and anywhere.

The National Payments Corporation of India is focusing on the creation of an end-to-end payment infrastructure by granting payment licenses and undertaking farsighted initiatives to boost financial inclusion (Jan DhanYojana, DBT and UID, among others).Growing internet connectivity and increasing preference for online shopping via smart phones are likely to propel growth.

RS Software, owing to its domain expertise within the payment space, is playing a pivotal role in the Indian digital payments revolution.

Could attrition in a knowledge-driven space affect competitiveness?

RS Software provides a stimulating workplace where employees are adequately empowered in terms of decision-making, involvement and career progression. The Company created a training calendar to accelerate knowledge building.

RS Software invested in skill replenishment and renewal through the RS School of Payments and RS Payments Lab. The Company created a knowledge management system as an information repository that can be referred to by others.

The ongoing transformation within the Company was a result of a focus on emerging technologies. The result: people attrition was only 30%, largely owing to personnel who desired to stay with their legacy competencies.

Could growing competition (from start-ups as well as existing players) affect business sustainability?

RS Software has maintained a singular focus on the electronic payments domain, which has translated into in-depth understanding. This is vindicated by the fact that the National Payments Corporation of India partnered with RS Software to build a digital payments enablement platform to support the growth of online payments and catalyse financial inclusion.

To hone skills in emerging technologies, the Company intensified its training and development, allocating substantial investments in the RS School of Payments and RS Payments Lab.

Board of **Directors**

Raj Jain

Chairman and Managing Director

Mr. Raj Jain has pioneered the domain-focused model for IT outsourcing, with a global focus in the area of digital payments. He is the founder CEO and CMD of RS software, a company engaged for 25 years in the core areas of electronic payments. The vision of the company is to help its clients enhance the economic circumstances of individuals, communities and countries through the transformative power of electronic payments, contribute towards achieving financial inclusion and make life impacting changes through digital technologies in the way humanity conducts and experiences commerce. RS Software works with global leaders in the area of digital payments and is currently building India's digital payment infrastructure, UPI and BBPS, which will transform India in the years to come.

Raj Jain was acknowledged by Ernst & Young as one of the top 20 Outstanding Entrepreneurs of the Year and he speaks at various global forums and at universities. He has served on the Executive Council of National Association of Software and Services Companies (NASSCOM) and he is the past Chairman of NASSCOM. Raj Jain is also a Charter member of TIE (The IndUS Entrepreneurs). TiE is the world's largest global network with a mission is to foster entrepreneurship globally through mentoring, networking and education. Focus is on generating and nurturing a new generation of entrepreneurs.

Raj Jain co-founded the fourth chapter in Silicon Valley of Young Presidents Organisation (YPO). YPO is a global network of young chief executives that connects 24,000 peers and their families in more than 130 countries to learn, exchange ideas and address the challenges leaders face today diversified among industries and types of businesses. Altogether, YPO member-run companies employ 15 mn people and generate US$ 6 trillion in annual revenues.

R. Ramaraj

Director

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

In 2010, The Confederation of Indian Industry (CII) recognised him with a Life Time Achievement Award for nurturing the Spirit of Entrepreneurship and inspiring and mentoring numerous entrepreneurs. Until recently he was the Senior Advisor at Sequoia Capital. He is currently Senior Advisor at Elevar Equity. He was a Member of the Board of Governors of the Indian Institute of Management, Calcutta 2010-2015.

He is on the board of Olympic Gold Quest (OGQ) a Not for Profit organisation and co-founder and director of Coaching Foundation of India, an organisation that trains and certifies CEO Coaches. R. Ramaraj is the Chairman of Villgro Foundation, an Incubator for social enterprises and also a Director of the IIMC Innovation Park and the Chairman of the Investment Committee at IITM Incubation Centre.

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

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

Shital Jain

Director

Shital Jain brings to our Board more than 31 years of experience with CitiBank, one of the world's largest financial services providers. Mr. Jain's assignments with CitiBank involved work in Hong Kong, Taiwan, the Philippines, Thailand and Canada. He played a lead role in establishing the consumer credit practice for CitiBank in India. Currently, he is also on the Board of PNB Housing and Canara Robico.

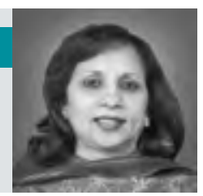
Mr. Jain is a Fulbright scholar, receiving his MBA from Indiana University, where he was elected to the Beta Gamma Society, whose membership includes the top-25% of MBAs in the US.

Richard Launder

Director

Richard Launder has more than 20 years of experience in the payments industry with strengths in sales, marketing and operations. Also, his experience in payments application software is particularly relevant to RS Software's strategic direction. 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 USD 130 mn in revenue by developing a distribution model for the region based on acquisitions, direct operations, joint ventures, distributors and sales agents. He is an expert in strategic selling, building effective sales teams and marketing within diverse markets and cultures.

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

Senior **executive profiles**

Raj Jain

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Bibek S Das

EVP, Business Development

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

Bibek has been part of the executive leadership team that was instrumental in achieving an accelerated growth for our company, successfully leading multimillion dollar customer engagements, driving account acquisition and building deep customer relationships. He has managed a gamut of activities ranging from business development, marketing & account management to software project management, development of business systems and quality systems implementation.

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

Bibek holds a Bachelor's Degree in Mechanical Engineering and a Master's Degree in Systems Engineering and Management from the Indian Institute of Technology (IIT), Kharagpur, India. He operates from the US headquarters of RS Software in Milpitas, CA.

Vijendra Surana

CFO and Company Secretary

Vijendra Surana has 20 years of experience in Strategic Management, Corporate Planning and Financial Management including Financial Planning, Budgeting, Accounting and Corporate Secretarial functions in varied sectors including Merchant Banking, Financial Services, Information Technology, Tea, Power and International Trade.

At RS Software he is responsible for financial accounting, budgetary management, capital structure, treasury functions and legal compliances. Over the last seven years he has helped build comprehensive strategies and tactics based on the financial needs of the organisation. Diligent financial management through operational efficiencies & process improvement have ensured corporate governance and business continuity for customers leading to significant improvement in the performance of the Company.

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

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

Jaideep Pawar

Vice President-Sales

Jaideep Pawar Vice President – Sales is in-charge of India Sales. With over 16 years of experience in Sales & Marketing, Business Development, Distribution Management and Key Account Management in Financial services industry, Branding, Training & Development and People Management, Jaideep is an innovative and result driven leader focussed on achieving exceptional results in a highly competitive environment. He has successfully led key initiatives and formulated strategies to meet changing customer needs, thus resulting in high level of customer satisfaction & increase in market share, sales volume & added bottom line.

Prior to joining RS Software, he was associated with Financial Software & Systems Private Limited as Head of Sales. He has experience of leading the Sales & Business Development function of FSS's Digital Payments Business Unit which comprised Payment Gateway, Mobile Banking Solutions, Super Merchant Business, Aadhaar Enabled Payment Services & Financial Inclusion Offerings. Has was also responsible for business of hosted managed services and conceptualised strategies for the acquisition of partners to drive new business engagement in banking space for FSS offering within both public and private sector banks.

Prasanta Chakraborty

Vice President Corporate

Prasanta Chakraborty holds a degree in Electronics and Communications and has served in a variety of leadership roles with major global corporations delivering large scale outsourcing deals, managing key customer accounts and overseeing business development. During his two decade-long career, he has worked in multi-cultural environments executing projects around the world. At RS Software he leads the Account Management and Business Support groups globally and ensures the highest quality of pre-sales and post-sales experience for the customers.

Sumit Misra

General Manager

Sumit Misra has the distinction of serving major companies in the IT outsourcing industry working as an engineer, project lead and project manager. During a professional career that spans 25 years, Sumit has helped leading companies in the payment industry determine technical strategies to build competencies that best fit the needs of their customers. At RS Software, Mr. Misra strengthens and extends our position as a leader in the payments industry by managing the RS School of Payments and the RS Payments Lab, enhancing our domain expertise by instituting best practices in knowledge management. Sumit holds a Master's degree in Electronics and Telecommunication Engineering.

Aniruddha Rai Chaudhuri

General Manager – Business Operations

Aniruddha Rai Chaudhuri is Head of Business Operations at RS Software, responsible for overseeing the physical and digital infrastructure of the Company as well as Enterprise Resource Planning and MIS. He brings more than 23 years of experience driving operational efficiency through a high performance workplace and creating business value for clients in an IT outsourcing industry that continues to evolve. Mr. Chaudhuri is responsible for determining the current and future enterprise infrastructure needs and oversees the design and implementation of information systems required to support them. With a focus on benchmarking and developing best practices within the organisation, his depth and range of experience encompasses business process efficiency, software development, project management, quality assurance, compliance and people management.

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

Sanjay Guha

Deputy General Manager

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

R S SOFTWARE (INDIA) LIMITED

(CIN: L72200WB1987PLC043375)

Registered Office & Corporate Office: 'FMC FORTUNA' 1st Floor, A-2, 234/3A, A.J.C. Bose Road, Kolkata - 700 020

Phone Nos.: 033 22876254 / 6255 / 5746, FAX No.: 033 22876256, Company's website: www.rssoftware.com

NOTICE TO MEMBERS

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of R. S. Software (India) Limited will be held on Friday, July 21, 2017 at 11:30 a.m. at Rabindra - Okakura Bhawan, Paschimbanga Bangla Academy, 27A/1 DD Block, Salt Lake City, (Near City Centre I, Salt Lake), Kolkata - 700 064 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statement) of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors (the 'Board') and Auditors thereon.
2. To elect a Director in place of Mrs. Sarita Jain (holding DIN 00206743), who retires by rotation and, being eligible, seeks re-appointment.
3. To appoint M/s. Deoki Bijay & Co., Chartered Accountants (Registration No. 313105E) as the Statutory Auditor of the Company in place of M/s. Chaturvedi & Company, Chartered Accountants (Registration No.30213E) and to fix their remuneration and 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 appropriate provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditor) Rules, 2014, including any statutory enactment or modification thereof and in accordance with the recommendation of the Audit Committee, M/s. Deoki Bijay & Co., Chartered Accountants (Registration No. 313105E) allotted by the Institute of Chartered Accountants of India (ICAI), who have given their consent and certificate in terms of Section 139(2) of the Companies Act 2013, be and is hereby appointed as Statutory Auditors of the Company from the conclusion of this Twenty-Ninth Annual General Meeting till the conclusion of Thirtieth Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors on recommendation of the Audit Committee and in consultation with the Auditors".

SPECIAL BUSINESS

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

   "Resolved that in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment thereof for the time being in force) and upon the recommendation of Nomination and Remuneration Committee, the consent and approval of the Company be and is hereby granted for the re-appointment and revised remuneration being provided to Mr. Rajnit Rai Jain (holding DIN 00122942) as Chairman and Managing Director (CMD) of the Company, for a period of 3 (three) years from the expiry of his present term i.e. 1st October, 2017 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be acceptable to Mr. Rajnit Rai Jain, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

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

   "RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Rajnit Rai Jain office as Chairman & Managing Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Rajnit Rai Jain as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided

in Section II of Part II of Schedule V to the said Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

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

By Order of the Board of Directors

Sd/-

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

Registered Office:
234/3A, A.J.C. Bose Road
Kolkata – 700 020
April 19, 2017

NOTES:

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

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

THE INSTRUMENT OF PROXY, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE COMMENCEMENT OF THE MEETING.

b. The Statement, pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business under Item No.4 of the Notice is annexed hereto and forms part of the Notice.

c. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

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

e. The Register of Members and Transfer Books of the Company will remain closed from Saturday, July 15, 2017 to Friday, July 21, 2017 (both days inclusive).

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

g. Members holding shares in physical form are requested to immediately notify change in their addresses, if any, to the Registrar and Transfer Agent of the Company, quoting their Folio Number (s) with a self-attested copy of address proof, i.e. Voter Identity Card, Electric / Telephone (BSNL) Bill or Driving License or Passport before July 14, 2017.

h. In terms of Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 of Securities and Exchange Board of India for making cash payments to the investors Companies shall mandatorily print the bank account details of the investors on such payment instruments. Therefore the Members holding shares in physical form are requested to send to the Registrar and Transfer Agent of the Company, before July 14, 2017 the Bank Mandate (providing details of name and address of banker, branch, PIN code and particulars of the bank account) or changes therein, if not provided earlier, under the signature of the Sole /First holder quoting their Folio Numbers. Members may also avail of the Electronic Clearing Services (ECS) mandate facility provided by the Company.

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

j. Members holding shares in dematerialized mode are requested to intimate the changes pertaining to their bank account details, NECS mandates, email addresses, nominations, change of addresses, change of names etc. if any, to their Depository Participant (DP) only before July 14, 2017. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.

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

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

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

n. The Ministry of Corporate Affairs (MCA), Government of India, has by its Circular Nos. 17 / 2011 and 18 / 2011, dated April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to the shareholders electronically as a part of its green initiatives in corporate governance. Recognizing the spirit of the circular issued by MCA, the documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, and Auditor's Report etc. will be sent to the e-mail addresses as provided by the shareholders with their depositories.

o. The Annual Report 2016-17 is being sent through electronic mode only to the members whose e-mail address are registered with the Company/ Depository participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2016-17 are being sent by the permitted mode. The Annual Report of the Company circulated to the Members of the Company, will also be made available on the Company's website at www.rssoftware.com.

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

q. The Securities and Exchange Board of India (SEBI) has mandated the submission of

Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Share Transfer Agents.

r. In accordance with Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the Directors seeking appointment and / or re-appointment according to Resolution No. 2 & 4 of this Notice is provided in the Notes annexed hereto.

E-voting:

1) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the relevant rules of the Companies (Management and Administration) amended Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 , Company is pleased to provide the Members facility of voting by electronic means in respect of business to be transacted at the 29th Annual General Meeting (AGM) which includes remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) by using the electronic voting facility provided by Central Depository Services Limited (CDSL). The facility for voting through Ballot (Polling) paper shall be made available at the AGM and Members attending the meeting who have not cast their vote by remote e-voting shall be eligible to exercise their right to vote at the meeting through Polling Paper.

2) Persons who have acquired shares and became Members after the dispatch of the Notice of the AGM but before the 'Cut-off Date' of Friday, July 14, 2017 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, July 18, 2017 at 9.00 a.m. and ends on Thursday, July 20, 2017 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, July 18, 2017 at 9:00 a.m. and ends on Thursday, July 20, 2017 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 14, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

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

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

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

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

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

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

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

(v) 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.

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

(vii) 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.

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

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

(x) 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.

(xi) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

a. The e-voting period commences on July 18, 2017 (9:00 a.m.) and ends on July 20, 2017 (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 July 14, 2017.

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, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days 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 3 (three) days 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 voting with the assistance of the Scrutinizer by use of physical Ballot Paper / Polling Paper for all those members who have not cast their votes earlier either by 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

Sd/-

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

Registered Office:
234/3A, A.J.C. Bose Road
Kolkata – 700 020
April 19, 2017

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 Twenty Ninth Annual General Meeting of the Company to be held on 21st July, 2017.

Item No. 4:

The current tenure of Mr. Rajnit Rai Jain, Chairman & Managing Director (CMD) (holding DIN 00122942) who was re-appointed on 1st October, 2014 for a period of three years vides shareholders' approval in the Annual General Meeting held on 18th July, 2014 is due for renewal. The reappointment will fall due for renewal w.e.f. 1st October 2017 when Mr. Jain will be completing his three years Contract with the Company.

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

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

Further, the Board at its meeting held on April 19, 2017 has, subject to the approval of members, re-appointed Mr. Rajnit Rai Jain as Chairman and Managing Director (CMD), for a period of 3 (three) years from the expiry of his present term, which will expire on 1st October, 2017, at the remuneration recommended by the Nomination & Remuneration Committee and approved by the Board. It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Rajnit Rai Jain as Chairman and Managing Director (CMD) in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Rajnit Rai Jain as Chairman and Managing Director (CMD) are as under:

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

Particulars	Remuneration (₹)
Basic	300000.00
HRA	150000.00
Monthly Gross	450000.00
Yearly Gross	5400000.00
Annual Benefits	
Medical subject to production of bills limited to	
LTA subject to production of bills limited to	300000.00
PF @12% on Basic	432000.00
Gratuity @ 15 days salary for each completed year of service	173077.00
1% of Net Profit capped to a maximum of ₹34 Lacs	3400000.00
Grand Total per Annum	1,00,05,077.00

Note: CMD, Mr. Rajnit Rai Jain (holding DIN 00122942) would be entitled to reimbursement / payment of all entertainment, travelling, hotel & other expenses inclusive of such foreign allowances (up – to a maximum of US$ 25000 per quarter) as may be permissible under the RBI and other applicable rules incurred by him during the course of and in connection with the business of the Company whether incurred in India or in abroad.

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

The relatives of Mr. Rajnit Rai Jain may be deemed to be interested in the resolutions set out respectively at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, "financially or otherwise", in these resolutions.

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

By Order of the Board of Directors

Sd/-

Registered Office:
234/3A, A.J.C. Bose Road
Kolkata – 700 020
April 19, 2017

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

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

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

Name	Mr. Rajnit Rai Jain
Date of Birth	10th September, 1956
Date of appointment	2nd December, 1987.
Terms and Conditions of Appointment	As per Letter of Appointment
Qualification and Expertise in specific functional areas	Mr. Jain has over 30 years of industry experience and holds a BS and MBA from California State University. He has served on the Executive Council of National Association of Software and Services Companies (NASSCOM), both as a member and officer. In 1999, he was elected Chairman of NASSCOM by its Executive Council and, in the same year, acknowledged by Ernst & Young as one of the top 20 Outstanding Entrepreneurs of the Year. Mr. Jain's remains an active member of NASSCOM and serves as a member of their Chairmen Emeritus. He also has been a member of TIE (The IndUS Entrepreneurs) and YPO (Young Presidents Organization). He is the founder, main Promoter and the Chairman & Managing Director of your Company.
The Remuneration last drawn by Mr. Rajnit Rai Jain, if applicable	He has drawn ₹58.43 lacs in the financial year 2016-17.
Details of Remuneration sought to be paid	Proposed package for Mr. Rajnit Rai Jain will remain unchanged.
List of Other Public Companies in which Directorship held (excluding foreign Companies)	None
List of other listed entities in which Directorship held	None
Chairman/Member of the Committees of the Board of Directors in other Listed Companies	None
Chairman/Member of the Committees of Board of Directors of the other public companies in which he is a Director(excluding foreign Companies)	None
Shareholdings in the Company	10035648 equity shares
Relationship with other Directors	Mr. Rajnit Rai Jain is related with Mrs. Sarita Jain (Director)
The number of Meetings of the Board attended during the year	Mr. Rajnit Rai Jain attended 4 Board meeting out of total 4 Board meetings held during the year.

Name	Mrs. Sarita Jain
Date of Birth	7th September, 1957
Date of appointment	21st January, 1988.
Qualification and Expertise in specific functional areas	Mrs. Sarita Jain has been a Director on the R. S. Software Board since the Company's inception in 1988. In addition to possessing exemplary administrative, communication and organizational skills, Mrs. Jain holds a master's degree in English literature from Delhi University. She has an associate degree in Mass Communication also.
The Remuneration last drawn by Mrs. Sarita Jain, if applicable	NA as she is entitled to sitting fees
Details of Remuneration sought to be paid	NA as she is entitled to sitting fees
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	366544 equity shares.
Relationship with other Directors	Mrs. Sarita Jain is related with Mr. Rajnit Rai Jain (Chairman & Managing Director)
The number of Meetings of the Board attended during the year	Mrs. Sarita Jain attended 1 Board meeting out of total 4 Board meetings held during the year.

By Order of the Board of Directors

Sd/-

Registered Office:
234/3A, A.J.C. Bose Road
Kolkata – 700 020
April 19, 2017

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

DIRECTORS' REPORT 16-17

Dear members,

Your Directors take pleasure in presenting their Twenty Ninth Annual Report and the audited Statement of Accounts, highlighting the business operations and financial results for the financial year ended March 31, 2017.

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

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

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

(₹ in Lacs)

Particulars	2016-17	2015-16
Total Revenue	8421.38	18690.86
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	(2149.01)	1588.19
Less : Finance Charges	10.38	21.50
Profit before Depreciation/Amortization (PBTDA)	(2159.39)	1566.69
Less : Depreciation	396.49	417.02
Net Profit before Taxation (PBT)	(2555.88)	1149.67
Provision for taxation	(801.63)	354.53
Profit/(Loss) after Taxation (PAT)	(1754.25)	795.14

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

(₹ in Lacs)

Particulars	2016-17	2015-16
Total Revenue	8964.25	20549.60
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	(2179.07)	1877.56
Less : Finance Charges	10.38	21.86
Profit before Depreciation/Amortization (PBTDA)	(2189.45)	1855.70
Less : Depreciation	398.30	417.02
Net Profit before Taxation (PBT)	(2587.75)	1438.68
Provision for taxation	(765.84)	377.38
Profit/(Loss) after Taxation (PAT)	(1821.91)	1061.30

State of Company's Affairs

Your company is undergoing a transitional Strategy wherein the company is making a strategic shift in its business focus while reducing client concentration, your company is focusing on building platforms, products and frameworks.

• Margins analysis

During the year 2016-17, the Company's profit after tax stood at ₹ (1822) Lacs vis-à-vis ₹1062 Lacs in the previous year. The net revenue of current year is ₹8964 Lacs is down from the previous year's revenue of ₹20550 Lacs. The Company has focused on reducing its client concentrating during the period under review.

The Company's PAT margin in 2016-17 has been (20.3%) as compared to 5.17% in 2015-16. The reason for decline in margin is attributable to the strategic shift made by the Company as it is making substantial investments in: a) developing tools and platforms, b) sales and marketing to enhance its customer base.

• Capital employed

The total capital employed decreased from ₹24544 Lacs in 2015-16 to ₹20976 Lacs in 2016-17 due to losses incurred by the company during the year largely on account of investments made by the company in developing frameworks, platforms and building its sales engine.

Economic Scenario, outlook and strategy

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

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

2. TRANSFER TO RESERVES

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

3. CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in business and the Company continues to concentrate on their own business.

4. DIVIDEND

Due to absence of profit the Board of directors of the Company could not recommend any dividend for the financial year ended 2016-17.

5. DETAILS OF BOARD MEETING

During the Financial Year, 4 Board meetings were held, details of which are given below:

Date of the meeting	No. of Directors attended the meeting
23.04.2016	3
20.07.2016	4
15.10.2016	5
18.01.2017	4

6. COMMITTEES OF THE BOARD

The details of composition of the Committees of the Board of Directors are as under:-

a. Audit Committee

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

The Company Secretary of your Company acts as the Secretary to the Audit Committee. The Terms of Reference of the Audit Committee has been provided in the Corporate Governance Section forming part of this Report. During the financial year, the Committee had met 4 times as on April 23, 2016, July 20, 2016, October 15, 2016 and January 17, 2017.

Recommendation by audit committee:

There is no recommendation of audit committee which has not been accepted by the Board during the financial year.

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 an internal authority without fear of punishment or unfair treatment so that action can be taken immediately to resolve the problem. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism also provides for adequate safeguards against victimization of directors or employees or any other person to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. Thus minimization of organization's exposure to the damage that can occur when employees circumvent internal mechanisms is the

main objective which neither releases employees from their duty of confidentiality in the course of their work, nor can it be used as a route for raising any malicious allegations against people in authority and / or colleagues in general. Your company has given affirmation that no personnel have been denied access to the Audit Committee. The Company's Whistle Blower Policy is available on the company's website www.rssoftware.com and on the weblink http://www.rssoftware.com/investors#corporate_governance.

b. Nomination & Remuneration 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
4.	Mr. Richard Nicholas Launder	03375772	Non-Executive & Independent Director

The Terms of Reference of the Committee has been provided in the Corporate Governance Section forming part of this Report. During the financial year, the Committee had met 4 times as on April 22, 2016, July 20, 2016, October 14, 2016 and January 17, 2017. The Committee has formulated the Nomination and Remuneration policy which broadly laid down the various principles of remuneration being support for strategic objectives, transparency, internal & external equity, flexibility, performance driven remuneration, affordability and sustainability and covers the procedure for selection, appointment and compensation structure of Board members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company. The said Policy is available on your Company's website www.rssoftware.com and on the weblink http://www.rssoftware.com/investors#corporate_governance.

c. Stakeholders Relationship Committee

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

The Terms of Reference of the Committee has been provided in the Corporate Governance Section forming part of this Report. During the financial year, the Committee had met 4 times as on April 22, 2016, July 20, 2016, October 14, 2016 and January 17, 2017.

d. Corporate Social Responsibility Committee

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

During the financial year, the Committee had met 1 times as on 18th January, 2017

e. Executive committee

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

During the financial year, the Committee had met 4 times as on April 22, 2016, July 20, 2016, October 14, 2016 and January 17, 2017.

7. ISSUE OF EMPLOYEE STOCK OPTIONS

Your company believes in employees' participation in management and considers ESOP Scheme as an empowerment tool. During the financial year 2016-17 the employees had exercised 15000 ESOP options and according to the Company's ESOP Scheme 15000 equity shares were allotted to the eligible employees.

8. PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES

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

9. DETAILS RELATING TO MATERIAL VARIATIONS

No such material variances as per Regulation 32(1) are there in the Company.

10. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION

No material changes and commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report affecting the financial position of the Company.

11. 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 the Regulators / Courts /Tribunals which would impact on the Going Concern and the Company's Operations in future.

12. RISK MANGEMENT

In terms of the requirement of the Companies Act, 2013 and Regulation 17 (9) of Listing Regulations 2015, the Company has developed and implemented the Risk Management Policy. 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.

13. INTERNAL CONTROL SYSTEMS

Your Company has adequate system of internal control procedures commensurate with its size and the nature of its business. 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 CEO and CFO certification provided in the Annual Report discusses the adequacy of the Company's Internal Control System and Audit.

Further more, the Audit committee of your company evaluates and reviews the adequacy and effectiveness of the internal control systems and suggest improvements. Significant deviations are brought to the notice of the audit committee and corrective measures are recommended for implementations. Based on the internal audit report, process owners undertake corrective actions in their respective areas. All these measures help in maintaining a healthy internal control environment.

14. DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES

Pursuant to sub-section (3) of Section 129 of the Act, read with Rule 5 of the Companies (Accounts) Rule, 2014, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, is given in AOC-I as "Annexure B". Further, in line with Section 129(3) of the Act read with the aforesaid Rules, the Listing Regulation with the Stock Exchanges and in accordance with the Accounting Standard 21 (AS-21), Consolidated Financial Statements prepared by your Company include financial information of its subsidiary companies. During the year Paypermint Private Limited becomes the subsidiary of the company. Further, the Company has no Joint Venture and Associate during the financial year ended 31st March, 2017.

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

A report on the performance and financial position of each of the Subsidiaries included in the consolidated financial statements prepared by your company as per Rule 8(1) of the Companies (Accounts) Rules, 2014, forms part of the audited annual accounts of each of the subsidiary companies which have been placed on the website of your company www.rsssoftware.com. Members interested in obtaining a copy of audited annual accounts of each of the subsidiary companies may write to the Company Secretary at your Company's Registered Office.

16. 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.

17. AUDITORS

Statutory Auditors

Messers Chaturvedi & Company, Chartered Accountants, having registration number FRN 302137E allotted by The Institute of Chartered Accountants of India (ICAI) retires as Auditor of your Company and therefore they are not eligible for re-appointment as their tenure is expired as per the provisions of Companies Act, 2013.

M/s. Deoki Bijay & Co., Chartered Accountants (Registration No. 313105E) are being appointed as the Auditors of the Company in place of the retiring Auditors to hold office from the conclusion of this 29th Annual General Meeting till the conclusion of the 30th Annual General Meeting subject to approval by the shareholders at ensuing Annual General Meeting

The retiring Statutory Auditor Chaturvedi & Company has submitted an un-qualified Audit Report for the financial year 2016-17.

18. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and 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 undertake the Secretarial Audit of the Company. The Secretarial Auditor has submitted an un-qualified Secretarial Audit Report for the financial year 2016-17. The Report of the Secretarial Audit is annexed herewith as "Annexure C".

19. EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the financial year ended on March 31, 2017 in Form MGT-9 as required under section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management & Administration) rules 2014, is set out as an "Annexure D" to the Director's Report.

20. Management Discussion and Analysis

Please refer to the initial segment of the Annual Report wherein Management Discussion and Analysis has been covered in details.

21. PARTICULARS OF EMPLOYEES

The prescribed particulars of remuneration of employees pursuant to Section 134(3)(q) and Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, are set out as "Annexure E" to the Director's Report.

22. 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 as "Annexure F" to the Directors' Report.

23. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per provisions of Section 152 of the Companies Act, 2013, Mr. Rajnit Rai Jain, Chairman & Managing Director of the Company is being re-appointed for a period of 3 years, based on the recommendation of Nomination and Remuneration Committee, subject to the approval of the members at the ensuing Annual General Meeting at remuneration as decided by the Board.

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

All the Independent Directors' of your Company furnish declaration at the time of their appointment as also annually that they qualify the tests of their being independent as laid down under sub-section (6) of Section 149 of the Companies Act 2013, and Regulation 16 of Listing Regulations has been received by the Company.

There has been no change in the Director(s) and Key Managerial Personnel(s) during the financial year 2016-17.

24. Remuneration Policy

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

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

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. The Committee had approved the CSR policy and the Budget. In the year under review, your company could not spend the entire alocated budget of ₹28.41 lacs since the company incurred loss during the financial year and could not focus on CSR spent. The CSR policy is uploaded on Company's website i.e. on www.rssoftware.com. Further, the Report on CSR Activities/ Initiatives is enclosed as "Annexure G".

26. Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees or investments made under section 186 of the Companies Act 2013 are covered in the notes of the Financial Statement for the year ended 31st March, 2017.

27. 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.

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 its 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.

28. FAMILIARIZATIONS PROGRAMME FOR IDs'

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

29. ANNUAL EVALUATION OF Board's PERFORMANCE

During the financial year, the Board evaluated its own performance as well as that of its Committees and individual Directors. The exercise was carried out covering various aspects of the Boards functioning such as composition of the Board & committees, qualification, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Non-Independent Directors. The performance of Independent Directors has been evaluated based on the guidelines as provided under Schedule IV of the Act. The evaluation of the Independent Directors was carried out by the entire Board except by the Director being evaluated. The directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

30. PREVENTION OF INSIDER TRADING

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

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

31. CORPORATE GOVERNANCE

The Corporate Governance which form an integral part of this Report, are set out as separate "Annexure H", 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 Regulation.

32. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your company has put in place a "Policy on Prevention of Sexual Harassment" as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your directors further state that during the year under review, there

were no cases filed pursuant to the sexual harrassment of women at workplace (Prevention, Prohibition, and Redressal) Act, 2013.

33. 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, 2017, 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, 2017on a going concern basis;

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

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

34. ACKNOWLEDGEMENTS

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

Thanking you,

For and on behalf of the Board of Directors

Sd/-

Place: Kolkata **Rajnit Rai Jain**

Date: April 19, 2017 *CHAIRMAN AND MANAGING DIRECTOR*

(DIN: 00122942)

"ANNEXURE A" TO DIRECTORS REPORT

(Pursuant to section 62 of the act and rule 12(9) of the Companies (share capital and debentures) rules, 2014)

Status of ESOP approved by the Shareholders in the AGM held on 24th July, 2010.

ESOP Options granted on July 12, 2012.

a. **The pricing:** ₹42.375 per option (after to Stock Split).

b. **Options vested:** 25% of the total options granted would be vested on completion of one year and there was a staggered vesting period for 4 years from the date of grant of the options.

c. **Options exercised in the Financial Year 2016-17 by the Employees:**15000 options

d. **Allotment of Bonus Shares arising out of ESOP:** N.A.

e. **Options lapsed :** N.A.

f. **The total number of shares arising as a result of exercise of option:** 15000 equity shares

g. **Variation of terms of options:** N.A.

h. **Money realized by exercise of options:** ₹635625.00

i. **Equity Shares allotted under ESOP:** 15000 equity shares.

j. Employee to whom details of options granted to-

i) K**ey managerial personnel :** Yes

ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during the year- NIL

iii) **Identified employees who were granted options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant :** NIL

For and on behalf of the Board of Directors

Sd/-

Place: Kolkata **Rajnit Rai Jain**

Date: April 19, 2017 *(CHAIRMAN & MANAGING DIRECTOR)*

(DIN: 00122942)

"Annexure B"

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries or Associates or Joint Ventures

Part "A": Subsidiaries

Information in respect of Responsive Solutions, INC. to be presented with amounts in US Dollar

1. **Sl. No.:**1.
2. **Name of the subsidiary:** Responsive Solutions, INC.
3. **The date since when subsidiary was acquired:** 22.8.2003
4. **Reporting period for the subsidiary concerned:** April 1, 2016 to March 31, 2017
5. **Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:** US Dollar at ₹64.84
6. **Share capital:** USD 500000
7. **Reserves & surplus:** USD 474757
8. **Total assets:** USD 1122898
9. **Total Liabilities** :USD 1122898
10. **Investments:** NIL
11. **Turnover:** USD 673262
12. **Profit before taxation:** USD 186380
13. **Provision for taxation:** USD 56157
14. **Profit after taxation:** USD 130223
15. **Proposed Dividend:** NIL
16. **Extent of shareholding:** 100%

Information in respect of R S Software (Asia) Pte. Ltd. to be presented with amounts Singapore Dollar

1. **Sl. No.:** 2
2. **Name of the subsidiary:** R S Software (Asia) Pte. Ltd.
3. **The date since when subsidiary was acquired:** 13.4.2009
4. **Reporting period for the subsidiary concerned:** April 1, 2016 to March 31, 2017.
5. **Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:** Singapore Dollar at ₹46.43
6. **Share capital:** SGD 25000
7. **Reserves & surplus:** SGD 2031231
8. **Total assets:** SGD 2056231
9. **Total Liabilities:** SGD 2056231
10. **Investments:** NIL
11. **Turnover:** SGD 228399
12. **Profit before taxation:** (SGD 67346)
13. **Provision for taxation:** SGD 1337
14. **Profit after taxation:** (SGD 66009)
15. **Proposed Dividend:** NIL
16. **Extent of shareholding:** 100%

Information in respect of Paypermint Pvt. Ltd to be presented with amounts in ₹

1. **Sl. No.** 3
2. **Name of the subsidiary:** Paypermint Pvt Ltd
3. **The date since when subsidiary was acquired:** 24th August, 2016
4. **Reporting period for the subsidiary concerned:** April 1, 2016 to March 31, 2017
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:** ₹800 lacs
7. **Reserves and surplus:** (₹161.96 lacs)
8. **Total assets:** ₹1224.01 lacs
9. **Total Liabilities:** ₹1224.01 lacs
10. **Investments:** NIL
11. **Turnover:** ₹0.28 lacs
12. **Profit before taxation:** (₹161.96 lacs)
13. **Provision for taxation:** NIL
14. **Profit after taxation:** (₹161.96 lacs)
15. **Proposed Dividend:** NIL
16. **Extent of shareholding (in percentage):**75%

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

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

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

Part "B": Associates and Joint Ventures

The Company does not have any associate or joint ventures during the financial year 2016-17

For and on behalf of the Board of Directors
For Chaturvedi & Company
Chatered Accountant
(Reg. no. 302137E)

Sd/-	Sd/-	Sd/-	Sd/-
Nilima Joshi	**V Surana**	**S K Jain**	**R R Jain**
(Partner)	*(CFO & Company Secretary)*	*(Director)*	*(Chairman and Managing Director)*
(M no: 52122)	(M no: 11559)	(Din no: 00047474)	(Din no: 00122942)

Place: Kolkata
Date: April 19, 2017

"ANNEXURE C" TO DIRECTORS REPORT

Form No. MR - 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,

The Members,

R S SOFTWARE (INDIA) LTD.

234 3A Acharya Jagadish Chandra Bose Road

Kolkata 700020, West Bengal

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by R S SOFTWARE (INDIA) LTD. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March,2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:
   - i) The Companies Act, 2013 (the Act) and the rules made thereunder;
   - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
   - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
     - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
     - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
     - (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
     - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
     - (e) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time.

   I further report that, there were no actions/ events in pursuance of;
     - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
     - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
     - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
     - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
   - vi) The Company had identified following Other laws as specifically applicable to the Company namely:
     - a) The Information Technology Act 2000
     - b) The Copyright Act,1957
     - c) The Patents Act, 1970
     - d) The Trade Marks Act, 1999 etc.

   We have also examined compliance with the applicable clauses of the following:
   - (i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
   - (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the audit period, there are no specific events or actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above.

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

For M R & Associates
Company Secretaries

Sd/-

Place: Kolkata

Date: April 19, 2017

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

"ANNEXURE A"

(TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017)

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

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries

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

Place: Kolkata
Date: April 19, 2017

"ANNEXURE "D"

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
for the financial year ended on 31st March, 2017
Of R S SOFTWARE (INDIA) LTD.

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

*As per National Industrial Classification – Ministry of Statistics and Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	NAME OF THE COMPANY	CIN/ GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	Responsive Solutions Inc	N.A.	Subsidiary	100 %	2(87)
2.	RS Software (Asia) Pte. Ltd.	N.A.	Subsidiary	100 %	2(87)
3.	Paypermint Pvt. Ltd.	U72900WB2016PTC217291	Subsidiary	75%	2(87)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a)Individual/HUF	10123192	0	10123192	39.40	10402192	0	10402192	40.46	1.06

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate		-				-			-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	10123192	0	10123192	39.40	10402192	0	10402192	40.46	1.06
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1)+ (A)(2)	**10123192**	**0**	**10123192**	**39.40**	**10402192**	**0**	**10402192**	**40.46**	**1.06**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	5888	5888	0.02	0	5888	5888	0.02	0.00
b)FIs/ Banks	57836	2192	60028	0.23	126186	1792	127978	0.50	0.26
c)Central Govt	-	-	-	-	-	-	-	-	-
d) State									
Govt (s)	0	5888	5888	0.02	0	5888	5888	0.02	0.00
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	1365687	4608	1370295	5.33	690668	4608	695276	2.70	-2.63
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
(i-i) UTI	0	23176	23176	0.09	0	23176	23176	0.09	0.00
Sub-total B)(1):-	1423523	41752	1465275	5.70	816854	41352	858206	3.34	-2.36
2. Non-Institutions									
a)Bodies Corporate									
i) Indian	2534137	4442	2538579	9.88	1512932	4442	1517374	5.90	-3.98
ii) Overseas	0	3584	3584	0.01	0	3584	3584	0.01	0.00
b)Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	8446848	526352	8973200	34.92	9245424	511646	9757070	37.95	3.03
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1548798	0	1548798	6.03	1181650	0	1181650	4.60	-1.43
c) Others (specify)									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Non Resident Indians	586535	36448	622983	2.42	664744	35936	700680	2.73	0.30
Clearing Members	364907	0	364907	1.42	88822	0	88822	0.35	-1.07
Trusts	4400	0	4400	0.02	1700	0	1700	0.01	-0.01
Foreign Nationals	48400	0	48400	0.19	48400	0	48400	0.19	0.00
Employees Trust	0	0	0	0.00	1148640	0	1148640	4.47	4.47
Sub-total (B)(2):-	**13534025**	**570826**	**14104851**	**54.90**	**13892312**	**555608**	**14447920**	**56.20**	**1.30**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**14957548**	**612578**	**15570126**	**60.60**	**14709166**	**596960**	**15306126**	**59.54**	**-1.06**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Sub-Total (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**25080740**	**612578**	**25693318**	**100.00**	**25111358**	**596960**	**25708318**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Rajnit Rai Jain	9756648	37.97	0.00	10035648	39.04	0.00	1.06
2.	Sarita Jain	366544	1.43	0.00	366544	1.43	0.00	0.00

iii) Change in Promoters Shareholding:

S I . No.	Name of the promoter	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	**RAJNIT RAI JAIN**						
	At the beginning of the year	01.04.2016		9756648	37.97		
		4.11.2016	BUY	55000	0.21	9811648	38.17
		11.11.2016	BUY	79000	0.31	9890648	38.47
		25.11.2016	BUY	145000	0.56	10035648	39.04
	At the end of the year	31.03.2017				10035648	39.04
2.	**SARITA JAIN**						
	At the beginning of the year	01.04.2016		366544	1.43		
	Changes during the year	-		-	-		
	At the end of the year	31.03.2017				366544	1.43

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

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	**Barclays Wealth Trustees India Private Limited**						
	At the beginning of the year	01/04/2016		1148640	4.47		
	Changes during the year						
	At the end of the year	31/03/2017				1148640	4.47
2.	Fidelity Puritan Trust- Fidelity Low-Priced Stock Fund						
	At the beginning of the year	01/04/2016		600000	2.34		
	Changes during the year	18/11/2016	SELL	52223	0.20	547777	2.13
		25/11/2016	SELL	47777	0.19	500000	1.94
	At the end of the year	31/03/2017				500000	1.94
3.	Dolly Khanna						
	At the beginning of the year	01/04/2016		472413	1.84		
	Changes during the year	08/04/2016	SELL	9500	0.04	460913	1.79
		15/04/2016	SELL	4500	0.02	456413	1.78
		22/04/2016	SELL	16490	0.06	439923	1.71
		29/04/2016	SELL	21200	0.08	418723	1.63
		06/05/2016	SELL	4000	0.02	414723	1.61
		13/05/2016	SELL	7950	0.03	406773	1.58
		20/05/2016	SELL	26561	0.10	380212	1.48
		27/05/2016	SELL	17950	0.07	362262	1.41
		03/06/2016	SELL	12250	0.05	350012	1.36
		10/06/2016	SELL	18600	0.07	331412	1.29
		17/06/2016	SELL	16200	0.06	315212	1.23
		24/06/2016	SELL	10000	0.04	305212	1.19
		30/06/2016	SELL	8500	0.03	296712	1.15
		01/07/2016	SELL	2500	0.01	294212	1.14
		08/07/2016	SELL	16000	0.06	278212	1.08
		14/07/2016	SELL	2000	0.01	276212	1.07
		22/07/2016	SELL	30619	0.12	245593	0.96
		29/07/2016	SELL	45174	0.18	200419	0.78
		05/08/2016	SELL	14556	0.06	185863	0.72
		12/08/2016	SELL	5500	0.02	180363	0.70
		19/08/2016	SELL	13000	0.05	167363	0.65
		26/08/2016	SELL	10500	0.04	156863	0.61
		02/09/2016	SELL	20000	0.08	136863	0.53
		09/09/2016	SELL	13500	0.05	123363	0.48
		16/09/2016	SELL	8000	0.03	115363	0.45
		23/09/2016	SELL	8000	0.03	107363	0.42
		30/09/2016	SELL	1500	0.01	105863	0.41
		07/10/2016	SELL	6000	0.02	99863	0.39
		14/10/2016	SELL	6000	0.02	93863	0.37
		21/10/2016	SELL	6000	0.02	87863	0.34
		28/10/2016	SELL	7000	0.03	80863	0.31
		04/11/2016	SELL	6000	0.02	74863	0.29
		11/11/2016	SELL	4000	0.02	70863	0.28
		02/12/2016	SELL	7500	0.03	63363	0.25
		20/01/2017	SELL	2675	0.01	60688	0.24
		03/02/2017	SELL	15500	0.06	45188	0.18
		10/02/2017	SELL	7530	0.03	37658	0.15
		17/02/2017	SELL	6000	0.02	31658	0.12
		24/02/2017	SELL	28240	0.11	3418	0.01
	At the end of the year	31/03/2017				3418	0.01
4.	**Yusuf Kasam**						
	At the beginning of the year	01/04/2016		171727	0.67		
	Changes during the year	15/04/2016	SELL	5380	0.02	166347	0.65
		06/05/2016	BUY	25380	0.10	191727	0.75
		27/05/2016	SELL	6000	0.02	185727	0.72
		24/06/2016	SELL	1000	0.00	184727	0.72
		26/08/2016	SELL	70000	0.27	114727	0.45
		02/09/2016	SELL	18642	0.07	96085	0.37
		09/09/2016	SELL	26000	0.10	70085	0.27
		16/09/2016	SELL	43000	0.17	27085	0.11
		23/09/2016	SELL	15485	0.06	11600	0.05
		28/10/2016	SELL	10600	0.04	1000	0.00
	At the end of the year	31/03/2017				1000	0.00
5.	**M KAVERI BAI**						
	At the beginning of the year	01/04/2016		170500	0.66		
	Changes during the year	24/03/2017	BUY	50000	0.19	220500	0.86
	At the end of the year	31/03/2017				220500	0.86
6.	**STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY POOL**						
	At the beginning of the year	01/04/2016		128734	0.50		
	Changes during the year	29/07/2016	SELL	47696	0.19	81038	0.32
		05/08/2016	SELL	44138	0.17	36900	0.14
		05/08/2016	SELL	36900	0.14	0	0.00
	At the end of the year	31/03/2017				0	0.00
7.	**PASSAGE TO INDIA MASTER FUND LIMITED**						
	At the beginning of the year	01/04/2016		114000	0.44		
	Changes during the year	24/06/2016	BUY	7000	0.03	121000	0.47
		30/06/2016	BUY	10000	0.04	131000	0.51
	At the end of the year	31/03/2017				131000	0.51

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
8.	**PENSION RESERVES INVESTMENT TRUST FUND – ARCADIAN**						
	At the beginning of the year	01/04/2016		100437	0.39		
	Changes during the year	13/05/2016	SELL	34859	0.14	65578	0.26
		14/07/2016	SELL	33049	0.13	32529	0.13
		22/07/2016	SELL	32529	0.13	0	0.00
	At the end of the year	31/03/2017				0	0.00
9.	**ANGEL BROKING PRIVATE LTD.**						
	At the beginning of the year	01/04/2016		92304	0.36		
	Changes during the year	08/04/2016	SELL	6850	0.03	85381	0.33
		15/04/2016	BUY	24981	0.10	110362	0.43
		22/04/2016	SELL	12346	0.05	98016	0.38
		29/04/2016	SELL	13779	0.05	84237	0.33
		06/05/2016	SELL	4085	0.02	80152	0.31
		13/05/2016	BUY	18529	0.07	98681	0.38
		20/05/2016	SELL	14359	0.06	84322	0.33
		27/05/2016	BUY	7187	0.03	91509	0.36
		03/06/2016	SELL	12247	0.05	79262	0.31
		10/06/2016	BUY	7960	0.03	87222	0.34
		17/06/2016	SELL	5198	0.02	82024	0.32
		24/06/2016	SELL	966	0.00	81058	0.32
		30/06/2016	SELL	5283	0.02	75775	0.29
		01/07/2016	BUY	689	0.00	76464	0.30
		08/07/2016	SELL	12282	0.05	64182	0.25
		14/07/2016	BUY	14253	0.06	78435	0.31
		15/07/2016	BUY	2282	0.01	80717	0.31
		22/07/2016	SELL	2344	0.01	78373	0.30
		29/07/2016	BUY	28231	0.11	106604	0.41
		05/08/2016	SELL	18740	0.07	87864	0.34
		12/08/2016	BUY	4774	0.02	92638	0.36
		19/08/2016	BUY	251	0.00	92889	0.36
		26/08/2016	BUY	4649	0.02	97538	0.38
		02/09/2016	BUY	26876	0.10	124414	0.48
		09/09/2016	SELL	15420	0.06	108994	0.42
		16/09/2016	BUY	1951	0.01	110945	0.43
		23/09/2016	SELL	7474	0.03	103471	0.40
		30/09/2016	BUY	862	0.00	104333	0.41
		07/10/2016	SELL	2620	0.01	101713	0.40
		14/10/2016	SELL	6761	0.03	94952	0.37
		21/10/2016	BUY	7231	0.03	102183	0.40
		28/10/2016	SELL	3118	0.01	99065	0.39
		04/11/2016	SELL	5405	0.02	93660	0.36
		11/11/2016	BUY	12720	0.05	106380	0.41
		18/11/2016	BUY	31449	0.12	137829	0.54
		25/11/2016	SELL	19961	0.08	117868	0.46
		02/12/2016	SELL	7951	0.03	109917	0.43
		09/12/2016	BUY	96992	0.38	206909	0.80
		16/12/2016	SELL	30940	0.12	175969	0.68
		23/12/2016	BUY	30973	0.12	206942	0.80
		30/12/2016	BUY	48377	0.19	255319	0.99
		06/01/2017	BUY	36236	0.14	291555	1.13
		13/01/2017	SELL	36723	0.14	254832	0.99
		20/01/2017	BUY	29973	0.12	284805	1.11
		27/01/2017	SELL	5719	0.02	279086	1.09
		03/02/2017	BUY	5578	0.02	284664	1.11
		10/02/2017	SELL	618	0.00	284046	1.10
		17/02/2017	SELL	56429	0.22	227617	0.89
		24/02/2017	SELL	3763	0.01	223854	0.87
		03/03/2017	BUY	32923	0.13	256777	1.00
		10/03/2017	SELL	7076	0.03	249701	0.97
		17/03/2017	SELL	26158	0.10	223543	0.87
		24/03/2017	SELL	9082	0.04	214461	0.83
		31/03/2017	SELL	13750	0.05	200711	0.78
	At the end of the year	31/03/2017				200711	0.78
10.	ACADIAN EMERGING MARKETS SMALL CAP EQUITY FUND LLC						
	At the beginning of the year	01/04/2016		87224	0.34		
	Changes during the year	28/10/2016	SELL	27240	0.11	59984	0.23
		04/11/2016	SELL	13055	0.05	46929	0.18
		18/11/2016	SELL	24224	0.09	22705	0.09
		25/11/2016	SELL	22705	0.09	0	0.00
	At the end of the year	31/03/2017				0	0.00
11.	**ATHENAM VELAN**						
	At the beginning of the year	01/04/2016		0	0.00		
	Changes during the year	12/08/2016	BUY	111888	0.44	111888	0.44
		19/08/2016	BUY	2610	0.01	114498	0.45
		26/08/2016	BUY	2600	0.01	117098	0.46
		16/09/2016	BUY	300	0.00	117398	0.46
		23/09/2016	BUY	1650	0.01	119048	0.46
		11/11/2016	BUY	54500	0.21	173548	0.68
		02/12/2016	SELL	1548	0.01	172000	0.67
		09/12/2016	SELL	12000	0.05	160000	0.62
		16/12/2016	BUY	14850	0.06	174850	0.68

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		20/01/2017	SELL	24850	0.10	150000	0.58
		27/01/2017	SELL	10000	0.04	140000	0.54
		10/02/2017	BUY	22245	0.09	162245	0.63
	At the end of the year	31/03/2017				162245	0.63
12.	**ROHIT TEKRIWAL**						
	At the beginning of the year	01/04/2016		70000	0.27		
	Changes during the year	02/05/2016	BUY	10000	0.04	80000	0.31
		04/11/2016	BUY	19333	0.08	99333	0.39
		09/12/2016	BUY	40667	0.16	140000	0.54
	At the end of the year	31/03/2017				140000	0.54
13.	**ICICI BANK LIMITED**						
	At the beginning of the year	01/04/2016		48304	0.19		
	Changes during the year	08/04/2016	BUY	59	0.00	47806	0.19
		22/04/2016	BUY	495	0.00	48301	0.19
		29/04/2016	BUY	6	0.00	48307	0.19
		06/05/2016	SELL	211	0.00	48096	0.19
		13/05/2016	SELL	500	0.00	47596	0.19
		20/05/2016	BUY	18689	0.07	66285	0.26
		27/05/2016	SELL	1179	0.00	65106	0.25
		03/06/2016	SELL	104	0.00	65002	0.25
		10/06/2016	BUY	47	0.00	65049	0.25
		30/06/2016	SELL	701	0.00	64348	0.25
		08/07/2016	SELL	269	0.00	64079	0.25
		15/07/2016	BUY	5055	0.02	69134	0.27
		22/07/2016	BUY	4748	0.02	73882	0.29
		29/07/2016	SELL	917	0.00	72965	0.28
		05/08/2016	SELL	1	0.00	72964	0.28
		12/08/2016	BUY	15586	0.06	88550	0.34
		19/08/2016	SELL	100	0.00	88450	0.34
		26/08/2016	BUY	1999	0.01	90449	0.35
		02/09/2016	SELL	2755	0.01	87694	0.34
		09/09/2016	SELL	20	0.00	87674	0.34
		16/09/2016	BUY	20	0.00	87694	0.34
		23/09/2016	BUY	56	0.00	87750	0.34
		30/09/2016	SELL	2980	0.01	84770	0.33
		21/10/2016	SELL	344	0.00	84426	0.33
		28/10/2016	SELL	23053	0.09	61373	0.24
		04/11/2016	SELL	11	0.00	61362	0.24
		11/11/2016	BUY	11	0.00	61373	0.24
		18/11/2016	SELL	15	0.00	61358	0.24
		25/11/2016	BUY	6774	0.03	68132	0.27
		02/12/2016	SELL	15480	0.06	52652	0.20
		09/12/2016	SELL	381	0.00	52271	0.20
		16/12/2016	SELL	435	0.00	51836	0.20
		23/12/2016	BUY	978	0.00	52814	0.21
		30/12/2016	BUY	16624	0.06	69438	0.27
		06/01/2017	BUY	13086	0.05	82524	0.32
		13/01/2017	BUY	574	0.00	83098	0.32
		20/01/2017	SELL	5232	0.02	77866	0.30
		27/01/2017	SELL	889	0.00	76977	0.30
		03/02/2017	BUY	868	0.00	77845	0.30
		10/02/2017	SELL	284	0.00	77561	0.30
		17/02/2017	BUY	3532	0.01	81093	0.32
		24/02/2017	BUY	234	0.00	81327	0.32
		03/03/2017	SELL	439	0.00	80888	0.31
		10/03/2017	SELL	5	0.00	80883	0.31
		17/03/2017	SELL	50	0.00	80833	0.31
		24/03/2017	BUY	656	0.00	81489	0.32
		31/03/2017	BUY	909	0.00	82398	0.32
	At the end of the year	31/03/2017				82398	0.32
14.	**R RAMARAJ**						
	At the beginning of the year	01/04/2016		68400	0.27		
	At the end of the year	31/03/2017				68400	0.27
15.	**GLOBE CAPITAL MARKET LTD**						
	At the beginning of the year	01/04/2016		55901	0.22		
	Changes during the year	08/04/2016	SELL	712	0.00	55289	0.22
		15/04/2016	BUY	159	0.00	55448	0.22
		22/04/2016	BUY	1263	0.00	56711	0.22
		29/04/2016	SELL	967	0.00	55744	0.22
		06/05/2016	BUY	346	0.00	56090	0.22
		13/05/2016	BUY	857	0.00	56947	0.22
		20/05/2016	BUY	1052	0.00	57999	0.23
		27/05/2016	BUY	470	0.00	58469	0.23
		03/06/2016	SELL	1833	0.01	56636	0.22
		10/06/2016	BUY	1400	0.01	58036	0.23
		17/06/2016	SELL	1800	0.01	56236	0.22
		24/06/2016	BUY	6020	0.02	62256	0.24
		30/06/2016	SELL	3745	0.01	58511	0.23
		01/07/2016	SELL	625	0.00	57886	0.23
		08/07/2016	BUY	642	0.00	58528	0.23

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		14/07/2016	SELL	475	0.00	58053	0.23
		15/07/2016	BUY	525	0.00	58578	0.23
		22/07/2016	SELL	1251	0.00	57327	0.22
		29/07/2016	BUY	4200	0.02	61527	0.24
		05/08/2016	BUY	2121	0.01	63648	0.25
		12/08/2016	BUY	800	0.00	64448	0.25
		19/08/2016	BUY	614	0.00	65062	0.25
		26/08/2016	SELL	971	0.00	64091	0.25
		02/09/2016	SELL	975	0.00	63116	0.25
		09/09/2016	BUY	1674	0.01	64790	0.25
		16/09/2016	BUY	1750	0.01	66540	0.26
		23/09/2016	BUY	1183	0.00	67723	0.26
		30/09/2016	SELL	2186	0.01	65537	0.25
		07/10/2016	SELL	12409	0.05	53128	0.21
		14/10/2016	SELL	1750	0.01	51378	0.20
		21/10/2016	BUY	2484	0.01	53862	0.21
		28/10/2016	BUY	220	0.00	54082	0.21
		04/11/2016	BUY	26	0.00	54108	0.21
		11/11/2016	SELL	826	0.00	53282	0.21
		18/11/2016	SELL	348	0.00	52934	0.21
		25/11/2016	SELL	4000	0.02	48934	0.19
		02/12/2016	SELL	1610	0.01	47324	0.18
		09/12/2016	SELL	259	0.00	47065	0.18
		16/12/2016	SELL	944	0.00	46121	0.18
		23/12/2016	BUY	16039	0.06	62160	0.24
		30/12/2016	SELL	691	0.00	61469	0.24
		31/12/2016	SELL	1500	0.01	59969	0.23
		06/01/2017	BUY	15929	0.06	75898	0.30
		13/01/2017	SELL	2480	0.01	73418	0.29
		20/01/2017	BUY	1210	0.00	74628	0.29
		27/01/2017	SELL	560	0.00	74068	0.29
		03/02/2017	SELL	40	0.00	74028	0.29
		10/02/2017	SELL	3450	0.01	70578	0.27
		17/02/2017	BUY	845	0.00	71423	0.28
		24/02/2017	SELL	302	0.00	71121	0.28
		03/03/2017	SELL	1405	0.01	69716	0.27
		10/03/2017	SELL	3900	0.02	65816	0.26
		17/03/2017	BUY	2480	0.01	68296	0.27
		24/03/2017	BUY	842	0.00	69138	0.27
		31/03/2017	SELL	1611	0.01	67527	0.26
	At the end of the year	31/03/2017				67527	0.26

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

Sl. No.	Name of the Directors and KMP	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	**RAJNIT RAI JAIN (Chairman & Managing Director)**						
	At the beginning of the year	01/04/2016		9756648	37.97		
		04/11/2016	BUY	55000	0.21	9811648	38.17
		11/11/2016	BUY	79000	0.31	9890648	38.47
		25/11/2016	BUY	145000	0.56	10035648	39.04
	At the end of the year	31/03/2017		-	-	10035648	39.04
2.	**SARITA JAIN (Non- Executive & Independent Director)**						
	At the beginning of the year	01/04/2016		366544	1.43		
	At the end of the year	31/03/2017		-	-	366544	1.43
3.	**RAJASEKHAR RAMARAJ (Non- Executive & Independent Director)**						
	At the beginning of the year	01/04/2016		68400	0.27		
	At the end of the year	31/03/2017		-	-	68400	0.27
4.	**RICHARD NICHOLAS LAUNDER (Non- Executive & Independent Director)**						
	At the beginning of the year	01/04/2016		48400	0.19		
	At the end of the year	31/03/2017		-	-	48400	0.19
5.	**SARITA JAIN (Non- Executive Director)**						
	At the beginning of the year	01/04/2016		0.00	0.00		
	At the end of the year	31/03/2017		-	-	0.00	0.00
6.	**Vijendra Surana (CFO & CS)**						
	At the beginning of the year	01/04/2016		0.00	0.00		
	At the end of the year	31/03/2017		-	-	0.00	0.00

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration (INR)	Mr. Rajnit Rai Jain Chairman & Managing Director	Total Amount (₹ In Lakhs)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	54.11	54.11
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify…	0.00	0.00
5	Others (Employer's Provident Fund)	4.32	4.32
	Total (A)	58.43	58.43
	Ceiling as per the Act	As per Part II of Schedule V of the Companies Act,2013	

B. Remuneration to other directors:

SR. No.	Particulars of Remuneration (INR)	Name of Directors				Total Amount (₹ In lakhs)
		Mr. Shital Kumar Jain	Mr. Rajasekhar Ramaraj	Mr. Richard Nicholas Launder	Mrs. Sarita Jain	
1	**Independent Directors**					
	Fee for attending board/ committee meetings	8.80	7.20	2.40	-	18.40
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)				-	18.40
2.	**Other Non-Executive Directors**					
	Fee for attending board/ committee meetings	-	-	-	0.40	0.40
	Commission				-	
	Others, please specify				-	
	Total (2)					0.40
	Total (B)=(1+2)					18.80
	Total Managerial Remuneration					18.80
	Overall Ceiling as per the Act	The limit as prescribed under Companies Act, 2013				

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

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

Sl. No.	Particulars of Remuneration (INR)	Key Managerial Personnel		
		CEO	CFO & Company Secretary	Total Amount (₹ In lakhs)
1	**Gross salary** (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	54.11	61.91	116.02
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-
5	Others (Employer's Provident Fund)	4.32	3.11	7.43
	Total (INR.)	**58.43**	**65.02**	**123.45**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and behalf of the Board of Directors

Sd/-

Date: April 19, 2017
Place: Kolkata

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

"ANNEXURE "E"

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 the employees of the company for the financial year:

Sl. No.	Name of the Directors	Remuneration (₹ In lacs)	Median Remuneration of Employees (₹ In Lacs)	Ratio
1.	RAJNIT RAI JAIN	58.43	7.2	8.12:1

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

Sl. No.	Name	Designation	Remuneration of previous year (₹ in lacs)	Remuneration of Current year (₹ in lacs)	% increase/(decrease) in remuneration
1	RAJNIT RAI JAIN	CHAIRMAN & MANAGING DIRECTOR	82.55	58.43	(29.22)
2	MR. VIJENDRA KUMAR SURANA	CFO & COMPANY SECRETARY	69.71	65.02	(6.73)

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

Median remuneration of previous year (₹ In lacs)	Median remuneration of current year (₹ In lacs)	%increase
6.50	7.20	10.76

iv. The number of permanent employees on the rolls of company as on 31.03.2017 is 424.

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

Sl. No.	Particulars	Average % increase/ (decrease)
1	Increase/ (decrease) in salary of KMP	(18.90)
2	Increase/ (decrease) in salary of employee (other than KMP)	7.5

vi. Affirmation that the remuneration is as per the remuneration policy of the company: Yes, it is confirmed.

Statement pursuant to Section 197(12) read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

Sl. No.	Name	Designation / Nature of Duties	Remuneration Received [in USD]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held	Percentage of Equity Shares held by the employee in the Company
1	Mr. Prasanta Chakraborty	Vice president-business support and account management	203084.37	B.Tech	25.3	47.06	3-Oct-11	TCS	0.00
2.	Mr. Abdul Faheem Siddiqui Ahmed	Technical Consultant	165268.00	Undergraduate Plus AA Degree	16.1	40	17-May-16	Kaiser Permanate	0.00
3.	Mr. Garry Singer	Sales Director	298358.68	Master's Degree	32.7	64.19	3-Sep-13	ADS	0.00
4.	Mr. Bibek Das	Evp-Business Development	190329.23	M .Tech	28.9	54.47	21-Jul-15	Kohl's	0.00
5.	Mr. Abhishek Gupta	Sales Engineer/ Account Executive	145882.00	B.E.	16.5	38.45	1-Dec-00	RS Software	0.00
6.	Mr. Subroto Kumar Mallick	Sales Engineer/ Account Executive	134337.64	PGDBA	19.1	45.4	1-May-98	RS Software	0.00
7.	Mr. Robert Alvarez	Sales Director	116125.64	N.A	N.A	N.A	N.A	Opus Software Sloutions	0.00
8.	Mr. Raghav Jain	Director Of Global Staffing	131020.42	BA Marketing	15.6	35.59	2-Apr-12	Lucky Brand Jeans	0.00
9.	Mr. Sean P Flynn	Sales Director	125256.34	BA+ Post Graduate Diploma	23.6	50.27	6-Jun-16	Cyber Science	0.00
10.	Mrs. Monika Chopra	Agm/Head of HR	121831.20	M.B.A	25.4	46.62	16-Jul-07	BAUSCH AND LOMB	0.00

Notes: All the above employees are located in United States of America (USA) and are receiving remuneration from the Company's branch office at USA.

For and on behalf of the Board of Directors

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

Date: 19th April, 2017
Place: Kolkata

"ANNEXURE F" TO DIRECTORS' REPORT

(Pursuant to Clause (h) of sub-section (3) of section 134 of the act and Rule 8 (2) (Accounts) Rules, 2014)

A. Details of Conservation of Energy:

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

- Through periodic energy audits to identify potential areas for saving
- By incorporating energy- efficient equipment
- Through automation i.e., using timers, automatic level controllers etc.
- Capital investment on energy conservation equipment is ₹ NIL

B.	**Technology Absorption**	:	The details are given below:
(a)	**Research & Development**		
1.	Specific area in which R & D work has been done by the Company	:	Technology research was done in RS Payments Lab on distributed data processing architecture like Hadoop, real time analytics frameworks like Spark, Scala, Machine Learning techniques, Predictive Analytics, Tokenization, 3DS 2.0, API Platform, device fingerprinting, etc. New courses were created and offered to internal employees. We developed digital platforms for payment processors and aggregators in India and globally.
2.	Benefits expected from the R & D	:	The competence built is helping the company gain mileage to acquire new customers and assure value added services to all customers. The company has developed a number of digital assets including ready to deploy platforms, to acquire new customers using the knowledge and competency acquired.
3.	Future plan of action	:	Continue technology exploration on Faster Payments, API-zation of Platform Data Lake, Data Ingestion and Customer Segmentation, Digital Commerce, Targeted Loyalty, Digital Payments Platform, Cloud Computing, Open Source software across solution areas and use of Blockchain as solution enabler. We would like to increase the number of self-service courses so that it can be administered without location constraint.
4.	The expenditure incurred on research and development	:	₹363.99 lacs
(b)	**Technology Absorption, Adaptation and Innovation**		
1.	Efforts made towards technology absorption, adaptation and innovation	:	Technology exploration and absorption was done in RS Payments Lab on API platform development and management, building micro services, API platform, developer portal, sandbox, Wallets for UPI Pay and Bill Pay, automated underwriting. Open Source software products were reviewed, explored and then used for highly scalable and available systems.
2.	Benefits derived as a result of the above efforts	:	The efforts are translating to transforming Indian society towards adoption of digital payments. This is translating tobusiness 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.
C.	**Earnings and Expenditures in Foreign Currency**		
1.	Initiatives like increasing exports, development of new export markets etc. to earnings in foreign currency.	:	Nil
2.	Earning in Foreign Currency (₹ in Lacs)	:	4173.15
3.	Expenditure in Foreign Currency (₹ in Lacs)	:	5406.47

For and on behalf of the Board of Directors

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

Place: Kolkata
Date: April 19, 2017

"ANNEXURE G"

ANNUAL REPORT ON CSR ACTIVITIES/ INITIATIVES

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

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

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

1. The composition of the CSR Committee

Constitution of CSR committee

Name of Chairman: Mr. Rajnit Rai Jain
Name of Member: Mr. Shital Kumar Jain
Name of Member: Mr. RajasekharRamaraj

Financial Details

The provisions pertaining to Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013 are applicable to the Company. A summary of the financial details as sought by the Companies Act, 2013 are as follows –

Particulars	Amount (₹ in lacs)			
	2017	2016	2015	2014
Average net profit before tax of the Company for the last three financial years**	1420.71	2895.48	3168.88	2210.20
Prescribed CSR expenditure (2% of the average net profit as computed above)	28.41	57.91	63.38	44.20
Amount allocated	28.41	57.91	63.38	44.20
CSR expenditure during the financial year :	0.50	11.75	75.00	50.00
Amount unspent, if any	27.91	46.16	-	-

** Excluding appropriated Branch Profit.

The details of the amount spent during the financial year are detailed below:

₹ in lacs

SL. No.	CSR Project/ Program Name	Sector	Location of project / program	Amount outlay (budget)	Amount spent on the projects or programs	Cumulative spend up to the reporting period	Amount spent direct/ through external agency
1.	Social Welfare Projects	Eradicating hunger and poverty and malnutrition, and making available safe drinking water and social welfare	Eastern Region	28.41	0.50	0.50	0.50

Note: Due to loss incurred in the current financial year the Company could not focus on CSR spent.

Responsibility statement:

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

For and on behalf of Corporate Social Responsibility Committee

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

Sd/-
Mr. Shital Kumar Jain
DIN: 00047474
Member of CSR Committee
(Director)

Date: April 19, 2017
Place: Kolkata

"ANNEXURE H" TO DIRECTORS' REPORT

A. CORPORATE GOVERNANCE AND DISCLOSURES

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.

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.

B. THE BOARD OF DIRECTORS

The Board of Directors of the Company have an optimum combination of executive and non-executive directors with a woman director and not less than Fifty percent of the Board of Directors comprising non-executive directors. Your Company has 5(Five) Directors consisting of 2(Two) Promoter Directors of which 1(One) is an Executive Director who is the Chairman & Managing Director, 1(One) Women Director who is Non-Executive Non Independent Director and three Non-Executive Independent Directors. During the fiscal year the Board met on 4(Four) times on April 23, 2016, July 20, 2016, October 15, 2016 and January 18, 2017 as per the statutory requirements.

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

In Compliance with Regulation 25 of SEBI Listing Regulations, 2015, none of the Directors on the Board serve as an Independent Director of more than 7(Seven) listed companies across all companies under which he/she is Director. Further, the Director on the Board serving as a Whole time Director in a listed company is not serving as an Independent Director of more than 3(Three) listed companies across all companies in which he is a Director. Further in compliance with Section 165 of the Companies Act, 2013, none of the Directors on the board hold directorship in more than 20 (Twenty) companies at the same time with the directorship in public companies not exceeding 10 (Ten). All the Directors have made necessary disclosures regarding directorship/committee positions occupied by them in other listed entities / public limited companies (Whether listed or not) in accordance with Regulation 25 and 26 of SEBI Listing Regulations, 2015.

The Composition of the Board of Directors as on March 31, 2017 is in conformity with the provision of Section 149 of the companies Act, 2013 and Regulation 17(1) of the SEBI Listing Regulations, 2015. The details of the Board of Directors as on March 31, 2017 are as under:

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

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

All the Independent Directors of the Company furnish a declaration at the time of their appointment 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.

Meeting of Independent Director (IDs)

Independent Directors met on 18th January, 2017 without the presence of the Chairman & Managing Director and other Non-Executive & Non-Independent Directors and the Management Team.

The meeting was attended by all the Independent Directors and enables them to:

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

Familiarizations Programme for IDs

In terms of Regulation 25(7) of the Listing Regulations the Company has conducted the Familiarization Programme for Independent Director to familiarize them about 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 programmes imparted to Independent Directors, as required under Regulation 46 of the SEBI Listing Regulations, 2015 is available on the website of the Company www.rssoftware.com and on the weblink http://www.rssoftware.com/investors#corporate_governance .

Performance Evaluation

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

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

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

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

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

Composition, category and other relevant details of directors alongwith Attendance of each director at the meeting of the board of directors and the last Annual General Meeting

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

Name of the Directors	Attendance Particulars				Number of other Directorship, Committee Membership and Chairmanship			No. of shares and convertible instruments held *	Relationship with other Directors
	Board Meetings		Category	Last AGM	Other Directorship @	Committee Membership #	Committee Chairmanship #		
	Held	Attended							
Mr. Rajnit Rai Jain	4	4	Executive Director (Chairman & Managing Director)	Yes	-	-	-	NA	Husband of Mrs. Sarita Jain
Mr. Shital Kumar Jain	4	4	Non-Executive & Independent Director	Yes	2	-	-	Nil	-
Mrs. Sarita Jain	4	1	Non-Executive & Non Independent Director	No	-	-	-	3,66,544 Equity Shares	Wife of Mr. Rajnit Rai Jain
Mr. Rajasekhar Ramaraj	4	4	Non-Executive & Independent Director	Yes	9	1	1	68,400 Equity Shares	-
Mr. Richard Nicholas Launder	4	2	Non-Executive & Independent Director	Yes	-	-	-	48,400 Equity Shares	-

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

Only Audit Committee and Stakeholders' Relationship Committee has been considered as per regulation 26 of SEBI (LODR) 2015 of Public Limited Companies, whether Listed or not.

* Represents number of shares and convertible instruments held by non-executive directors as on 31.03.2017.

Code of Conduct

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

The Company's Code of Conduct is available on the company's website www.rssoftware.com and on the weblink http://www.rssoftware.com/pdfs/RS-Software-Code-of-Conduct.pdf It is hereby declared that the company has obtained from all Board Members and Senior Executives an affirmation that they have complied with the code of conduct for financial year 2016-17.

C. 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 by 2(Two) Non-Executive Independent Directors and 1(One) Executive Director who is the Chairman & Managing Director of the Company.

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

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

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

Meetings:

4(Four) meetings of the Audit Committee were held during the year 2016-17 as on April 23, 2016, July 20, 2016, October 15, 2016 & January 17, 2017 and the necessary quorum was present in all the meeting as required by SEBI Listing Regulations, 2015. The maximum time gap between any consecutive meetings did not exceed 120 (One Hundred Twenty) days. The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings.

Terms of Reference:

The Audit Committee is formulated & defined in line 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.
- The recommendation to 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.
  - Qualifications 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.

D. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

The Stakeholders Relationship Committee comprises of two Directors, Mr. S.K. Jain (Non- Executive & Independent Director) who is the Chairman of the Committee and Mr. R.R. Jain (Chairman & Managing Director of the Company) and Mr. Vijendra 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

Meetings:

4(Four) meetings of the Stakeholder's Relationship Committee were held during the year 2016-17 as on April 22, 2016, July 20, 2016, October 14, 2016 & January 17, 2017.

Terms of Reference

The committee is primarily responsible for:

1. Oversee and review all matters connected with the transfer of the Company's securities.
2. Oversee the performance of the Company's Registrars and Transfer Agents.
3. 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.
4. Perform such other functions as may be necessary or appropriate for the performance of its duties.
5. 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.
6. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.

During the Financial Year ended March 31, 2017, the Company did not receive any complaint from the Shareholders / Investors of the Company.

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

SEBI SCORES

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

Name, designation and address of Compliance Officer :

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

E. NOMINATION & REMUNERATION COMMITTEE:

Composition:

Pursuant to the provisions of section 178 of the Companies Act, 2013 and as per Regulation 19 of the SEBI Listing Regulations, 2015 the Nomination & Remuneration Committee of the Company comprises of 3(Three) Non-Executive Independent Directors and 1(One) Executive Director who is the Chairman & Managing Director of the Company.

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

Members	Category	Attendance at Nomination & Remuneration Committee Meetings	
		Held	Attended
Mr. 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 & Independent Director	4	4
Mr. Richard Nicholas Launder	Non-Executive & Independent Director	4	2

Meetings:

4(Four) meetings of the Nomination & Remuneration Committee were held during the year 2016-17 as on April 22, 2016, July 20, 2016, October 14,2016 & January 17, 2017 and the necessary quorum was present in all the meeting as required by SEBI Listing Regulations, 2015.

Terms of reference:

The committee is primarily responsible for:

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

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

Performance Evaluation Criteria for Independent Directors:

During the year under review, the Board followed the same formal mechanism for evaluating its annual performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process, whereby a structured questionnaire were prepared covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

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 shall consider 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 comprising members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP"), Senior Management Personnel ("SMP" or "LT") and the other employees of the Company.

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

Criteria of making payment to Non-Executive director

Non-Executive Directors:

The Company follows a policy on remuneration of Directors and Senior Management Employees. Non-Executive director 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.

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.

Remuneration paid to the Directors (₹ in lacs)

Name of the Director	Basic Salary	House Rent Allowance	Retiral Benefit	Other Allowances	Sitting Fees	Stock Option Details	Total Amount Paid (₹ In lacs)
Mr. Rajnit Rai Jain	36.00	18.00	4.32	0.11	-	-	58.43

Sitting Fees paid to the Non-Executive Directors during the Financial Year are as under:

Name of Non-Executive Directors	Sitting fees (₹ in Lacs)	
	Board Meeting	Committee Meeting
Mrs. Sarita Jain	0.40	0.00
Mr. Shital Kumar Jain	1.60	7.20
Mr. Rajasekhar Ramaraj	1.60	5.60
Mr. Richard Nicholas Launder	0.80	1.60
Total	**4.40**	**14.40**

F. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Composition:

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

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

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

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

Meetings:

During the financial year, the Committee had met 1 times as on 18th January, 2017

Terms of Reference:

- 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.
- To ensure compliance with Corporate Governance norms prescribed under Listing Regulations, the Companies Act and other statutes or any modification or re-enactment thereof.

G. Executive committee:

Composition:

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

Terms of reference:

This 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.

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. Rajasekhar Ramaraj	Non-Executive & Independent Director	4	4
Mr. Richard Nicholas Launder	Non-Executive & Independent Director	4	2

Meetings:

4(Four) meetings of the Executive committee were held during the year 2016-17 on April 22, 2016, July 20, 2016, October 14, 2016 & January 17, 2017.

PROHIBITION OF INSIDER TRADING

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

H. General Body Meetings

Location and time, where last three annual general meetings (AGMs) were held:

Year	Day, Date & time	Venue	Special resolution passed
2013-14	Friday,18th July, 2014 at 11:30 A.M	'Rabindra Tirtha', 33-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata – 700156	1) Re-appointment of Mr. Rajnit Rai Jain as the Chairman & Managing Director of the Company. 2) Payment of remuneration to non- executive directors.
2014-15	Friday, 10th July, 2015 at 1:30 P.M	'Rabindra Tirtha', 33-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata	-
2015-16	Thursday, July 21, 2016 at 11:30 A.M	'Rabindra Tirtha', 33-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata	1)To approve Company's Employee Stock Option Scheme 2016 (ESOP Scheme 2016)

Details regarding Resolutions passed through postal ballot:

During the financial year 2016-17, no Special Resolutions were passed through Postal Ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing Special Resolutions through Postal Ballot.

Extraordinary General Meeting:

No Extraordinary General Meeting of the members was held during the financial year 2016-17.

J. Disclosures

- **Related Party Transactions:**

There were no materially significant 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 which provides a framework to regulate transaction between the Company and its related parties based on laws and regulations applicable to the Company. The Company's RPT Policy is available on the company's website www.rssoftware.com and on the weblink http://www.rssoftware.com/investors#corporate_governance .

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, strictures imposed on the company.**

There were no instances of non-compliance by Company imposed by either Stock Exchange or Securities and Exchange Board of India (SEBI) or any statutory authority on any matter related to the capital markets during the last 3 years.

- **Whistle Blower Policy (Vigil mechanism)**

Your Company is serious about its adherence to the codes of Conduct and to achieve at par with the highest standards of ethical, moral and legal conduct of business operations and henceforth encourage its employees to bring ethical and legal violations they are aware of to an internal authority without fear of punishment or unfair treatment so that action can be taken immediately to resolve the problem. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism also provides for adequate safeguards against victimization of employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. Thus minimization of organization's exposure to the damage that can occur when employees circumvent internal mechanisms is the main objective which neither releases employees from their duty of confidentiality in the course of their work, nor can it be used as a route for raising any malicious allegations against people in authority and / or colleagues in general. Your company has given affirmation that no personnel have been denied access to the Audit Committee. The Company's Whistle Blower Policy is available on the company's website www.rssoftware.com and on the weblink http://www.rssoftware.com/investors#corporate_governance.

- **Compliance with Mandatory requirements and adoption of the non –mandatory requirements :**

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

The Company is not required to adopt discretionary Requirements as specified in Regulation 27(1) of the Listing Regulation because no such activities took place in the company.

• 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 approved the Policy for determining materiality of an event or information and for making disclosures to the Stock Exchanges which is effective from December 1, 2015 and same is available on the company's website www.rssoftware.com and on the weblink 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 the Stock Exchanges under the said regulation.

• 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, approved and adopted the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information". The Code is available on the company's website www.rssoftware.com and on the weblink http://www.rssoftware.com/investors#corporate_governance .

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

• Compliance with accounting standard:

The company has followed all relevant Accounting Standards notified by the Companies (Accounting Standard) Rules 2006, while preparing the Financial Statements.

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

K. Means of Communications

- The quarterly, half yearly and Annual Financial Results of the company are published in the newspaper in India which includes Business Standards (English) – All India Edition and in 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 www.rssoftware.com. 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.

GENERAL INFORMATION FOR SHAREHOLDERS AND INVESTORS

Corporate HQ & 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
Date time and Venue of Annual General Meeting	July 21, 2017 at 11.30 a.m. Rabindra - Okakura Bhawan, Paschimbanga Bangla Academy, 27A/1 DD Block, Salt Lake City, (Near City Centre I, Salt Lake), Kolkata - 700 064
Tentative Calendar of Events for the Financial Year 2017-18	First Quarter- July 2017 Second Quarter- October 2017 Third Quarter- January 2018 Financial Year- April 2018
Shareholders Services, Enquiries, Complaints	Mr. Vijendra Kumar Surana vijendras@rssoftware.co.in OR Mr. Anindya Sen anindyasen@rssoftware.co.in
Financial Year	From April to March
Registrars & Share Transfer Agent	C.B. Management Services (P) Ltd. P-22, Bondel Road, Kolkata- 700019 Phone # 033- 22806692/ 40116700/ 22823643/ 22870263 Fax # 033-40116739
Book Closure for AGM	July 15,2017 to July 21, 2017
Listing on Stock Exchange of	Bombay Stock Exchange Ltd., 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code : 517447
	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (E), Mumbai - 400 051 Stock code: RSSOFTWARE
Trading of Equity Shares	Equity Shares are traded through a. National Securities Depository Ltd (NSDL) and b. Central Depository Services Ltd (CDSL) Company's ISIN: INE165B01029
Attorneys and Solicitors	Sandersons & Morgans Royal Insurance Buildings, 5, Netaji Subhas Road, Kolkata

Custodial fees to Depositories: The custodial fee has been paid to NSDL and CDSL up-to 31st March, 2017.

The Listing Fees has been paid to BSE Ltd and NSE Ltd. up-to 31st March, 2017.

Monthly High, Low & Closing Share Price at BSE (Amount in ₹)

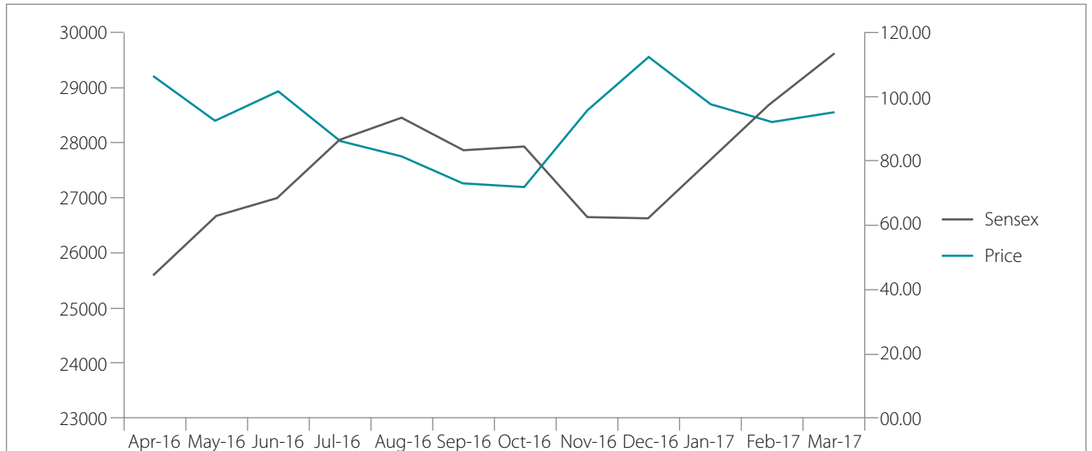
Month	BSE Ltd.		
	High Price	Low Price	Close Price
April 2016	123.05	80.20	105.90
May 2016	111.40	85.00	92.60
June 2016	106.05	90.20	101.45
July 2016	103.50	73.50	86.35
August 2016	88.05	75.00	81.50
September 2016	82.30	71.50	73.20
October 2016	80.00	67.00	71.85
November 2016	95.60	58.80	95.60
December 2016	127.50	88.70	111.95
January2017	119.60	96.80	97.30
February 2017	106.40	91.20	92.25
March 2017	103.55	91.60	94.90

Monthly High, Low & Closing Share Price at NSE

(Amount in ₹)

Month	BSE Ltd.		
	High Price	Low Price	Close Price
April 2016	122.95	80.1	106.1
May 2016	111.3	80.1	92.8
June 2016	105.95	89.8	101.25
July 2016	103.7	73.7	86.3
August 2016	87.9	75.1	81.3
September 2016	82.2	71.5	73.3
October 2016	77.5	66.6	71.7
November 2016	95.75	58.25	95.75
December 2016	127.65	88.5	112.25
January2017	119.6	96.5	97
February 2017	106.65	91.25	91.95
March 2017	103.75	90.55	94.75

RS share price with BSE Sensex during the Financial Year 2016-17

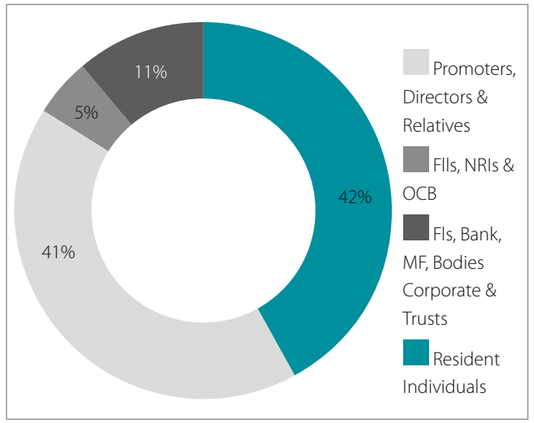


(h) a) Distribution of shareholding as on March 31, 2017:

Range	No. of Shareholders	% to Total Shareholders	Issued Share Capital	% to Total Share Capital
1-500	23,612	83.43	16,778,525.00	13.05
501-1000	2,601	9.19	9,451,150.00	7.35
1001-2000	1,139	4.03	8,438,685.00	6.57
2001-3000	374	1.32	4,701,575.00	3.66
3001-4000	165	0.58	2,985,145.00	2.32
4001-5000	98	0.35	2,278,625.00	1.77
5001-10000	174	0.62	6,240,330.00	4.86
10001 & ABOVE	137	0.48	77,667,555.00	60.42
TOTAL	**28,300**	**100.00**	**128,541,590.00**	**100.00**

b) Share holding pattern as on March 31, 2017:

Category	No. of shares	% of Shareholding
Promoters, Directors & Relatives	10563792	41.09
FIIs, NRIs & OCB	1376948	5.35
FIs, Bank, MF, Bodies Corporate & Trusts	2919466	11.36
Resident Individuals	10848112	42.20
Total	**25708318**	**100.00**



c) Dematerialisation of shares and liquidity as on March 31, 2017:

Nature of holding	Holders	Shares	Percentage
Physical	1,551	596,960	2.32
Dematerialized	26,749	25,111,358	97.68
Total	**28,300**	**25,708,318**	**100.00**

(d) Outstanding GDR/ADR/Warrants and Convertible Instruments, Conversion dates and likely impact in Equity:

Not applicable

(e) Commodity price risk or foreign exchange risk and hedging activities:

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

Plant Locations

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

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

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

Attorneys & Solicitors

Sandersons & Morgans
Royal Insurance Buildings,
5, Netaji Subhas Road, Kolkata

For and on behalf of the Board of Directors

Sd/-

Place: Kolkata

Rajnit Rai Jain

Date: April 19, 2017

CHAIRMAN AND MANAGING DIRECTOR
(DIN: 00122942)

Company Secretary Certificate Regarding Compliance of Conditions of Corporate Governance

To
The Members,
R.S. Software (India) Limited

1. We have examined the compliance of conditions of Corporate Governance by R.S. Software (India) Limited. (hereinafter called the Company) for the Financial Year ended on 31st March, 2017 as stipulated in Regulation 17-27 ,Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations,2015") and other information as required for this report.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries
M R Goenka
Partner
C P No.: 2551

Place: Kolkata
Date: April 19, 2017

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

Sub: CEO & CFO's Certification

Dear Sirs,

(a) We have reviewed the financial statements and the cash flow statement of the

Company for the financial year ended 31stMarch 2017 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 year 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 in internal control over financial reporting during the year ;

(ii) Significant changes 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.

Sd/-
Rajnit Rai Jain
Chairman& Managing Director

Sd/-
Vijendra Surana
Chief Financial Officer & Company Secretary

Place: Kolkata
Date: April 19, 2017

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

Declaration

As required under Regulation 34(3) read with part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all members of the Board of Directors of the Company and the Senior Management. Personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended March 31, 2017.

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

Place: Kolkata
Date: April 19, 2017

Independent Auditor's Report

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of R S Software (India) Limited ("the Company"), which comprise of the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its profit / loss and its cash flows for the year ended on that date.

Reports on Other Legal and Regulatory Requirements

(i) As required by the Companies (Auditors Report) Order, 2016 (the Order) issued by the Central Government of India in terms of section 143 (11) of the Act we give in the Annexure A, a Statement on the matters specified in paragraph 3 and 4 of the order

(ii) As required by Section 143(3) of the Act, we report that :

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

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

(g) With respect to the other matters to be includes in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

i. The Company does not have any pending litigations which would impact its financial position in its financial statements;

ii. The Company does 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. The Company has provided requisite disclosure in its financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in according with the books of accounts maintained by the Company. Refer Note 16 to the financial statements.

For **Chaturvedi & Company**
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

Place : Kolkata
Date : 19.04.2017

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, 2017, we report that

i. a) The Company has generally maintained proper records of all tangible assets showing full particulars including quantitative details except location thereof

(b) As explained by the Management, all the assets have been physically verified by the management during the year-end which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

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

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

iii. (a) On the basis of examination of records and according to the information and explanation given to us, we report that the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(b) As the Company has not given any loans, clause iii(a), iii(b) and clause iii(c) of paragraph 3 of 'the order' are not applicable.

(iv) On the basis of examination of records and according to information and explanation given to us, the Company has not granted any loans, investments, guarantee and security to any person falling under section 185 of the companies act, 2013

(v) The Company has not accepted any deposits and therefore the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the companies act 2013 and the rules formed thereunder are not applicable to the company

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to information and explanation given to us and as per the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it. No statutory dues were outstanding, as at 31st March 2017 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues were outstanding, as at 31st March 2017 on account of any dispute except as follows :

Name of the Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service Tax	3.99 Crores	2007 – 2012	Appeal before CESTAT
Income Tax	Income Tax	4.30 Crores	AY 2013 – 1 4	CIT (Appeals)
Income Tax	Income Tax	10.30 Crores	AY 2012 – 13	Final Asst. Order received and appeal will be filed before the ITAT
Income Tax	Income Tax	--	AY 2014 – 15	CIT (Appeal)

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

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

(x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to information and explanation given to us and as per the records of the Company examined by us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According 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 fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Company**
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

Place : Kolkata
Date : 19.04.2017

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, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operative effectiveness. Our audit of internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion of the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in responsible detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are records as necessary to permit preparation of financial statements in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and 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, 2017, 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 **Chaturvedi & Company**
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

Place : Kolkata
Date : 19.04.2017

Balance Sheet as at March 31, 2017

₹ in Lac

Particular	Notes	As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES :			
1 SHAREHOLDERS' FUNDS			
(a) SHARE CAPITAL	3	1,285.42	1,284.67
(b) RESERVE & SURPLUS	4	18,466.79	20,239.22
2 NON-CURRENT LIABILITIES			
(a) LONG TERM PROVISIONS	6	300.28	329.07
3 CURRENT LIABILITIES			
(a) SHORT TERM PROVISIONS	6	11.55	320.88
(b) TRADE PAYABLES	7	656.60	1,663.50
(c) OTHER CURRENT LIABILITIES	8	368.76	181.09
TOTAL (1+2+3)		**21,089.40**	**24,018.43**
II. ASSETS			
1 NON CURRENT ASSETS			
(a) FIXED ASSETS			
(i) TANGIBLE ASSETS	9	516.00	778.19
(ii) INTANGIBLE ASSETS	10	261.18	84.50
(iii) INTANGIBLE ASSETS UNDER DEVELOPMENT		20.24	78.73
(b) NON CURRENT INVESTMENT	12	1,271.32	871.32
(c) DEFERRED TAX ASSETS (Net)	5	919.31	117.68
(d) LONG TERM LOANS & ADVANCES	13	2,315.84	2,116.82
(e) OTHER NON CURRENT ASSETS	17	360.95	1,460.15
2 CURRENT ASSETS			
(a) SHORT TERM LOANS AND ADVANCES	13	1,082.30	1,073.53
(b) CURRENT INVESTMENT	14	9,231.76	6,338.43
(c) TRADE RECEIVABLES	15	2,648.77	1,746.89
(d) CASH & CASH EQUIVALENTS	16	2,022.92	8,970.93
(e) OTHER CURRENT ASSETS	17	438.80	381.26
TOTAL (1+2)		**21,089.40**	**24,018.43**
Significant Accounting Policies and Notes on Accounts	1 to 41		

The Notes referred to above form an integral part of the Financial Statement.

This is the Financial Statement referred to in our report of even date.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
Nilima Joshi	**V. Surana**	**S. K. Jain**	**R. R. Jain**
Partner	*CFO & Company Secretary*	*Director*	*Chairman & Managing Director*
Mem. No. 52122	Mem. No. 11559	DIN : 00047474	DIN : 00122942

Dated: April 19th, 2017.
Place : Kolkata

Statement of Profit and Loss Account for the year ended March 31, 2017

₹ in Lac

Particular	Notes	Year ended March 31, 2017	Year ended March 31, 2016
I REVENUE FROM OPERATION	20	7,070.44	17,141.75
II OTHER INCOME	21	1,350.94	1,549.11
III TOTAL REVENUE		**8,421.38**	**18,690.86**
IV EXPENSES :			
PURCHASE OF STOCK IN TRADE	22	1,012.71	446.63
EMPLOYEE BENEFIT EXPENSES	23	6,610.11	11,541.46
SUBCONTRACTOR EXPENSES	-	198.31	1,823.70
FINANCE COST	24	10.38	21.50
DEPRECIATION	9 & 10	396.49	417.02
OPERATION AND OTHER EXPENSES	25	2,749.26	3,290.87
Total		**10,977.26**	**17,541.19**
V PROFIT BEFORE TAX :	(III - IV)	**(2,555.88)**	**1,149.67**
VI TAX EXPENSES			
CURRENT TAX		-	370.69
DEFERRED TAX		(801.63)	(16.16)
VII PROFIT FOR THE YEAR :	(V - VI)	**(1,754.25)**	**795.14**
FACE VALUE OF SHARE		5.00	5.00
VIII EARNING PER EQUITY SHARE :	34		
BASIC		(6.82)	3.10
DILLUTED		(6.82)	3.10
Significant Accounting Policies and Notes on Accounts	1 to 41		

The Notes referred to above form an integral part of the Financial Statement.

This is the Financial Statement referred to in our report of even date.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
Nilima Joshi	**V. Surana**	**S. K. Jain**	**R. R. Jain**
Partner	*CFO & Company Secretary*	*Director*	*Chairman & Managing Director*
Mem. No. 52122	Mem. No. 11559	DIN : 00047474	DIN : 00122942

Dated: April 19th, 2017.
Place : Kolkata

Cash Flow Statement for the year ended March 31, 2017

₹ in Lac

Particular		Year ended March 31, 2017	Year ended March 31, 2016
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	NET PROFIT BEFORE TAX	(2,555.88)	1,149.67
	ADJUSTMENT FOR :		
	DEPRECIATION	396.49	417.02
	INTERESTPAID	10.38	21.50
	FOREIGN EXCHANGE FLUCTUATION RESERVE	(23.29)	97.75
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	120.78	222.93
	INTEREST RECEIVED	(1,324.63)	(1,514.13)
	DIVIDEND RECEIVED	-	(0.37)
	EMPLOYEES EXPENSES AMORTIZATION	(150.60)	(294.38)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(3,526.75)	99.99
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	(901.88)	2,872.42
	LOANS AND ADVANCES AND OTHER ASSETS	833.87	(2,211.11)
	TRADE PAYABLES & OTHER LIABILITIES	(819.22)	799.77
	CASH GENERATED FROM OPERATIONS	(4,413.98)	1,561.07
	CASH FLOW BEFORE EXTRAORDINARY ITEMS	(4,413.98)	1,561.07
	NET CASH FROM OPERATING ACTIVITIES	**(4,413.98)**	**1,561.07**
B	CASH FLOW FROM INVESTMENT ACTIVITIES :		
	PURCHASE OF FIXED ASSETS	(252.50)	(83.25)
	INTEREST RECEIVED	1,324.63	1,514.13
	DIVIDEND RECEIVED	-	0.37
	INVESTMENT MADE DURING THE YEAR	(3,293.33)	(460.96)
	NET CASH FROM INVESTMENT ACTIVITIES	**(2,221.20)**	**970.29**
C	CASH FLOW FROM FINANCE ACTIVITIES:		
	PROCEEDS FROM SHARE APPLICATION	6.36	6.34
	INTEREST PAID	(10.38)	(21.50)
	DIVIDEND AND DIVIDEND TAX PAID	(308.31)	(76.85)
	PAYMENT OF CSR FUND	(0.50)	(0.75)
	NET CASH FROM FINANCING ACTIVITIES	**(312.83)**	**(92.76)**
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(6,948.01)**	**2,438.60**
	OPENING CASH AND CASH EQUIVALENTS	8,970.93	6,840.63
	CLOSING CASH AND CASH EQUIVALENTS	2,022.92	8,970.93

This is the Financial Statement referred to in our report of even date.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

Sd/-	Sd/-	Sd/-	Sd/-
Nilima Joshi	**V. Surana**	**S. K. Jain**	**R. R. Jain**
Partner	*CFO & Company Secretary*	*Director*	*Chairman & Managing Director*
Mem. No. 52122	Mem. No. 11559	DIN : 00047474	DIN : 00122942

Dated: April 19th, 2017.
Place : Kolkata

Notes on accounts for the year ended March 31, 2017

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.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Convention

The financial statements have been prepared under the historical cost convention in accordance with the applicable Accounting Standards in India and the provisions of the Indian Companies Act, 2013.

b) Basis of Accounting

The Company follows accrual basis of accounting.

c) Revenue Recognition

Revenue is realised 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 recognised based on software developed and billed to clients as per the terms of specific contracts. Revenue from Fixed Bid contract is sent on monthly basis as per contract terms. Revenue from Milestone base contract is being recognised based on effort given during the period but the Invoice is sent to customer when the milestone is achieved as per contract. Value Added tax in UK is not included in the income from Software development. Cheques issued in USA which are not encashed within 2 years of issuance are written back.

d) Fixed Assets

Tangible Assets

Fixed Assets are capitalized at cost inclusive of installation charges, interest & other financial charges on borrowings and other expenses for acquisition of such fixed assets till they are made operational.

Intangible Assets

Computer Software and License are capitalized at cost inclusive of installation charges, interest & other financial charges on borrowings and other expenses for installation of such License.

e) Depreciation and Amortisation

Depreciation on fixed assets is provided using the straight-line method on the basis of useful life of assets under schedule II of the Indian Companies Act, 2013. Depreciation on additions due to realignment of rupee value of foreign currency loan or fixed assets has been charged proportionately on the productive life of the assets. Intangible assets/Software Licences are amortised 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.

f) Investments

Long term Investments are valued at cost. Provision for diminution is made to recognize the decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually. Changes in carrying amount of investments are charged or credited to the Profit and Loss Account.

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. Current Investment are valued at lower of Cost or Fair Value and diminution if any is considered at Year end.

g) 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

Notes on accounts *(contd.)* for the year ended March 31, 2017

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.

h) **Spares and Consumables**

Computer spares, accessories and stationery are charged to revenue in the year they are purchased.

i) **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 operator is determined in accordance with the laws applicable in accordance with tax laws applicable in countries where such operations are domiciled.

Advance tax and provisions for current income taxes are presented in the Balance Sheet after off setting advance taxes paid and income tax provision arising in the same tax jurisdiction and where the company intends to settle the assets and liabilities on a net basis.

Deferred Tax is accounted for by computing the tax effect of timing differences, which arise during the year and reverse in subsequent periods.

j) **Contingent liabilities**

Contingent liabilities are not accounted for but have been disclosed by way of Notes to Accounts.

k) **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 AS 15 Compliance of The Institute of Chartered Accountants of India.

l) **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.

m) **Impairment of Assets**

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

n) **Segment Reporting**

The company's operating business are organised 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.

o) **Earning Per Share**

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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.

Notes on accounts *(contd.)* for the year ended March 31, 2017

3. SHARE CAPITAL

₹ in Lac

			As at March 31, 2017	As at March 31, 2016
a	**The AUTHORISED CAPITAL is :**			
	4,00,00,000	EQUITY SHARE OF ₹5/- EACH	2,000.00	2,000.00
	25,00,000	PREFERENCE SHARE OF ₹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**			
	2,57,08,318	EQUITY SHARE OF ₹5/- EACH	1,285.42	1,284.67
		(Previous Year 2,56,78,318 shares of ₹5 each)		
			1,285.42	**1,284.67**

The company has only one class of Shares referred to as equity share having a par value of ₹5/- at the beginning of the year. Each holder of equity share is entitled to one vote per share. ('The Company has sub-divided the face value of equity shares from ₹10 to ₹5 per share during FY 14-15.)

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The company has allotted 2411623 equity shares in FY 10-11 , 10640 equity share in FY 11-12 , 16226 equity share in FY 12-13 and 8372 equity share in FY 13-14 as bonus share.

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

Equity Share	March 31, 2017		March 31, 2016	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	2,56,93,318	1,284.67	2,56,78,318	1,283.91
Add : Shares issued as Preferential Allotment				
Add : Shares issued as Bonus				
Add : Shares issued on exercise of Employee Stock option	15,000	0.75	15,000	0.76
Add : Bonus Shares issued on Employee Stock option				
Add : Share issued as a part of subdivision of shares	-	-	-	-
	2,57,08,318	**1,285.42**	**2,56,93,318**	**1,284.67**

d **Shareholder holding more than 5% of the share as on**

	March 31, 2017	March 31, 2016
Mr. Rajnit Rai Jain	1,00,35,648 Shares of ₹5 each	97,56,648 Shares of ₹5 each
	(39.94% of total shareholding)	(37.97% of total shareholding)

e **Employee Stock option Plan**

'The Company has granted 75000 options of shares of face value ₹10 each to the directors and employees to be convertible into one equity share each, on 12th July' 2012 at the exercise price of ₹84.75 each. The same could be exercised after one year from the date of allotment of options. The Directors and Employees have exercise their options and the Directors have been allotted 45,000 Shares and Employee have been allotted (1st and 2nd instalment out of four) 15000 shares before Jan'15. On Jan '15 with the subdivision of shares, the balance 15000 option of EQ face value of ₹10 each converted to 30000 options EQ for face value ₹5 each. During the period ended Sep'15 15000 options for EQ face value ₹5 each has been allotted to employees. During the Quarter ended Sept'16 15000 shares option has been exercised.

Notes on accounts *(contd.)* for the year ended March 31, 2017

4. RESERVE AND SURPLUS

₹ in Lac

	March 31, 2017	March 31, 2016
SHARE FORFEITURE		
The Company had forfeited 10% Application Money on 500,000 Warrants for Preferential Allotment to be Converted into Equity Shares against each Warrant in the absence of final call money being received within the due date in FY 2006-07 . The Warrant was allotted at ₹87 which included premium amount of ₹77.	43.50	43.50
SECURITIES PREMIUM ACCOUNT		
Balance at the beginning of the year	2,580.77	2,575.17
Add : Receipts on exercise of Preferential Allotment	-	-
Add : Receipts on exercise of employee stock options	5.61	5.60
Closing Balance	**2,586.38**	**2,580.77**
PREFERENCE SHARE REDEMPTION RESERVE		
Balance at the beginning of the year	255.31	255.31
Add : Transfer from Profit & Loss A/c	-	-
Less : Distributed as Bonus Share	-	-
Closing Balance	**255.31**	**255.31**
CSR FUND		
Balance at the beginning of the year	118.65	119.40
Add : Transfer from /(To) Profit & Loss A/c*1		
Less : Transfer to Donation	(0.50)	(0.75)
Closing Balance	**118.15**	**118.65**
SURPLUS IN STATEMENT OF PROFIT AND LOSS ACCOUNT		
Balance at the beginning of the year	16,726.08	16,624.71
Less : MAT Credit reversed for earlier years	-	(385.48)
Add : Net Profit /Loss after tax from Statement of Profit and Loss	**(1,754.25)**	**795.14**
	14,971.83	**17,034.38**
Less Appropriations :		
Proposed Final Equity Dividend	-	(256.93)
(₹1 per share, Previous year ₹1 per share)		
Equity Dividend Tax	-	(51.37)
Closing Balance	**14,971.83**	**16,726.08**
INTER BRANCH FOREIGN FLUCTUATION RESERVE		
Balance at the beginning of the year	514.91	417.17
Add : Fluctuation during the period	(23.29)	97.74
Closing Balance	**491.62**	**514.91**
	18,466.79	**20,239.22**

* In FY15- 16 the Company has Proposed Final Dividend @ ₹1 per share which has been duly approved in AGM and subsequently paid .

Notes on accounts *(contd.)* for the year ended March 31, 2017

5. DEFERRED TAX ASSETS / (LIABILITY) - NET

₹ in Lac

	March 31, 2017	March 31, 2016
DTL on Account of Fixed Assets	(8.66)	(47.87)
DTA on Account of Accrued Employee benefits and B/f other Losses	927.97	165.55
NET DEFERRED TAX ASSETS / (LIABILITY)	**919.31**	**117.68**

6. PROVISIONS

₹ in Lac

	Long Term Provision		Short Term Provision	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
PROVISION FOR LEAVE ENCASHMENT *	36.46	50.45	1.49	1.73
PROVISION FOR GRATUITY *	263.82	278.62	10.05	10.85
PROVISION FOR PROPOSED EQ DIVIDEND	-	-	-	256.93
PROVISION FOR PROPOSED DIVIDEND TAX	-	-	-	51.37
* (Refer note 32)				
	300.28	**329.07**	**11.55**	**320.88**

7. TRADE PAYABLE (SHORT TERM)

₹ in Lac

	March 31, 2017	March 31, 2016
Other Than Acceptances	656.60	1,663.50
Refer note 35		
	656.60	**1,663.50**

8. OTHER CURRENT LIABILITIES

₹ in Lac

	March 31, 2017	March 31, 2016
SALARY PAYABLE	150.23	81.18
STATUTORY LIABILITY including PF, TDS, ESI etc.	91.24	98.52
OTHER PAYABLES	1.58	1.38
TEMPORARY OD in Books	125.72	-
	368.76	**181.08**

Notes on accounts *(contd.)* for the year ended March 31, 2017

9. DETAILS OF TANGIBLE ASSETS

₹ in Lac

Particulars	Land	Building	Plant And Machineries	Office Equipment	Air Conditioner	Electrical Installations	Furniture and Fittings	Motor Vehicles	Total 31.3.2017	Total 31.3.2016
Gross Block										
Opening Balance	7.76	154.65	1,906.69	233.01	124.64	203.78	559.22	52.79	3,242.54	3,189.98
Additions during the period	-	-	24.28	3.14	-	-	25.46	-	52.88	55.99
Other Adjustments (rectification from OE to EE)	-	-	-	-	-	-	-	-	-	2.45
Sub-total	**7.76**	**154.65**	**1,930.98**	**236.15**	**124.64**	**203.78**	**584.67**	**52.79**	**3,295.42**	**3,248.42**
Less: Disposals			(19.17)						(19.17)	(6.52)
Gross block as on closing	**7.76**	**154.65**	**1,911.81**	**236.15**	**124.64**	**203.78**	**584.67**	**52.79**	**3,276.26**	**3,241.91**
Depreciation / Amortization										
Opening depreciation / amortization	-	49.27	1,597.68	140.98	61.77	139.23	440.98	36.60	2,466.51	2,132.45
Depreciation/ Amortization of the period	-	4.09	156.44	32.82	5.58	37.11	53.55	5.80	295.40	334.52
accumulated dep on disposed off assets	-	-	(1.66)	-	-	-	-	-	(1.66)	(3.25)
Total depreciation as on closing	-	**53.37**	**1,752.45**	**173.81**	**67.35**	**176.34**	**494.53**	**42.40**	**2,760.25**	**2,463.71**
Net Carrying Value (Closing)	**7.76**	**101.28**	**159.36**	**62.34**	**57.28**	**27.44**	**90.14**	**10.39**	**516.00**	**778.19**

Note:

1 Land includes Leasehold land amounting to ₹458,694/-. The lease expires in year 2086.

2 Building in Sector V comprising of 59600 sq ft was taken on lease which has been extended for further period of 4 years till April 2019.

10. DETAILS OF INTANGIBLE ASSETS

₹ in Lac

Particulars	As on 31.3.2017 COMPUTER SOFTWARE & LICENCES	As on 31.3.2016 COMPUTER SOFTWARE & LICENCES
DETAILS OF TANGIBLE ASSETS		
GROSS BLOCK	540.14	522.49
ADDITION	281.05	23.15
Sub-total	**821.19**	**545.65**
Less: Disposals	-	-
	821.19	**545.65**
Less: Depreciation / Amortization		-
Opening depreciation / amortization	461.67	378.65
Depreciation / Amortization	98.33	82.50
	560.00	**461.15**
Total depreciation as on closing	**261.18**	**84.50**
Net Carrying Value Previous Year	**261.18**	**84.50**

Notes on accounts *(contd.)* for the year ended March 31, 2017

11. INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lac

	March 31, 2017	March 31, 2016
ERP IMPLEMENTATION	-	73.81
Others	20.24	4.92
	20.24	**73.81**

12. NON-CURRENT INVESTMENTS (AT COST)

₹ in Lac

	No. of unit	March 31, 2017	No. of unit	March 31, 2016
(Others - unquoted)				
In Wholly Owned Subsidiary				
RS SOFTWARE ASIA PTE LTD.		8.02		8.02
(25000 no. (previous year 25000 no.) Equity share of SGD 1 each fully paid up)				
RESPONSIVE SOLUTION INC.		163.30		163.30
(500 no.(Previous year 500 no.) Equity Share of USD 0.01 each fully paid up)				
		171.32		**171.32**
In Subsidiary				
Paypermint Pvt Ltd		600.00		-
(6000000 nos of equity shares of ₹10 each fully paid up)				
(Aggregate amount of investment as on MAR 31, 2017 ₹771.32 Lac) (As on March 31, 2016 ₹171.32 Lac)		**771.32**		**171.32**
In Mutual Fund -				
Reliance Fixed Horizon Fund - XXV- series 14- Growth plan	3000000	300.00	3000000	300.00
Reliance Fixed Horizon Fund - XXV- series 15- Growth plan	NIL	-	2000000	200.00
Reliance Fixed Horizon Fund - XXV- series 16- Growth plan	2000000	200.00	2000000	200.00
(Aggregate NAV of Mutual Fund as on MAR 31, 2017 ₹626.97 Lacs) (as on 'MARCH 31, 2016 ₹ 820.75lac)		**1,271.32**		**871.32**

13. LOANS AND ADVANCES

₹ in Lac

	Long Term Loans & Advances		Short Term Loans & Advances	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
(Unsecured and Considered good)				
LOAN				
(Recoverable in cash or in kind or for value to be received)				
ADVANCE TO R S EMPLOYEE WELFARE TRUST	1,300.00	1,300.00	-	-
ADVANCES				
(Recoverable in cash or in kind or for value to be received)				
ADVANCES	40.08	-	390.05	285.33
PREPAID EXPENSES	40.40	26.56	76.15	141.21
DEPOSITS	69.39	69.39	55.38	57.42
ADVANCE TO STAFF	-	-	9.98	8.18
ADVANCE TAXES (Net of Provisions)	629.80	332.86	396.62	449.14
BALANCES WITH GOVT. AUTHORITIES	236.18	388.01	154.12	132.25
	2,315.84	**2,116.82**	**1,082.30**	**1,073.53**

Notes on accounts *(contd.)* for the year ended March 31, 2017

14. CURRENT INVESTMENT

₹ in Lac

	No. of unit	March 31, 2017	No. of unit	March 31, 2016
(At Cost or Fair value whichever is less)				
Investment in Mutual Fund (Others - unquoted)				
DHFL Pramerica Ultra Short Term Bond Fund- Direct Plan- Growth	NIL	-	1248156	257.03
HDFC FMC 92D MARCH 2016 - DIRECT GR	NIL	-	4292858	429.29
Reliance Floating rate Fund -ST Plan- Direct Growth	NIL	-	1892568	400.00
Reliance Fixed Horizen Fund - Series II- Direct Growth Plan	NIL	-	1463636	300.00
Reliance Quarterly Interval Fund - Series III- Direct Growth Plan	NIL	-	2820579	350.00
Birla Sun Life cash plus -D DIP	NIL	-	89216	200.00
DSB BlackRock Strategic Bond Fund -	8429940	1,000.00	17595	250.00
HDFC Floating Rate Income fund ST plan	1421348	400.00	1536310	400.00
ICICI Prudential Flexible Income Plan - Direct Plan- Growth			143725	400.00
ICICI Prudential Liquid - Direct Plan- Growth	NIL	-	232206	500.00
IDFC Dynamic Bond fund growth - Direct Plan	3627935	700.00	1672231	300.00
IDFC Liquid fund	NIL	-	17144	300.00
JM High Liquidity Fund (Direct) - DDO	NIL		625846	250.00
Kotak Bond (Short Term) - Direct Plan - Growth	2444572	700.00	1157198	300.00
Kotak Bond scheme plan A - Direct Plan - Growth	1293543	1,031.76	493910	200.00
L and T liquid fund - Collection Account	NIL		15199	300.00
Reliance Banking & PSU Debt Fund- DGP	8718356	1,000.00	3000000	300.00
Reliance Liquidity Fund DDD,	29087	1,150.00	102	2.12
Reliance Short Term Fund	1447320	450.00	1429194	400.00
Religare Invesco Medium Term Bond fund	29729	500.00	32267	500.00
Reliance Corporate Bond	3803786	500.00		
Reliance FMP	10000000	1,000.00		
SBI Ultra Short Term Debt Fund	38019	800.00		
(Aggregate NAV of Mutual Fund as on MAR 31 2017 ₹9441.87) (as on 'MARCH 31, 2016 ₹6655.74 Lac)				`
		9,231.76		**6,338.43**

15 a. TRADE RECEIVABLES

₹ in Lac

	March 31, 2017	March 31, 2016
(Unsecured and Considered good)		
Trade Receivable for a period exceeding Six Months		-
Others	2,648.77	1,746.89
	2,648.77	**1,746.89**

b. UNBILLED REVENUE:

Unbilled but accrued revenue included in Trade receivable valued as on MAR 31st, 2017 amounts to ₹825.60 lac (MARCH 31 ' 2016 ₹559.98 Lac) primarily comprises of revenue recognised in relation to a percentage of work completed during the period which would be invoiced on achieving the particular milestone i.e based on the work order or contractual terms.

Notes on accounts *(contd.)* for the year ended March 31, 2017

16. CASH AND BANK BALANCE

₹ in Lac

	March 31, 2017	March 31, 2016
CASH & CASH EQUIVALENTS		
CASH IN HAND*	8.62	12.73
BALANCE WITH BANK :		
SCHEDULED BANKS		
- in Current Account (Axis bank)	14.43	13.57
- in Current Account (Allahabad Bank)	0.33	
- in Current Account (HDFC Bank)	19.98	3.84
- in Current Account (ICICI Bank)	197.67	138.95
- in Current Account (YES Bank)	124.56	42.28
- in Current Account (SBI Bank)	28.60	2.11
FOREIGN BANK		
- in Current Account	18.30	1,132.06
(Bk of America(2.10), Silicon Valley Bk(-125.71), ICICI Bk UK Ltd.(16.20)*		
OTHER BANK BALANCES		
FIXED DEPOSITS - with original maturity less than 12 Months		
Fixed Deposits with Yes Bank	1,066.82	7,147.84
Fixed Deposits with ICICI Bank	-	-
In margin Money deposits against guarantees (in lien)		
ICICI Bank	196.52	152.57
Allahabad Bank*	8.75	8.63
Yes Bank	338.34	316.34
	2,022.92	**8,970.93**

*On 31st of March'17 the Allahabad Bank FD confirmation has been pending.

The Company has 13 Dividend Accounts being balances comprising of amount of ₹59.16 Lac which are still unpaid since FY 10-11. The same is not included in accounts.

16A) As required vide MCA notification GSR 308(E) dated March 30th 2017 ,details with regard to specified bank notes (SBNs) held and transacted during the period from 8th Nov 2016 to 30th Dec2016 is as follows:

PARTICULARS	SBN	OTHER DENOMINATION NOTES	TOTAL
*Closing Cash in Hand as on 08-11-2016	15,04,000.00	2,86,367.00	17,90,367.00
(+) Permitted Receipts		3,09,900.00	3,09,900.00
(-) Permitted Payments	4,000.00	1,53,460.00	1,57,460.00
(-) Amount Deposited in Banks	15,00,000.00	-	15,00,000.00
Closing Cash in Hand as on 30-12-2016		4,42,807.00	4,42,807.00

Notes on accounts *(contd.)* for the year ended March 31, 2017

17. OTHER ASSETS

₹ in Lac

	Other Non Current Assets		Other Current Assets	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Bank Deposits (with original Maturity more than 12 Months)	300.00	1,436.02	-	-
Interest Accrued on R S EMPLOYEE WELFARE TRUST	-	-	438.80	336.42
Interest Accrued on Fixed Deposits	60.95	24.13	-	44.83
	360.95	**1,460.15**	**438.80**	**381.26**

18. CONTINGENT LIABILITIES

₹ in Lac

	March 31, 2017	March 31, 2016
(To the extent not provided for in the books)		
a) Guarantee Outstanding	467.54	458.80
b) Invoice Funding with Silicon Valley Bank	157.52	-

In response to order received for demand of ₹3.99 Cr , the company has filled an apeal with CESTAT and the same is pending as on date.

In response of the demand order received for AY2013-14 of ₹4.3 Cr, the company has filed an appeal with CIT(A) and the same is pending as on date.

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

19. COMMITMENTS

Other Commitment

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

20. REVENUE FROM OPERATION

₹ in Lac

	March 31, 2017	March 31, 2016
Export of Software Services Income	4,173.15	16,143.08
Domestic Income from Software Services	1,599.26	507.53
Domestic Sales of stock in trade	1,298.03	491.14
	7,070.44	**17,141.75**

21. DETAILS OF OTHER INCOME

₹ in Lac

	March 31, 2017	March 31, 2016
Interest Received from Bank Fixed Deposit*	549.18	665.75
Net gain on Investments in Mutual Funds	661.69	734.63
Dividend Income	-	0.37
Interest from Employee Welfare Trust	113.75	113.75
Other Non-operating Income From Subsidiary	26.31	18.14
Other Income		15.73
Liability no longer required written back	-	0.74
	1,350.94	**1,549.11**

*Due to non availabilty of confirmation of FD of Allahabad Bank the same is not included in the corresponding figure.

Notes on accounts *(contd.)* for the year ended March 31, 2017

22. PURCHASE OF STOCK IN TRADE

₹ in Lac

	March 31, 2017	March 31, 2016
Purchase of stock in trade	1,012.71	446.63
	1,012.71	**446.63**

23. EMPLOYEE BENEFIT EXPENSES

₹ in Lac

	March 31, 2017	March 31, 2016
Salary Wages And Bonus	5,941.90	10,345.69
Contribution to PF And Other Funds	317.61	309.07
Staff Welfare Expenses	350.60	886.70
	6,610.11	**11,541.46**

24. FINANCE COST

₹ in Lac

	March 31, 2017	March 31, 2016
Interest Expenses	10.38	13.76
Other Borrowing Cost	-	6.58
Interest paid to Income Tax	-	1.16
	10.38	**21.50**

25. OPERATION AND OTHER EXPENSES

₹ in Lac

	March 31, 2017	March 31, 2016
Travelling	571.96	1,031.37
Conveyance	73.11	98.23
Staff Welfare	37.48	44.65
Communication	233.81	302.24
Printing and Stationery	14.87	17.04
Electricity and Power	135.89	129.29
Rent - Apartment & Ground	359.59	390.68
Repairs - Machinery	143.24	201.47
Repairs - Building	67.73	89.91
Repairs - Others	3.64	7.91
Education and Training Expenses	54.10	18.41
Insurance	96.50	132.25
Auditors' Remuneration - Refer Note no.27	4.35	4.78
Books and Periodicals	0.33	0.79
Directors' Fees *	21.60	23.43
Rates & Taxes	51.50	142.21
Legal / Professional Fee	373.85	205.35
Consultancy Charges	200.97	221.37
Recruitment & Relocation Expenses	108.68	49.09
General and Board Meeting expenses	8.60	10.52

Notes on accounts *(contd.)* for the year ended March 31, 2017

25. OPERATION AND OTHER EXPENSES *(contd.)*

₹ in Lac

	March 31, 2017	March 31, 2016
Membership and Subscription	20.60	29.49
Business Promotion	150.30	83.56
Advertisement	3.31	16.78
Net loss on Foreign currency Transaction	6.97	4.61
Bank Charges	6.20	23.97
CSR	-	11.00
Donation	0.07	
Loss on Discard of Assets	-	0.47
	2,749.26	**3,290.87**

* Its inclusive of service tax

26.

₹ in Lac

	March 31, 2017	March 31, 2016
Income Tax deducted on domestic income	15.90	NIL

27. AUDITOR'S REMUNERATION

₹ in Lac

	March 31, 2017	March 31, 2016
As Statutory Auditors	2.51	2.50
Tax Audit	0.50	0.50
Other certification	1.34	1.78
The above remunerations are not inclusive of service tax		
	4.35	**4.78**

28. PRIOR PERIOD EXPENSES INCURRED

₹ in Lac

	March 31, 2017	March 31, 2016
	NIL	NIL

29. There is no Impairment of assets during the quarter ended as on MAR 31, 2017.

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

31. The Company has renewed lease for Building with Saltee Infotex (India) Pvt. Ltd. for the period of 4 years expiring on 30th April' 19. The amount of ₹99.94 Lac (Previous Year 31.03.17) has been charged in PL account.

₹ in Lac

Total Minimum Lease Payment outstanding as at	March 31, 2017
Within One Year	99.94
More than One Year	391.75

Notes on accounts *(contd.)* for the year ended March 31, 2017

32. EMPLOYEE BENEFIT PROVISIONS

The company has got the actuarial valuation of employee benefit done at the year end.

₹ in Lac

	March 31, 2017	March 31, 2016
Provision for Leave Encashment in Profit and Loss statement	9.73	37.01
Provision for Gratuity in Profit and Loss statement	111.05	185.92
	120.78	**222.93**

33.

a) **Enterprises where control exists:**

Wholly Owned Subsidiaries:	% of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA
RS Software (Asia) Pte. Ltd.	100%	Singapore

b) **Subsidiary**

Paypermint Pvt Ltd	75%	INDIA

c) **Key Management Personnel:**

Mr. Rajnit Rai Jain	-	Chairman and Managing Director
Mr. Richard Launder	-	Director
Mr. Shital Kr. Jain	-	Director
Mr. R Ramaraj	-	Director
Mrs. Sarita Jain	-	Director
Mr. Raghav Raj Jain	-	Executive - Sales
Ms. Shrishti Jain	-	Executive - BSG
Mr. Vijendra Surana	-	CFO & Company Secretary

d) **Disclosure of transactions between the Company and Related Parties and the status of outstanding balances**

i. **With Wholly Owned Subsidiary (WOS)**

₹ in Lac

Particulars	March 31, 2017 Amount	March 31, 2016 Amount
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon .		
Responsive Solution Inc	485.90	170.58
Paypermint	755.15	Nil
Reimbursing the subsidiary towards service rendered by them at a agreed margin.		
R S Software Asia (Pte.) Ltd.	-	1,421.69
Paypermint Pvt Ltd		
Reimbursing the Other Cost from subsidiary on actual.		
R S Software Asia (Pte.) Ltd.	-	1,187.89
Balance as on MARCH 31, 2017		
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon .		
Responsive Solution Inc	59.59	NIL

Notes on accounts *(contd.)* for the year ended March 31, 2017

33. *(contd.)*

i. With Wholly Owned Subsidiary (WOS)

₹ in Lac

Particulars	March 31, 2017 Amount	March 31, 2016 Amount
Reimbursing the Other Cost from subsidiary on actual.		
Paypermint Pvt Ltd	163.48	NIL
Maximum balance outstanding during the year		
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon .		
Responsive Solution Inc	59.59	36.12
Reimbursing the Other Cost from subsidiary on actual.		
Paypermint Pvt Ltd	674.32	-
RS Software (Asia) Pte Ltd	-	35.58

ii. With Related parties

₹ in Lac

	March 31, 2017 Amount	March 31, 2016 Amount
Remuneration to Key Personnel:		
- Directors (Sitting Fees)	18.80	20.80
- Managing Director	58.43	82.55
- Relative of Managing Director	177.63	120.40

34. EPS has been calculated as per the provisions of AS-20, issued by the Institute of Chartered Accountants of India. The details of calculation are as follows:

Particulars	March 31, 2017	March 31, 2016
Numerator for Basic and Diluted EPS:		
Profit & Loss for the Year ended (₹ in Lac)	(1,754.25)	795.14
Denominator for Basic EPS:		
Equity Shares	2,56,93,318	2,56,57,577
Add: ESOP Conversion	15,000.00	-
Add: Preferential Issue	-	-
Add : Bonus Issue	-	-
Add : Share issued for subdivision of shares	-	-
Weighted no. of Equity Shares	**2,57,08,318**	**2,56,57,577**
Denominator for Diluted Shares		
Weighted No. of Basic Equity Shares	2,56,93,318	2,56,57,577
Add: ESOP Conversion		
ESOP Dilutive		9,197
Pref Share allotment		
Weighted no. of Equity Shares	**2,56,93,318**	**2,56,66,774**
Nominal Value of share (₹)	5.00	5.00
Basic Earning per Share (₹)	(6.82)	3.10
Diluted Earning per Share (₹)	(6.82)	3.10

Notes on accounts *(contd.)* for the year ended March 31, 2017

35. There is no declaration received from vendor for small, medium & Micro registration.

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

a. The Company is engaged in the business of development & maintenance of computer software and other related services. The production and sale of such software services are not capable of being expressed in generic terms.

₹ in Lac

Particulars	March 31, 2017	March 31, 2016
Expenditure in Foreign Currency:		
Foreign branch expenditure	5,406.47	10,049.39
Earning in Foreign Currency		
Export of services	4,173.15	16,143.08

b. Remitance in Foreign Currency

The Company has remitted ₹ Nil (Mar. 31, 2017 : ₹ Nil) in foreign currencies on accounts of dividends during the year and does not have information as to the extent to which remittance, if any, in foreign currencies on account of dividends have been made by / on behalf of non-resident shareholders. The Particulars of dividends declared and paid on account of non-resident shareholders for the years 2010-11 to 2016-17 are as under :-

Particulars	No. of Non-resident Shareholders	No. of Equity Shares held	Year end of Dividend	Gross Amount of dividend
Final dividend for 2010-11 declared in July, 11	134	205495	March, 2011	4,10,990.00
Interim Dividend for 2011-12 declared in January, 12	130	126018	March, 2012	1,26,018.00
Final dividend for 2011-12 declared in July, 12	134	468631	March, 2012	9,37,262.00
Interim Dividend for 2012-13 declared in January, 13	202	511382	March, 2013	7,67,073.00
Final dividend for 2012-13 declared in July, 13	201	533149	March, 2013	10,66,298.00
Interim Dividend for 2013-14 declared in October, 13	207	588430	March, 2014	14,71,075.00
Interim Q3 Dividend for 2013-14 declared in January, 14	197	506065	March, 2014	5,06,065.00
Final dividend for 2013-14 declared in July, 14	290	434205	March, 2014	10,85, 512.50
Interim dividend for 2014-15 declared in July,14	344	463450	March, 2015	4,63,450.00
2nd Interim dividend for 2014-15 declared in October,14	382	545321	March, 2015	8,17,981.50
3rd Interim dividend for 2014-15 declared in January,15	442	2120830	March, 2015	15,90,622.50
Final dividend for 2014-15 declared in July,15	588	2229422	March, 2015	27,86,777.50
Dividend for 2015-16 declared in July,2016	564	1790888	March'2016	17,90,888.00

Notes on accounts *(contd.)* for the year ended March 31, 2017

37. Reporting of Segment Wise Revenue, Results and Capital Employed:

₹ in Lac

	Year ended March 31, 2017	Year ended March 31, 2016
1. Segment Revenue (net sale / income from each segment should be disclosed		
a. Segment - A (USA)	3,891.98	15,409.92
b. Segment - B (ROW)	2,835.64	1,731.83
Total	**6,727.61**	**17,141.75**
Other Income		
Segment -A(USA)& B (ROW)	1,693.77	1,548.64
Total	**8,421.38**	**18,690.39**
Less : Inter - segment revenue	-	-
Net Revenue from Operations	**8,421.38**	**18,690.39**
2. Segment Results Profit/(Loss) before Tax & Interest from each segment		
a. Segment - A (USA)	(3,237.31)	922.00
b. Segment - B (ROW)	2,233.70	2,406.06
Total	**(1,003.61)**	**3,328.06**
Less : Interest	16.58	21.50
Less : Depreciation	396.49	417.02
Less : Unallocable Selling , General & Administrative Expenses	1,139.19	1,739.86
Profit before tax	**(2,555.87)**	**1,149.69**
3. Capital Employed		
Total Assets	**21,089.40**	**24,018.43**
Total Liability	**21,089.40**	**24,018.43**

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.

38. Disclosure under clause 32 of the listing agreement amount of loans and advances outstanding from subsidiary

₹ in Lac

	March 31, 2017	March 31, 2016
Outstanding as on		
Responsive Solution Inc	59.59	36.12
RS Software (Asia) Pte Ltd	NIL	35.58
Paypermint Pvt Ltd	163.48	-
Maximum balance outstanding during the period		
Responsive Solution Inc	59.59	36.12
RS Software (Asia) Pte Ltd	NIL	35.58
Paypermint Pvt Ltd	674.32	-

Notes on accounts *(contd.)* for the year ended March 31, 2017

39. The Company is primarily engaged in the rendering services relating to maintenance and testing of Computer Software . These cannot be expressed in any generic units. Hence it is not possible to give the quantities details of sales and certain information as required under paragraph 5 (viii) '(c) of general instructions for preparation of statement of profits and loss as per revised schedule V of the Companies Act 2013.

40. The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

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

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

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

On behalf of the Board

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

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

Dated: April 19th, 2017.
Place : Kolkata

RESPONSIVE SOLUTIONS, INC.

Independent Auditor's Report

To
The Board of Directors
Responsive Solutions, Inc.
1900 McCarthy Blvd, Suite 103
Milpitas, California 95035

Report on the Financial Statements
We have audited the accompanying financial statements of Responsive Solutions, Inc. (a California Corporation), which comprise the balance sheet as of March 31, 2017, and the related statement of operations, stockholders' equity and cash flows for the three and twelve month ended March 31, 2017, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Responsive Solutions, Inc. as of March 31, 2017, and the results of its operations and its cash flows for the twelve month ended March 31, 2017 in accordance with accounting principles generally accepted in the United States of America.

San Francisco, California
April 14, 2017

RESPONSIVE SOLUTIONS, INC.

Director's Report

The Directors present their report together with the audited accounts for the period ended 31st March, 2017.

Review of Financial Performance & Dividend
The company during the year under review reported a profit of US$ 0.13 million (Previous year Profit US$ 0.06 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 2017-18.

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, 2017 on a "going concern" basis.

Acknowledgements
Your Directors' place on record their deep appreciation of the continued assistance and co-operation extend to the Company by its customers, investors, bankers, Government agencies and its dedicated employees. We are particularly grateful to all the shareholders for keeping faith and commitment in the management team to achieve significantly better financial results.

On behalf of the Board of Directors

Sd/-
R. R. Jain
Chairman

Milpitas
April 14, 2017

RESPONSIVE SOLUTIONS, INC.

Balance Sheet as at March 31, 2017

	As at March 31, 2017	As at March 31, 2016
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 770,189	$ 805,930
Related party note receivable	$ 283,190	-
Accounts receivable	$ 69,519	$ 54,375
Total assets	**$ 1,122,898**	**$ 860,305**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 91,899	-
Income taxes payable	$ 56,242	$ 15,490
Total current liabilities	**$ 148,141**	**$ 15,490**
STOCKHOLDERS' EQUITY		
Common stock, $.01 par value, Authorized 1,000 shares;		
Issued and outstanding 500 shares as of March 31, 2017	$ 5	$ 5
Additional paid-in capital	$ 499,995	$ 499,995
Retained earnings	$ 474,757	$ 344,815
Stockholders' equity	**$ 974,757**	**$ 844,815**
Liabilities and Stockholders' equity	**$ 1,122,898**	**$ 860,305**

Statement of Operations as at March 31, 2017

	Year ended March 31, 2017	Year ended March 31, 2016
REVENUES		
Consulting revenue	$ 673262	$ 457682
Total Revenues	**$ 673262**	**$ 457682**
COST AND EXPENSES		
Consulting fees	$ 366191	$ 257169
Salary, wages and payroll taxes	$ 90373	$ 90372
Professional fees	$ 14500	$ 14500
Payroll processing fees	$ 4471	$ 3998
Miscellaneous expense	$ 332	$ 2006
Bank fees	$ 15	-
Mileage and reimbursements	$ 11000	$ 14300
Total Expenses	**$ 486882**	**$ 382345**
Net Income Before Income Taxes	$ 186380	$ 75337
Provision for income taxes	$ 56157	$ 15490
Net Income	**$ 130223**	**$ 59847**

RESPONSIVE SOLUTIONS, INC.

Statement of Cash Flows for the year ended March 31, 2017

	Year ended March 31, 2017	Year ended March 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 130223	$ 59847
Adjustments to reconcile net income to net cash		
provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	$ 15144	$ (21264)
Account Payable	$ 91899	-
Income taxes payable	$ 40471	$ 6027
Net Cash Provided by Operating Activities	**$ 247449**	**$ 44610**
CASH FLOWS FROM FINANCING ACTIVITIES		
Related party note receivable	$ (283190)	-
Net Cash Provided by Financing Activities	$ (283190)	-
Net Change in Cash and Cash Equivalents	$ (35741)	$ 44610
Cash and cash equivalents, beginning balance	$ 805930	$ 761320
CASH AND CASH EQUIVALENTS, ending balance	**$ 770189**	**$ 805930**
SUPPLEMENTAL CASH-FLOW INFORMATION		
Interest paid	-	-
Income taxes paid	$ 15345	-

R S SOFTWARE (ASIA) PTE. LIMITED

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Our opinion

We have audited the accompanying financial statements of R.S.Software (Asia) Pte. Limited (the "Company"), which comprise the statement of financial position as at 31 March 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31st March 2017 and of the financial performance, changes in equity and cash flows of the Company.

Basis for Opinion

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

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The director's responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurances is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with the SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

ENTRUST PUBLIC ACCOUNTING CORPORATION
Public Accountants and
Chartered Accountants
Singapore

17 April, 2017

Directors' Statement For the financial year ended 31 March, 2017

The Directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 March 2017.

In the opinion of the directors,

(a) The statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and

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

Directors

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

Rajnit Rai Jain

Vijendra Kumar Surana

Steven Luk Chiew Peng

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares or debentures

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

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 01.04.2016	At 31.03.2017	At 01.04.2016	At 31.03.2017
The Company (Ordinary shares) Rajnit Rai Jain	-	-	25,000	25,000
R. S. Software (India) Limited - holding company (Ordinary shares) Rajnit Rai Jain	9,756,648	10,035,648	-	-

Share options

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

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

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

Independent auditor

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

On behalf of the directors:

Sd/-
Rajnit Rai Jain
Director

Sd/-
Vijendra Kumar Surana
Director

17 April, 2017

Statement of Comprehensive Income for the financial year ended 31 March 2017

Particulars	Notes	2017 SGD	2016 SGD
Revenue	4	2,28,399	3,164,099
Expenses:			
Employee compensation	5	(2,51,830)	(2,405,351)
Other expenses	6	(43,915)	(272,409)
(Loss)/profit before income tax		**(67,346)**	**486,339**
Income tax expense	7	1,337	(25,587)
(Loss)/profit for the financial year		(66,009)	460 ,752
Total comprehensive income		(66,009)	460,752

Statement of Financial Position as at 31 March 2017

Particulars	Notes	2017 SGD	2016 SGD
ASSETS			
Current assets			
Trade and other receivables	8	40,870	38,138
Cash and cash equivalents	9	2,030,615	2 153,119
		2,071,485	**2,191,257**
Total assets		**2,071,485**	**2, 191,257**
LIABILITIES			
Current liabilities			
Other payables	10	15,254	37,253
Current income tax liabilities	7	-	31,764
Total liabilities		**15,254**	**69,017**
Net assets		**2,056,231**	**2,122,240**
EQUITY			
Share capital	11	25,000	25,000
Retained earnings		2,031,231	2,097,240
Total equity		**2,056,231**	**2,122,240**

R S SOFTWARE (ASIA) PTE. LIMITED

Statement of Cash Flows for the financial year ended 31 March 2017

Particulars	2017 SGD	2016 SGD
Cash flows from operating activities		
(Loss)/profit before income tax	(67,346)	486,339
Adjustment for:		
Provision for unutilised leave	(3.908)	(135,005)
Operating cash fiow before working capital changes	(71,254)	351,334
Changes in working capital:		
Trade and other receivables	(1,695)	1,92,189
Other payables	(18,091)	(89,819)
Cash (used in)/generated from operations	**(91,040)**	**453,704**
Income tax paid	(31,464)	(68,537)
Net cash (outflow)/inflow from operating activities and net (decrease)/increase in cash and cash equivalents held	**(122,504)**	**385,167**
Cash and cash equivalents at the beginning of financial year	2,153,119	1,767,952
Cash and cash equivalents at the end of financial year	**2,030,615**	**2,153,119**

PAYPERMINT PVT. LIMITED

Board's Report

To
The Members,

Your Directors have pleasure in presenting their 1st Annual Report of the Company together with the Audited Statement of Accounts of Paypermint Private Limited for the Financial Year ended March 31, 2017.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

Your Company was incorporated on 26th August, 2016 . The financial performance for the period since incorporation is tabled below:

₹ in Lac

Particulars	March 31, 2017
Revenue from operations	-
Other income	0.28
Total revenue	0.28
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	(160.15)
Less : Finance Charges	-
Less : Depreciation and Amortization Expense	1.81
Profit before Taxation (PBT)	(161.96)
Less : Provision for taxation	-
Profit/(Loss) after Taxation (PAT)	(161.96)

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

During the year the Company had incurred loss of ₹161.96 lacs on account of further development of the payment platform of the company. The company has not yet launched its platform and therefore the Revenue from operations of the last F.Y. i.e. 2016-2017 is NIL;

Your directors and the team of Paypermint is putting in efforts to launch the platform in the fiscal 2017-18 .

3. DIVIDEND

In view absent of profit, your Directors do not propose any dividend for the Financial Year ended March 31, 2017.

4. TRANSFER TO RESERVES

No amount was transferred to the reserves by your Company during the financial year ended 31st March, 2017.

5. CHANGE(S) IN THE NATURE OF BUSINESS, IF ANY

There has been no Change in the business of the Company during the financial year ended 31st March, 2017.

6. 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 2017, being the end of the Financial Year of the Company to which financial statements relate and the date of the report.

7. 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.

8. 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.

9. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

10. 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

PAYPERMINT PVT. LIMITED

the Companies (Accounts) Rules, 2014 read with other relevant rules is not applicable.

11. 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.

12. AUDITORS

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

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

The Statutory Auditor has submitted an unqualified Audit Report for the Financial Year 2016-17.

13. EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the financial year ended on March 31, 2017 in Form MGT-9 as required under section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management & Administration) Rules, 2014 as amended, is set in "Annexure 1" and forms part of this report.

14. 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 your Company.

The Company has not made any foreign exchanges earning and outgoing during the year under review.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

There has been no change in the constitution of Board during the year under review i.e. the structure of the Board remains the same.

The provision of Section 203 pertaining to Key Managerial Personnel is not applicable to the Company and so no KMP was appointed during the year under review.

16. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The Company has duly complied with section 173 of the Companies Act, 2013. During the Financial Year 2016-17, 3(Three) 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 12th September, 2016, 12th December, 2016 and 18th January, 2017.

17. MANAGERIAL REMUNERATION

The company does not pay any remuneration to its Directors during the Financial Year 2016-17.

18. 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, 2016 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.

19. 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.

20. 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

PAYPERMINT PVT. LIMITED

and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human, environment and statutory compliance.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not made any Investment, given guarantee and securities during the year under review. There for no need to comply with the provisions of section 186 of the Companies Act, 2013.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March, 2017 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.

23. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. No cases have been filed under the Act as the Company is keeping the working environment healthy.

24. 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, 2017, 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, 2017 on a going concern basis;

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

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

25. ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Director

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

Place: Kolkata
Date: 19/04/2017

PAYPERMINT PVT. LIMITED

"ANNEXURE 1" TO BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

of

PAYPERMINT PRIVATE LIMITED

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% of share held	Applicable Section
RS Software(India) Ltd	L72200WB1987PLC043375	HOLDING	75	2(46)

PAYPERMINT PVT. LIMITED

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held as on 26/08/2016				No. of Shares held as on 31/03/2017				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	-	-	-	-	-	20,00,000	20,00,000	25	25
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c)State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	1,00,000	1,00,000	1.25	-	60,00,000	60,00,000	75	73.75
e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**-**	**1,00,000**	**1,00,000**	**1.25**	**-**	**80,00,000**	**80,00,000**	**100**	**98.75**
(2) Foreign									
(a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**-**	**1,00,000**	**1,00,000**	**1.25**	**-**	**80,00,000**	**80,00,000**	**100**	**98.75**
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i)Individual shareholders holding nominal share capital upto ₹1 lakh	-	-	-	-	-	-	-	-	-

PAYPERMINT PVT. LIMITED

Category of Shareholders	No. of Shares held as on 26/08/2016				No. of Shares held as on 31/03/2017				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,00,000	1,00,000	1.25	-	80,00,000	80,00,000	100	98.75

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding as on 26/08/2016			Shareholding as on 31/03/2017			% change in share holding during the period
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Rajnit Rai Jain	-	-	-	20,00,000	25	-	25
2.	RS Software(India) Ltd	1,00,000	1.25	-	60,00,000	75	-	73.75

iii) Change in Promoters Shareholding:

Sl. No.	Name of the promoter	Date	Reason	Shareholding		Cumulative Shareholding	
				No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	RAJNIT RAI JAIN						
	At the beginning	26/08/2016		-	-		
		28/12/2016	BUY	20,00,000	25	20,00,000	25
	At the End of the Year	31/03/2017				20,00,000	25
2.	RS Software(India) Ltd						
	At the beginning	26/08/2016		1,00,000	1.25	1,00,000	25
		28/12/2016	BUY	59,00,000	73.75	60,00,000	75
	At the End of the Year	31/03/2017				60,00,000	75

PAYPERMINT PVT. LIMITED

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding as on 26/08/2016		Shareholding as on 31/03/2017	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning 26/08/2016	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the period specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End: 31/03/2017 (or on the date of separation, if Separated during the period)	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Date	Reason	Shareholding		Cumulative Shareholding	
				No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	RAJNIT RAI JAIN						
	At the beginning	26/08/2016		0	0		
	Changes during the period	28/12/2016		20,00,000	25		
	At the End of the Year	31/03/2017				20,00,000	25
2.	RAJASEKHAR RAMARAJ						
	At the beginning	26/08/2016		-	-		
	At the End of the Year	31/03/2017				-	-

V. INDEBTEDNESS

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

Sl. No.	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning 26/08/2016	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the period	-	-	-	-
• Addition				
• Reduction				
Net Change	-	-	-	-
Indebtedness at the end 31/03/2017	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-

PAYPERMINT PVT. LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company does not have any MD/WTD/Manager

B. Remuneration to other directors:

Nil

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

Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Nil

For and on behalf of the Board of Director

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

Place: Kolkata
Date: 19/04/2017

PAYPERMINT PVT. LIMITED

Independent Auditor's Report

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Paypermint Pvt. Limited ("the Company"), which comprise of the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its profit / loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1 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

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 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

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

   g. With respect to the other matters to be includes in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

   i. The Company does not have any pending litigations which would impact its financial position in its financial statements;

   ii. The Company does 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. The Company has provided requisite disclosure in its financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in according with the books of accounts maintained by the Company. Refer Note 16 to the financial statements.

For **Chaturvedi & Company**
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

Place : Kolkata
Date : 19.04.2017

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, 2017, we report that

i. a) The Company has generally maintained proper records of all tangible assets showing full particulars including quantitative details except location thereof

   (b) As explained by the Management, all the assets have been physically verified by the management during the year-end which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

   (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, does not own any immovable property.

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

iii. (a) On the basis of examination of records and according to the information and explanation given to us, we report that the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

   (b) As the Company has not given any loans, clause iii(a), iii(b) and clause iii(c) of paragraph 3 of 'the order' are not applicable.

(iv) On the basis of examination of records and according to information and explanation given to us, the Company has not granted any loans, investments, guarantee and security to any person falling under section 185 of the companies act,2013

(v) The Company has not accepted any deposits and therefore the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the companies act 2013 and the rules formed thereunder are not applicable to the company

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to information and explanation given to us and as per the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund (being deposited in PF account of the holding Company), employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it. No statutory dues were outstanding, as at 31st March 2017 for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues were outstanding, as at 31st March 2017 on account of any dispute.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

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

(x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to information and explanation given to us and as per the records of the Company examined by us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Company**
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

Place : Kolkata
Date : 19.04.2017

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 PAYPERMINT PRIVATE LIMITED ('the Company') as on 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operative effectiveness. Our audit of internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of

internal control based on the assessed risk. The procedures selected depend on the auditors judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion of the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in responsible detail, accurately and fairy reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are records as necessary to permit preparation of financial statements in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and nor be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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 **Chaturvedi & Company**
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

Place : Kolkata
Date : 19.04.2017

PAYPERMINT PVT. LIMITED

Balance Sheet as at March 31, 2017

₹ in Lac

Particular			Notes	As at March 31, 2017
I.	EQUITY AND LIABILITIES :			
1	SHAREHOLDERS' FUNDS			
	(a)	SHARE CAPITAL	3	800.00
	(b)	RESERVE & SURPLUS	4	(161.96)
2	CURRENT LIABILITIES			
	(a)	TRADE PAYABLES	5	518.63
	(b)	OTHER CURRENT LIABILITIES	6	67.34
TOTAL (1+2)				1,224.01
II.	ASSETS			
1	NON CURRENT ASSETS			
	(a)	FIXED ASSETS		
		(i) TANGIBLE ASSETS	9	16.43
		(ii) INTANGIBLE ASSETS UNDER DEVELOPMENT	7	697.34
	(b)	LONG TERM LOANS & ADVANCES	8	97.90
2	CURRENT ASSETS			
	CASH & CASH EQUIVALENTS		10	412.33
TOTAL (1+2)				1,224.01
Significant Accounting Policies and Notes on Accounts			1 to 19	

The Notes referred to above form an integral part of the Financial Statement.

This is the Financial Statement referred to in our report of even date.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

Sd/-
Nilima Joshi
Partner
M. No. 52122

Dated: April 19th, 2017.
Place : Kolkata

On behalf of the Board

Sd/-
R. R. Jain
Director
DIN : 00122942

Sd/-
R RAMARAJ
Director
DIN:00090279

PAYPERMINT PVT. LIMITED

Statement of Profit and Loss Account for the year ended March 31, 2017

₹ in Lac

Particular			Notes	Period ended March 31, 2017
I	OTHER INCOME		11	0.28
II	TOTAL REVENUE			0.28
III	EXPENSES :			
	EMPLOYEE BENEFIT EXPENSES		12	135.98
	SUBCONTRACTOR EXPENSES		-	6.00
	DEPRECIATION		9	1.81
	OPERATION AND OTHER EXPENSES		13	18.43
	Total			162.24
IV	PROFIT BEFORE TAX :		(III - IV)	(161.96)
V	TAX EXPENSES			
	CURRENT TAX			-
	DEFERRED TAX			-
VI	PROFIT FOR THE PERIOD :		(V - VI)	(161.96)
VII	EARNING PER EQUITY SHARE :			
	BASIC			(2.02)
	DILLUTED			(2.02)
Significant Accounting Policies and Notes on Accounts			1 to 19	

The Notes referred to above form an integral part of the Financial Statement.

This is the Financial Statement referred to in our report of even date.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

Sd/-
Nilima Joshi
Partner
M. No. 52122

Dated: April 19th, 2017.
Place : Kolkata

On behalf of the Board

Sd/-
R. R. Jain
Director
DIN : 00122942

Sd/-
R RAMARAJ
Director
DIN:00090279

PAYPERMINT PVT. LIMITED

Cash Flow Statement for the year ended March 31, 2017

₹ in Lac

Particular		Year ended March 31, 2017
A	CASH FLOW FROM OPERATING ACTIVITIES:	
	NET PROFIT BEFORE TAX	(161.96)
	ADJUSTMENT FOR :	
	DEPRECIATION	(23.35)
	INTERESTPAID	
	FOREIGN EXCHANGE FLUCTUATION RESERVE	
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	
	INTEREST RECEIVED	
	DIVIDEND RECEIVED	
	EMPLOYEES EXPENSES AMORTIZATION	
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(185.31)
	ADJUSTMENT FOR :	
	TRADE AND OTHER RECEIVABLES	
	LOANS AND ADVANCES AND OTHER ASSETS	97.90
	TRADE PAYABLES & OTHER LIABILITIES	585.97
	CASH GENERATED FROM OPERATIONS	498.55
	CASH FLOW BEFORE EXTRAORDINARY ITEMS	498.55
	NET CASH FROM OPERATING ACTIVITIES	**498.55**
B	CASH FLOW FROM INVESTMENT ACTIVITIES :	
	PURCHASE OF FIXED ASSETS	713.78
	INTEREST RECEIVED	-
	DIVIDEND RECEIVED	-
	INVESTMENT MADE DURING THE YEAR	
	NET CASH FROM INVESTMENT ACTIVITIES	**713.78**
C	CASH FLOW FROM FINANCE ACTIVITIES:	
	PROCEEDS FROM SHARE CAPITAL	(800.00)
	INTEREST PAID	
	DIVIDEND AND DIVIDEND TAX PAID	
	PAYMENT OF CSR FUND	
	NET CASH FROM FINANCING ACTIVITIES	**(800.00)**
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	412.33
	OPENING CASH AND CASH EQUIVALENTS	-
	CLOSING CASH AND CASH EQUIVALENTS	412.33

This is the 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

On behalf of the Board

Sd/-
R. R. Jain
Director
DIN : 00122942

Sd/-
R RAMARAJ
Director
DIN:00090279

Dated: April 19th, 2017.
Place : Kolkata

PAYPERMINT PVT. LIMITED

Notes on accounts for the year ended March 31, 2017

1 CORPORATE INFORMATION

Paypermint is engaged in digital payment platform ,experimenting and innovating latest trends in the payment space.Paypermint Pvt Ltd is a subsidiary of RS Software India Ltd.

2 SIGNIFICANT ACCOUNTING POLICIES

a) **Convention**

The financial statements have been prepared under the historical cost convention in accordance with the applicable Accounting Standards in India and the provisions of the Indian Companies Act, 2013.

b) **Basis of Accounting**

The Company follows accrual basis of accounting.

c) **Revenue Recognition**

Revenue Recognition is yet to be recognised as software is under development.

d) **Fixed Assets**

Tangible Assets

Fixed Assets are capitalized at cost inclusive of installation charges.

Intangible Assets

Computer Software and License are capitalized at cost inclusive of installation charges.

e) **Depreciation and Amortisation**

Depreciation on fixed assetsis provided using the straight-line-method on the basis of useful life of asseets under schedule II of the Indian Companies Act 2013.

f) **Income Tax**

Current Income tax expense comprise taxes on income from operation in India . Income tax payable in India is determination in accordance with the provision of I. Tax Act 1961.Deferred Tax is yet to be recognised.

g) **Contingent liabilities**

Contingent liabilities are not accounted for but have been disclosed by way of Notes to Accounts.

h) **Employee Benefits**

Contribution of Employers share to Employees' Provident Fund are worked on accrual basis and charged to Profit & Loss Account.

i) **Earning Per Share**

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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.

PAYPERMINT PVT. LIMITED

Notes on accounts *(contd.)* for the year ended March 31, 2017

3. SHARE CAPITAL

		As at March 31, 2017
a	**The AUTHORISED CAPITAL is :**	
1,00,00,000	EQUITY SHARE OF ₹10/- EACH	1,000.00
		1,000.00
b	**ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP**	
80,00,000	EQUITY SHARE OF ₹10/- EACH	800.00
		800.00

The company has only one class of Shares referred to as equity share having a par value of ₹10/- at the beginning of the year. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

RS Software (India) Ltd is holding 60 lacs equity shares (75%holding) of ₹10/each.

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

Equity Share	March 31, 2017	
	No. of Share	₹ in Lac
Number of shares at the beginning	nil	nil
8000000 Equity SHARES (Includes7900000 equity shares as Right Issue) at ₹10 Per share	80,00,000	800.00
	80,00,000	**800**

d **Shareholder holding more than 5% of the share as on**

	March 31, 2017
Mr. Rajnit Rai Jain	2000000 Equity shares of ₹10 each)
RS Software(India) Ltd	6000000 Equity shares of ₹10 each)

4. RESERVE AND SURPLUS

₹ in Lac

	March 31, 2017
SURPLUS IN STATEMENT OF PROFIT AND LOSS ACCOUNT	
Balance at the beginning of the year	-
Add : Net Profit/(Loss) after tax from Statement of Profit and Loss	(161.96)
	(161.96)
Closing Balance	(161.96)
	(161.96)

PAYPERMINT PVT. LIMITED

Notes on accounts *(contd.)* for the year ended March 31, 2017

5. TRADE PAYABLE (SHORT TERM)

₹ in Lac

	March 31, 2017
Other Than Acceptances	518.63
	518.63

6. OTHER CURRENT LIABILITIES

₹ in Lac

	March 31, 2017
STATUTORY LIABILITY	67.34
	67.34

7. INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lac

	March 31, 2017
ERP IMPLEMENTATION	697.34
Others	-
	697.34

8. LOANS AND ADVANCES

₹ in Lac

	Long Term Loans & Advances
	March 31, 2017
(Unsecured and Considered good)	
ADVANCES	
BALANCES WITH GOVT. AUTHORITIES	97.90
	97.90

9. DETAILS OF TANGIBLE ASSETS

₹ in Lac

Particulars	PLANT AND MACHINERIES	AS ON 31.03.17
Gross Block		
Opening Balance	18.24	18.24
Additions during the period		-
Sub-total	**18.24**	**18.24**
Less: Disposals		-
Gross block as on closing	**18.24**	**18.24**
Less: Depreciation / Amortization		
opening depreciation / amortization		-
Depreciation/Amortization of the period	1.81	1.81
Total depreciation as on closing	**1.81**	**1.81**
Net Carrying Value (Closing)	**16.43**	**16.43**

PAYPERMINT PVT. LIMITED

Notes on accounts *(contd.)* for the year ended March 31, 2017

10. CASH AND BANK BALANCE

₹ in Lac

	March 31, 2017
CASH & CASH EQUIVALENTS*	
BALANCE WITH BANK :	
SCHEDULED BANKS	
- in Current Account (HDFC Bank)	397.07
- FD (ICICI Bank)	15.27
	412.33

*As required vide MCA notification GSR 308(E) dated March 30th 2017 ,details with regard to specified bank notes (SBNs) held and transacted during the period from 8th Nov 2016 to 30th Dec 2016 is not required as there was no cash balance for the period in specification.

11. OTHER INCOME

₹ in Lac

	March 31, 2017
Interest Income from Fixed Deposit.	0.28

12. EMPLOYEE BENEFIT EXPENSES

₹ in Lac

	March 31, 2017
Salary Wages And Bonus	130.32
Contribution to PF And Other Funds	5.66
Staff Welfare Expenses	-
	135.98

Payment in respect of PF of the Company employees is being made to the PF Account of the Holding Company RS Software (India) Ltd

13. OPERATION AND OTHER EXPENSES

₹ in Lac

	March 31, 2017
Travelling	2.01
Conveyance	0.21
Staff Welfare	0.12
Communication	0.03
Printing and Stationery	0.57
Repairs - Machinery	0.34
Auditors' Remuneration - Refer Note no.27	0.15
Legal / Professional Fee	9.63
Recruitment & Relocation Expenses	0.80
Business Promotion	4.48
Bank Charges	0.12
	18.43

* Its inclusive of service tax .

PAYPERMINT PVT. LIMITED

Notes on accounts *(contd.)* for the year ended March 31, 2017

14. RELATED PARTY TRANSACTION

a) Enterprises of which control exists:

HOLDING COMPANY	% of holding	Country of Incorporation
R S SOFTWARE INDIA LTD	75%	INDIA

b) PERSON WITH SIGNIFICANT INFLUENCE

RAJNIT RAI JAIN	25%	

c) Key Managerial Personnel:

RAJNIT RAI JAIN	-	Director
RAJASEKHAR RAMARAJ	-	Director

d) Disclosure of transactions between the Company and Related Parties and the status of outstanding balances

i. With Holding Company

₹ in Lac

Particulars	March 31, 2017 Amount
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost	
RS Software India Ltd	674.33
Maximum balance outstanding during the year	
Reimbursement of expenses payable	
RS Software India Ltd	674.33

15. 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 V of the Companies Act 2013.

16. Being the 1st year of incorporation the comparitive figures have not been given.

17. Segment Reporting is not applicable as company has no geographical and operating segments.

18. EARNING PER EQUITY SHARE :

	March 31, 2017
BASIC	-2.02
DILLUTED	-2.02

19. Figures reported in ₹ lacs and rounded off to nearest rupee.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

Sd/-
Nilima Joshi
Partner
M. No. 52122

Dated: April 19th, 2017.
Place : Kolkata

On behalf of the Board

Sd/-
R. R. Jain
Director
DIN : 00122942

Sd/-
R RAMARAJ
Director
DIN:00090279

Independent Auditor's Report

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of M/s. R S Software India Limited ("the Company") and its subsidiaries M/s. Responsive Solutions Inc., R. S. Software (Asia) Pte. Ltd., and Paypermint Pvt. Limited (the Company and its subsidiaries together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March, 2017 the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, 2013 (hereinafter referred to as 'the Act') with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit while conducting the audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017 and their consolidated profit and their consolidated cash flow for the year ended on that date.

Other matters

We did not audit the financial statement of M/s. Responsive Solutions Inc and M/s. R. S. Software (Asia) Pte. Ltd. (the subsidiaries) whose financial statements reflect total assets of ₹1689.88 Lac as at 31st March, 2017 and total revenue of ₹542.59 Lac and net cash flows amounting to ₹33 Lac 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 the subsidiaries 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 financials statements under accounting principles generally accepted in India. Our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Our report is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable that :

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the Consolidated Financial Statement.

   b. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of the written representations received from the directors of the Company as on 31st March, 2017 taken on record by the Board of Directors of the Company and report of the Statutory Auditor of the Subsidiary Incorporated in India none of the directors of the Group Companies incorporated in India are disqualified as on 31st March, 2017 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 Group and the operating effectiveness of such controls refer to our separate report in 'Annexure – A'

   g. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

      i. The group does not have any pending litigations which would impact its financial position in its financial statements.

      ii. The Group does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by "the company" during the year by the Holdings Company and incorporated in India.

      iv. The Company has provided requisite disclosure in its consolidated financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in according with the books of accounts maintained by the Company. Refer Note 16 to the consolidated financial statements.

For **Chaturvedi & Company**
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

Place : Kolkata
Date : 19.04.2017

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, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. (All Companies of the group except "the Company" are incorporated outside India, hence reporting requirement under section 143(3)(i) are similar to the comments in the auditors report in Annexure–B of the auditors report on financial statement of the company).

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operative effectiveness. Our audit of internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion of the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in responsible detail, accurately and fairy reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are records as necessary to permit preparation of financial statements in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and nor be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, 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 **Chaturvedi & Company**
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

Place : Kolkata
Date : 19.04.2017

Balance Sheet as at March 31, 2017

After consolidating the results of the Company with those of its wholly owned subsidiary Responsive Solution INC., RS Software Asia Pte. Ltd and Paypermint Pvt LTD

₹ in Lac

Particular			Notes	As at March 31, 2017	As at March 31, 2016
I.	EQUITY AND LIABILITIES :				
1	SHAREHOLDERS' FUNDS				
	(a)	SHARE CAPITAL	3	1,285.42	1,284.67
	(b)	RESERVE & SURPLUS	4	19,690.10	21,643.27
	c)	MINORITY INTEREST		159.51	-
2	NON-CURRENT LIABILITIES				
	(a)	LONG TERM PROVISIONS	6	300.28	329.07
3	CURRENT LIABILITIES				
	(a)	SHORT TERM PROVISIONS	6	11.55	320.88
	(b)	TRADE PAYABLES	7	825.25	1,663.50
	(C)	OTHER CURRENT LIABILITIES	8	407.79	248.95
TOTAL (1+2+3)				22,679.90	25,490.34
II.	ASSETS				
1	NON CURRENT ASSETS				
	(a)	FIXED ASSETS			
		(i) TANGIBLE ASSETS	9	532.43	778.19
		(ii) INTANGIBLE ASSETS	10	261.18	84.50
		(iii) INTANGIBLE ASSETS UNDER DEVELOPMENT	11	646.25	78.73
	(b)	NON CURRENT INVESTMENT	12	500.00	700.00
	(c)	DEFERRED TAX ASSETS (Net)	5	919.31	117.68
	(d)	LONG TERM LOANS & ADVANCES	13	2,413.74	2,116.82
	(e)	OTHER NON CURRENT ASSETS	17	360.95	1,460.15
2	CURRENT ASSETS				
	(a)	SHORT TERM LOANS AND ADVANCES	13	1,084.22	1,087.86
	(b)	CURRENT INVESTMENT	14	9,231.76	6,338.43
	(c)	TRADE RECEIVABLES	15 a.	2,230.18	1,782.96
	(d)	CASH & CASH EQUIVALENTS	16	4,061.08	10,563.76
	(e)	OTHER CURRENT ASSETS	17	438.80	381.26
TOTAL (1+2)				22,679.90	25,490.34
Significant Accounting Policies and Notes on Accounts			1 to 41		

The Notes referred to above form an integral part of the Financial Statement.

This is the Financial Statement referred to in our report of even date.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

On behalf of the Board

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

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

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

Dated: April 19th, 2017.
Place : Kolkata

Statement of Profit and Loss for the year ended March 31, 2017

After consolidating the results of the Company with those of its wholly owned subsidiary Responsive Solution INC., RS Software Asia Pte. Ltd and Paypermint Pvt LTD

₹ in Lac

Particular		Notes	Year ended March 31, 2017	Year ended March 31, 2016
I	REVENUE FROM OPERATION	20	7,613.03	19,000.49
II	OTHER INCOME	21	1,351.22	1,549.11
III	TOTAL REVENUE		8,964.25	20,549.60
IV	EXPENSES :			
	PURCHASE OF STOCK IN TRADE	22	1,250.15	446.63
	EMPLOYEE BENEFIT EXPENSES	23	6,934.28	12,997.94
	SUBCONTRACTOR EXPENSES		204.31	1,823.70
	FINANCE COST	24	10.38	21.86
	DEPRECIATION	9 &10	398.30	417.02
	OPERATION AND OTHER EXPENSES	25	2,795.08	3,403.77
	MINORITY INTEREST		(40.49)	-
	Total		11,552.00	19,110.92
V	PROFIT BEFORE TAX :	(III - IV)	(2,587.75)	1,438.68
VI	TAX EXPENSES			
	CURRENT TAX		35.79	393.54
	DEFERRED TAX		(801.63)	(16.16)
VII	PROFIT FOR THE YEAR :	(V - VI)	(1,821.91)	1,061.30
	FACE VALUE OF SHARE		5.00	5.00
VIII	EARNING PER EQUITY SHARE :	34		
	BASIC		(7.09)	4.14
	DILLUTED		(7.09)	4.13
Significant Accounting Policies and Notes on Accounts		1 to 41		

The Notes referred to above form an integral part of the Financial Statement.

This is the Financial Statement referred to in our report of even date.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

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

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

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

Dated: April 19th, 2017.
Place : Kolkata

Cash Flow Statement for the year ended March 31, 2017

After consolidating the results of the Company with those of its wholly owned subsidiary Responsive Solution INC., RS Software Asia Pte. Ltd and Paypermint Pvt LTD

₹ in Lac

Particular		Year ended March 31, 2017	Year ended March 31, 2016
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	NET PROFIT BEFORE TAX	(2,587.75)	1,438.68
	ADJUSTMENT FOR :		
	DEPRECIATION	398.30	417.02
	INTERESTPAID	10.38	21.86
	FOREIGN EXCHANGE FLUCTUATION RESERVE	-	158.67
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT		222.93
	INTEREST RECEIVED	(1,324.91)	(1,514.13)
	DIVIDEND RECEIVED	-	(0.37)
	EMPLOYEES EXPENSES AMORTIZATION	(29.82)	(361.11)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(3,533.80)	383.55
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	(447.22)	2,917.51
	LOANS AND ADVANCES AND OTHER ASSETS	735.59	(2,203.78)
	TRADE PAYABLES & OTHER LIABILITIES	(679.41)	775.00
	CASH GENERATED FROM OPERATIONS	(3,924.83)	1,872.28
	CASH FLOW BEFORE EXTRAORDINARY ITEMS	(3,924.83)	1,872.28
	NET CASH FROM OPERATING ACTIVITIES	**(3,924.83)**	**1,872.28**
B	CASH FLOW FROM INVESTMENT ACTIVITIES :		
	PURCHASE OF FIXED ASSETS	(896.75)	(83.25)
	INTEREST RECEIVED	1,324.91	1,514.13
	DIVIDEND RECEIVED	-	0.37
	INVESTMENT MADE DURING THE YEAR	(2,693.33)	(460.97)
	NET CASH FROM INVESTMENT ACTIVITIES	**(2,265.16)**	**970.28**
C	CASH FLOW FROM FINANCE ACTIVITIES:		
	PROCEEDS FROM SHARE APPLICATION	6.00	6.34
	INTEREST PAID	(10.38)	(21.86)
	DIVIDEND AND DIVIDEND TAX PAID	(308.31)	(385.16)
	PAYMENT OF CSR FUND	-	(0.75)
	NET CASH FROM FINANCING ACTIVITIES	**(312.69)**	**(401.42)**
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(6,502.68)	2,441.14
	OPENING CASH AND CASH EQUIVALENTS	10,563.76	8,122.62
	CLOSING CASH AND CASH EQUIVALENTS	4,061.08	10,563.76

This is the Financial Statement referred to in our report of even date.

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

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

On behalf of the Board

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

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

Dated: April 19th, 2017.
Place : Kolkata

Notes on accounts for the year ended March 31, 2017

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.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Convention

The financial statements have been prepared under the historical cost convention in accordance with the applicable Accounting Standards in India and the provisions of the Indian Companies Act, 2013.

b) Basis of Accounting

The Company follows accrual basis of accounting.

c) Revenue Recognition

Revenue is realised 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 recognised based on software developed and billed to clients as per the terms of specific contracts. Revenue from Fixed Bid contract is sent on monthly basis as per contract terms. Revenue from Milestone base contract is being recognised based on effort given during the period but the Invoice is sent to customer when the milestone is achieved as per contract. Value Added tax in UK is not included in the income from Software development. Cheques issued in USA which are not encased for two years are there after written back.

d) Fixed Assets

Tangible Assets

Fixed Assets are capitalized at cost inclusive of installation charges, interest & other financial charges on borrowings and other expenses for acquisition of such fixed assets till they are made operational.

Intangible Assets

Computer Software and License are capitalized at cost inclusive of installation charges, interest & other financial charges on borrowings and other expenses for installation of such License.

e) Depreciation and Amortisation

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. Depreciation on additions due to realignment of rupee value of foreign currency loan or fixed assets has been charged proportionately on the productive life of the assets. Intangible assets/Software Licences are amortised 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.

f) Investments

Long term Investments are valued at cost. Provision for diminution is made to recognize the decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually. Changes in carrying amount of investments are charged or credited to the Profit and Loss Account.

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. Current Investment are valued at lower of Cost or Fair Value and diminution if any is considered at Year end.

g) 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

Notes on accounts *(contd.)* for the year ended March 31, 2017

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.

h) **Spares and Consumables**

Computer spares, accessories and stationery are charged to revenue in the year they are purchased.

i) **Income Tax**

Current Income tax expense comprise taxes on income from operation in India and in foreign jurisdiction. Income tax payable in India is determination in accordance with the provision of I. Tax Act 1961. Tax expense relating to foreign operation is determined in operator is determined in accordance with the laws applicable in accordance with tax laws applicable in countries where such operations are domiciled.

Advance tax and provisions for current income taxes are presented in the Balance Sheet after off setting advance taxes paid and income tax provision arising in the same tax jurisdiction and where the company intends to settle the assets and liabilities on a net basis.

Deferred Tax is accounted for by computing the tax effect of timing differences, which arise during the year and reverse in subsequent periods.

j) **Contingent liabilities**

Contingent liabilities are not accounted for but have been disclosed by way of Notes to Accounts.

k) **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 Revised AS 15 Compliance of The Institute of Chartered Accountant of India.

l) **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.

m) **Impairment of Assets**

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

n) **Segment Reporting**

The company's operating business are organised 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.

o) **Earning Per Share**

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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.

Notes on accounts *(contd.)* for the year ended March 31, 2017

3. SHARE CAPITAL

₹ in Lac

			As at March 31, 2017	As at March 31, 2016
a	**The AUTHORISED CAPITAL is :**			
	4,00,00,000	EQUITY SHARE OF ₹5/- EACH	2,000.00	2,000.00
	1,00,00,000	EQUITY SHARE OF ₹10/- EACH	1,000.00	-
	25,00,000	PREFERENCE SHARE OF ₹100/- EACH	2,500.00	2,500.00
			5,500.00	**4,500.00**
b	**ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP**			
	2,57,08,318	EQUITY SHARE OF ₹5/- EACH	1,285.42	1,284.67
		(Previous Year 2,56,78,318 shares of ₹5 each)		
			1,285.42	**1,284.67**

The company has only one class of Shares referred to as equity share having a par value of ₹5/- at the beginning of the year. Each holder of equity share is entitled to one vote per share. ('The Company has sub-divided the face value of equity shares from ₹10 to ₹5 per share during FY 14-15.)

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The company has allotted 2411623 equity shares in FY 10-11 , 10640 equity share in FY 11-12 , 16226 equity share in FY 12-13 and 8372 equity share in FY 13-14 as bonus share.

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

Equity Share	March 31, 2017		March 31, 2016	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	2,56,93,318	1,284.67	2,56,78,318	1,283.91
Add : Shares issued as Preferential Allotment				
Add : Shares issued as Bonus				
Add : Shares issued on exercise of Employee Stock option	15,000	0.75	-	
Add : Bonus Shares issued on Employee Stock option	-	-	15,000	0.76
Add : Share issued as a part of subdivision of shares	-	-	-	-
	2,57,08,318.00	**1,285.42**	**2,56,93,318**	**1,284.67**

d **Shareholder holding more than 5% of the share as on March 31, 2017**

	March 31, 2017	March 31, 2016
Mr. Rajnit Rai Jain	1,00,35,648 Shares of ₹5 each	94,58,015 Shares of ₹5 each
	(39.94% of total shareholding)	(36.81% of total shareholding)

e **Employee Stock option Plan**

'The Company has granted 75000 options of shares of face value ₹10 each to the directors and employees to be convertible into one equity share each, on 12th July' 2012 at the exercise price of ₹84.75 each. The same could be exercised after one year from the date of allotment of options. The Directors and Employees have exercise their options and the Directors have been allotted 45,000 Shares and Employee have been allotted (1st and 2nd instalment out of four) 15000 shares before Jan'15. On Jan '15 with the subdivision of shares, the balance 15000 option of EQ face value of ₹10 each converted to 30000 options EQ for face value ₹5 each. During the period ended Sep'15 15000 options for EQ face value ₹5 each has been allotted to employees. As on date 15000 Options of ₹5 each are outstanding to be exercised .

Notes on accounts *(contd.)* for the year ended March 31, 2017

4. RESERVE AND SURPLUS

₹ in Lac

	March 31, 2017	March 31, 2016
SHARE FORFEITURE		
The Company had forfeited 10% Application Money on 500,000 Warrants for Preferential Allotment to be Converted into Equity Shares against each Warrant in the absence of final call money being received within the due date in FY 2006-07 . The Warrant was allotted at ₹87 which included premium amount of ₹77.	43.50	43.50
SECURITIES PREMIUM ACCOUNT		
Balance at the beginning of the year	2,580.77	2,575.17
Add : Receipts on exercise of Preferential Allotment	-	-
Add : Receipts on exercise of employee stock options	5.61	5.60
Closing Balance	**2,586.38**	**2,580.77**
PREFERENCE SHARE REDEMPTION RESERVE		
Balance at the beginning of the year	255.31	255.31
Add : Transfer from Profit & Loss A/c	-	-
Less : Distributed as Bonus Share	-	-
Closing Balance	**255.31**	**255.31**
CSR FUND		
Balance at the beginning of the year	118.65	119.40
Add : Transfer from Profit & Loss A/c		
Less : Transfer to Donation	-	(0.75)
Closing Balance	**118.65**	**118.65**
SURPLUS IN STATEMENT OF PROFIT AND LOSS ACCOUNT		
Balance at the beginning of the year	17,898.67	17,531.16
Less : MAT Credit reversed for earlier years	-	(385.48)
Less : Fixed Assets Adjustment on account of realignment of useful life of assets	-	-
Add : Change in Deferred tax on account of realignment of useful life of assets.	-	-
Add : Net Profit after tax from Statement of Profit and Loss	**(1,821.91)**	**1,061.30**
	16,076.76	**18,206.98**
Less Appropriations :		
Interim Equity Dividend *1	-	-
(₹ NIL per share, Previous year ₹4 per share)		
Proposed Final Equity Dividend	-	(256.93)
(₹1 per share, Previous year ₹1.25 per share)		
Equity Dividend Tax	-**	(51.37)**
Closing Balance	**16,076.76**	**17,898.67**
CAPITAL RESERVE	**56.68**	**56.68**
Unrealised Profit on sale of Softwareto Paypermint Pvt Ltd	**(71.34)**	**-**
INTER BRANCH FOREIGN FLUCTUATION RESERVE		
Balance at the beginning of the year	689.68	531.01
Add : Fluctuation during the period	(65.51)	158.67
Closing Balance	**624.16**	**689.68**
	19,690.10	**21,643.27**

*1 In FY15- 16 the Company has Proposed Final Dividend @ ₹1 per share which has been duly approved in AGM and subsequently paid . In FY 15 the Company has declared an interim Dividend @ ₹4 per share(face vale ₹10 per share) and final dividend of ₹1.25 per share).

Notes on accounts *(contd.)* for the year ended March 31, 2017

5. DEFERRED TAX ASSETS / (LIABILITY) - NET

₹ in Lac

	March 31, 2017	March 31, 2016
DTL on Account of Fixed Assets	(8.66)	(47.87)
DTA on Account of Accrued Employee benefits and B/f other Losses	927.97	165.55
NET DEFERRED TAX ASSETS / (LIABILITY)	**919.31**	**117.68**

6. PROVISIONS

₹ in Lac

	Long Term Provision		Short Term Provision	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
PROVISION FOR LEAVE ENCASHMENT *	36.46	50.45	1.49	1.73
PROVISION FOR GRATUITY *	263.82	278.62	10.05	10.85
PROVISION FOR PROPOSED EQ DIVIDEND	-	-	-	256.93
PROVISION FOR PROPOSED DIVIDEND TAX	-	-	-	51.37
* (Refer note 32)				
	300.28	**329.07**	**11.55**	**320.88**

7. TRADE PAYABLE (SHORT TERM)

₹ in Lac

	March 31, 2017	March 31, 2016
Other Than Acceptances	825.25	1,663.50
(refer note no. 33 for MMSE details)		
	825.25	**1,663.50**

8. OTHER CURRENT LIABILITIES

₹ in Lac

	March 31, 2017	March 31, 2016
SALARY PAYABLE	150.23	81.18
STATUTORY LIABILITY including PF, TDS, ESI etc.	130.27	166.39
OTHER PAYABLES	127.30	1.38
	407.79	**248.95**

Notes on accounts *(contd.)* for the year ended March 31, 2017

9. DETAILS OF TANGIBLE ASSETS

₹ in Lac

Particulars	Land	Building	Plant And Machineries	Office Equipment	Air Conditioner	Electrical Installations	Furniture and Fittings	Motor Vehicles	AS ON 31.3.17	Total 31.3.2016
Gross Block										
Opening Balance	7.76	154.65	1,906.69	233.01	124.64	203.78	559.22	52.79	3,242.54	3,189.98
Additions during the period			24.28	3.14			25.46		52.88	55.99
Acquisitions through Business combination										-
Other Adjustments (rectification from OE to EE									-	2.45
Other Adjustments									-	-
Sub-total	**7.76**	**154.65**	**1,930.98**	**236.15**	**124.64**	**203.78**	**584.67**	**52.79**	**3,295.42**	**3,248.42**
Less: Disposals			(19.17)						(19.17)	(6.52)
Gross block as on closing	**7.76**	**154.65**	**1,911.81**	**236.15**	**124.64**	**203.78**	**584.67**	**52.79**	**3,276.26**	**3,241.91**
Less: Depreciation / Amortization										
Opening depreciation / amortization	-	49.27	1,597.68	140.98	61.77	139.23	440.98	36.60	2,466.51	2,132.45
Depreciation/ Amortization of the period	-	4.09	156.44	32.82	5.58	37.11	53.55	5.80	295.40	334.52
Other Adjustments (Assets Physically Present)									-	-
Other Adjustments (Assets not Physically Present)									-	-
Impairment loss/ Reversal of Impairment Loss									-	-
Other Adjustments									-	-
accumulated dep on disposed off assets			(1.66)	-	-		-	-	(1.66)	(3.25)
Total depreciation as on closing	-	53.37	1,752.45	173.81	67.35	176.34	494.53	42.40	2,760.25	2,463.71
Net Carrying Value (Closing)	**7.76**	**101.28**	**159.36**	**62.34**	**57.28**	**27.44**	**90.14**	**10.39**	**516.00**	**778.19**

Note:

1 Land includes Leasehold land amounting to ₹458,694/-. The lease expires in year 2086.

DETAILS OF TANGIBLE ASSETS (PAYPERMINT PVT LTD)

Particulars	Land	Building	Plant And Machineries	Office Equipment	Air Conditioner	Electrical Installations	Furniture and Fittings	Motor Vehicles
Gross Block								
Opening Balance								
Additions during the period			18.25					
Acquisitions through Business combination								
Other Adjustments (rectification from OE to EE								
Other Adjustments			-					
Sub-total			**18.25**					
Less: Disposals								
Gross block as on closing								
Less: Depreciation / Amortization								
Opening depreciation / amortization								
Depreciation/Amortization of the period			1.81					
Other Adjustments (Assets Physically Present)								
Other Adjustments (Assets not Physically Present)								
Impairment loss/Reversal of Impairment Loss								
Other Adjustments								
accumulated dep on disposed off assets								
Total depreciation as on closing			1.81					
Net Carrying Value (Closing)			16.44					
Net Carrying Value Previous Year								

10. DETAILS OF INTANGIBLE ASSETS

₹ in Lac

Particulars	As on 31.3.2017	As on 31.3.2016	As on 31.3.2017 (paypermint)
	COMPUTER SOFTWARE & LICENCES	COMPUTER SOFTWARE & LICENCES	COMPUTER SOFTWARE & LICENCES
Gross Block			
Opening Balance	540.14	522.49	
Additions during the period	281.05	23.15	646.25
Acquisitions through Business combination	-	-	-
Other Adjustments	-	-	-
Sub-total	**821.19**	**545.65**	**646.25**
Less: Disposals	-	-	-
Gross block as on closing	**821.19**	**545.65**	**646.25**
Less: Depreciation / Amortization		-	
Opening depreciation / amortization	461.67	378.65	
Depreciation/Amortization of the period	98.33	82.50	
Impairment loss/Reversal of Impairment Loss	-	-	-
Total depreciation as on closing	**560.00**	**461.15**	**-**
Net Carrying Value (Closing)	**261.18**	**84.50**	**646.25**

Notes on accounts *(contd.)* for the year ended March 31, 2017

11. INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lac

	March 31, 2017	March 31, 2016
ERP IMPLEMENTATION	-	73.81
Others	646.25	4.92
	646.25	**78.73**

12. NON-CURRENT INVESTMENTS (AT COST)

₹ in Lac

	No. of unit	March 31, 2017	No. of unit	March 31, 2016
IN RS SOFTWARE ASIA PTE				
(Aggregate amount of investment as on March 31, 2017 ₹171.32 Lac) (As on March 31, 2016 ₹171.32 Lac)				
Reliance Fixed Horizon Fund - XXV- series 14- Growth plan	3000000	300.00	3000000	300.00
Reliance Fixed Horizon Fund - XXV- series 16- Growth plan	2000000	200.00	2000000	200.00
HDFC FMP 371D December 2013 (2) series 29 - Direct growth	NIL	-	NIL	-
HDFC FMP 554D NOV 2013-1-DIRECT-GR	NIL	-	NIL	-
ICICI Prudential Fixed Maturity Plan - Series 67	NIL	-	NIL	
ICICI PRUDENTIAL FMP SERIES 71- 480 DAYS	NIL	-	NIL	-
Reliance Fixed Horizon Fund - Xxiii- series 4- Growth plan	NIL	-	NIL	
Reliance Fixed Horizon Fund - Xxiii- series 5- Growth plan	NIL	-	NIL	
Reliance Fixed Horizon Fund - XXV- series 11- Growth plan	NIL	-	NIL	-
Reliance Fixed Horizon Fund - XXV- series 12- Growth plan	NIL	-	NIL	-
Reliance Fixed Horizon Fund - XXV- series 13- Growth plan	NIL	-	NIL	-
Reliance Fixed Horizon Fund - XXV- series 15- Growth plan	NIL	-	2000000	200.00
(Aggregate NAV of Mutual Fund as on March 31, 2017 ₹626.97 Lacs) (as on March 31, 2016 ₹ 820.75lac)				
		500.00		**700.00**

13. LOANS AND ADVANCES

₹ in Lac

	Long Term Loans & Advances		Short Term Loans & Advances	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
(Unsecured and Considered good)				
LOAN				
(Recoverable in cash or in kind or for value to be received)				
ADVANCE TO R S EMPLOYEE WELFARE TRUST	1,300.00	1,300.00	-	-
ADVANCES				
(Recoverable in cash or in kind or for value to be received)				
ADVANCE AGAINST EXPENSES	40.08	-	390.05	297.93
PREPAID EXPENSES	138.30	26.56	78.06	142.94
DEPOSITS	69.39	69.39	55.38	57.42
ADVANCE TO STAFF	-	-	9.98	8.18
ADVANCE TAXES (Net of Provisions)	629.80	332.86	396.62	449.14
BALANCES WITH GOVT. AUTHORITIES	236.18	388.01	154.12	132.25
	2,413.74	**2,116.82**	**1,084.22**	**1,087.86**

Notes on accounts *(contd.)* for the year ended March 31, 2017

14. CURRENT INVESTMENT

₹ in Lac

	No. of unit	March 31, 2017	No. of unit	March 31, 2016
(At Cost or Fair value whichever is less)				
Investment in Mutual Fund (Others - unquoted)				
Investment in Mutual Fund (Others - unquoted)				
DHFL Pramerica Ultra Short Term Bond Fund- Direct Plan- Growth	NIL	-	1248156	257.03
HDFC FMC 92D MARCH 2016 - DIRECT GR	NIL	-	4292858	429.29
Reliance Floating rate Fund -ST Plan- Direct Growth	NIL	-	1892568	400.00
Reliance Quarterly Interval Fund - Series II- Direct Growth Plan	NIL	-	1463636	300.00
Reliance Quarterly Interval Fund - Series III- Direct Growth Plan	NIL	-	2820579	350.00
Birla Sun Life cash plus -D DIP	NIL		89216	200.00
DSP BlackRock Strategic Bond Fund -	8429940	1,000.00	17595	250.00
HDFC Floating Rate Income fund ST plan	1421348	400.00	1536310	400.00
ICICI Prudential Flexible Income Plan - Direct Plan- Growth	NIL		143725	400.00
ICICI Prudential Liquid - Direct Plan- Growth	NIL	-	232206	500.00
IDFC Dynamic Bond fund growth - Direct Plan	3627935	700.00	1672231	300.00
IDFC Liquid fund	NIL	-	17144	300.00
JM High Liquidity Fund (Direct) - DDO	NIL		625846	250.00
Kotak Bond (Short Term) - Direct Plan - Growth	2444572	700.00	1157198	300.00
Kotak Bond scheme plan A - Direct Plan - Growth	1293543	1,031.76	493910	200.00
L and T liquid fund - Collection Account			15199	300.00
Reliance Banking & PSU Debt Fund- DGP	8718356	1,000.00	3000000	300.00
Reliance Liquidity Fund DDD,	29087	1,150.00	102	2.12
Reliance Short Term Fund	1447320	450.00	1429194	400.00
Religare Invesco Medium Term Bond fund	29729	500.00	32267	500.00
Reliance Corporate Bond	3803786	500.00		
Reliance FMP	10000000	1,000.00		
SBI Ultra Short Term Debt Fund	38019	800.00		
(Aggregate NAV of Mutual Fund as on MAR 31, 2017 ₹626.97 Lacs) (as on 'MARCH 31, 2016 ₹820.75lac)				
		9,231.76		**6,338.43**

15 a. TRADE RECEIVABLES

₹ in Lac

	March 31, 2017	March 31, 2016
(Unsecured and Considered good)		
Trade Receivable for a period exceeding Six Months	-	-
Others	2,230.18	1,782.96
	2,230.18	**1,782.96**

b. UNBILLED REVENUE:

Unbilled but accrued revenue included in Trade receivable valued as on MARCH 31, 2017 amounts to ₹825.60 lac (MARCH 31, 2016 ₹559.98 Lac) primarily comprises of revenue recognised in relation to a percentage of work completed during the period which would be invoiced on achieving the particular milestone i.e based on the work order or contractual terms.

Notes on accounts *(contd.)* for the year ended March 31, 2017

16. CASH AND BANK BALANCE

₹ in Lac

	March 31, 2017	March 31, 2016
CASH & CASH EQUIVALENTS		
CASH IN HAND*	8.62	12.73
Fixed Deposits with Yes Bank- with original maturity less than 3 Months	-	-
BALANCE WITH BANK :		
SCHEDULED BANKS		
- in Current Account (Axis bank)	14.43	13.57
- in Current Account (Allahabad Bank)	0.33	
- in Current Account (HDFC Bank)	19.98	3.84
- in Current Account (ICICI Bank)	197.67	138.95
- in Current Account (YES Bank)	124.56	42.28
- in Current Account (SBI Bank)	28.60	2.11
FOREIGN BANK		
- in Current Account	2,056.46	2,724.89
(Bk of America, Silicon Valley Bk, ICICI Bk UK Ltd. DBS)		
OTHER BANK BALANCES		
FIXED DEPOSITS - with original maturity less than 12 Months		
Fixed Deposits with Yes Bank	1,066.82	7,147.84
Fixed Deposits with ICICI Bank	-	-
In margin Money deposits against guarantees (in lien)		
Axis Bank	-	-
ICICI Bank	196.52	152.57
Allahabad Bank	8.75	8.63
Yes Bank	338.34	316.34
	4,061.08	**10,563.76**

The Company has 13 Dividend Accounts being balances comprising of amount of ₹59.16 Lac which are still unpaid since FY 10-11. The same is not included in accounts.

As required vide MCA notification GSR 308(E) dated March 30th 2017 ,details with regard to specified bank notes (SBNs) held and transacted during the period from 8th Nov 2016 to 30th Dec2016 is as follows:

PARTICULARS	SBN	OTHER DENOMINATION NOTES	TOTAL
*Closing Cash in Hand as on 08-11-2016	1504000.00	286367.00	17,90,367.00
(+) Permitted Receipts		309900.00	3,09,900.00
(-) Permitted Payments	4000.00	153460.00	1,57,460.00
(-) Amount Deposited in Banks	1500000.00	-	15,00,000.00
Closing Cash in Hand as on 30-12-2016		442807.00	4,42,807.00

Notes on accounts *(contd.)* for the year ended March 31, 2017

17. OTHER ASSETS

₹ in Lac

	Other Non Current Assets		Other Current Assets	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Bank Deposits (with original Maturity more than 12 Months)	300.00	1,436.02	-	-
Interest Accrued on R S EMPLOYEE WELFARE TRUST	-	-	438.80	336.42
Interest Accrued on Fixed Deposits	60.95	24.13	-	44.83
	360.95	**1,460.15**	**438.80**	**381.26**

18. CONTINGENT LIABILITIES

₹ in Lac

	March 31, 2017	March 31, 2016
(To the extent not provided for in the books)		
Guarantee Outstanding	467.54	458.80
Invoice Funding with Silicon Valley Bank	157.52	(0.00)

In response to order received for demand of ₹3.99 Cr , the company has filed an apeal with CESTAT and the same is pending as on date.

In response of the demand order received for AY2013-14 of ₹4.3 Cr, the company has filed an apeal with CIT(A) and the same is pending as on date.

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

19. COMMITMENTS

Other Commitment

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

b Company has spent ₹17.68 lacs towards Payment Platform as 31.3.17 which is under development stage.

c Payment of ₹10 lacs to be made for subscription in Subsidiary ' Paypermint Pvt.Ltd.'

20. REVENUE FROM OPERATION

₹ in Lac

	March 31, 2017	March 31, 2016
Export of Software Services Income	4,715.74	18,001.82
Domestic Income from Software Services	1,599.26	507.53
Domestic Sales of stock in trade	1,298.03	491.14
	7,613.03	**19,000.49**

Notes on accounts *(contd.)* for the year ended March 31, 2017

21. DETAILS OF OTHER INCOME

₹ in Lac

	March 31, 2017	March 31, 2016
Interest Received from Bank & Other Investment*	549.46	665.75
(including TDS ₹17.43 Lac (previous year ₹66.57 Lac)	-	-
Net gain on Investments in Mutual Funds	661.69	734.63
Dividend Income	-	0.37
Interest from Employee Welfare Trust	113.75	113.75
(including TDS ₹2.84 Lac (previous year ₹11.37 lac)	-	-
Interest from Income Tax Refund	-	-
Other Non-operating Income From Subsidiary	-	18.14
Other Income	0.00	15.73
Provision on subsidiary written back	26.31	-
Liability no longer required written back	-	0.74
	1,351.22	**1,549.11**

*Due to non availabilty of confirmation of Allahabad FD,the same is not included in Accounts.

22. PURCHASE OF STOCK IN TRADE

₹ in Lac

	March 31, 2017	March 31, 2016
Purchase of stock in trade	1,250.15	446.63
	1,250.15	**446.63**

23. EMPLOYEE BENEFIT EXPENSES

₹ in Lac

	March 31, 2017	March 31, 2016
Salary Wages And Bonus	6,256.69	11,831.19
Contribution to PF And Other Funds	323.27	309.07
Staff Welfare Expenses	354.32	857.68
	6,934.28	**12,997.94**

24. FINANCE COST

₹ in Lac

	March 31, 2017	March 31, 2016
Interest Expenses	10.38	13.76
Other Borrowing Cost	-	6.94
Interest Paid on dividend tax	-	-
Interest paid on Income Tax	-	1.16
	10.38	**21.86**

Notes on accounts *(contd.)* for the year ended March 31, 2017

25. OPERATION AND OTHER EXPENSES

₹ in Lac

	March 31, 2017	March 31, 2016
Travelling	574.53	1,091.30
Conveyance	73.32	103.95
Staff Welfare	37.82	54.56
Communication	233.84	302.88
Printing and Stationery	15.78	17.64
Electricity and Power	135.89	129.29
Rent - Apartment & Ground	359.59	390.68
Repairs - Machinery	143.59	201.47
Repairs - Building	67.73	89.91
Repairs - Others	3.64	7.91
Education and Training Expenses	54.10	18.41
insurance	96.50	132.25
Auditors' Remuneration - Refer Note no.27	5.10	4.78
Books and Periodicals	0.33	0.79
Directors' Fees *	21.60	23.43
Rates & Taxes	65.35	165.67
Legal / Professional Fee	395.18	214.97
Consultancy Charges	200.97	221.37
Recruitment & Relocation Expenses	109.48	49.09
General and Board Meeting expenses	8.60	10.52
Membership and Subscription	20.60	29.49
Business Promotion	154.78	83.60
Advertisement	3.31	16.78
Net loss on Foreign currency Transaction	6.97	6.26
Bank Charges	6.41	25.30
Donation against CSR	-	11.00
Loss on Discard of Assets	0.07	0.47
	2,795.08	**3,403.77**

* Its inclusive of service tax for current year

26.

₹ in Lac

	March 31, 2017	March 31, 2016
Income Tax deducted on domestic income	NIL	NIL

27. AUDITOR'S REMUNERATION

₹ in Lac

	March 31, 2017	March 31, 2016
As Statutory Auditors	1.26	2.50
Tax Audit	0.25	0.50
Other certification	0.63	1.78
The above remunerations are not inclusive of service tax		
	2.14	**4.78**

Notes on accounts *(contd.)* for the year ended March 31, 2017

28. PRIOR PERIOD EXPENSES INCURRED

₹ in Lac

	March 31, 2017	March 31, 2016
	NIL	NIL

29. There is no Impairment of assets during the quarter ended as on March 31st, 2017

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

31. The Company has renewed lease for Building with Saltee Infotex (India) Pvt. Ltd. for the period of 4 years expiring on 30th April' 19. The amount of ₹99 Lac (Previous Year 31.03..17) has been charged in PL account.

₹ in Lac

Total Minimum Lease Payment outstanding as at	March 31, 2017
Within One Year	99.94
More than One Year	391.75

32. EMPLOYEE BENEFIT PROVISIONS

The company get the actuarial valuation of employee benefit done at the year end. The provision made during the period by the company is based on expected proportionate of last year's Actuarial valuation. In the absence of any valuation done for Short term provision same proportion as considered in March '16 is considered for March '17 also.

₹ in Lac

	March 31, 2017	March 31, 2016
Provision for Leave Encashment	9.73	37.01
Provision for Gratuity	111.05	185.92
	120.78	**222.93**

33. RELATED PARTY TRANSACTION

a) **Enterprises where control exists:**

Wholly Owned Subsidiaries:	% of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA
RS Software (Asia) Pte. Ltd.	100%	Singapore

b) **Subsidiary**

Paypermint Pvt Ltd	75%	INDIA

c) **Key Managerial Personnel:**

Mr. Rajnit Rai Jain	-	Chairman and Managing Director
Mr. Richard Launder	-	Director
Mr. Shital Kr. Jain	-	Director
Mr. R Ramaraj	-	Director
Mrs. Sarita Jain	-	Director
Mr. Raghav Raj Jain	-	Executive - Sales
Ms. Shrishti Jain	-	Executive - BSG
Mr. Vijendra Surana	-	CFO & Company Secretary

Notes on accounts *(contd.)* for the year ended March 31, 2017

33. *(contd.)*

d) **Disclosure of transactions between the Company and Related Parties and the status of outstanding balances**

i. **With Wholly Owned Subsidiary (WOS)**

₹ in Lac

Particulars	March 31, 2017 Amount	March 31, 2016 Amount
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon.		
Responsive Solutions, Inc.	485.90	170.58
Paypermint Pvt Ltd	755.15	-
Reimbursing the subsidiary towards service rendered by them at a agreed margin.		
RS Software (Asia) Pte. Ltd.	-	1,421.69
Reimbursing the Other Cost from subsidiary on actual.		
R S Software Asia (Pte.) Ltd.	-	1,187.89
Balance as on March 31, 2016 :		
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon.		
Responsive Solution Inc	59.59	NIL
RS Software (Asia) Pte Ltd	NIL	NIL
Re-imbursement of expenses payable by		
Paypermint Pvt Ltd	163.48	NIL
Maximum balance outstanding during the year		
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon .		
Responsive Solution Inc	59.59	36.12
Reimbursement of expenses payable by		
Paypermint Pvt Ltd	674.32	NIL
RS Software (Asia) Pte Ltd	NIL	35.58

ii. **With Related parties**

₹ in Lac

Particulars	March 31, 2017 Amount	March 31, 2016 Amount
Remuneration to Key Personnel:		
- Directors (Sitting Fees)	18.80	20.80
- Managing Director	58.43	82.55
- Relative of Managing Director	223.14	171.59

34. EPS has been calculated as per the provisions of AS-20, issued by the Institute of Chartered Accountants of India. The details of calculation are as follows:

₹ in Lac

Particulars	March 31, 2017	March 31, 2016
Numerator for Basic and Diluted EPS:		
Profit for the Year ended	(1,821.91)	1,061.30
Denominator for Basic EPS:		
Equity Shares	2,56,93,318	2,56,57,577

Notes on accounts *(contd.)* for the year ended March 31, 2017

34. *(contd.)*

₹ in Lac

Particulars	March 31, 2017	March 31, 2016
Add: ESOP Conversion		
Add: Preferential Issue	15,000.00	-
Add : Bonus Issue		
Add : Share issued for subdivision of shares		
Weighted no. of Equity Shares	**2,57,08,318**	**2,56,57,577**
Denominator for Diluted Shares		
Weighted No. of Basic Equity Shares	2,57,08,318	2,56,57,577
Add: ESOP Conversion		
ESOP Dilutive		9,197
Pref Share allotment		
Weighted no. of Equity Shares	**2,57,08,318**	**2,56,66,774**
Nominal Value of share	5.00	5.00
Basic Earning per Share	(7.09)	4.14
Diluted Earning per Share	(7.09)	4.13

35. There is no declaration received from vendor for small, medium & Micro registration.

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

a. The Company is engaged in the business of development & maintenance of computer software and other related services. The production and sale of such software services are not capable of being expressed in generic terms.

₹ in Lac

Particulars	March 31, 2017	March 31, 2016
Expenditure in Foreign Currency:		
Foreign branch expenditure	5,406.47	10,049.39
Earning in Foreign Currency		
Export of services	4,173.15	16,143.08

b. Additional Information pursuant to provisions of the Para 2 of Part II Schedule III for the Companies Act, 2013:-

₹ in Lac

Name of the entity	Net Assets i.e total assets minus total liability		Share in profit or Loss	
	As a % consolidated net Assets	₹ in Lac	As a % consolidated profit & loss	₹ in Lac
Parent Company				
R S Software India Ltd.	92.56%	19,752.21	103.16%	(1,754.24)
Subsidiary Company - Foreign				
Responsive Solution Inc. (100% Subsidiary)	2.96%	632.21	-4.97%	84.44
R S Software Asia Pte Ltd (100% Subsidiary)	4.47%	954.71	1.80%	(30.65)

Notes on accounts *(contd.)* for the year ended March 31, 2017

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

c. **Remitance in Foreign Currency**

The Company has remitted ₹ Nil (Mar. 31, 2015 : ₹ Nil) in foreign currencies on accounts of dividends during the year and does not have information as to the extent to which remittance, if any, in foreign currencies on account of dividends have been made by / on behalf of non-resident shareholders. The Particulars of dividends declared and paid on account of non-resident shareholders for the years 2010-11 to 2014-15 are as under :-

Particulars	No. of Non-resident Shareholders	No. of Equity Shares held	Year end of Dividend	Gross Amount of dividend
Final dividend for 2010-11 declared in July, 11	134	205495	March, 2011	4,10,990.00
Interim Dividend for 2011-12 declared in January, 12	130	126018	March, 2012	1,26,018.00
Final dividend for 2011-12 declared in July, 12	134	468631	March, 2012	9,37,262.00
Interim Dividend for 2012-13 declared in January,13	202	511382	March, 2013	7,67,073.00
Final dividend for 2012-13 declared in July, 13	202	725249	March, 2013	14,50,498.00
Interim Dividend for 2013-14 declared in October, 13	208	780530	March, 2014	19,51,325.00
Interim Q3 Dividend for 2013-14 declared in January, 14	198	698165	March, 2014	6,98,165.00
Final dividend for 2013-14 declared in July,14	291	612005	March, 2014	15,30, 012.50
Interim dividend for 2014-15 declared in July,14	345	657550	March, 2015	6,57,550.00
2nd Interim dividend for 2014-15 declared in October,14	383	739421	March, 2015	11,09,131.50
3rd Interim dividend for 2014-15 declared in January,15	443	2509030	March, 2015	18,81,772.50
Final dividend for 2014-15 declared in April,15	588	2229422	March, 2015	27,86,777.50
Dividend for 2015-16 declared in July, 16	564	1790888	March'2016	17,90,888.00

37. Reporting of Segment Wise Revenue, Results and Capital Employed:

₹ in Lac

	Year ended March 31, 2017	Year ended March 31, 2016
1. **Segment Revenue (net sale / income from each segment should be disclosed)**		
a. Segment - A (USA)	4,328.52	15,713.50
b. Segment - B (ROW)	2,941.96	3,286.98
Total	**7,270.48**	**19,000.49**
Other Income		
Segment - B (ROW)	1,693.77	1,549.11
Total	**8,964.25**	**20,549.60**
Less : Inter - segment revenue	-	-
Net Revenue from Operations	**8,964.25**	**20,549.60**
2. **Segment Results Profit/(Loss) before Tax & Interest from each segment**		
a. Segment - A (USA)	(2,887.14)	1,173.41
b. Segment - B (ROW)	2,050.41	2,444.01
Total	**(836.73)**	**3,617.42**
Less : Interest	16.58	21.85
Less : Depreciation	398.30	417.02
Less : Unallocable Selling , General & Administrative Expenses	332.86	1,739.86
Profit before tax	**(1,584.48)**	**1,438.70**
3. **Capital Employed**		
Total Assets	**22,679.90**	**25,490.34**
Total Liability	**22,679.90**	**25,490.34**

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.

Notes on accounts *(contd.)* for the year ended March 31, 2017

38. Disclosure under clause 32 of the listing agreement amount of loans and advances outstanding from subsidiary

₹ in Lac

	March 31, 2017	March 31, 2016
Outstanding as on		
Responsive Solutions, Inc.	NIL	NIL
RS Software (Asia) Pte. Ltd.	NIL	NIL
Paypermint Pvt Ltd	163.48	NIL
Maximum balance outstanding during the period		
Responsive Solutions, Inc.	59.59	36.12
RS Software (Asia) Pte Ltd	NIL	35.58
Paypermint Pvt Ltd	674.33	NIL

39. The Company is primarily engaged in the rendering services relating to maintenance and testing of Computer Software . These cannot be expressed in any generic units. Hence it is not possible to give the quantities details of sales and certain information as required under paragraph 5 (viii) '(c) of general instructions for preparation of statement of profits and loss as per revised schedule VI of the Companies Act 2013.

40. The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

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

For **Chaturvedi & Company**
Chartered Accountants
(Reg. no : 302137E)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122

On behalf of the Board

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

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

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

Dated: April 19th, 2017.
Place : Kolkata

RS Software

R. S. SOFTWARE (INDIA) LTD

(CIN: L72200WB1987PLC043375)
Regd.Office: "FMC Fortuna", 1st Floor, A-2, 234/3A A.J.C. Bose Road, Kolkata – 700 020.
Phone No. 033 22876254 / 6255 / 5746, FAX No. 033 22876256 • Website: www.rssoftware.com

Proxy Form

Form No. MGT-11

I/We being the member(s) of .....shares of the above named company hereby appoint:

1) Name..... Address.....
Email ID..... Signature.....or failing him;
2) Name..... Address.....
Email ID..... Signature.....or failing him;
3) Name..... Address.....
Email ID..... Signature.....

As my/our proxy to attend and vote for me / us and on my behalf at the Twenty Ninth Annual General Meeting of the company, to be held on July 21, 2017 at, Kolkata – and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1. Ordinary Resolution for adoption of Audited Financial Statements for the year ended March 31, 2017.
2. Ordinary Resolution to appoint a Director in place of Mrs. Sarita Jain (holding DIN 00206743), who retires by rotation and, being eligible, seeks re-appointment.
3. Ordinary Resolution to appoint M/s Deoki Bijay & Co., Chartered Accountants (Registration No, 313105E) as the Statutory Auditor of the Company in place of M/s. Chaturvedi & Company, Chartered Accountants (Registration No.30213E) and to fix their remuneration.
4. Special Resolution to re-appoint Mr. Rajnit Rai Jain (holding DIN 00122942) as the Chairman and Managing Director of the Company.

Signed this..... day of.....2017.

Folio No. / DPID & Client ID .....

No. of shares held.....

Signature of the Shareholder.....

Signature of Proxy holder(s).....

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

R. S. SOFTWARE (INDIA) LTD

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Regd.Office: "FMC Fortuna", 1st Floor, A-2, 234/3A A.J.C. Bose Road, Kolkata – 700 020.

Phone No. 033 22876254 / 6255 / 5746, FAX No. 033 22876256 • Website: www.rssoftware.com

Attendance Slip

I hereby record my presence at the ANNUAL GENERAL MEETING at 11:30 A.M on Friday, July 21, 2017.

Name of the attending Member_____
(in block letters)

Folio No / DP ID & Client ID _____

Name of Proxy_____
(in block letters, to be filled in if the Proxy attends instead of the Member)

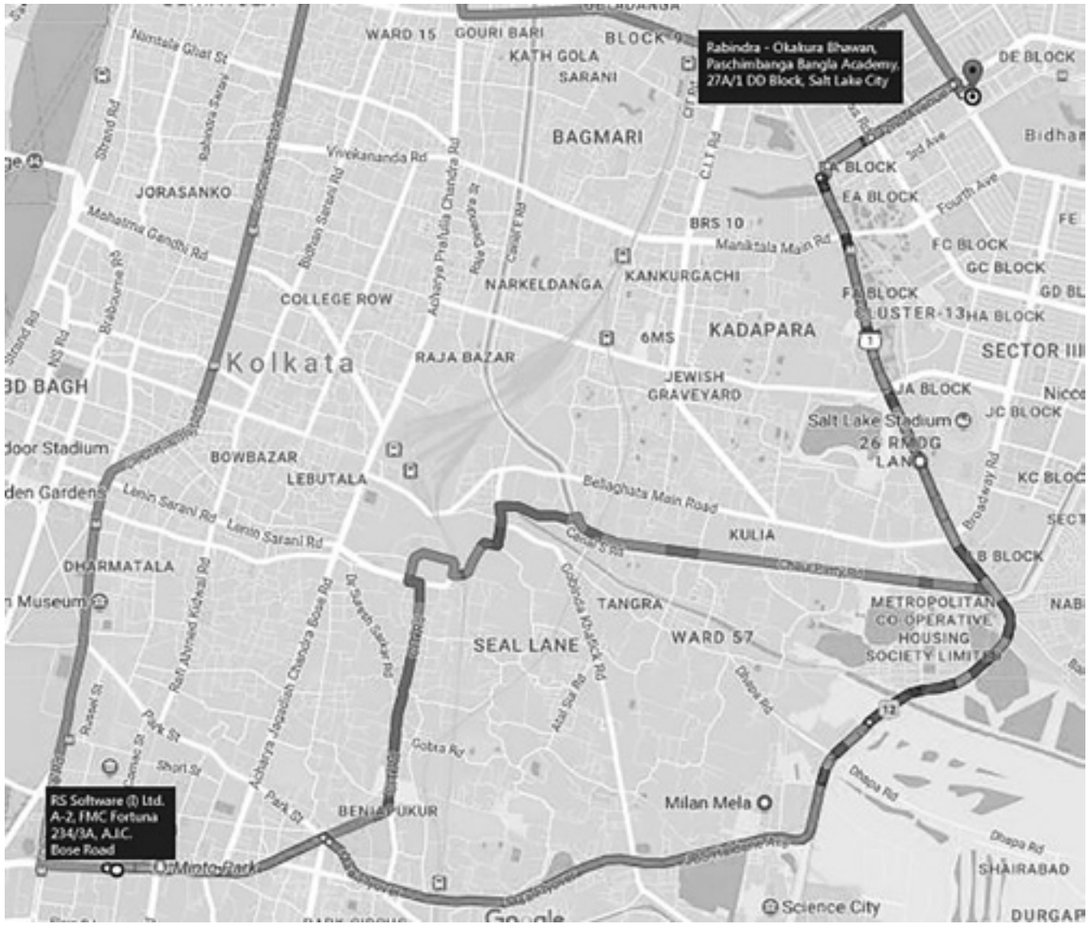
No. of shares held_____

*Member's/Proxy's Signature

*To be signed at the time of handing over this slip

This attendance slip duly filled in to be handed over at the entrance of the Meeting Hall

ROAD MAP



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Dear Shareholder,

We invite your attention to the following points and request you to take necessary action(s) as applicable to you.

In terms of Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 issued by SEBI, henceforth payment of dividend will be made through ECS/NECS/NEFT etc. only.

1) Accordingly you are requested to send your correct bank account details (including MICR No., IFSC Code, Account Type etc.) to your Depository Participant before July 14, 2017 if you are holding shares in demat form.

2) If you are holding shares in physical form, Company will mandatorily print the bank account details of the shareholders on physical dividend warrant. In cases where either the bank details such as MICR/IFSC etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank dividend warrant will be sent after printing the correct bank account details on it only. Accordingly, you are requested to send before July 14, 2016 (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……/…../17
Place:

_____
Signature of the First/Sole Shareholder

Encl: Copy of Bank Cheque Leaf

3) In respect of Non-resident shareholders, as a general rule, the dividend income on shares acquired subject to the condition that they will not carry the right of repatriation, are required to be credited to the Investor's NRO account. In other cases, (i.e., shareholders having the right of repatriation), the Indian Companies are required to remit dividend to such non-resident shareholders through the Authorized Dealers. In this view the non-resident shareholders must provide the information as mentioned below:-

(PLEASE USE CAPITAL LETTERS)

Name of the first/sole shareholder(s) : .....

Folio No/DP ID / CL ID : .....

Number of shares : .....

Place/Country of permanent residence : .....

Nationality : .....

Reserve Bank Approval No and Date for Acquiring shares : .....

Beneficiary Status With Repatriation right/
With Non-Repatriation right

Contact No. : .....

Email ID : .....

Name of the Bank : .....

Bank Account No. : .....

Account Type : NRO / NRE / FCNR

Branch Name & Address : .....

IFSC (Indian Financial System Code) : .....

9 digit MICR (Magnetic Ink Character Recognition) : .....

I hereby declare that the particulars furnished above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information provided as above or any error made by the Bank(s), the Company will not be held responsible. I hereby undertake to inform the Company immediately of any change in my Bank/Branch and account number.

Date……/…../17
Place:

_____
Signature of the First/Sole Shareholder

Encl: Copy of Bank Cheque Leaf

A TRISYS PRODUCT
info@trisyscom.com

R.S. SOFTWARE (INDIA) LIMITED
A-2, FMC FORTUNA, 234/3A, A.J.C. BOSE ROAD,
KOLKATA 700020, INDIA
CIN: L72200WB1987PLC043375