

*The efficiency catalyst*



**26th ANNUAL  
REPORT  
2018-2019**



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<b>CHIEF FINANCIAL OFFICER</b> Anil Kumar Sharma	<b>Development Centers</b>	
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b> Harsha Sharma	I. FCS House, Plot No. 83, NSEZ, Noida Dadri Road, Phase-II, Noida, Gautam Budha Nagar-201305 (U.P)	
<b>Auditors</b> M/S. Aadit Sanyam & Associates Chartered Accountants New Delhi - 110005	II. Plot-J-7, Rajiv Gandhi Technology Park, Chandigarh – 160101	
<b>Registered Office</b> 205, 2nd Floor, Agrawal Chamber IV, 27, Veer Sawarker Block, Vikas Marg, Shakarpur, Delhi – 110 092	III. FCS House, A-86, Sector – 57, Noida – 201301[U.P.]	
<b>Corporate office</b> Plot No. 83, NSEZ, Noida Dadri Road, Phase –II, Noida -201 305 [U.P.]	IV. Plot No. 1A, Sector-73, Noida-201301	
<b>Website</b> www.fcsltd.com	V. Plot No. 54, EHTP, Sector-34, Gurugram-122004	
<b>CIN No:</b> L72100DL1993PLC179154	VI. Plot No.-11, HSIIDC Park, Sector-22, Panchkula, Haryana-134109	
<b>Bankers</b> Canara Bank HDFC Bank ICICI Bank YES Bank	VII. I.T. Park, Plot No.24, Sahastradhara, Road, Dehradun-248001	
	<b>Subsidiaries</b>	
	<b>(a) Foreign Subsidiaries:-</b>	
	I. M/s. FCS Software Solutions GmbH Goethestra Be740237, Dusseldorf, Germany	
	II. M/s. F.C.S. Software Solutions Middle East FZE, P.O. Box 16111, Ras Ai Khaimah, U.A.E.	
	<b>(b) Indian wholly owned Subsidiaries:-</b>	
	V. M/s.Insync Business Solutions Limited	
	VI. M/s.Innova e Services Private Limited	
	VII. M/s.Stablesecure Infraservices Private Limited	
	VIII. M/s.cGain Analytics Private Limited	
	IX. M/s.Zero Time Constructions Private Limited	

## FROM THE CHAIRMAN

**My Dear fellow Stakeholders,**

I welcome all of you to the 26<sup>th</sup> Annual General Meeting of the company. We have been in business now for 26 years and with some ups and downs, we continue to serve the purpose with same vigor as when we started. In a company's life, there are moments that needs to be created and then built upon. While some companies get those chances more quickly, others have to be patient. In our case, we had many opportunities that we were able to avail of but then every time, market conditions changed that impacted the scaling up of our opportunities. Just as everyone is aware, the market conditions continue to be tough around globe. With high inflation, the costs continue to grow whereas the poor economic conditions make it difficult to pass the costs to the clients who are themselves facing difficult times. In times like this, one needs to have ability to sustain and that is what we have. We believe that we will be able to go through these tough times and then as the markets improve, we will be able to utilize our strengths to build further on scale and margins.

One of the key factors in last few years is that as markets mature, bigger companies get an advantage over smaller companies due to their better branding. This is one aspect that we consider as our weakness and we have started building a plan to address this weakness. In today's world, one needs to be strong in social media. We are going to build a strong social media presence to address our all stakeholders – employees, customers, shareholders, and professionals.

I take this opportunity to thank all of you for your continued support both in good times and bad times. I assure that everyone in the company will work extra hard to continue to earn the trust that we have built over all these years.

I would like to cordially invite to all the shareholders of the Company to attend the 26<sup>th</sup> Annual General Meeting of the Company (AGM) on 13<sup>th</sup> November, 2019 at 9:00 A.M. at The Executive Club, 439, Village, Sahnourpur, Fatehpur, Beri, New Delhi-110074.

**Sd/-**  
**Dalip Kumar**  
(Chairman & Managing Director)

**Date:** 14/10/2019

## NOTICE

NOTICE is hereby given that the 26th ANNUAL GENERAL MEETING OF THE MEMBERS OF **M/s FCS SOFTWARE SOLUTIONS LIMITED** will be held at The Executive Club, 439, Village Sahoorpur, Fatehpur Beri, New Delhi- 110074 on Wednesday, the 13th day of November, 2019 at 9:00 A.M. to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and Auditors thereon.
2. To consider re-appointment of Mr. Sunil Sharma (DIN-05359128), Executive Director of the Company, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment as an Executive Director of the Company.

### **SPECIAL BUSINESS:**

- 3. Re-Appointment of Mr. Shayam Sunder Sharma as an independent director of the company for the second term of 5 years**

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schdeule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Mr. Shayam Sunder Sharma (DIN:00272803), Independent Director, whose period of office expires on September 23, 2019, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for the second term of five consecutive years under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 be and is hereby re-appointed as an Independent Director of the Company, not subject to retirement by rotation, for a term of 5 (Five) consecutive years with effect from 24th September, 2019 to 23rd September, 2024.

- 4. Re-Appointment of Mrs. Shweta Shatsri as an independent director of the company for the second term of 5 years**

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schdeule IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Mrs. Shweta Shatsri (DIN:06480421), Independent Director, whose period of office expires on September 23, 2019, who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for the second term of five consecutive years under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 be and is hereby re-appointed as an Independent Director of the Company, not subject to retirement by rotation, for a term of 5 (Five) consecutive years with effect from 24th September, 2019 to 23rd September, 2024.

**5. Consider & approve Re-appointment of Mr. Dalip Kumar, Chairman & Managing Director**

To consider and if thought fit, to pass with or without modification (s), if any, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Sections 117(3), 196, 197, 203 and all other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, and subject to other approvals as are necessary, Mr. Dalip Kumar (DIN- 00103292) be and is hereby re-appointed as Chairman & Managing Director of the Company for a period of five years with effect from 01.04.2020 to 31.03.2025 on the remuneration and other terms and conditions, as recommended by the Nomination and Remuneration Committee as set out in the explanatory statement annexed.

**RESOLVED FURTHER THAT** Ms. Harsha Sharma, Company Secretary of the Company, 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.”

**6. Consider and approve remuneration of Mr. Sunil Sharma, executive Director of the Company**

To consider and if thought fit, to pass with or without modification (s), if any, the following Resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 197 of Companies Act, 2013 and other applicable and related provisions of the Companies Act, 2013 (hereinafter referred to as “the Act”), read with Schedule V of the Act and Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as may be applicable (including any statutory modification or re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for payment of maximum remuneration upto Rs. 12,00,000/- (Rupees Twelve Lakhs) annually to Mr. Sunil Sharma (DIN No. 05359128), by way of salary, perquisites and allowances as may be mutually agreed between the Board of Directors and Mr. Sunil Sharma.”

**7. Consider & approve remuneration of Mr. Dalip Kumar, Chairman & Managing Director of the Company**

To consider and approve the payment of remuneration to Mr. Dalip Kumar, Chairman & Managing Director of the Company for a period of 5 (Five) years w.e.f. 01 April, 2020 and if thought fit, pass the following resolution as a Special Resolution, with or without modification(s):

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to requisite approval of Central Government, if necessary and such other approval as may be required, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Nomination and Remuneration Committee has recommended to the Board the re-appointment of Mr. Dalip Kumar as Chairman & Managing Director of the Company for a period of 5 (Five) years with effect from 1st April, 2020 to 30th March, 2025 on the terms & conditions including remuneration by way of salary, perquisites and allowances as set out hereunder:

- a) Salary: upto Rs. 1,00,000/- (Rupees One Lakh only) per month;
- b) Commission: upto 3% of the net profits calculated in the manner laid down under section 197 of the Companies Act, 2013
- c) Benefits, Perquisites & Allowances: As may be determined by the Board from time to time;
- d) Gratuity, Leave Encashment & Provident Fund: As per the policies of the Company.

“**RESOLVED FURTHER THAT** the remuneration payable to Mr. Dalip Kumar, Chairman & Managing Director shall not exceed the overall ceiling of the total managerial remuneration as provided under sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);”

**By order of the Board of Directors**  
**For FCS Software Solutions Limited**

Sd/-

**Harsha Sharma**  
(Company Secretary)

**Place:** Noida

**Date:** 14/10/2019

## NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts relating to the business stated under Item No. 3, 4, 5, 6 & 7 is annexed hereto.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.**
3. Pursuant to Section 105 of Companies Act, 2013 and rules made there under, a person shall not act as a proxy for more than 50 members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.
7. The Register of Members and Shares Transfer Books of the Company will remain closed from November 7, 2019 to November 8, 2019 (both days inclusive) for the purpose of Annual General Meeting.
8. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/Depositories.

### Voting through electronic means

9. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company has provided a facility to the members to exercise their vote electronically through the electronic voting service facility arranged by Link Intime India Private Limited. The facility for voting, through ballot paper will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are prescribed below :

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

#### Instructions for shareholders to vote electronically:

- **Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on “Login” tab, available under ‘Shareholders’ section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
4. Your User ID details are given below:
  - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
  - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

<b>For Shareholders holding shares in Demat Form or Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> <li>• Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).</li> </ul>

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)



**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

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

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.
7. On the voting page, you will see “Resolution Description” and against the same the option “Favour/Against” for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’. You may also choose the option ‘Abstain’ and the shares held will not be counted under ‘Favour/Against’.

8. If you wish to view the entire Resolution details, click on the ‘View Resolutions’ File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

- **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 - 49186000.

### **General**

- (A) The voting period begins on 10th November, 2019 (9:00 am) and ends on 12th November, 2019 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in

dematerialized form, as on the cut-off date i.e. 6th November, 2019 may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter.

- (B) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 6th November, 2019 may follow the same instructions as mentioned above for e-voting.
- (C) Mr. Shashi Shekhar, Practicing Company Secretary (Membership No. 37987) has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (D) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 6th November, 2019.

**By order of the Board of Directors**  
**For FCS Software Solutions Limited**

Sd/-

Harsha Sharma

(Company Secretary)

**Place:** Noida

**Date:** 14.10.2019

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AS  
PER REGULATION 36 OF LISTING REGULATIONS WITH  
THE STOCK EXCHANGE:**

<b>Name Of Director</b>	<b>Mr. Sunil Sharma</b>
<b>Date of Birth</b>	10th May, 1975
<b>Category/Designation</b>	Executive Director
<b>Nationality</b>	Indian
<b>Date of Appointment on the Board</b>	13/08/2016
<b>Expertise in specific functional area</b>	More than 17 years of experience as electronics and communication engineer.
<b>Other Directorship in the Other Listed Companies</b>	NIL
<b>Committee position in other Listed entities</b>	NIL

<b>Name Of Director</b>	<b>Mr. Shayam Sunder Sharma</b>
<b>Date of Birth</b>	27th Nov, 1958
<b>Category/Designation</b>	Independent Director
<b>Nationality</b>	Indian
<b>Date of Appointment on the Board</b>	08/12/2000
<b>Expertise in specific functional area</b>	More than 19 years of experience and have in-depth knowledge of IT industry and brings his large exposure to FCS Board. He is an Expert in the field of System Administration with focus on AIX and UNIX based systems.
<b>Other Directorship in the Other Listed Companies</b>	NIL
<b>Committee position in other Listed entities</b>	NIL

<b>Name Of Director</b>	<b>Ms. Shweta Shatsri</b>
<b>Date of Birth</b>	8th February, 1980
<b>Category/Designation</b>	Independent Director
<b>Nationality</b>	Indian
<b>Date of Appointment on the Board</b>	24/09/2014
<b>Expertise in specific functional area</b>	Ms. Shweta Shatsri has Bachelor Degree in Art. She has been associated with Relieve Consultancy Services Private Limited as a Director. She has also been working as a social worker for last seven years. She has good knowledge of human development and behavior, of social, economic and cultural and of the interaction of all these factors. She helps people overcome some of life's most difficult challenges: poverty, discrimination, abuse, addiction, physical illness, divorce, loss, unemployment, educational problems, disability, and mental illness.

<b>Other Directorship in the Other Listed Companies</b>	NIL
<b>Committee position in other Listed entities</b>	NIL

<b>Name Of Director</b>	Dalip Kumar
<b>Date of Birth</b>	21st December 1961
<b>Category/Designation</b>	Chairman & Managing Director
<b>Nationality</b>	Indian
<b>Date of Appointment on the Board</b>	05/05/1993
<b>Expertise in specific functional area</b>	He is having more than 29 years of global industry experience and has worked on large projects in implementing paper less offices, office automation and workflow management for clients in government, banking, infrastructure and private sector. He has been working on Web based projects and ERP centric projects for many years. His special expertise area now is to build e-business and implement e-services. He has managed various projects starting form microprocessors to mainframes in terms of technology and man management.
<b>Other Directorship in the Other Listed Companies</b>	NIL
<b>Committee position in other Listed entities</b>	NIL

**Inter-se relationship between directors as required under Regulation 36 (3) (e) of Listing Regulation:**

None of the above Directors are related to any other Directors of the Company.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (“Act”), sets out all material facts relating to the business mentioned under Items of the accompanying Notice dated October 14, 2019.

### **Item No. 3**

The Company had Pursuant to the provisions of section 149 of the Act, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as an independent directors, who are not liable to retire by rotation.

The Board of Directors has recommended the re - appointment of Mr. Shayam Sunder Sharma as an Independent Director for a second term of 5 years i.e. from September 24, 2019 up to September 23, 2024.

Mr. Shayam Sunder Sharma, non- executive Independent Director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, the director fulfills the conditions specified in the Act and the Rules framed thereunder for re-appointment as an Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the re-appointment as an Independent Director is now being placed before the Members for their approval.

The terms and conditions of re-appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Shayam Sunder Sharma are in any way concerned or interested in the said resolution.

The Board recommends this Resolution for your approval.

### **Item No. 4**

The Company had Pursuant to the provisions of section 149 of the Act, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as an independent directors, who are not liable to retire by rotation.

The Board of Directors has recommended the re - appointment of Ms. Shweta Shatsri as an Independent Director for a further term of 5 years i.e. from September 24, 2019 up to September 23, 2024.

Ms. Shweta Shatsri, non- executive Independent Director of the Company, has given a declaration to the Board that she meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, the director fulfills the conditions specified in the Act and the Rules framed thereunder for re-appointment as an Independent Director and she is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the re-appointment as an Independent Director is now being placed before the Members for their approval.

The terms and conditions of re-appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors, Key Managerial Personnel or their relatives except Ms. Shweta Shatsri are in any way concerned or interested in the said resolution.

The Board recommends this Resolution for your approval.

### **Item No. 5**

The Board of Directors has recommended the re - appointment of Mr. Dalip Kumar Chairman & Managing Director of the Company for a further term of 5 years i.e. from September 24, 2019 up to September 23, 2024.

Mr. Dalip Kumar, aged 58 years is presently designated as Chairman & Managing Director of the Company. He is having more than 29 years of global industry experience and has worked on large projects in

implementing paper less offices, office automation and workflow management for clients in government, banking, infrastructure and private sector. He has been working on Web based projects and ERP centric projects for many years.

His special expertise area now is to build e-business and implement e-services. He has managed various projects starting from microprocessors to mainframes in terms of technology and man management.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Dalip Kumar are in any way concerned or interested in the said resolution.

The Board recommends this Resolution for your approval.

**Item No. 6**

Pursuant to the provisions of Section 197 of Companies Act, 2013 and other applicable and related provisions of the Companies Act, 2013 (hereinafter referred to as "the Act"), read with Schedule V of the Act and Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 the fixation of remuneration of executive Director requires the approval of shareholders through special resolution. For this purpose, it is proposed to pass the above resolution by way of shareholders' approval.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Sunil Sharma are in any way concerned or interested in the said resolution.

The Board recommends this Resolution for your approval.

**Item No. 7**

Mr. Dalip Kumar, (DIN- 00103292), Chairman & Managing Director of the Company is re-appointed for a term of 5 years from 01.04.2020 to 31.03.2025. The material provisions of the agreement to be entered into with Mr. Dalip Kumar are as under:-

1. Salary: upto 1,00,000/- per month
2. Commission: upto 3% of the net profits calculated in the manner laid down under sections 197 of the Companies Act, 2013

**CATEGORY (A).**

**I. Housing:**

- In case of furnished accommodation provided by the Company, such expenditure not exceeding 60% of the salary.
- In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance subject to the ceiling laid under the provisions of Income Tax Act, 1961.
- In case accommodation is owned by the Company, a deduction of 10% of the salary of the Managing Director shall be made by the Company.
- The expenditure incurred by the Company on gas, electricity, water & furnishing shall be valued as per the Income Tax Rules, 1962 which shall, however, be subject to a ceiling of 10% of the salary.

**II. Medical Reimbursement:**

Medical Reimbursement of the expenses incurred by Mr. Dalip Kumar for self and his family subject to a ceiling of one month's salary in a year or 5 months' salary over a period of 5 years.

**III. Leave Travel Concession:**

Leave Travel Concession for him and his family once in a year in accordance with the rules of the Company.

**IV. Club Fees :**

Fees of the clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

**V. Personal Accident Insurance:**

Personal Accident Insurance of an amount not exceeding 10,000/- (Rupees Ten Thousand only)

**CATEGORY (B)**

Contribution to the Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company to the extent these, either singly or put together, are not taxable under Income Tax Act, 1961.

**CATEGORY (C)**

The Company shall provide a car with a driver and two telephones and a fax at his residence. Personal long distance calls and use of car for private purpose shall be billed by the Company to him. All official calls made by him from his Cell Phone will also be reimbursed by the Company.

**CEILING ON REMUNERATION:**

The aggregate remuneration shall not exceed the limits provided in Sections 197 read with Schedule V of the Companies Act, 2013.

The shareholders' approval may be sought for authorization to increase, vary or amend the remuneration including salary, perquisites and benefits, minimum remuneration and other terms of re-appointment of the Chairman & Managing Director from time to time, as deemed expedient or necessary during the tenure of his appointment.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Dalip Kumar are in any way concerned or interested in the said resolution.

The Board recommends this Resolution for your approval.

**By order of the Board of Directors  
For FCS Software Solutions Limited**

**Place:** Noida

**Date:** 14.10.2019

Sd/-  
Harsha Sharma  
(Company Secretary)

**Years at a Glance**

(Rs. In Lakhs)

<b>For the year</b>	<b>2019</b>	<b>2018</b>
Revenue from operations	4040.36	3430.76
Operating profit (EBITDA)	707.24	528.12
Other Income	224.95	655.19
Profit before tax (PBT)	(16346.68)	(5730.99)
Profit after tax (PAT)	(16427.88)	(5836.22)
<b>EPS (par value of Rs. 1 each)</b>	-	-
Basic	(0.99)	(0.43)
Diluted	(0.99)	(0.43)
Dividend	-	-
<b>At the end of the year</b>	-	-
Fixed assets – net	21262.33	5021.75
Investment	10130.98	9476.84
Non-Current Assets	4603.57	20375.38
Net current assets	2492.20	2725.91
<b>Total assets</b>	<b>38489.08</b>	<b>37599.88</b>
Debt	2742.54	333.58
Liabilities and short term borrowings	1536.25	2876.27
(Net of deferred tax assets)	-	-
Pending Allotment & non controlling intrest	0	309.63
<b>Total Liabilities &amp; Debts</b>	<b>4278.78</b>	<b>3209.85</b>
<b>Equity(Shareholders Fund)/ Net Worth</b>	<b>34210.30</b>	<b>34080.40</b>



## **Chairman & Managing Director (CMD) and Chief Financial Officer (CFO) Certification**

We, Dalip Kumar, Chairman & Managing Director and Anil Kumar Sharma, Chief Financial Officer of FCS Software Solutions Limited, to the best of our knowledge and belief, certify that-

- a. We have reviewed the financial statements and the cash flow statement of FCS Software Solutions Limited for the year ended 31st March, 2019 and 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 existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year 2018-19, 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 we have evaluated the effectiveness of Company's 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 on operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify those deficiencies.
- d. We have indicated, to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in the internal control over financial reporting during the quarter;
  - (ii) that there are no significant changes in accounting policies during the quarter, and that the same have been disclosed in the notes to the financial results.
  - (iii) that no significant instances of significant fraud of which we are aware and involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems over financial reporting.

On behalf of the Board of Directors  
For **FCS Software Solutions Limited**

**Place:** Noida  
**Date:** 14/10/2019

Sd/-  
**Dalip Kumar**  
Chairman & Managing Director

Sd/-  
**Anil Kumar Sharma**  
Chief Financial Officer

### **Declaration by the Chairman & Managing Director under Para D of Schedule V of The SEBI (Listing Obligation And Disclosure Requirements) Regulation, 2015**

To,  
The Members of FCS Software Solutions Limited,

I, Dalip Kumar, Chairman & Managing Director of the Company, hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors/Management Personnel for the year ended 31st March, 2019.

**Place:** Noida  
**Date:** 14/10/2019

sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)

## Director's Report

(For the Year 2018-2019)

### Dear Stakeholders,

We have pleasure in presenting the 26th Directors Report on business and operations, together with the Audited Statement of Accounts, for the financial year ended March 31, 2019.

(Rs. in Lakhs)				
	Standalone		Consolidated	
	F.Y 2018-19	F.Y2017-18	F.Y 2018-19	F.Y 2017-18
Revenue from operation	3962.00	3101.13	4040.36	3430.76
Other Income	200.66	653.61	224.95	655.19
<b>Total Income</b>	<b>4162.66</b>	<b>3754.73</b>	<b>4265.32</b>	<b>4085.95</b>
Operating Expenditure	3464.33	3205.64	3663.54	3595.62
Depreciation and Amortization exps	333.89	104.23	16948.45	6221.32
<b>Total Expenses</b>	<b>3798.22</b>	<b>3309.87</b>	<b>20611.99</b>	<b>9816.94</b>
Profit before finance cost and tax	364.44	444.86	(16241.21)	(5693.20)
Finance Cost	104.72	37.62	105.47	37.78
Profit before tax	259.72	407.24	(16346.68)	(5730.99)
Tax expense	78.1	105.08	81.20	105.24
<b>Profit for the year</b>	<b>178.61</b>	<b>302.16</b>	<b>(16427.88)</b>	<b>(5836.22)</b>

The Board of Directors has made conscious efforts for drawing the financial statements on the basis of sound, accepted and conservative accounting principles to comply with the Accounting Standards Specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The revenues generated have to provide for prior period adjustments and provisions also but at the same time it ensure true and fair financial statements of the Company. The Company has adopted the Indian Accounting Standards (Ind AS) from 1st April, 2016. The comparative financial information of the Company for the year ended 31st March, 2019 have also been reinstated to comply with Ind AS.

### Financial Review

For the financial year ended March 31, 2019, the Company reported a total Consolidated revenue income of Rs. 4040.36 lakhs and Standalone revenue of Rs. 3962.00 lakhs.

### Changes in Share Capital.

During the year 2018-19, there was no change in the share capital of the Company.

### Changes in the nature of business

During the year 2018-19, there were no change in the nature of business of the company.

### Material changes and Commitments

There has been no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of this report.

### Transfer to Reserves

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review.

## **Dividend**

The Board of Directors of your company, after considering holistically the relevant circumstances has decided that it would be prudent, not to recommend any Dividend for the year under review.

## **Director and Key Managerial Personnel (KMP)**

Mr. Sunil Sharma, Executive Director of the Company, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 is proposed to be appointed as an Executive Director of the Company in the Annual General Meeting to be held on 13th November, 2019.

Mr. Shayam Sunder Sharma, Independent Director of the Company, was appointed as per Section 149 of the Companies Act, 2013, in 2014 for a period of five years. His first term expires on 23rd September, 2019. The Board recommends his appointment for the second term of 5 years w.e.f. 24th September, 2019 subject to approval of shareholders. The Board has received his eligibility and consent for re-appointment.

Mrs. Shweta Shatsri, Independent Director of the Company, was appointed as per Section 149 of the Companies Act, 2013, in 2014 for a period of five years. Her first term expires on 23rd September, 2019. The Board recommends his appointment for the second term of 5 years w.e.f. 24th September, 2019 subject to approval of shareholders. The Board has received her eligibility and consent for re-appointment.

The Independent Directors have submitted required declarations that they fulfill the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations. Pursuant to Clause VII (1) of Schedule IV of the Companies Act, 2013. The Independent Directors had a separate meeting on 11th February, 2019 during Financial Year 2018-19. The Independent Directors have also complied with the Code for Independent Directors prescribed in Schedule IV of the Act.

Mr. Dalip Kumar, Chairman & Managing Director of the Company, was appointed as per Sections 196, 197, 203 of the Companies Act, 2013, in 2013 for a period of five years. His term will expire on 31st March, 2020. The Board recommends his appointment for further term of 5 years with effect from 1st April 2020 to 31 March 2025. The Board has received his eligibility and consent for re-appointment.

Mr. Dalip Kumar (Chairman & Managing Director), Mr Sunil Sharma (Executive Director), Mr. Anil Kumar Sharma (Chief Financial Officer) and Ms. Harsha Sharma (Company Secretary) are Key Managerial Personnel of the Company.

During the year 2018-19, Mr. Mahendra Pratap singh was appointed as additional director of the company on 14.08.2018 and regularised as Director of the Company at annual general meeting held on 25th September 2018.

Mr. Shiv Nandan Sharma, Independent director has resigned from the Board w.e.f. 27th July, 2019 and has sent resignation letter to the company. He has not provided his confirmation on material reason required as per amended SEBI (Listing Obligations & Disclosure Requirements) Regulations.

## **Number of Meetings of the Board of Directors**

The Board met seven times during the financial year 2018-19, the details of the Board Meeting with regard to their dates and attendance of each director have been provided in the Corporate Governance Report that forms a part of this Annual Report. The maximum interval between any two consecutive meetings did not exceeded 120 days.

## **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees and individual directors. The manner in which such formal annual evaluation was made by the Board is given below:

- Performance evaluation policy for Board, Committees of the Board and Directors were approved by the Board at its meeting and the same were placed on the Company's website [www.fcsltd.com](http://www.fcsltd.com).
- The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the board.

- The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and the Board in their respective meetings.
- Under law, as per the report of performance evaluation, the Board shall determine, inter alia, whether to continue the term of appointment of the independent director. During the year under review, there was no occasion to decide on the continuance of the term of appointment of any of the independent directors and hence, the question of taking a decision on their re-appointment did not arise.

During the year under review, SEBI vide its circular dated 5th January 2017 came out with a Guidance Note on Board Evaluation, which was to be adopted by the Company, as considered appropriate. The performance evaluation criteria for the Board, Committees of the Board, Chairperson and Directors were accordingly modified by the Board at its meeting, as approved and recommended by the Nomination and Remuneration Committee. The updated policy is placed on the Company's website [www.fcsltd.com](http://www.fcsltd.com) and will be applicable for evaluation from the year 2018-19.

#### **Audit committee**

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which is a part of this report.

#### **Policy on directors' appointment and remuneration and other details**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report.

The Board of Directors of our Company have reviewed the affairs of all the subsidiary companies. A statement of holding company's interest in subsidiaries as required under Section 129 of the Companies Act, 2013, forms part of this annual report.

A Statement containing salient features of the financial statement of subsidiaries is provided in Form- AOC-1 as "Annexure A" to this Director's Report. In accordance with the third proviso of the Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and consolidated financial statements have been placed on the website of the Company, [www.fcsltd.com](http://www.fcsltd.com)

#### **Particulars of Contract or Arrangement with Related Party**

During the year, no transaction with related parties was in conflict with the interest of the Company. All transactions entered into by the Company with related parties during the financial year were in the Ordinary course of business and on an arm's length basis. The Company did not enter into any transaction with its KMP. As stipulated by section 134(3)(h) of the Act read with rule 8(2) of Companies (Accounts) Rules, 2014, particulars of related party transactions are given in form no. AOC-2 as "Annexure-B" to this report. In compliance with Regulation 46(2)(g) of listing regulation policy on dealing with related party transactions as approved has been hosted on the Company's website.

#### **Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo**

The particulars as prescribed under section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are set out in the "Annexure- C" to this Board Report.

#### **Subsidiaries and Consolidated Financial Statements**

FCS has Two Wholly Owned Subsidiary Companies outside India, viz. F.C.S Software Middle East FZE in UAE and FCS Software Solutions GmbH, in Germany. FCS has five Wholly Owned Subsidiary Companies in India i.e. Insync Business Solutions Limited, Innova E Services Private Limited, Stablesecure Infrservices Private Limited, cGain Analytics Private Limited, and Zero Time Constructions Private Limited.

M/s. Enstaserv Eservices Limited is the associate company of FCS Software Solutions Limited. Investment in M/s Myzeal IT Solutions Ltd was transferred during the financial year 2018-19.

The consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (Ind

AS) forms part of the Annual Report and are reflected in consolidated financial statement of the Company.

### **Particulars of Loan, Guarantees or Investments**

In Compliance with the provisions of Section 134(3)(g) forming part of this Annual Report particulars of loans, Guarantees and Investment covered under the provisions of section 186 of Companies Act, 2013 are provided in the notes to the Financial Statement.

### **Public Deposits**

The Company has not accepted any public deposits during the year under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014, and as such, no amount on account of principal or interest was outstanding as on the date of Balance Sheet. The Company has not made any loans/advances and investment in its associates during the year.

### **Particulars of employee's remuneration**

During the year ended March 31, 2019, no employee is drawing remuneration in excess of the amount prescribed under section 197(12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **Directors' responsibility statement**

To the Members,

We, the directors of FCS Software Solutions Limited, pursuant to the provisions of section 134(3)(c) of the Companies Act, 2013, confirm the following:

1. that in the preparation of the annual accounts for the Financial Year ended 31st March 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the directors had 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 of the Company for that period;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the annual accounts on a going concern basis.
5. that the Board of Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
6. that the Board of Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Internal Financial Control**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records, the timely preparation of reliable disclosures.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2018-19.

### **The extract of Annual Return**

Extract of Annual Return of the Company in the prescribed Form MGT-9, is placed on the Company's website [www.fcsltd.com](http://www.fcsltd.com).

### **Ensuring Compliance of laws**

The company has devised and set in place proper systems to ensure compliance of all laws applicable to the company.

### **Transfer to Investor Education and Protection fund**

Pursuant to Section 125 and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed/unpaid dividend, application money, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the Investor Education and Protection fund (IEPF) established by the Central Government. During the year Company was not required to transfer any amount in the IEPF Account.

### **Board Committee**

The Company has the following committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

### **Composition of Audit Committee**

Details of Audit Committee of Board of Directors of the Company forms part of the Annual Report and is given separately in Report of Corporate Governance.

### **Management Discussion and Analysis**

The report on Management Discussion and Analysis Report as required under Schedule V of the SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Regulation-34(3) (c) is annexed and form part of Annual Report.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

During the year, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

### **Policy on Sexual Harassment**

FCS has adopted a policy on prevention, prohibition and redressal for employees on sexual harassment at workplace as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2018-19 there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

### **Vigil Mechanism/Whistle Blower Policy**

In Compliance with the provisions of Section-177(9) of the Companies Act, 2013 read with Rule-7 of Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has a vigil mechanism through Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the policy is explained in the Corporate Governance Report and is also placed on the website of the Company.

## **Corporate Social Responsibility (CSR)**

CSR is a means to balance economic, social and environmental objectives, it is a responsible way of doing business.

In terms of provisions of section 135 of the Companies Act, 2013 & Rule 9 of Companies (Corporate Social Responsibility) Rule, 2014 and other clarification issued by Ministry of Corporate Affairs, the Company has qualified the norms specified under section 135 of Companies Act, 2013 to contribute towards CSR. The company has contributed Rs. 3,00,000/- this year for corporate social responsibility in accordance with Schedule VII.

Annual Report on CSR is Annexed as “Annexure-D” of the Director’s Report.

## **Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as “Annexure-E”.

## **Corporate Governance**

As stipulated by Regulation 34(3) read with Schedule V (c) of listing regulations, Corporate Governance Report forms part of this Annual Report.

Certificate confirming compliance of the conditions of Corporate Governance, is provided as “Annexure F” to this Director’s Report.

## **Consolidated Financial Statements**

The Consolidated Financial Statements of the Company has been prepared in accordance with applicable Accounting Standards forms a part of this Annual Report.

## **Company’s policy relating to directors appointment, payment or remuneration and discharge of their duties**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company and hence the Company has adopted a policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

## **Scheme of Amalgamation with wholly owned subsidiaries**

In order to gain operational synergy and efficient allocation of managerial capabilities and infrastructure and consolidation and economies of scale by expansion and diversion to exploit extended domestic and global markets, FCS Software Solutions Limited (hereinafter referred to as “FCS”) has filed application to Regional Director, Delhi for amalgamation with its Wholly owned subsidiaries i.e. Insync Business Solutions Limited, Stablesecure Infraserivices Private Limited, cGain Analytics Private Limited, Innova e Services Private Limited and Zero Time Constructions Private Limited. The Scheme of Amalgamation has been filed in Regional Director, Delhi for final approval and same is pending before the authority.

## **AUDITORS**

### **Statutory Auditors**

M/s. Aadit Sanyam & Co., Chartered Accountant, is the existing statutory auditor of the Company were appointed at 24th Annual General Meeting held on 28th September, 2017 to hold the office till conclusion of our 29th Annual General Meeting for a period of 5 years.

The Audit Report on the Financial Statements of the Company for the financial year ended March 31, 2019 read with relevant Notes thereon are self-explanatory and do not call for any further explanation. The Auditors Report does not contain any qualification, reservation or adverse remark.



During the year under review, the Statutory Auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

#### **Secretarial Auditor**

The Board of Directors of the Company has appointed M/s. VS Associates, Practising Company Secretaries, to conduct Secretarial Audit for the F.Y. 2018-19. The Secretarial Audit Report of M/s. VS Associates, Practising Company Secretaries for the financial year ended 31st March, 2019, is annexed herewith as “Annexure-G”.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **Internal Auditor**

The Board of Directors of the Company has appointed M/s. SPMG & Company, Chartered Accountants as an internal auditor of the Company for financial year 2018-19.

#### **Listing Fees**

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 532666 and on National Stock Exchange of India Limited (NSE) with scrip code of FCSSOFT. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2018-19 have been paid.

#### **Certificate of Non- Disqualification of Directors**

The Certificate required as per Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forming part of annual report is Annexed as “Annexure-H”.

The Board of Directors of the Company has appointed M/s. Oberoi & Associates, Practising Company Secretaries, to provide certificate of Non- disqualification from professional for the F.Y. 2018-19. The certificate of Non- disqualification of directors of M/s. Oberoi & Associates, Practising Company Secretaries for the financial year ended 31st March, 2019, is annexed herewith

#### **Acknowledgement**

The Directors thank the Company’s employees, customers, vendors, investors, service providers, bankers for their continued support. The Directors also convey a special thanks to the Government of India, particularly Ministry of Communication and Information Technology, the Customs and Excise departments, the Income Tax department, Ministry of Corporate Affairs, Office of Registrar of Companies, New Delhi, Board of approval and Development Commissioner of Special Economic Zones, particularly of Noida and Chandigarh for their co-operation.

For and on behalf of the Board of Directors  
For **FCS Software Solutions Limited**

**Place:** Noida  
**Date:** 14/10/2019

sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)



“Annexure-A”

AOC-I

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

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

Part “A”: Subsidiaries

1	Names of subsidiaries	F.C.S Software Middle East FZE	FCS Software Solutions GmbH	Insync Business Solutions Ltd.	Innova e Services Private Limited	Stablesecure Infraservices Private Limited	cGain Analytics Private Limited	Zero Time Constructions Private Limited
2	Reporting period for the subsidiary concerned	1st April,2018 to 31st March, 2019	1st April,2018 to 31st March, 2019	1st April,2018 to 31st March, 2019	1st April,2018 to 31st March, 2019	1st April,2018 to 31st March, 2019	1st April,2018 to 31st March, 2019	1st April,2018 to 31st March, 2019
3	Reporting currency	USD	EURO	INR	INR	INR	INR	INR
4	Share capital	73,732,970	25,000	5,00,000	1,46,00,000	13,76,00,000	2,48,00,000	20,98,00,000
5	Reserves & surplus	(72,054,513)	(25,000)	2,37,98,498	(1,30,47,928)	4,92,03,235	(1,77,09,044)	(20,93,00,162)
6	Total assets	1,718,165	-	2,51,85,076	16,94,268	18,71,03,940	83,12,022	8,38,416
7	Total Liabilities	39,708	-	8,86,578	1,42,196	3,00,705	12,21,067	3,38,577
8	Investments	-	-	-	-	1,82,00,000	-	-
9	Turnover	-	-	66,36,339	12,00,000	-	-	-
10	Profit before taxation	(23,871,179)	-	(8,19,773)	1,76,039	(2,78,882)	7,94,726	(2,49,424)
11	Provision for taxation	-	-	9,328	-	-	1,36,960	-
12	Profit after taxation	(23,871,179)	-	(8,29,101)	1,76,039	(2,78,882)	6,57,766	(2,49,424)
13	Other Comprehensive Income	-	-	(1,95,068)	-	5,19,90,737	(53,20,000)	-
14	Proposed Dividend	-	-	-	-	-	-	-
15	% of shareholding	100.00	100.00	100.00	100	100	100	100

## Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	<b>Associate Company</b>
<b>Name of associates/Joint Ventures</b>	<b>Enstaserv Eservices Limited</b>
<b>Latest audited Balance Sheet Date</b>	<b>31st March, 2019</b>
Shares of Associate/Joint Ventures held by the company on the year end	
No.	82,79,930
Amount of Investment in Associates/Joint Venture	17,05,00,000
Extend of Holding%	48.94%
Description of how there is significant influence	
Reason why the associate/joint venture is not consolidated	NA
Net worth attributable to shareholding as per latest audited Balance Sheet	
Profit/Loss for the year (Before Tax)	1,96,305
Considered in Consolidation	96,072
Not Considered in Consolidation	1,00,233

For and on behalf of the Board of Directors  
For **FCS Software Solutions Limited**

sd/-

**Dalip Kumar**

(Chairman & Managing Director)

**Place:** Noida

**Date:** 14/10/2019

## Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies

(Accounts) Rules, 2014)

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm’s length basis:**

There were no contracts or arrangement or transactions entered into during the year ended March 31, 2019, which were not at arm’s length basis.

**2. Details of material contracts or arrangement or transactions at arm’s length basis:**

(a) Name(s) of the related party and nature of relationship: N.A

(b) Nature of contracts/arrangements/transactions: N.A

(c) Duration of the contracts / arrangements/transactions: N.A

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A

(e) Date(s) of approval by the Board, if any: N.A

(f) Amount paid as advances, if any: N.A

For and on behalf of the Board of Directors  
For **FCS Software Solutions Limited**

sd/-

**Dalip Kumar**

(Chairman & Managing Director)

**Place:** Noida

**Date:** 14/10/2019

**“Annexure C”**

**Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earning and Outgo**

**Particulars pursuant to Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988.**

**Conservation of energy**

We continue to strengthen our energy conservation efforts. We are always in lookout for energy efficient measures for operation, and value conservation of energy through usage of latest technologies for quality of services. Although the equipments used by the Company being in the business of software development and education are not energy sensitive by their very nature, still the Company is making best possible efforts for conservation of energy by putting in place a well defined policy, which assures that the Computers and all other equipments purchased by the Company strictly adhere to environmental standards, and they make optimum utilization of energy.

The Company has also put in place, the continuous process of identifying and replacing in a phased manner, the machinery like Computers, Air Conditioners and UPS etc., which are low in efficiency.

**Research and Development (R&D)**

The Company believes that in order to improve the quality and standards of services, the Company should have a progressive Research and Development Process, which should keep on increasing along with the scale of operations of the Company. Sticking to its policy, the Company has allocated more than 20% time of its senior professionals exclusively for R&D in order to improve the quality of services, increase profitability, enhance the FCS brand and gain a reputation as an innovative business.

**Technology absorption, adaptation and innovation**

In this era of competition, in order to maintain and increase the clients and customers, we need to provide best quality services to our clients and customers at minimum cost, which is not possible without innovation, and adapting to the latest technology available in the market for providing the services. For this purpose, your company has partnered with market leaders in technology. The senior management of your Company is focused on the ongoing process of technology up gradation, and reinvention of business model of your Company, as and when required.

**Foreign Exchange Earning and Outgo**

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans. During the year around 73.79% of revenues were derived from exports. The foreign exchange earned comprising of FOB value of exports, services was Rs. 3147.64 lakhs whereas total foreign exchange used (comprising of CIF value of imports and other outgoings) was Rs. 0 lakhs.

Foreign exchange earned and used	(Rs. In lakhs)	
	2018-19	2017-18
<b>Earning</b>	3147.64	2524.32
Outflow	-	224.95
<b>Net Foreign Exchange Earning</b>	<b>3147.64</b>	<b>2299.37</b>

For and on behalf of the Board of Directors  
For **FCS Software Solutions Limited**

Place: Noida  
Date: 14/10/2019

sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)

## Annual Report on CSR

S. No.	Particulars	Remarks										
1.	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs.	<ul style="list-style-type: none"> <li>Corporate Social Responsibility has always been an integral part of FCS's vision. FCS believes that corporations must reach out to the society and help in improving the quality of education and healthcare through various community development programs.</li> <li>Web link: www.fcsitd.com</li> </ul>										
2.	The Composition of the CSR Committee.	<p>The constitution of CSR Committee is as on 31st March, 2019 is as follows:</p> <table border="1"> <thead> <tr> <th>Name of Member</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Mr. Shayam Sunder Sharma</td> <td>Chairman</td> </tr> <tr> <td>Mr. Shiv Nandan Sharma</td> <td>Member</td> </tr> <tr> <td>Mr. Mahendra Pratap Singh</td> <td>Member</td> </tr> <tr> <td>Mr. Sunil Sharma</td> <td>Member</td> </tr> </tbody> </table>	Name of Member	Designation	Mr. Shayam Sunder Sharma	Chairman	Mr. Shiv Nandan Sharma	Member	Mr. Mahendra Pratap Singh	Member	Mr. Sunil Sharma	Member
Name of Member	Designation											
Mr. Shayam Sunder Sharma	Chairman											
Mr. Shiv Nandan Sharma	Member											
Mr. Mahendra Pratap Singh	Member											
Mr. Sunil Sharma	Member											
3.	Average net profit of the Company for last three financial years.	<p>Average net profit of the company for last three financial years:</p> <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Net Profit Before Tax (Amount in Rs.)</th> </tr> </thead> <tbody> <tr> <td>2016-17</td> <td>(14953226)</td> </tr> <tr> <td>2017-18</td> <td>40724000</td> </tr> <tr> <td>2018-19</td> <td>25972000</td> </tr> <tr> <td>Average Profit of 3years</td> <td>17247591.3</td> </tr> </tbody> </table>	Financial Year	Net Profit Before Tax (Amount in Rs.)	2016-17	(14953226)	2017-18	40724000	2018-19	25972000	Average Profit of 3years	17247591.3
Financial Year	Net Profit Before Tax (Amount in Rs.)											
2016-17	(14953226)											
2017-18	40724000											
2018-19	25972000											
Average Profit of 3years	17247591.3											
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).	Due to profits in the preceding financial year company was required to spend amount on CSR activities										
5.	<p>Details of CSR spent during the financial year:</p> <p>a) Total amount to be spent for the financial year</p> <p>b) Amount unspent, if any;</p> <p>c) Manner in which the amount spent during the financial year is detailed below</p>	3,00,000/-										

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs(1) Local area or other(2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto the reporting period.	Amount spent:
	Social Welfare (Item No. 3 of Schedule VII)			300000	300000	300000	300000

For and on behalf of the Board of Directors  
For **FCS Software Solutions Limited**

Place: Noida  
Date: 14/10/2019

sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)

**“Annexure- E”**

**As per the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to disclose following information in the Board’s Report:**

Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year

- Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2018-19, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2018-19.

S. No.	Name of Directors/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1	Sunil Sharma	Executive Director	2.83	NIL
2	Anil Kumar Sharma	Chief Financial Officer	5.90	NIL
3	Harsha Sharma	Company Secretary and Compliance Officer	2.31	NIL

- The Company has 292 permanent Employees on the rolls of Company as on 31st March, 2019.
- Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 6.8% whereas there is no change in the managerial remuneration during the financial Year.
- It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**Note:**

\* The Non-Executive Directors of the Company are entitled for sitting fee only. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above.



**Aadit Sanyam & Associates**  
Chartered Accountants

“Annexure-F”

**Independent Auditor’s Certificate on Corporate Governance**

To  
**The Members of FCS Software Solutions Limited**

We have examined the compliance of conditions of Corporate Governance by FCS Software Solutions Limited (‘the Company’) for the year ended 31 March 2019, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

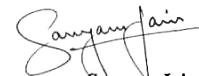
In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Restrictions on use**

This Certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

*For Aadit Sanyam & Co.*  
Chartered Accountants  
Firm’s registration No.: 023685N



**Sanyam Jain**  
Partner

Membership No.: 531388

**Place:** Delhi  
**Dated:** 30/05/2019

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**Head Office :**Shop No. 220, Gold Plaza, Gurudwara Road, Karol Bagh, Delhi-110005  
**Branch Office :**SU-190, Pitampura, Delhi-110034  
**Phone :** 011-45700127, 09711110638, 9811311747 **E-mail :** sanyam\_jain2005@yahoo.com



**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

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

To  
The Members,  
**FCS SOFTWARE SOLUTIONS LIMITED**  
CIN L72100DL1993PLC179154  
205, 2<sup>nd</sup> Floor, Agrawal Chamber IV,  
27, Near Sawarker Block, Vikas Marg,  
Shakarpur, Delhi-110092

I have conducted the Secretarial Audit in respect of the compliance of applicable statutory provisions and the adherence to good corporate practices by ‘**FCS SOFTWARE SOLUTIONS LIMITED**’ (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 my opinion thereon.

**Management Responsibility for Secretarial Compliances**

The Company’s Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

**Opinion**

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period for the financial year ended on March 31, 2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 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) The 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 (Listing Obligations And Disclosure Requirements) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008- **Not Applicable**
  - (g) 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;
  - (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009- **Not Applicable**
  - (i) The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018- **Not Applicable**

We have also examined compliance with the applicable provisions of the following: -

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

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



**I further report that** the Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I 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, standards and guidelines.

**I further report that** during the audit period the Company has no specific events/ actions, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, etc.

Thanking You,  
Yours Faithfully,



**CS VIJAY KUMAR SHARMA**  
**Membership No: 6379**  
**C.P. No:6959**

**Date** : 27/September/2019  
**Place** : Delhi

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.


**‘Annexure A’**

To  
The Members,  
**FCS SOFTWARE SOLUTIONS LIMITED**  
CIN L72100DL1993PLC179154  
205, 2<sup>nd</sup> Floor, Agrawal Chamber IV,  
27, Near Sawarker Block, Vikas Marg,  
Shakarpur, Delhi-110092

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc. Further, my verification to the compliance of the laws applicable specifically to the Company is limited to test check on random basis without going into the detailed technical scrutiny.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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.

Thanking You,  
Yours Faithfully,



**CS VIJAY KUMAR SHARMA**  
**Membership No: 6379**  
**C.P. No: 6959**

**Date** : 27/September/2019  
**Place** : Delhi

**OA OBEROI & ASSOCIATES**  
(Company Secretaries)

UDIN: A042165A000097418

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members of  
**FCS SOFTWARE SOLUTIONS LIMITED**  
**Registered Office:** -205, 2nd Floor, Agrawal Chamber IV, 27,  
Near Sawarker Block, Vikas Marg,  
Shakerpur, Delhi - 110092

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of FCS SOFTWARE SOLUTIONS LIMITED having CIN L72100DL1993PLC179154 and having registered office at 205, 2<sup>nd</sup> Floor, Agrawal Chamber IV, 27, Near Sawarker Block, Vikas Marg, Shakerpur, Delhi - 110092 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers.

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31.03.2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT	DATE OF CESSATION
1.	DALIP KUMAR	00103292	05/05/1993	-
2.	SHAYAM SUNDER SHARMA	00272803	08/12/2000	-
3.	SUNIL SHARMA	05359128	13/08/2016	-
4.	SHWETA SHATSRI	06480421	24/09/2014	-
5.	MAHENDRA PRATAP SINGH	08201381	14/08/2018	-
6.	SHIV NANDAN SHARMA	00336736	-	28/07/2019

1



**OBEROI & ASSOCIATES, Company Secretaries**

**Address :** G-31, RG Trade Tower, Netaji Subhash Place, Pitampura, New Delhi-110034, India

**☎ +011 49707472, ☎ +91 8930138515**

**Email :** info@oberoiassociates.com, oberoipcs@gmail.com, **Website :** www.oberoiassociates.com


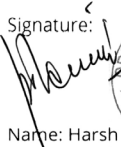
# OA OBEROI & ASSOCIATES

(Company Secretaries)

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signature:



Name: Harsh Oberoi  
Practicing Company Secretary  
Membership No.: A42165  
CP No.: 17834

**Date:** 28-09-2019

**Place:** Delhi

**OBEROI & ASSOCIATES, Company Secretaries**

**Address :** G-31, RG Trade Tower, Netaji Subhash Place, Pitampura, New Delhi-110034, India

**☎** +011 49707472, **☎** +91 8930138515

**Email :** info@oberoiassociates.com, oberoipcs@gmail.com, **Website :** www.oberoiassociates.com

## REPORT ON CORPORATE GOVERNANCE 2018-19

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

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations 2015).

FCS Software Solutions Limited ("FCS") firmly that the governance process should ensure that these resources are utilised in a manner that meets stakeholders' aspirations and societal expectations. This belief is reflected in the Company's deep commitment to contribute to the "triple bottom line", namely conservation and development of the nation's economic, social and environmental capital. The philosophy of the Company is in consonance with the accepted principles of good governance.

Corporate governance must empower the executive management of the Company. At the same time, Governance should create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and societal expectations.

We have a defined policy framework for ethical conduct of businesses. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

### 2. BOARD OF DIRECTORS:

#### (a) COMPOSITION AND CATEGORY OF DIRECTORS

The Board of the Company, as on 31st March, 2019, consists of six Directors with a combination of Executive and Non- Executive Directors in accordance with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The details of Board of Directors of the Company are as below:-

1. Mr. Dalip Kumar- Chairman & Managing Director (Executive Director)
2. Mr. Shiv Nandan Sharma- Non Executive Independent Director
3. Mr. Shayam Sunder Sharma- Non Executive Independent Director
4. Ms. Shweta Shatsri- Non Executive Independent Director
5. Mr. Sunil Sharma- Executive Director
6. Mr. Mahendra Pratap Singh- Non Executive Director

All Independent Directors are well qualified professionals bringing wide range of experience in business, finance and law. None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 (five) Committees across all companies in which he/she is a Director. The Board periodically evaluates the need for change in its composition and size.

All the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Companies Act, 2013 and SEBI listing Regulations. The Company has issued formal letters of appointment to Independent Directors, whenever required, in the manner as provided in the Companies Act, 2013.



**(b) Director's attendance record:**

Name of Directors	No. of Board Meetings held during the year	No of Meetings attended	Whether attended the last AGM
Mr. Dalip Kumar	7	3	NO
Mr. Shayam Sunder Sharma	7	7	YES
Mr. Shiv Nandan Sharma	7	4	NO
Ms. Shweta Shatsri	7	5	NO
Mr. Sunil Sharma	7	5	YES
Mr. Mahendra Pratap Singh	7	3	YES

**(c) Composition, Category of Directors and their other Directorship as on 31st March, 2019**

Director's name	Position and Category	No. of Directorships in other Indian Public and Private Ltd. Companies
Mr. Dalip Kumar	Executive (Chairman & Managing Director)	7
Mr. Shayam Sunder Sharma	Non-Executive (Independent Director)	2
Mr. Shiv Nandan Sharma	Non-Executive (Independent Director)	2
Ms. Shweta Shatsri	Non-Executive (Independent Director)	1
Mr. Sunil Sharma	Executive Director	1
Mr. Mahendra Pratap Singh	Non – Executive Director	0

**Details of Directorship(s) held by the Directors on the Board in other Listed Companies during the financial year 2018-19:**

The directors of the Company is not having any other directorship in listed entity during the financial year 2018-19. Therefore, no disclosure of name of listed entity and category of directorship is required

**(d) Number of Board Meetings**

The Board met Seven times during the financial year 2018-19 and dates for the Board meetings are:

1. April 24, 2018
2. May 29, 2018
3. July 27, 2018
4. August 14, 2018
5. August 24, 2018
6. November 14, 2018
7. February 11, 2019

**(e) Disclosure of relationship between Directors inter-se:**

No director of the Company is having any relationship with other director.

**(f)** As on 31st March, 2019, non executive directors does not held any equity shares in the Company. Also, the Company does not have any convertible instruments.

**(g) The details of the familiarisation programme for Independent Directors are given below:**

With a view to familiarise the Independent Directors, the Company arranged programs to familiarise the Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The details of familiarisation programme of the Independent Directors are available on the website of the Company: <https://www.fcsltd.com>.

#### **h) Skills/Expertise/Competencies Of The Board Of Directors:**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses (IT and ITES Services), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
  - ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
  - iii) Corporate Governance, Administration, Decision Making.
  - iv) Financial and Management skills
  - v) Technical / Professional skills and knowledge in relation to Company's business
- i) All the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Companies Act, 2013 and SEBI listing Regulations. The Company has issued formal letters of appointment to Independent Directors, whenever required, in the manner as provided in the Companies Act, 2013.

#### **Independent Directors Meeting:**

In view of the provisions of Section 149 read with Schedule IV of the Companies Act 2013, the Company was required that the Independent Directors of the Company shall hold at least one meeting in a year.

Independent Directors Meeting comprise of the following Independent Directors of the Company:

<b>Name of Directors</b>	<b>Category</b>
Mr. Shiv Nandan Sharma	Independent Director
Mr. Shayam Sunder Sharma	Independent Director
Ms. Shweta Shatsri	Independent Director

During the year under review, the Independent Directors met on 11th February, 2019 , inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### **DIRECTORS' INTEREST IN THE COMPANY**

Shareholding of Directors as on March 31, 2019:

<b>Directors</b>	<b>Mr. Dalip Kumar</b>	<b>Mr. Shayam Sunder Sharma</b>	<b>Mr. Shiv Nandan Sharma</b>	<b>Ms. Shweta Shatsri</b>	<b>Mr. Mahendra Pratap Singh</b>	<b>Mr. Sunil Sharma</b>
Number of Shares held	10.8751	Nil	Nil	Nil	Nil	Nil

#### **3. COMMITTEES OF THE BOARD:**

The Board has constituted various committees with specific terms of reference and scope. The details of the committees constituted by the Board are given below:

##### **3.1 Audit Committee:**

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with Regulation 18 of the Listing Regulations.



- (a) The terms of reference to the Audit Committee inter alia includes:
- 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;
  - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - Approval or preapproval or any subsequent modification of transactions of the Company with related parties except the transactions with a wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the General Meeting for approval;
  - Evaluation of internal financial controls and risk management systems;
  - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - To review the functioning of the Whistle Blower mechanism.
- (b) Composition, name of members and Chairperson of the Audit Committee is given below:  
The Audit Committee consists of three Independent Directors i.e., Mr. Shiv Nandan Sharma, Mr. Shayam Sunder Sharma and Ms. Shweta Shatsri and one executive director i.e, Mr. Sunil Sharma. Mr. Shayam Sunder Sharma, Independent Director was Chairperson of Audit Committee.
- (c) The Committee met Seven times during the financial year 2018-19. The attendance record of the members at the meeting were as follows:

<b>Members</b>	<b>Position and Category</b>	<b>No. of Meetings held</b>	<b>No. of Meetings Attended</b>
Mr. Shiv Nandan Sharma	Member-Independent Director	7	4
Mr. Shayam Sunder Sharma	Chairman-Independent Director	7	7
Ms. Shweta Shatsri	Member-Independent Director	7	7
Mr. Sunil Sharma	Member- Executive Director	7	3

The Company Secretary acts as the Secretary of the Audit Committee.

### **3.2 Nomination & Remuneration Committee:**

- (a) The Nomination & Remuneration Committee of the company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act. The Nomination & Remuneration Committee comprises of three Independent Directors.

The terms of reference to the Nomination & Remuneration Committee are as given below:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors, Committees of Board and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

- The Committee will develop and review induction procedures for new appointees to the Board to enable them to become aware of and understand the Company's policies and procedures and to effectively discharge their duties.
- b) The composition of the Nomination & Remuneration Committee and particulars of meetings held and attended by the members are given below:

Members	Position and Category	No. of Meetings held	No. of Meetings Attended	
			Held	Attended
Mr. Shiv Nandan Sharma	Member-Independent Director	2	1	
Mr. Shayam Sunder Sharma	Chairman-Independent Director	2	2	
Ms. Shweta Shatsri	Member-Independent Director	2	2	

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

**c) Performance Evaluation criteria for the Independent Directors**

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**4. Remuneration of Directors:**

The details of remuneration paid to the Directors are given in Form MGT-9 which is available on website at [www.fcsltd.com](http://www.fcsltd.com).

**Independent and Non-executive directors' compensation:**

The non-executive and Independent Directors are paid sitting fees for attending the meetings of the Board of Directors within the ceilings prescribed by the Central Government.

**5. Stakeholders Relationship Committee**

The Stakeholders' Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the Listing Regulations. Mr. Shayam Sunder Sharma, Independent Director is the Chairman of this Committee.

The terms of reference to the Stakeholders Relationship Committee consists inter-alia the following:

- Look into the redressing of the shareholders complaints and queries and to focus on the strengthening of investor relations;
- To monitor and review the performance and service standards of the Registrar and Transfer Agents (RTA) of the Company and provides continuous guidance to improve the service levels for investors;
- Monitor and review any investor complaints received by the Company or through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary and Chief Compliance Officer and RTA of the Company.

The attendance record of the members at the meeting of Stakeholders Relationship Committee were as follows:

Name of Directors	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shiv Nandan Sharma	Independent- Non Executive Director	Chairperson	1	1
Mr. Shayam Sunder Sharma	Independent- Non Executive Director	Member	1	1

Numbers of Shareholder's complaints received by Company from its RTA, BSE, NSE, SEBI and Shareholders, during the financial year ended March 31, 2019 are as under:

S. No.	Authority	No. of complaints
1.	NSE	0
2.	BSE	0
3.	RTA	0
4.	SEBI	0
5.	Shareholders	---
Total Grievances/Complaints received during the financial year		-----
Total Grievances attended		-----
d) No. of complaints not solved to the satisfaction of shareholders		NIL
e) Total Grievances pending		NIL

The Company Secretary acts as the Secretary of the Stakeholder Relationship Committee.

#### 6. Corporate Social Responsibility(CSR) Committee:

As required under section 135 of the Companies Act, 2013 the company has formed a CSR committee consisting of the below members:

Terms of reference of the CSR Committee are:

- Formulate and recommend to the Board, a CSR policy indicating the activities from the specified list of activities in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred for the chosen activities;
- Monitor the CSR Policy and activities from time to time;
- To carry on such task and activities as may be assigned by the board of directors from time to time.

Members	Position and Category	No. of Meetings held	No. of Meetings Attended
Mr. Shayam Sunder Sharma	Chairman-Independent Director	1	1
Mr. Shiv Nandan Sharma	Member-Independent Director	1	1
Mr. Sunil Sharma	Member-Executive Director	1	1
Mr. Mahendra Pratap Singh	Member- Non Executive Director	1	1

Terms of reference of the CSR Committee are:

- Formulate and recommend to the Board, a CSR policy indicating the activities from the specified list of activities in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred for the chosen activities;
- Monitor the CSR Policy and activities from time to time;
- To carry on such task and activities as may be assigned by the board of directors from time to time.

The CSR policy of the Company is available on our website: [www.fcsltd.com](http://www.fcsltd.com)

The Company Secretary acts as the Secretary of the Corporate Social Responsibility Committee.

## 7. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings are as under:

Year	Day, Date and Time of Meeting	Venue	No. of Special Resolutions passed
2015-16	Thursday, September 22, 2016 Time: 9.00 A.M.	The Executive Club, 439, Village Shahoorpur, FatehpurBer, New Delhi –110 074.	1
2016-17	Thursday, September 28, 2017 Time: 9.00 A.M	The Executive Club, 439, Village Shahoorpur, FatehpurBer, New Delhi –110 074.	0
2017-18	Tuesday, September 25, 2018 Time: 9.00 A.M	The Executive Club, 439, Village Shahoorpur, FatehpurBer, New Delhi –110 074.	2

### Special Resolution passed through Postal Ballot

For the year ended March 31, 2019, there have been no special resolutions passed by the Company's Shareholders through postal ballot.

## 8. MEANS OF COMMUNICATION

Quarterly/half-yearly/Annual financial results: The quarterly and half-yearly/Annual financial results are forthwith communicated to the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed, as soon as they are approved and taken on record by the Board of Directors.

Newspaper wherein results are normally published: Public notices and financial results are published in leading newspapers, namely, The Financial Express in English and Hari bhoomi in Hindi.

Website: The Company's website ([www.fcsltd.com](http://www.fcsltd.com)) contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

## 9. SUBSIDIARY COMPANIES

The Company has following Non-Listed Indian Subsidiary Companies i.e. Insync Business Solutions Limited, Innova e Services Private Limited, Stablesecure Infraservices Private Limited, cGain Analytics Private Limited and Zero Time Constructions Private Limited.

The Company's Indian unlisted subsidiaries does not fall under the definition of "material unlisted Indian subsidiaries".

The Audit Committee of directors of the Company reviews the financial statements and in particular investments made by the unlisted subsidiaries.

### Material Subsidiaries Policy:

The board has duly formulated a policy for determining 'material' subsidiaries. A subsidiary is considered as "a material subsidiary", if its income or networth exceeds 20% of the consolidated income or networth of the Company during the previous financial year.

Copy of the said policy is available on the Company's website in the following link:

[http://www.fcsltd.com/home/Policy\\_criteria\\_determining\\_materiality\\_events.pdf](http://www.fcsltd.com/home/Policy_criteria_determining_materiality_events.pdf)

## 10. GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting

**Date and Time** : 13th November, 2019, 9:00 A.M.

**Venue** : The Executive Club, 439, Village Shahoorpur, Fatehpur Beri, New Delhi – 110 074

**Financial Calendar** : 1st April 2018 to 31st March 2019

Tentative Calendar for declaration of results for the financial year 2019-20 is given below:

Results for the Quarter / Year ending	Date of Declaration
June 30, 2019	On or before August 14, 2019
September 30, 2019	On or before November 14, 2019
December 31, 2019	On or before February 14, 2020
March 31, 2020 (Annual Audited)	On or before May 30, 2020

**Dividend Payment Date:**

No Dividend is recommended for the financial year 2018-19.

**Date of Book Closure:** November 7, 2019 to November 8, 2019 (Both days inclusive)

**Name of Stock Exchange where shares are listed**

Bombay Stock Exchange : BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

National Stock Exchange : National Stock Exchange of India Ltd  
Exchange Plaza, Plot No. C/1, G Block, BandraKurla Complex,  
Bandra (E), Mumbai: 400051

**Listing fee for 2018-19** : Paid for both the above stock exchanges.

**ISIN No.** : INE512B01022 (for fully paid up shares)

**ISIN No.** : IN9512B01020 (for partly paid up shares)

Name of the Stock Exchange	Exchange code
BSE	532666
NSE	FCSSOFT

**Stock market price data**

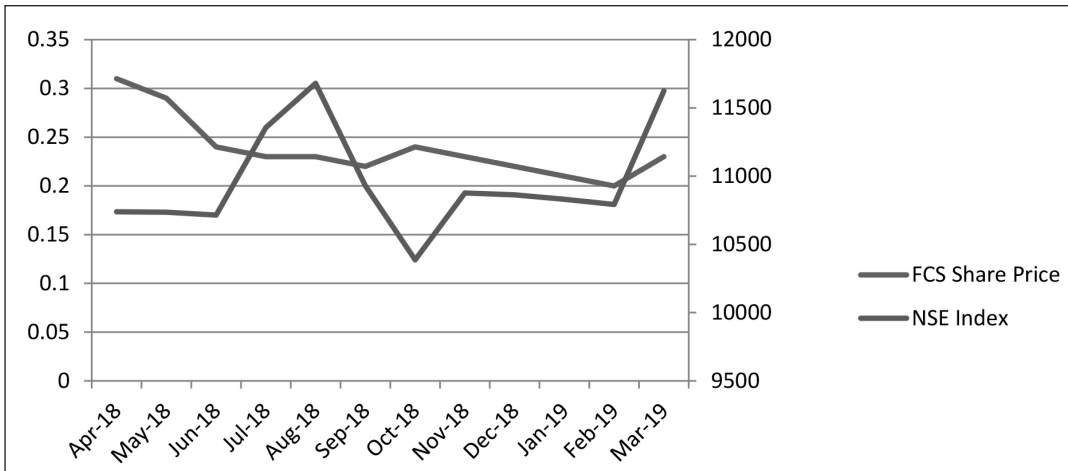
Monthly High and Low and the performance of our share price vis-à-vis NSE (Nifty) and BSE (Sensex) is given below and Chart A and B (overleaf) respectively.

**Performance comparison with indices:**

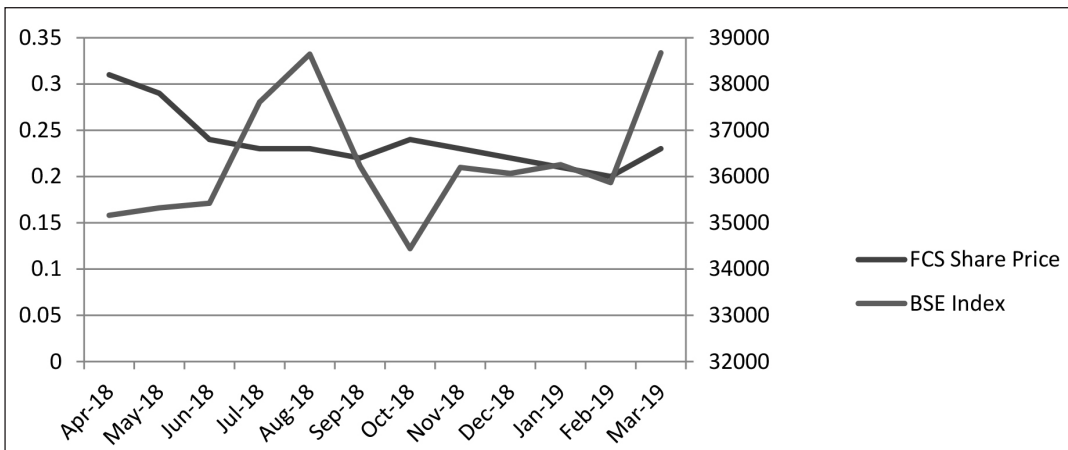
Month	BSE			NSE			Total Volume (Nos.)
	High	Low	Volume	High	Low	Volume	
Apr-18	0.38	0.30	5095794	0.38	0.30	5095794	10191588
May-18	0.32	0.24	2158677	0.32	0.24	2158677	4317354
Jun-18	0.30	0.22	2033208	0.30	0.22	2033208	4066416
Jul-18	0.25	0.19	2882684	0.25	0.19	2882684	5765368
Aug-18	0.25	0.21	3705909	0.25	0.21	3705909	7411818
Sep-18	0.26	0.21	6083097	0.26	0.21	6083097	12166194
Oct-18	0.25	0.20	7045614	0.25	0.20	7045614	14091228
Nov-18	0.24	0.22	4884937	0.24	0.22	4884937	9769874
Dec-18	0.24	0.21	6899431	0.24	0.21	6899431	13798862
Jan-19	0.24	0.20	2956324	0.24	0.20	2956324	5912648

Feb-19	0.23	0.20	4945039	0.23	0.20	4945039	9890078
Mar-19	0.24	0.20	6637204	0.24	0.20	6637204	13274408
<b>Total</b>	55327918		55327918		110655836		

**Chart-A**



**Chart-B**



**Share transfers in physical form**

Shares sent for physical transfer are affected after giving a notice of 15 days to the seller for sale confirmation. Our Investors' Grievance Committee meets as often as required.

The total number of shares transferred in physical form during the year was 10.

As the Company's shares are compulsorily to be traded in dematerialized form, members are requested to send the shares if held in physical form, directly to the Registrars and Transfer Agents for dematerialization. Members have the option to open their accounts either with National Securities Depository Limited or Central Depository Services (India) Limited as the Company has entered into Agreements with both the Depositories.

All physical share transfers are returned within 30 days of lodgment subject to the documents being in order.

### Share transfer system

M/s. Link Intime (India) Pvt. Ltd. are the Registrar and Share Transfer Agents for processing transfers, sub-division, consolidation, splitting of shares and for rendering depository services such as Dematerialization and Re-materialization of the Company's shares.

### Distribution of shareholding

Following Tables list the distribution of the shareholding of the equity shares of the company by size and by ownership class as on March 31, 2019.

### Shareholding pattern by size

As on 31st March, 2019

Shareholding of Normal Value (Rs.)	No. of shareholder	% of total shareholder	No. of shares held	% of Total shares
Upto 500	34785	30.4461	8186724	0.4789
501-1000	21903	19.1709	20084479	1.1748
1001-2000	17685	15.4791	30881841	1.8064
2001-3000	7419	6.4936	20120435	1.1769
3001-4000	4956	4.3378	18702678	1.0940
4001-5000	5804	5.0800	28257739	1.6529
5001-10000	9983	8.7378	80174097	4.6898
10001- & above	11716	10.2546	1503145107	87.9262
<b>Total</b>	<b>114251</b>	<b>100.0000</b>	<b>1709553100</b>	<b>100.0000</b>

### Shareholding Pattern By Ownership

Categories	As on March 31, 2019		As on March 31, 2018	
	No of share	% of holding	No of share	% of holding
Promoter-				
Indian	335962450	19.6521	335962450	19.6521
Foreign	0	0	0	0
Mutual Fund & UTI	0	0	0	0
Banks and Financial Institution and Insurance Companies	543150	0.0318	543150	0.0318
Central Government/State Government	568300	0.0332	568300	0.0332
Foreign Institutional Investor	0	0	0	0
Private Bodies Corporate	509729907	29.8166	519682396	30.3987
Indian Public-Individual	826232574	48.3303	814748949	47.6586
NRI/OCB's	16552092	0.9682	16759814	0.9804
Clearing Member	4366841	0.2554	5830061	0.3410
Other (Director & their relatives , HUF)	15597786	0.9123	14222528	0.8319
<b>Total</b>	<b>1709553100</b>	<b>100</b>	<b>1709553100</b>	<b>100</b>

### Dematerialization of the shares and liquidity:

As on March 31, 2019, to the extent of 99.97% shares of the company were held in de-materialized form. Trading in Company's shares is permitted only in dematerialized form as per notifications issued by Securities Exchange Board of India. The Company has entered into agreements with National Securities Depository Ltd. & Central Depository Services (India) Ltd., whereby the investors have the options to dematerialize their shares with either of the depositories.

The Company shares are among the most liquid and actively traded shares on BSE & NSE. The monthly trading volumes of the Company shares on these Exchanges are given above. The status of Dematerialization as on March 31, 2019 is as under:

Segment	No. of Shareholders	% of Total No. of Shareholders	No. of Shares	% of Total No. of Shares
Physical	108	00.089	517990	00.03
Demat	114143	99.911	1709035110	99.97
Total	114251	100	1709553100	100

### Plant Locations

The Company has 7 offices as on 31st March, 2019 located in 4 cities across India and other offices are in Dubai and Germany. The addresses of these offices are available on our corporate website/Annual Report.

### Address for Correspondence

FCS Software Solutions Limited,  
Plot no. 83, NSEZ, Phase-II,  
Main Dadri Road, Noida-201305  
Tel No's: - 0120-4635900  
Fax No: - 0120-4635941  
E-Mail ID:-investors@fcsltd.com

### NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, are filed electronically on NEAPS.

### BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, are filed electronically on BSE Listing Centre.

### SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web-based complaints redressal systems. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATR's) by concerned Companies and online viewing by investors of actions taken on the complaint and its current status.

### Code of Conduct

In compliance with Listing Regulations and Companies Act, 2013, the Company has framed and adopted a Code of Conduct and Ethics ('the Code'). In terms of Code of Conduct, the Directors and Senior Management must act within the boundaries of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders and stakeholders. The Company obtains the affirmation compliance of the Code of Conduct from its Directors and senior Management on an annual basis.

All members of the Board, the executive officers and senior financial officers have affirmed compliance to the code as on 31st March, 2019.

The Code of Conduct is available on our [website:www.fcsltd.com](http://www.fcsltd.com)

## 11. DISCLOSURES

**Disclosure on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interest at large**

There were no related party transaction during the financial year 2018-19.

**Details of non-compliance by the Company, penalties and structures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years**

There has been no instance of non-compliances by the Company on any matter related to capital markets during last three years, and hence, no penalties or structures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.



### Whistle Blower Policy

The Company has a whistle blower policy to provide opportunity to associates to represent, in good faith, to the Head-Human Resources in case they observe unethical and improper practices or any other wrongful conduct in the Company and to prevent managerial personnel from taking any adverse vindictive personal action against those associates. Any person who observes any unethical & improper practices may disclose it as soon as possible to the Head-Human Resources. During the year no person was denied access to the Head-Human Resources and there was no case reported under the policy.

The Whistle Blower Policy of the Company is available on our website: [www.fcsltd.com](http://www.fcsltd.com)

### Compliance with mandatory / non-mandatory requirements

The Company has complied with all applicable mandatory requirements in terms of SEBI (LODR) Regulations. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

### Code for prevention of Insider-Trading practices

In compliance with the SEBI regulation on prevention of insider trading, the company has instituted a comprehensive code of conduct for its management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of company, and cautioning them of the consequences of violations.

### Disclosure of accounting treatment in preparation of financial statements

The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 2(2) of the Companies Act, 2013 (the 'Act') and the relevant provisions of the Act.

### Management Discussion and Analysis

The Management Discussion and Analysis is given separately and forms part of this Annual Report.

### Litigation

The company has pending litigation as at year end 31st March, 2019 the details of which is as under:-

Nature of Dispute	Forum where dispute is pending	31/03/2019	31/03/2018
Advance against Land	Chief Megistrate, Gautam Budh Nagar, Noida, Uttar Pradesh	200	200

Note: The company has advanced Rs. 708.01 Lakh to Vivan Enterprises, for which legal notice has been served for the recovery.

## MANAGEMENT DISCUSSION AND ANALYSIS

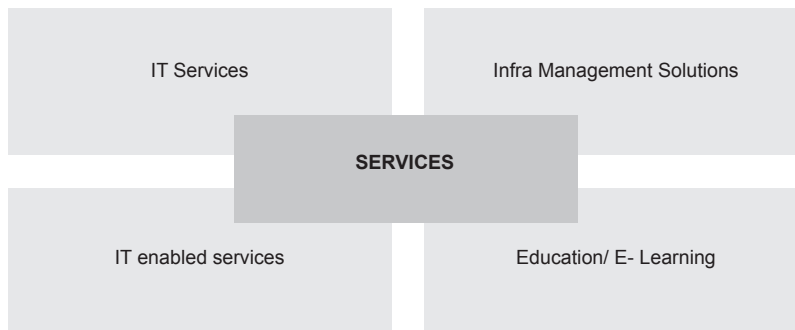
### Overview

FCS Software Solutions Limited is an IT Company providing IT and IT enabled services. The company has strong delivery capabilities in Application development and maintenance, eLearning and Digital Content Management, Software testing, Infrastructure management services, Product Development, and primarily has done work to develop data centers, ecommerce portals, packaged application support, FPGA based accelerated computing environments, IT Separation projects.

We encourage our shareholders to read the information presented here in conjunction with additional information that we have furnished in the financial statements. The financial statements are prepared in compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis to ensure that financial statements reflect in a true and fair manner, the form and substance of transactions, and reasonably showcase the key financial parameters of the Company in an objective and unbiased manner.

### A. INDUSTRY STRUCTURE AND DEVELOPMENTS:-

The industry structure in the IT sector has four major categories. These are -



- IT services
- Software products
- IT enabled services
- Education/E-Learning

IT services constitute a major part of the IT industry of India. IT services include client, server and web based services. Opportunities in the IT services sector exist in the areas of consulting services, management services, internet services and application maintenance. The major users of IT services are -

- Government
- Financial services
- Manufacturing
- Banking
- Retail and distribution

FCS works with clients to maintain their IT Applications on Time and Material (T & M) basis or Fixed Price Fixed Timeframe (FPFT) basis.

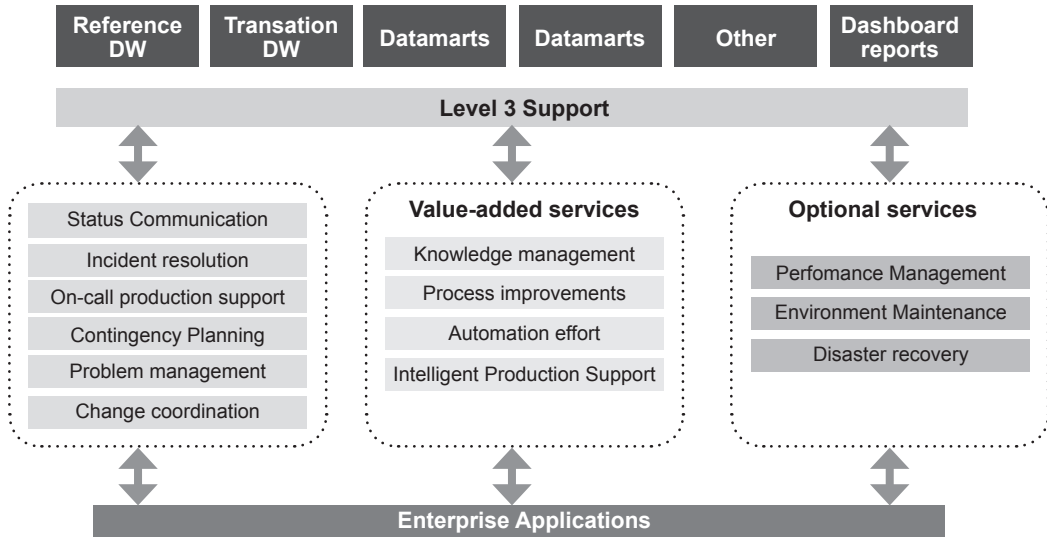
- Based on client's Request for Proposal (RFP) and provide an estimate of time and cost. Based on nature of work, FCS will suggest T & M or FPFT pricing model as well as global delivery model.
- FCS replicates application environment based on project needs or will use secure VPN connections to directly log in client servers.
- Set Centers of Excellence (COEs) to leverage talent skilled in a set of specific technologies and domains.
- Set up Lab Model for temporary deployment of resources for one time kind of work e.g. Application Testing, Third party Application Audit etc.

**IT enabled services:-**

The services which make extensive use of information and telecommunication technologies are categorized as IT enabled services. The IT enabled services is the most important contributor to the growth of the IT industry of India. Some of the important services covered by the ITES sector in India are -

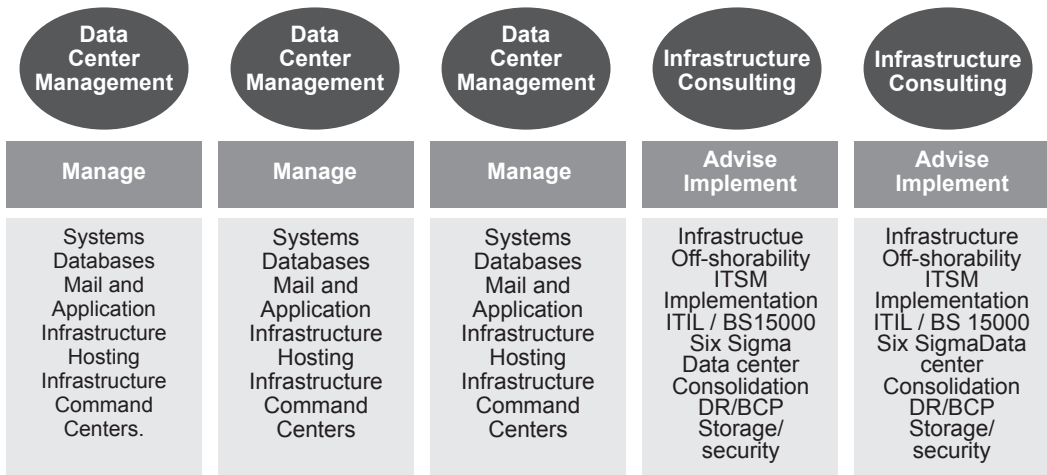
- Customer-interaction services including call-centers
- Revenue accounting
- HR services
- Content development and animation
- Data search
- Market research
- Back-office services
- Data entry and data conversion
- Transcription and translation services
- Remote education,
- GIS
- Network consultancy

**Application Portfolio Support for Enterprise Applications**



**Infrastructure Management Services:-**

Collocation Data Centers, Virtualization, System and Networks Support, Plug and Play Infrastructure provisioning, WAN, IP Based Voice, Cyber Security



**Leasing Incomes:-** The Company is also leasing its unused additional space to IT & ITES companies and gain rental Income from them.

**Education/ E- Learning**

Content Aggregation, Learning Management Systems, Portals, Assessment



We deploy ADDIE (Analysis, Design, Development, Integration, Enhancements) methodology to build state of art training programs that never become obsolete. Our people expertise:

- Subject Matter Experts
- Instruction Designers and Story Boards
- Graphics and Visual Designers
- Script Writers
- AICC, SCORM, and Section 508 Compliance Specialists
- Animation, Simulation, and Gaming Solutions



**B. OPPORTUNITIES AND THREATS**

Opportunities- We are able to undertake complex business and technology transformation initiatives that help our clients enhance their performance, increase agility and flexibility, reduce costs, and achieve measurable business value.

OPPORTUNITIES			
Start Ups globally need large technical project work		Artificial Intelligence and Machine Learning based Automation Projects	
Mobile Apps	Big Data Analytics in Healthcare	JVs with new unicorns	Migrating Large IT clients from consulting base to captive base

**Threats-** The global financial industry continues to pass through uncertainties. The tighter regulation to combat this uncertainty has led to protectionist tendencies in some of our markets. New projects continue to face budget constraints for IT investments as the focus is still on regulatory compliance. Fast change in Technology Landscape



**Evolution of technology outsourcing**

The nature of technology outsourcing is changing. Historically, enterprises either outsourced their technology requirements entirely, or on a standalone, project-by-project basis. In an environment of rapid technology change, globalization and regulatory changes, the complete outsourcing model is often perceived to limit a Company’s flexibility and not fully deliver potential cost savings and efficiency benefits. Similarly, project-by-project outsourcing is also perceived to result in increased operational risk and coordination costs and as failing to leverage technology service providers’ entire range of capabilities. To mitigate these issues, Companies are looking at outsourcing models that require their technology service providers to develop specialized systems, processes and solutions along with cost-effective delivery capabilities.

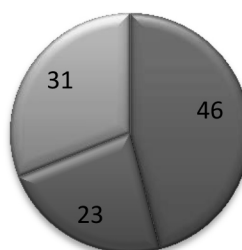
**C. SEGMENT-WISE / PRODUCT-WISE PERFORMANCE**

The company has shown average performance being impacted by the global slowdown and the uncertainty in the domestic economy, For the financial year ended March 31, 2019, the Company reported a total consolidated revenue income of Rs. 4040.36 lakhs and Standalone revenue of Rs. 3962.00 lakhs The percentage wise revenue contribution of each segment is as below:

1. IT & IT Enable Services
2. Education/E –Learning Division
3. Infrastructure management

**FCS SBU**

- IT & IT Enable Services
- Education/E –Learning Division
- Infra Managemen



#### D. OUTLOOK

FCS is striving to strengthen its position in providing technology services. In order to increase our business we will strategize to increase business flow from existing customer and also tap new clients. We seek to provide value-added solutions by leveraging domain expertise and expanding the range of services offered to clients beyond those in the initial engagement.

We combine business knowledge and industry expertise of our domain specialists and the technical knowledge and implementation skills of our delivery team leveraging our products, platforms, partnerships and solutions in our development centers located around the world.

#### E. RISK AND CONCERN

The Risk Management framework of your Company ensures regular review by management to proactively identify the emerging risks, to do risk evaluation and risk prioritization along with development of risk mitigation plans and action taken to minimize the impact of the risk. These processes are also periodically reviewed by management.

#### F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

FCS has aligned its current systems of internal financial control with the requirement of Companies Act, 2013 that are designed to provide reasonable assurance that material information relating to Company is disclosed on a timely basis. Our management assessed the effectiveness of the Company's internal control and concluded that they were effective during the reporting period. The Company's management, with the participation of CFO, is also responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance the reliability of financial reporting.

The company has a well reputed firm as the Internal Auditor. The internal audit function has been outsourced to a firm of Chartered Accountants, namely SPMG & Co., Chartered Accountants. The Internal Audit scope includes review of the procedure and policies in place as designed by the management across all functional areas, and assessing the internal control strength in all areas. The Audit Committee reviews the Internal Audit reports and the status of implementation of the agreed action plan.

#### G. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

For the financial year ended March 31, 2019, the Company reported a total consolidated revenue income of Rs. 4040.36 lakhs and Standalone revenue of Rs. 3962.00 lakhs.

#### H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Our culture and reputation in consulting, technology, outsourcing and next-generation services enable us to attract and retain some of the best talent in India. Our Professionals are the most valuable assets of the Company. FCS has inbuilt HR strategic planning in its overall business plan. Satisfaction of our around 298 employees is important for FCS, because it is the key factor on which productivity depends.

#### I. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATION THEREOF;

S. No.	Particulars	FY 2018-19	FY 2017-18	Changes	Remarks/Explanation
1	Debtor Turnover	5.73%	8.97%	-3.24%	
2	Inventory Turnover	0.00%	0.00%	0.00%	
3	Interest Coverage Ratio	426.99%	1958.56%	-1531.57%	Decreased in Earning from 407.24 Lakhs to 259.72 Lakhs during the year, due to increase in depreciation by 236.96 Lakhs as compare to Previous year.

4	Current Ratio	205.14%	57.94%	147.20%	1. Advance from Customer Reduced from 1560.29 Lakhs to 513.05 Lakhs during the Current Year. 2. Advance received against sale of Stake of Rs. 447.98 Lakhs during Previous year, which is nil during the year. 3. Advance paid to supplier is increased from 22.36 Lakhs to 267.09 Lakhs during the year.
5	Debt Equity Ratio	12.83%	8.61%	4.22%	
6	Operating Profit Margin	6.56%	13.13%	-6.58%	

**J. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.**

S. No.	Particulars	FY 2018-19	FY 2017-18	Changes	Remarks/Explanation
7	Net Profit Margin	4.51%	9.74%	-5.24%	
8	Return on Net Worth	0.77%	1.21%	-0.44%	

**K. COMPENSATION**

Our technology professionals receive competitive salaries and benefits. We have a performance-linked compensation program that links compensation to individual performance, as well as our Company's performance.

**L. CAUTIONARY NOTE**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic conditions, Government policies and other incidental factors.

**For and on behalf of the Board of Directors**  
 FCS Software Solutions Limited

**Place:** Noida  
**Date:** 14/10/2019

Sd/-  
**Dalip Kumar**  
 Chairman & Managing Director

# Independent Auditors' Report

**To the Members of M/s. FCS Software Solutions Limited**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of M/s FCS Software Solutions Limited ("the Company") and its subsidiaries (the company and its subsidiaries together referred as to "the group"), which comprise the consolidated balance sheet as at 31st March 2019, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, and the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	The key audit matters	How our audit addressed the key audit matter
1	<p><b>Adoption of Ind AS 115 – Revenue from Contracts with Customers</b></p> <p>The Company has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.</p>	<p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, include:-</p> <ul style="list-style-type: none"> <li>• Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;</li> </ul>



	<p>The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<ul style="list-style-type: none"> <li>• Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;</li> <li>• Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the new accounting standard;</li> <li>• Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and</li> <li>• Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li> </ul>
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#### **Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexure’s to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

#### **Management’s Responsibility for the Consolidated Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India. The respective Board of Director of the companies included in group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidences regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatement in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

We did not audit the financial statements/ financial information of 2 Foreign subsidiaries viz., M/s F.C.S Software Middle East FZE, M/s F.C.S Software Solutions GmbH; 4 Indian subsidiaries viz., M/s Insync Business Solutions Limited, Innova E Services Private Limited, cGain Analytics Private Limited, Zero Time Constructions Private Limited and 1 Associate Company M/s Enstaserv E-Services Limited. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

During the year 2018-19, FCS Software Limited has initiated the merger of its five wholly owned Indian subsidiaries namely M/s Stablesecure InfraserVICES Pvt Ltd, M/s Innova E Services Pvt Ltd, M/s Insync Business Solutions Ltd, M/s cGain Analytics Pvt. Ltd., M/s Zero Time Constructions Pvt. Ltd. The proposed merger has been duly approved by the Board of Directors in its meeting held on 19th April 2019. The effective date of proposed merger is 01.01.2019, once approved by the competent authorities. The necessary legal process has been initiated for this merger.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.

#### **Report on Other Legal and Regulatory Requirements**

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statement.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated statement of changes in equity and the consolidated statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- 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 as on 31st March, 2019 taken on record by the Board of Directors of the company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiaries companies incorporate in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31st March, 2019 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 A" which is based on the auditor's reports of the Company and its subsidiaries companies incorporated in India.

- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 (16) of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the group – Refer Note 1.26 to the financial statements.
  - ii. The Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were 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.

For and on behalf of  
**M/s Aadit Sanyam & Associates**  
Chartered Accountants  
FRN: 023685N

Sd/-  
**(CA Sanyam Jain)**  
Partner  
M. No. 531388

Place: New Delhi  
Date: 30.05.2019

## **Annexure A to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on other Legal and Regulatory Requirements' section of our report to the members of FCS Software Solutions Limited of even date.)

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of FCS Software Solutions Limited ('the Company') and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the company and its subsidiary companies, which are companies incorporated in India, are 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 safeguarding 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 internal financial controls over financial reporting of Company and its subsidiary companies, which are companies incorporated in India, 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') issued by ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

#### **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 purposes 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 reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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.

For and on behalf of  
**M/s Aadit Sanyam & Associates**  
Chartered Accountants  
FRN: 023685N

Sd/-

**(CA Sanyam Jain)**  
Partner  
M. No. 531388

Place: New Delhi  
Date: 30.05.2019

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019**  
 (ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

I. ASSETS	Note no.	As at March 31, 2019	As at March 31, 2018
<b>2. Non-current assets</b>			
(a) Property, plant and equipment	2	21,262.33	5,021.75
(b) Capital work-in-progress	3	546.95	1,252.49
(c) Goodwill		-	215.80
(d) Intangible assets	4	27.73	14,462.84
(e) Financial assets			
- Investments	5	10,130.98	9,476.84
- Loans and advances	6	2,418.98	1,735.23
- Others	7	226.28	285.32
(f) Deferred tax assets (Net)	8	112.78	144.36
(g) Other non-current assets	9	1,270.85	2,279.35
<b>2. Current assets</b>			
(a) Financial assets			
- Trade Receivables	10	371.53	418.82
- Cash and cash equivalents	11	1,387.33	1,121.05
- Loans and advances	12	291.65	743.44
(b) Other current assets	13	441.68	442.60
<b>TOTAL</b>		<b>38,489.08</b>	<b>37,599.88</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share capital	14	17,095.53	17,095.53
(b) Other Equity	15	17,114.77	16,984.87
(c) Non Controlling Interest		-	309.63
<b>2. Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
- Borrowings	16	2,742.54	333.58
(b) provisions	17	94.23	78.50
(c) Other non-current Liabilities	18	395.89	110.74
<b>3. Current liabilities</b>			
<b>(a) Financial liabilities</b>			
- Trade payables	19	281.51	797.30
(b) Provisions	20	3.51	3.11
(c) Other Current Liabilities	21	669.30	1,717.83
(d) Current Tax Liabilities (net)	22	91.81	168.79
<b>TOTAL</b>		<b>38,489.08</b>	<b>37,599.88</b>

Summary of Significant Accounting Policies. 1  
 The accompanying notes are an integral part of the Financial Statements  
 As per our report of even date attached

For **Aadit Sanyam & Associates**  
 Chartered Accountants  
 Firm Regd. No.: 023685N

Sd/-  
**CA. Sanyam Jain**  
 (Partner)  
 M. No.531388

**Place:** Noida  
**Date:** May 30, 2019

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-  
**Dalip Kumar**  
 (Chairman & Managing Director)  
 Din: 00103292

Sd/-  
**Anil Kumar Sharma**  
 (Chief Financial Officer)

Sd/-  
**Shayam Sunder Sharma**  
 (Independent Director)  
 Din: 00272803

Sd/-  
**Harsha Sharma**  
 (Company Secretary)

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

	Note No.	As at March 31, 2019	As at March 31, 2018
<b>Revenue from operations</b>	<b>23</b>	4,040.36	3,430.76
<b>Other income</b>	<b>24</b>	224.95	655.19
<b>Total revenue</b>		<u><b>4,265.32</b></u>	<u><b>4,085.95</b></u>
<b>Expenses</b>			
Employee benefit expense	<b>25</b>	1,900.99	2,009.52
Finance cost	<b>26</b>	105.47	37.78
Depreciation and amortisation expense	<b>27</b>	16,948.45	6,221.32
Other Operating expense	<b>28</b>	1,657.09	1,548.31
<b>Total expenses</b>		<u><b>20,611.99</b></u>	<u><b>9,816.94</b></u>
<b>Profit/ (loss) before tax</b>		<b>(16,346.68)</b>	<b>(5,730.99)</b>
<b>Tax expense</b>			
a) Current tax		49.61	88.13
b) Deferred tax		31.59	17.11
<b>Profit/ (loss) for the period before Other Comprehensive Income</b>		<u><b>(16,427.88)</b></u>	<u><b>(5,836.22)</b></u>
<b>Other comprehensive income</b>			
- <b>Items that will not be reclassified to profit or loss</b>			
1 Remeasurement of defined employee benefits plan		(0.48)	(4.49)
2 Changes in Fair Values of Investment in Equities carried at Fair Value through Other Comprehensive Income		(13,825.54)	(1,546.65)
3 Changes in Fair Values of Assets (Land & Building) carried at Fair Value through Other Comprehensive Income		14,095.31	-
4 An item of Expense not recognised in profit or loss account		-	-
a Loss on Sale of Investments		(660.73)	-
b Foreign exchange fluctuation		(142.94)	-
<b>Net Other Comprehensive Income</b>		<u><b>(534.38)</b></u>	<u><b>(1,551.13)</b></u>
<b>Total comprehensive income for the period</b> (Profit/ loss + other comprehensive income)		<u><b>(16,962.26)</b></u>	<u><b>(7,387.35)</b></u>
<b>Earnings per equity share (for continuing operations)</b>			
a) Basic		(0.99)	(0.43)
b) Diluted		(0.99)	(0.43)

The accompanying notes are an integral part of the Financial Statements  
As per our report of even date attached

**For Aadit Sanyam & Associates**

Chartered Accountants  
Firm Regd. No.: 023685N

Sd/-

**CA. Sanyam Jain**  
(Partner)  
M. No.531388

**Place:** Noida  
**Date:** May 30, 2019

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-

**Dalip Kumar**  
(Chairman & Managing Director)  
Din: 00103292

Sd/-

**Anil Kumar Sharma**  
(Chief Financial Officer)

Sd/-

**Shayam Sunder Sharma**  
(Independent Director)  
Din: 00272803

Sd/-

**Harsha Sharma**  
(Company Secretary)



## Consolidated Statement of Cash Flows for the year ended 31 March 2019

(ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

	As at March 31, 2019	As at March 31, 2018
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	<b>(16,346.68)</b>	<b>(5,730.99)</b>
<i>Adjustments for :</i>		
Depreciation and amortisation	16,948.45	6,221.32
Net (Gain)/loss on sale of Investments	-	(71.50)
Interest income	(199.66)	(547.77)
Finance costs	105.47	37.78
Other Adjustments	(54.44)	(140.30)
	<b>453.13</b>	<b>(231.45)</b>
<b>Working capital adjustments:</b>		
(Increase)/Decrease in Trade Receivables	47.29	21.31
(Increase)/Decrease in Loans and Advances	(231.97)	8,108.14
(Increase)/Decrease in Other Assets	1,068.44	(759.82)
Increase/(Decrease) in Trade Payables	(515.79)	358.01
Increase/(Decrease) in Provisions	16.14	12.03
Increase/(Decrease) in Current Liabilities	(840.36)	(552.11)
<b>Cash Generated from Operations</b>	<b>(3.13)</b>	<b>6,956.11</b>
Income Tax Paid	89.25	112.47
<b>NET CASH GENERATED/(USED IN) BY OPERATING ACTIVITIES (1)</b>	<b>(92.37)</b>	<b>6,843.64</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Purchase of property, plant and equipment</b>	(2,492.93)	(187.13)
Interest Income	199.66	547.77
Proceeds from sale of investments	639.72	1,188.40
Gain on Sale of investments	-	71.50
Purchase of Investment in Preference Shares	-	(6,941.30)
Purchase of Investment in Equity Shares	(291.30)	(416.00)
<b>NET CASH GENERATED/(USED IN) BY INVESTING ACTIVITIES (2)</b>	<b>(1,944.84)</b>	<b>(5,736.76)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance costs	(105.47)	(37.78)
Proceeds from borrowings	2,408.96	297.83
Repayment of borrowings	-	(791.69)

<b>NET CASH GENERATED/(USED IN) BY FINANCING ACTIVITIES (3)</b>	<u><u>2,303.49</u></u>	<u><u>(531.64)</u></u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)</b>	<u><u>266.27</u></u>	<u><u>575.23</u></u>
Cash and cash equivalents at the beginning of the year	1,121.05	545.82
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u><u>1,387.33</u></u>	<u><u>1,121.05</u></u>

As per our report of even date attached

For **Audit Sanyam & Associates**  
Chartered Accountants  
Firm Regd. No.: 023685N

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-  
**CA. Sanyam Jain**  
(Partner)  
M. No.531388

Sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)  
Din: 00103292

Sd/-  
**Shayam Sunder Sharma**  
(Independent Director)  
Din: 00272803

**Place:** Noida  
**Date:** May 30, 2019

Sd/-  
**Anil Kumar Sharma**  
(Chief Financial Officer)

Sd/-  
**Harsha Sharma**  
(Company Secretary)

## Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

### 2. PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2019:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2018:	2,803.04	2,119.91	747.07	6,654.82	420.07	77.04	12,821.94
Additions	26.93	1,054.83	1,003.08	1.51	406.58	-	2,492.93
Increase/(Decrease) due to Revaluation	10,519.22	3,576.09	-	-	-	-	14,095.31
Deletions	-	-	-	-	-	-	-
<b>Gross carrying value as of March 31, 2019 :</b>	<b>13,349.19</b>	<b>6,750.82</b>	<b>1,750.15</b>	<b>6,656.33</b>	<b>826.65</b>	<b>77.04</b>	<b>29,410.18</b>
Accumulated depreciation as of April 1, 2018:	-	366.30	673.31	6,340.05	354.03	66.50	7,800.19
Depreciation	-	139.53	185.83	7.03	39.93	3.38	375.71
Add/(Less): Adjustments	-	-	(0.39)	(27.88)	0.21	-	(28.06)
Accumulated depreciation on deletions	-	-	-	-	-	-	-
<b>Accumulated depreciation as of March 31, 2019:</b>	<b>-</b>	<b>505.83</b>	<b>858.75</b>	<b>6,319.20</b>	<b>394.17</b>	<b>69.88</b>	<b>8,147.84</b>
<b>Carrying value as of March 31, 2019 :</b>	<b>13,349.19</b>	<b>6,244.99</b>	<b>891.40</b>	<b>337.13</b>	<b>432.48</b>	<b>7.15</b>	<b>21,262.33</b>

### PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2018:

Gross carrying value as of April 1, 2017:	2,799.18	873.99	742.62	6,649.27	420.07	77.04	11,562.16
Additions	3.86	1,245.92	4.45	5.55	-	-	1,259.78
Deletions	-	-	-	-	-	-	-
<b>Gross carrying value as of March 31, 2017 :</b>	<b>2,803.04</b>	<b>2,119.91</b>	<b>747.07</b>	<b>6,654.82</b>	<b>420.07</b>	<b>77.04</b>	<b>12,821.94</b>
Accumulated depreciation as of April 1, 2017:	-	314.31	654.13	6,364.59	344.17	56.81	7,734.01
Depreciation	-	25.09	20.33	18.20	13.29	5.57	82.50
Add/(Less): Adjustments	-	26.90	(1.16)	(42.75)	(3.43)	4.12	(16.32)
Accumulated depreciation on deletions	-	-	-	-	-	-	-
<b>Accumulated depreciation as of March 31, 2018:</b>	<b>-</b>	<b>366.30</b>	<b>673.31</b>	<b>6,340.05</b>	<b>354.03</b>	<b>66.50</b>	<b>7,800.19</b>
<b>Carrying value as of March 31, 2018 :</b>	<b>2,803.04</b>	<b>1,753.61</b>	<b>73.76</b>	<b>314.77</b>	<b>66.04</b>	<b>10.54</b>	<b>5,021.75</b>

(Rs. in Lakhs)

## 2. INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2019:

Particulars	Software & IPR	Total
Cost as at April 1, 2018 :	35,824.19	35,824.19
Additions	-	-
Deletions	-	-
<b>Cost as at March 31, 2019 :</b>	<b>35,824.19</b>	<b>35,824.19</b>
Accumulated amortization as of April 1, 2018:	21,361.35	21,361.35
Amortization expense	16,629.25	16,629.25
Add/(less): Adjustments	(2,194.14)	(2,194.14)
Deletion	-	-
<b>Accumulated amortization as of March 31, 2019:</b>	<b>35,796.46</b>	<b>35,796.46</b>
<b>Carrying Amount as of March 31, 2019 :</b>	<b>27.73</b>	<b>27.73</b>

## INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2018:

Particulars	Software & IPR	Total
Cost as at April 1, 2017:	35,824.19	35,824.19
Additions	-	-
Deletions	-	-
<b>Cost as at March 31, 2018 :</b>	<b>35,824.19</b>	<b>35,824.19</b>
Accumulated amortization as of April 1, 2016:	22,012.24	22,012.24
Amortization expense	6,138.83	6,138.83
Add/(less): Adjustments	(6,789.71)	(6,789.71)
Deletion	-	-
<b>Accumulated amortization as of March 31, 2018:</b>	<b>21,361.35</b>	<b>21,361.35</b>
<b>Carrying Amount as of March 31, 2018 :</b>	<b>14,462.84</b>	<b>14,462.84</b>

## Notes to the Consolidated Financial Statements for the year ended 31 March 2019

(ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

	As at 31.03.2019	As at 31.03.2018
<b>5. Non-current investments</b>		
<b>a. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI) of associates</b>		
M/s Myzeal IT Solutions Pvt. Ltd. 1900 Equity Shares of Rs.10/- fully paid	0.19	0.50
M/s.Enstaserv eServices Ltd 8279930 Equity shares of Rs.10/- each fully paidup.	827.99	827.99
<b>(I)</b>	<b>828.18</b>	<b>828.49</b>
<b>b. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)</b>		
M/s. Pumarth Prperties & Holdings Private 400000 equity shares @ Rs. 10 each at premium of Rs 215	900.00	900.00
M/s Bloom Healthcare (P) Ltd. 594366 (previously held 9598) Equity Shares of Rs. 71/- each i.e. Rs. 10 per share at premium of Rs. 61/- and 274285 Equity shares of Rs. 70/- each i.e Rs. 10 per share at premium of Rs.60/-	614.00	422.00
M/s Readystate Infraseservices Private Limited 44,000 Equity Shares of Rs.1500/- at premium i.e. Rs. 10 each per Share and premium @ Rs.1490 and 47500 Equity Shares of Rs.1151/- at premium i.e. Rs. 10 each per Share and premium @ Rs.1141	1,206.73	1,206.73
M/s Indian Durobuild Private Limited, 250000 Equity Sharesof Rs. 10 each fully paid up	-	25.00
Madoc Pharmaceuticals Pvt Limited	-	90.00
M/s RPG Securities & Finacial Services Llimited, 34900 Equity Sharesof Rs. 10 each and premium of Rs.92.9	-	35.91
M/s Passion IT Solutions Pvt Ltd, 21,890 Equity Sharesof Rs. 10 each and premium of Rs.90	-	21.89
M/s Trimurti Petrochemicals & Allied Services Pvt. Ltd, 80,000 Equity Sharesof Rs. 10 each and premium of Rs.46	-	44.80
M/s. Karma Lakelands Pvt Ltd, 137000 equity shares @ Rs. 10 each at premium of Rs 62.99	-	109.76
M/s. Competent Infoways Pvt. Ltd. 31000 equity shares @ Rs. 10 each at premium of Rs 92	-	34.70
M/s. Maksad Infracon Pvt. Ltd. 75000 equity shares @ Rs. 10 each at premium of Rs 94	-	85.61
M/s Indian Durobuild Private Limited, 175000 Equity Sharesof Rs. 10 each and premium of Rs.0.5	-	20.17
M/s Indian Probuild Private Limited, 800000 Equity Sharesof Rs. 10 each fully paid	-	87.80
M/s Heimdahl Software Systems Pvt. Ltd. 100379 Equity Shares of Rs.26/- at premium i.e. Rs. 10 each per Share and premium @ Rs.16	26.10	26.10
M/s Premier Capital Services Limited, 307140 shares of Rs. 5.61 each	-	-
<b>(II)</b>	<b>2,746.82</b>	<b>3,110.47</b>
<b>c. Non Trade - Investments in Preference Shares</b>		
M/s Bloom Healthcare (P) Ltd. 9916138 Preference shares of Rs. 70 each.	6,941.30	6,941.30
<b>(III)</b>	<b>6,941.30</b>	<b>6,941.30</b>
<b>Total Non-Current Investments (I+II+III)</b>	<b>10,516.30</b>	<b>10,880.26</b>
Less/(Add) : Provision for diminution in value of investments	387.26	1,404.39
<b>Total (I+II+III)</b>	<b>10,130.98</b>	<b>9,476.84</b>

PARTICULARS	As at March 31, 2019	As at March 31, 2018
<b>3. Capital work-in-progress</b>		
Considered Good		
- Building WIP	546.95	1,252.49
<b>Total</b>	<b>546.95</b>	<b>1,252.49</b>
<b>6. Non-Current Financial Assets- Loans &amp; Advances :</b>		
Unsecured Considered Good		
- Loans to Others	1,432.69	809.15
- Inter-corporate deposits	78.28	18.07
Unsecured Considered Doubtful	-	-
- Loans to Others *	708.01	708.01
Advance against Land #	200.00	200.00
<b>Total</b>	<b>2,418.98</b>	<b>1,735.23</b>
* Includes non interest bearing loan of Rs. 7.08 Crores since Feb, 2016, being contingent by Nature.		
# Refer notice No. 1.23		
<b>7 Non-Current Financial Assets-Others :</b>		
- Long term Bank Deposits	154.30	200.67
- Security Deposits	71.99	84.64
<b>Total</b>	<b>226.28</b>	<b>285.32</b>
<b>8 Deferred Tax Assets (Net):</b>		
- Depreciation & Amortization	83.64	115.23
- Employee Benefits	29.14	29.14
<b>Total</b>	<b>112.78</b>	<b>144.36</b>
<b>9 Other Non-Current Assets</b>		
- TDS & IT Refund Receivables	75.85	44.22
- Preliminary & Othe Misc Expenses	1,195.00	2,235.13
<b>Total</b>	<b>1,270.85</b>	<b>2,279.35</b>
<b>10 Current Financial Assets - Trade Receivables</b>		
Unsecured		
- Considered Good	371.53	418.82
<b>Total</b>	<b>371.53</b>	<b>418.82</b>
<b>11 Cash and Cash equivalents</b>		
(i) Balances with Banks		
- In current accounts	1,320.71	1,066.12
(ii) cash in hand	66.62	54.94
<b>Total</b>	<b>1,387.33</b>	<b>1,121.05</b>
<b>12 Current Financial Assets - Lease Receivables</b>		
- Advances to Employee	24.47	12.70
- Advance to Suppliers	267.18	730.73
<b>Total</b>	<b>291.65</b>	<b>743.44</b>
<b>13 Other Current Assets</b>		
- Prepaid expense	26.90	22.29
- Interest Receivables	3.87	4.53
- Unbilled Revenue	143.52	219.68
- Indirect Tax Recoverables	167.31	16.69
- TDS & IT Refund Receivables	100.09	179.41
<b>Total</b>	<b>441.68</b>	<b>442.60</b>

PARTICULARS	As at March 31, 2019	As at March 31, 2018
<b>14 Share capital</b>		
<b>A. Authorised Capital</b>		
185,00,00,000 Equity Shares of Re. 1/- each fully paid up with voting rights	18,500.00	18,500.00
<b>B. Issued, Subscribed And Fully Paid Up</b>		
170,95,53,100 EQUITY SHARES OF Re. 1/- EACH fully paid up with voting rights	17,095.53	17,095.53
Less :		
<b>Total</b>	<b>17,095.53</b>	<b>17,095.53</b>
<b>15. Other Equity</b>		
Other equity consist of the following:		
(a) Capital reserve	1,881.03	1,881.03
(b) Share premium	25,099.44	25,099.44
(c) General reserve	-	-
(i) Opening balance	3,443.95	3,416.17
(ii) Transferred from retained earnings	-	-
	<b>3,443.95</b>	<b>3,416.17</b>
(d) Retained earnings		
(i) Opening balance	(19,387.75)	(13,480.33)
(ii) Less: Previous Year Provision Adjusted	-	(20.92)
(iii) Add/(less): Profit of Associates companies	0.96	0.98
(iv) Add: Profit for the period	(17,232.02)	(5,840.71)
	<b>(36,618.82)</b>	<b>(19,340.98)</b>
Less : Appropriations		
(i) Appropriation/Adjustments	(6.04)	(46.77)
	<b>(36,624.86)</b>	<b>(19,387.75)</b>
Non Controlling Interest		2.52
(e) Investment Revaluation Reserve		
(i) Opening balance	(1,833.10)	125.84
(ii) Unrealised gain on equity shares carried at fair value through OCI	855.97	11.43
(ii) Realised gain on equity shares carried at fair value through OCI	1,059.54	(1,970.38)
	<b>82.41</b>	<b>(1,833.10)</b>
(f) Assets Revaluation Reserve		
(i) Opening Balance	-	-
(ii) Addition/Deletion due to Revaluation	14,095.31	-
(ii) Reversal on account of Depreciation on Revaluation	56.52	-
	<b>14,038.79</b>	-

PARTICULARS	As at March 31, 2019	As at March 31, 2018
(g) Others (Foreign Currency Translation Reserve )	9,193.99	8,160.15
	<u>17,114.77</u>	<u>16,984.87</u>
<b>14A Details of shareholders holding more than 5% shares in the Company</b>		
Equity shares of Re. 1 each, fully paid up held by:		
	<b>As at 31 March, 2019</b>	<b>As at 31 March, 2018</b>
	<b>Number % Holding</b>	<b>Number % Holding</b>
- Dalip Kumar	185916060 10.88%	185916060 10.88%
- Enstaserv e services Limited	150000000 8.77%	150000000 8.77%
- SLG Softech Private Limited	220000000 12.87%	220000000 12.87%
- Prahlad Estates and Properties Pvt. Ltd.	260000000 15.21%	260000000 15.21%
<b>16 Non-Current Financial Liabilities- Borrowings :</b>		
Secured loans		
- ICICI Bank Loan	762.16	-
- HDFC Bank Loan	1,969.44	-
Unsecured Loan		
- From entity other than Banks	10.93	333.58
<b>Total</b>	<u>2,742.54</u>	<u>333.58</u>
<b>17 Non-Current Provisions :</b>		
- Provision for Leave encashment	15.15	12.80
- Provision for Gratuity	79.08	65.71
<b>Total</b>	<u>94.23</u>	<u>78.50</u>
<b>18 Other Non Current Liabilities :</b>		
- Other Payables	-	25.83
- Security Deposits	395.89	84.91
<b>Total</b>	<u>395.89</u>	<u>110.74</u>
<b>19 Current Financial Liabilities - Trade Payables :</b>		
Unsecured		
- Considered Good	281.51	797.30
<b>Total</b>	<u>281.51</u>	<u>797.30</u>
<b>20 Current Provisions :</b>		
- Provision for Leave Encashment	0.77	0.93
- Provision for Gratuity	2.74	2.18
<b>Total</b>	<u>3.51</u>	<u>3.11</u>
<b>21 Other Current Liabilities :</b>		
- Advance received from customers	513.30	1,562.82
- Others (Payables)	155.99	155.01
<b>Total</b>	<u>669.30</u>	<u>1,717.83</u>
<b>22 Current Tax Liabilities (net)</b>		
- Income Tax Provision	49.61	88.13
- Indirect tax payable and other statutory liabilities	42.19	80.66
<b>Total</b>	<u>91.81</u>	<u>168.79</u>



PARTICULARS	As at March 31, 2019	As at March 31, 2018
<b>23 REVENUE FROM OPERATIONS</b>		
IT Enabled Services, Infra Management, e-Learning;		
- Overseas	3,071.48	2,744.01
- Domestic	569.64	506.38
<b>Rental Income</b>	399.24	180.37
<b>Total</b>	<b>4,040.36</b>	<b>3,430.76</b>
<b>24 OTHER INCOME</b>		
<b>Other income (net) consist of the following:</b>		
- Interest income	199.66	547.77
- Gain on sale of investments carried at FVTOCI	-	71.50
- Net foreign exchange gains	5.58	32.01
- Other Income	19.71	3.91
<b>Total</b>	<b>224.95</b>	<b>655.19</b>
<b>Interest income comprise:</b>		
- Interest on bank deposits	35.42	8.34
- Interest income on financial assets	159.85	509.66
- Other interest (including interest on income tax refunds)	4.39	29.78
<b>Total</b>	<b>199.66</b>	<b>547.77</b>
<b>25 EMPLOYEE BENEFIT EXPENSES</b>		
Employee costs consist of the following:		
- Salaries, incentives and allowances	1,822.14	1,931.36
- Contributions to provident and other funds	23.53	26.69
- Staff welfare expenses	55.32	51.47
<b>Total</b>	<b>1,900.99</b>	<b>2,009.52</b>
<b>26 FINANCE COSTS (at effective interest rate method)</b>		
Finance costs consist of the following:		
- Interest expenses	79.43	22.07
- Bank Charges	26.04	15.71
<b>Total</b>	<b>105.47</b>	<b>37.78</b>
<b>27 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of Property, Plant and equipment	319.19	82.50
Amortisation of Intangible Assets	16,629.25	6,138.83
<b>Total</b>	<b>16,948.45</b>	<b>6,221.32</b>
<b>28 OTHER OPERATING EXPENSES</b>		
Other operating expenses consist of the following:		
- Fees to external consultants	137.83	59.49
- Communication expenses	44.76	69.20
- Cost of equipment and software licenses	25.15	3.21
- Cost of Technical Sub-contractors	829.89	865.95
- Travel expenses	47.81	63.51
- Loss on sale of Investments	-	-
- Conveyance	27.79	28.67
- Power & Fuel	177.74	187.82
- Auditors Remuneration	11.67	11.26
- Running & Maintenance	63.84	96.24
- Other expenses	290.63	162.97
<b>Total</b>	<b>1,657.09</b>	<b>1,548.31</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Company Overview:

FCS Software Solutions Limited ('FCS' or 'the company' or 'the holding company') was incorporated on 05th May, 1993. The company is listed on two stock exchanges in India namely National Stock Exchange and Bombay Stock Exchange.

The Company has its wholly owned subsidiaries in Germany, UAE and India (the company and its subsidiaries constitute 'the group'). The group business consists of software development and marketing and providing support services mainly for corporate business entities in the BPO, software development and e-learning service sector.

### 1.2 Basis of preparation of financial statements

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Effective April 1, 2016, the Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As the year-end figures are rounded to the nearest lakhs. The figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

### 1.3 Basis of consolidation

FCS consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its controlled entities and its subsidiaries which are as follows;

*Rs. in lacs*

Name of the Company	% Shareholdings 31.03.2019	% Shareholdings 31.03.2018	Country of Incorporation
FCS Software Middle East FZE	100	100	UAE
FCS Software Solutions GmbH	100	100	Germany
Insync Business Solutions Limited	100	100	India
Innova E services Pvt. Ltd.	100	99.31	India
Stablesecure Infraservices Pvt. Ltd.	100	92.67	India
Zero Time Constructions Pvt. Ltd.*	100	90.66	India
cGain Analytics Pvt. Ltd.	100	92.74	India

The Consolidated Financial statements also comprise the following associate companies;

*Rs. in lacs*

Name of the Company	% Shareholdings 31.03.2019	% Shareholdings 31.03.2018	Country of Incorporation
Enstaserv Eservices Pvt. Ltd.	48.94	48.94	India

Control exists when the parent has power over the entity, from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

Associates are entities over which the company has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost and carrying amount is increased or decreased to recognize the investor's share of profit or loss of the investee after the acquisition date. The group investment in associates includes goodwill identified on acquisition.

Further, Management account of FCS Software Solutions GmbH & FCS Software (Shanghai) Co. Ltd. is considered for the consolidation of financial statement & unaudited financial results of associate enterprises namely Enstaserv Eservices Pvt. Ltd. & Myzeal IT Solutions Ltd. is considered for the consolidation. Due to oversight, the word "audited financial statement" is used for consolidation of associate enterprises in our Quarter 4 limited review report.

#### 1.4 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

#### 1.5 Recent Accounting Pronouncements

##### **Ind AS 116, LEASES:**

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, LEASES. Ind AS 116 will replace the existing leases standard, Ind AS 17, LEASES, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, CHANGES in Accounting ESTIMATES AND Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as :

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements

Amendment to Ind AS 19, plan amendment, curtailment or settlement:

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment

## 1.6 Revenue recognition

Revenue from IT Enabled Service including software development services and other projects on as time-and material basis is recognized based on service rendered and billed to clients as per the terms of specific contracts. In the case of fixed-price contracts, revenue is recognized based on the milestones achieved, as specified in the contracts, on a percentage of completion basis.

Unbilled revenue represents amount recognized based on services performed in advance of billing in accordance with contract terms. Interest on development of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. However, those expenses on which revenue had not recognized was considered as work in process.

Advance received for services and products are reported as client deposits until all conditions for revenue recognition are met.

The company presents revenues net of indirect taxes in its Statement of Profit & Loss Account.

Revenue from operation for the year ended March 31, 2019 and March 31, 2018 is as follows:

<i>Rs. in lacs</i>			
S.No.	Particulars	March 31, 2019	March 31, 2018
1	IT & ITES, Infra Management, e-Learning	3,641.12	3,250.39
2	Revenue from Renting of Property	399.24	180.37
	<b>Total Revenue For Operations</b>	<b>4,040.36</b>	<b>3,430.76</b>

## 1.7 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation and impairment loss, if any. All direct costs are capitalized till the assets are ready to be put to use. Fixed assets under construction, advances paid towards acquisition of fixed assets and cost of assets not put to use before the period/year end, are disclosed as capital work in progress. The Group depreciates property, plant

and equipment over their estimated useful lives using the written down value method.

*Rs. in lacs*

Fixed Assets	Useful life of Assets	Useful life as per companies act
Buildings	70 Years	60 Years
Office equipment	8 Years	5 Years
Computer equipment	3 Years	3 Years
Furniture and fixtures	14 Years	10 Years
Vehicles	6 Years	6 Years
Servers and networks	8 Years	6 Years

During the year, the company and its subsidiary companies revalued its Land and Building in order to arrive at estimated Fair Market Value, as per the Valuation Certificate as certified by independent valuer. The effective date of Revaluation is 31st December, 2018. Such Increase/ (decrease) in carrying amount of an asset due to revaluation is taken to other comprehensive income and accumulated in equity as per Ind-AS 16. The revaluation effect is as follows:-

*Rs. in lacs*

S.No	Class of Fixed Assets	Value before Revaluation#	Value After Revaluation	Revaluation Profit
1.	Land	2,829.97	13,349.19	10,519.22
2.	Building	2,672.41*	6,248.50	3,576.09

#It represents WDV as on 31st December, 2018.

\*For the purpose of calculating depreciation, revalued figure has been apportioned on the basis of WDV available as at 31st December, 2018.

## 1.8 Goodwill

### Accounting Policy

Goodwill represents the investments in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities as the case may be. Goodwill is measured at cost less accumulated impairment losses.

## 1.9 Intangible assets

### 1.9.1 Accounting Policy

Intangible assets comprising of Software Application licenses & rights are stated at cost less accumulated amortization and impairment. Intangible fixed assets are capitalized where they are expected to provide future enduring economic benefits. Capitalization costs include license fees and cost of implementation/system integration services. The costs are capitalized in the year in which the software is fully implemented for use. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

## 1.9.2 Impairment

Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e the higher of the fair value less cost to sell and the value in use) is determined on an individual assets basis unless the asset does not generate cash flows that are largely independent of those from other assets.

## 1.10 Financial Instruments

### 1.10.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at Transaction Price. Transaction costs that is directly attributable to the acquisition or issue of financial assets and financial liabilities.

### 1.10.2 Subsequent measurement

#### a. Non-derivative financial instruments

##### (i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows.

##### (ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by collecting contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows. Investments which are classified as financial asset, the subsequent changes in fair value are recognized through other comprehensive income (OCI).

##### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

##### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date are carried at carrying amounts.

#### b. Derivative financial instruments

The Group does not holds any derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

### 1.10.3 De-recognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or become non recoverable and are qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## 1.11 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

The Company has identified two main Geographical Segments as reportable segments. The business segments comprise:

1. INDIA Segment
2. USA Segment

The Profit and Loss for reportable Primary Segment is set out below:-

**For the Year Ended 31st March 2019**

Description	India	USA	Total
<b>Year ended March 31, 2019</b>			
Revenue	968.88	3071.48	4040.36
Expenses	455.86	1445.13	1900.99
Segment result	513.02	1626.35	2139.37
Un-allocable expenses			18,711.00
Operating income			(16,571.63)
Other income (net)			224.95
<b>Profit before tax</b>			<b>(16,346.68)</b>

**For the Year Ended 31st March, 2018**

Description	India	USA	Total
<b>Year ended March 31, 2018</b>			
Revenue	506.38	2,744.01	3,250.39
Expenses	662.58	1,571.83	2,234.41
Segment result	(156.20)	1,172.18	1,015.98
Un-allocable expenses			7,582.51
Operating income			(6,566.53)
Other income (net)			835.56
<b>Profit before tax</b>			<b>(5,730.98)</b>

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

### 1.12 Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount

that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

### **1.13 Provisions**

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### **1.14 Functional & Foreign currency**

#### ***Functional currency***

The presentation currency of the group is Indian rupee. The functional currency of FCS Software Solutions Limited, Insync Business Solutions Limited, cGain Analytics Pvt. Ltd, Innova Eservices Pvt. Ltd., Stablesecure Infraservices Pvt. Ltd, Zero Time Constructions Pvt. Ltd. and Enstaserv Eservices Pvt. Ltd. is the Indian rupee. The functional currencies for FCS Software Solutions GmbH and FCS Software Middle East FZE are the respective local currencies. These financial statements are presented in Indian rupees.

#### ***Transactions and translations***

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the Balance sheet.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity.

### **1.15 Earnings per equity share**

Basic earning per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

### **1.16 Income Taxes**

Income tax expense comprises current and deferred income tax. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is



probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Group offsets current tax assets and current tax liabilities on net basis, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **1.17 Employee benefits**

### **1.17.1 Gratuity**

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of FCS. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The effect of any plan amendments is recognized in net profits in the Statement of Profit and Loss.

### **1.17.2 Provident fund**

Eligible employees of the group receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The companies have no further obligation to the plan beyond its monthly contributions.

### **1.17.3 Compensated absences**

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

## **1.18 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

### **Amendment to Ind AS 7:**

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements.

## **1.19 Other income**

Other income is comprised primarily of interest income, Rental Income and exchange gain / loss on foreign currencies. Interest income is accounted for on accrual basis. Rental Income comprising of rent and other related services from operating lease is recognized in the Consolidated Statement of Profit and Loss on accrual basis.

## 1.20 Related Party Transactions:

### Subsidiaries Companies

*Rs. in lacs*

Name of Subsidiaries	Country	Holding as at	
		31.03.2019	31.03.2018
FCS Software Middle East FZE	UAE	100	100
FCS Software Solutions GmbH	Germany	100	100
Insync Business Solutions Limited	India	100	100
Innova e Services Pvt. Ltd	India	100	99.31
Stablesecure Infraserivices Pvt. Ltd.	India	100	92.67
Zero Time Constructions Pvt. Ltd.	India	100	90.66
<b>cGain Analytics Pvt. Ltd.</b>	<b>India</b>	<b>100</b>	<b>92.74</b>

Name of Associate	Country	Holding as at	
		31.03.2019	31.03.2018
Enstaserv Eservices Pvt. Ltd.	India	48.94	48.94
Myzeal IT Solutions Ltd.*	India	-	50.00

*\*Investment in Myzeal transferred*

### List of Key Managerial Personnel/Directors

- Dalip Kumar – Chairman & Managing Director
- Mahendra Pratap Singh – Non- executive Director
- Shayam Sunder Sharma – Independent Director
- Shiv Nandan Sharma – Independent Director
- Sunil Sharma – Director
- Shweta Shatsri – Independent Director
- Anil Kumar Sharma – Chief Financial Officer
- Harsha Sharma – Company Secretary

### A. Transactions with the Related Parties

*Rs. in lacs*

Transactions	31.03.2019	31.03.2018
<b>Insync Business Solutions Ltd.</b>		
Rental Income Received	15.60	15.60
<b>Salary &amp; Other Benefits to Key Management Personnel</b>		
1. Sunil Sharma	9.52	9.52
2. Harsha Sharma	7.80	7.80
3. Anil Sharma	19.87	20.40
<b>Directors Sitting Fee</b>		
Shiv Nandan Sharma	3.20	2.35
Shayam Sunder Sharma	4.20	1.85
Shweta Shatsri	2.80	0.70

Mahendra Pratap Singh	0.60	Nil
<b>Legal &amp; Professional Charges</b>		
Mahendra Pratap Singh	1.07	Nil
Salary to Sandhya Singh	2.00	Nil

**B. List of Related Parties – Where Control exists:**

*Rs. in lacs*

<b>Transaction between Holding and Subsidiaries:</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
M/s Zerotime constructions Pvt. Ltd.*	Nil	950.00
M/s cGain Analytics Pvt. Ltd.**	3.80	57.00
M/s Stablesecure Infraserivces Pvt. Ltd.#	182.00	-

\* It represents sale of investment in subsidiary companies.

\*\* It represent amount against Purchase of Zero Time Constructions (P) Ltd. Shares.

# It represents sale of shares of M/s Readystate Infraserivces Pvt. Ltd. to Stablesecure Infraserivces Pvt. Ltd.

**C. List of Related Parties – where Control does not exists:**

*Rs. in lacs*

<b>Inter Corporate Transactions</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
M/s Bloom Healthcare & Hospitality Management Pvt. Ltd.	950.00	950.00
M/s Heimdahl Software Systems Pvt. Ltd.**	57.00	57.00

\*\*Amount in bracket represents sale of investment in subsidiary companies.

**D. Outstanding Balance Receivable as at year end:**

*Rs. in lacs*

<b>S.No.</b>	<b>Outstanding Balances as at year end:</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
1.	Insync Business Solutions Limited	(54.18)	117.65
2.	FCS Software Solutions America Ltd.*	Nil	447.98

\*received against buy back of shares which has been ratified by board /management in their board meeting dated 29th May, 2018

**1.21 Expenditure in Foreign Currency**

*Rs. in lacs*

	<b>31.03.2019</b>	<b>31.03.2018</b>
Expenditure incurred overseas:		
By USA	Nil	224.91
By UAE	Nil	Nil
By Germany	Nil	4,200
By India Office	Nil	Nil

## 1.22 Earning in Foreign Exchange

*Rs. in lacs*

	31.03.2019	31.03.2018
Income from IT, ITES, Infra Management and E-learning services	3147.64	2524.33
	3147.64	2524.33

## 1.23 Corporate Social Responsibility

As per Section 135 of Companies Act 2013 a Corporate Social responsibility Committee has been formed by the Company. During the year the Company has undertaken Corporate Social Responsibility activities as approved by the CSR Committee which are specified in Schedule VII of the Companies Act 2013.

- i) Gross amount required to be spent by the Company upto the period 31st March, 2019 is Rs. 3 lakhs (Previous Year NIL)
- ii) Amount spent during the year on:

### As on 31st March 2019

*Rs. in lacs*

S. No	Particulars	In cash	Yet to be paid in cash	Total
i)	Construction/Acquisition of any assets	-	-	-
ii)	On Purpose other than (i) above	3.00	-	3.00
iiia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	-	-	-
iiib)	Social Welfare (Item No.(iii) of Schedule-VII)	3.00	-	3.00
iiic)	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	-
iid)	Contribution to 'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	-
iiie)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	-	-	-
	<b>Grand Total (i+ii)</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>

### As on 31st March 2019

S. No	Particulars	In cash	Yet to be paid in cash	Total
i)	Construction/Acquisition of any assets	-	-	-
ii)	On Purpose other than (i) above	-	-	-
iiia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	-	-	-
iiib)	Social Welfare (Item No.(iii) of Schedule-VII)	-	-	-
iiic)	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	-
iid)	Contribution to 'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	-

ie)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	-	-	-
	<b>Grand Total (i+ii)</b>	-	-	-

#### 1.24 Investments

Investments are classified into non-current and current investments based on the intent of management at the time of acquisition. Net Assets value as certified by expert is considered as Fair Market Value for the purpose of valuation of investment in all companies including subsidiaries. However as per Ind AS 109, Non-current investments including investment in subsidiaries and associate companies are measured at Fair value through other comprehensive income.

**1.25** The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). As the Company has not received the relevant information till finalization of accounts, disclosure in this regard could not be made.

**1.26** The company has pending litigation as at year end 31st March, 2019 the details of which is as under:-

Nature of Dispute	Forum where dispute is pending	31/03/2019	31/03/2018
Advance against Land	Chief Megistrate, Gautam Budh Nagar, Noida, Uttar Pradesh	200	200

*Note: The company has advanced Rs. 708.01 Lakh to Vivan Enterprises, for which legal notice has been served for the recovery. This may pose potential risk to the financial standing of the company*

**1.27** During the year 2018-19, FCS Software Limited has initiated the merger of its five wholly owned indian subsidiaries namely M/s Stablesecure Infraservices Pvt Ltd, M/s Innova E Services Pvt Ltd, M/s Insync Business Solutions Ltd, M/s cGain Analytics Pvt. Ltd., M/s Zero Time Constructions Pvt. Ltd. The proposed merger has been duly approved by the Board of Directors in its meeting held on 19th April 2019. The effective date of proposed merger is 01.01.2019, once approved by the competent authorities. The necessary legal process has been initiated for this merger.

**1.28** Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosures.

As per our report of even date attached

For **Aadit Sanyam & Associates**  
Chartered Accountants  
Firm Regd. No.: 023685N

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-  
**CA. Sanyam Jain**  
(Partner)  
M. No.531388

Sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)  
Din: 00103292

Sd/-  
**Shayam Sunder Sharma**  
(Independent Director)  
Din: 00272803

**Place:** Noida  
**Date:** May 30, 2019

Sd/-  
**Anil Kumar Sharma**  
(Chief Financial Officer)

Sd/-  
**Harsha Sharma**  
(Company Secretary)

# Independent Auditors' Report

**To the Members of M/s. FCS Software Solutions Limited**  
**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying standalone financial statements of M/s FCS Software Solutions Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	The key audit matters	How our audit addressed the key audit matter
1	<p><b>Adoption of Ind AS 115 – Revenue from Contracts with Customers</b></p> <p>The Company has adopted Ind AS 115, Revenue from Contracts with Customers ("Ind AS 115") which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.</p> <p>The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of</p>	<p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, include:-</p> <ul style="list-style-type: none"> <li>• Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;</li> <li>• Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;</li> </ul>

	<p>transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<ul style="list-style-type: none"> <li>• Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the new accounting standard;</li> <li>• Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and</li> <li>• Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li> </ul>
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### Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexure’s to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

### 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

### Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit

conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the statement of Cash Flow dealt with by this Report are in agreement with the relevant 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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".
  - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 (16) of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 1.23 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were 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.

As per our report of even date attached

For **Aadit Sanyam & Associates**  
Chartered Accountants  
Firm Regd. No.: 023685N

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-  
**CA. Sanyam Jain**  
(Partner)  
M. No.531388

Sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)  
Din: 00103292

Sd/-  
**Shyam Sunder Sharma**  
(Independent Director)  
Din: 00272803

**Place:** Noida  
**Date:** May 30, 2019

Sd/-  
**Anil Kumar Sharma**  
(Chief Financial Officer)

Sd/-  
**Harsha Sharma**  
(Company Secretary)

## Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2019, we report the following:

- (i) In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification of its fixed assets to cover all the items in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, 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, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company, where the company is the lessee in the agreement.
- (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) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given, whichever is applicable, have been complied with by the company.
- (iv) According to the information and explanation given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (v) Accordingly to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company. Thus reporting under Clause 3(vi) of the order is not applicable to the company.
- (vi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employee's State Insurance, Income Tax, Service Tax, GST, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.
- (c) There are no dues of Income Tax, Sales Tax, Custom Duty, Excise duty and Value added Tax which have not been deposited as on 31 March, 2019 on account of dispute.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank. The company has not taken loan from government and has not issue debentures during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations 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 year.

- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Act and details has been disclosed in Note no. 1.17 in the financial statements.
- (xii) 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 Sections 177 and 188 of the Companies Act, 2013 and details of such transactions have been disclosed in Note No. 1.17 in the standalone financial statements as required by the applicable Ind-As.
- (xiv) According to the information and explanations give 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 paid convertible debentures and hence, reporting under Clause 3(xiv) of the order is not applicable to the company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For and on behalf of  
**M/s Aadit Sanyam & Associates**  
Chartered Accountants  
FRN: 023685N

**(CA Sanyam Jain)**  
Partner  
M. No. 531388

Place: New Delhi  
Date: 30.05.2019

## **Annexure B to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on other Legal and Regulatory Requirements' section of our report to the members of FCS Software Solutions Limited of even date.)

### **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 FCS Software Solutions Limited ('the Company') as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the company 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 safeguarding 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') issued by ICAI and the Standards

on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 was 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 operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 on 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 purposes 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 reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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.

For and on behalf of  
**M/s Aadit Sanyam & Associates**  
Chartered Accountants  
FRN: 023685N

**(CA Sanyam Jain)**  
Partner  
M. No. 531388

Place: New Delhi  
Date: 30.05.2019

**Standalone Balance sheet as at 31st March 2019**  
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

	Note no.	As at 31st March 2019	As at 31st March 2018
<b>[I] ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	2	19,615.89	4,075.12
(b) Capital work-in-progress	3	546.95	1,252.49
(c) Other Intangible assets	4	27.73	42.74
(d) Financial assets			
- Investments	5	12,703.96	26,672.12
- Loans & Advances	6	2,354.33	2,420.21
- Other Financial Assets	7	218.54	279.94
(e) Deferred tax assets (Net)	8	113.25	144.74
(f) Other non-current assets	9	62.51	44.22
<b>2. Current Assets</b>			
(a) Financial assets			
- Trade Receivables	10	226.90	278.05
- Lease Receivables	11	-	59.87
- Cash and cash equivalents	12	1,274.61	811.53
- Loans	13	291.56	32.69
(b) Other current assets	14	437.15	401.75
<b>TOTAL</b>		<b>37,873.38</b>	<b>36,515.47</b>
<b>[II] EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share capital	15	17,095.53	17,095.53
(b) Other Equity	16	16,470.93	16,524.37
<b>2. Non-current liabilities</b>			
(a) Financial liabilities			
- Borrowings	17	2,731.61	
(b) Provisions	18	93.05	77.77
(c) Other non-current Liabilities	19	395.07	84.09
<b>3. Current liabilities</b>			
(a) Financial liabilities			
- Trade payables	20	278.02	414.31
(b) Provisions	21	3.43	2.86
(c) Other Current Liabilities	22	717.58	2,148.40
(d) Current Tax Liabilities (net)	23	88.15	168.14
<b>TOTAL</b>		<b>37,873.38</b>	<b>36,515.47</b>

Summary of Significant Accounting Policies 1  
The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For **Aadit Sanyam & Associates**  
Chartered Accountants  
Firm Regd. No.: 023685N

Sd/-  
**CA. Sanyam Jain**  
(Partner)  
M. No.531388

**Place:** Noida  
**Date:** May 30, 2019

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)  
Din: 00103292

Sd/-  
**Anil Kumar Sharma**  
(Chief Financial Officer)

Sd/-  
**Shayam Sunder Sharma**  
(Independent Director)  
Din: 00272803

Sd/-  
**Harsha Sharma**  
(Company Secretary)

## Standalone Statement of Profit and Loss for the year ended 31 March 2019

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

	Note no.	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from IT & ITES, Infra Management & e-Learning	24	3,962.00	3,101.13
Other income	25	200.66	653.61
<b>Total revenue</b>		<b>4,162.66</b>	<b>3,754.73</b>
<b>Expenses</b>			
Employee benefit expense	26	1,844.64	1,913.29
Finance cost	27	104.72	37.62
Depreciation and amortisation expense	28	333.89	104.23
Other Operating expense	29	1,619.69	1,292.34
<b>Total expenses</b>		<b>3,902.94</b>	<b>3,347.49</b>
<b>Profit/ (loss) before exceptional items and tax</b>		<b>259.72</b>	<b>407.24</b>
Exceptional items		-	-
<b>Profit/ (loss) before tax</b>		<b>259.72</b>	<b>407.24</b>
<b>Tax expense</b>			
a) Current tax		49.61	88.13
b) Deferred tax		31.49	16.96
<b>Profit/ (loss) for the period from continuing operations</b>		<b>178.61</b>	<b>302.16</b>
<b>Profit/ (loss) for the period</b>		<b>178.61</b>	<b>302.16</b>
<b>Other comprehensive income</b>			
<b>- Items that will not be reclassified to profit or loss</b>			
1 Remeasurement of defined employee benefits plan		(0.44)	(4.49)
2 Changes in Fair Values of Investment in Equities carried at Fair Value through Other Comprehensive Income		(13,946.93)	(5,282.55)
3 Changes in Fair Values of Assets (Land & Building) carried at Fair Value through Other Comprehensive Income		13,450.17	
4 An item of Expense not recognised in profit or loss account		-	
a) <b>Loss on Sale of Investments</b>		(478.71)	-
b) <b>Foreign exchange fluctuation</b>		(142.94)	
<b>Net Other Comprehensive Income not to be reclassified to Profit &amp; Loss A/c in Subsequent periods</b>		<b>(1,118.85)</b>	<b>(5,287.04)</b>
<b>Total comprehensive income for the period</b> (Profit/ loss + other comprehensive income)		<b>(940.24)</b>	<b>(4,984.88)</b>
<b>Earnings per equity share (for continuing operations)</b>			
a) Basic		-0.05	-0.29
b) Diluted		-0.05	-0.29

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For **Aadit Sanyam & Associates**  
Chartered Accountants  
Firm Regd. No.: 023685N

Sd/-  
**CA. Sanyam Jain**  
(Partner)  
M. No.531388

Place: Noida  
Date: May 30, 2019

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)  
Din: 00103292

Sd/-  
**Anil Kumar Sharma**  
(Chief Financial Officer)

Sd/-  
**Shayam Sunder Sharma**  
(Independent Director)  
Din: 00272803

Sd/-  
**Harsha Sharma**  
(Company Secretary)

## Standalone Statement of Cash Flows for the year ended 31 March 2019

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	<b>259.72</b>	<b>407.24</b>
<i>Adjustments for :</i>		
Depreciation and amortisation	333.89	104.23
Net (Gain)/loss on sale of Investments	-	(71.50)
Interest income	(193.32)	(546.18)
Finance costs	104.72	37.62
<b>Other Adjustments</b>	<b>(4.91)</b>	<b>(96.43)</b>
	<b>500.10</b>	<b>(165.01)</b>
<b>Working capital adjustments:</b>		
(Increase)/Decrease in Trade Receivables	111.01	60.77
(Increase)/Decrease in Loans and Advances	(193.00)	7,422.51
(Increase)/Decrease in Other Assets	7.72	(166.28)
Increase/(Decrease) in Trade Payables	(136.28)	371.04
Increase/(Decrease) in Provisions	(64.13)	<b>84.23</b>
Increase/(Decrease) in Current Liabilities	(1,119.84)	(273.78)
Cash Generated from Operations	<b>(894.43)</b>	<b>7,333.47</b>
Income Tax Paid	88.13	97.17
<b>NET CASH GENERATED/(USED IN) BY OPERATING ACTIVITIES (1)</b>	<b>(982.55)</b>	<b>7,236.30</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,411.17)	(198.00)
Interest Income	193.32	546.18
Proceeds from sale of investments	327.90	1,245.40
Gain/(Loss) on Sale of investments	-	71.50
Investment in Preference Shares	-	(6,941.30)
Investment in Equity Shares	(291.30)	(416.00)
<b>NET CASH GENERATED/(USED IN) BY INVESTING ACTIVITIES (2)</b>	<b>(1,181.26)</b>	<b>(5,692.21)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance costs	(104.72)	(37.62)
Proceeds from borrowings	2,731.61	(791.69)
Repayment of borrowings	-	-
<b>NET CASH GENERATED/(USED IN) BY FINANCING ACTIVITIES (3)</b>	<b>2,626.88</b>	<b>(829.32)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)</b>	<b>463.07</b>	<b>714.77</b>
Cash and cash equivalents at the beginning of the year	811.53	96.76
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>1,274.61</b>	<b>811.53</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For **Aadit Sanyam & Associates**

Chartered Accountants

Firm Regd. No.: 023685N

Sd/-

**CA. Sanyam Jain**

(Partner)

M. No.531388

Place: Noida

Date: May 30, 2019

For and on behalf of the Board of Directors of

**For FCS Software Solutions Limited**

Sd/-

**Shayam Sunder Sharma**

(Independent Director)

Din: 00272803

Sd/-

**Harsha Sharma**

(Company Secretary)

Sd/-

**Dalip Kumar**

(Chairman & Managing Director)

Din: 00103292

Sd/-

**Anil Kumar Sharma**

(Chief Financial Officer)



## Standalone Statement of changes in equity for the year ended 31st March 2019 (All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

### a. Equity share capital

	Opening balance as at 1 Apr 2018	Changes in equity share capital during the year	Closing balance as at 31 March 2019
Equity shares of Rs.1 each	17,095.53	-	17,095.53
	<b>17,095.53</b>	<b>-</b>	<b>17,095.53</b>
	Opening balance as at 1 Apr 2017	Changes in equity share capital during the year	Closing balance as at 31 March 2018
Equity shares of Rs.1 each	17,095.53	-	17,095.53
	<b>17,095.53</b>	<b>-</b>	<b>17,095.53</b>

### Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs 1/- each. Each shareholder is eligible for one vote per share held. The dividend, if any as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### b. Other Equity

For the year ended 31 March, 2019

	Share premium	Capital reserve	Retained earnings	Others (Foreign Currency Translation Reserve )	General reserve	OCI Items- Assets (L&B) Revaluation Reserve	OCI Items- Investment Revaluation Reserve	Total Equity
<b>As at 1 April 2018</b>	<b>25,099.44</b>	<b>1,881.03</b>	<b>5,739.36</b>	<b>1,543.38</b>	<b>2,904.31</b>	-	<b>(20,643.15)</b>	<b>16,524.37</b>
Profit for the period	-	-	(443.48)	-	-	-	-	(443.48)
IT Provision of Previous year	-	-	-	-	-	-	-	-
Addition during the Year	-	-	-	-	-	13,450.17	-	13,450.17
Other Adjustments	-	-	(6.04)	-	-	(56.52)	-	(62.56)
Other comprehensive income/(loss)	-	-	-	-	-	-	(13,934.60)	(13,934.60)
Realised gain/ (loss) on shares carried at FVTOCI	-	-	-	-	-	-	937.03	937.03
<b>TOTAL</b>	<b>25,099.44</b>	<b>1,881.03</b>	<b>5,289.83</b>	<b>1,543.38</b>	<b>2,904.31</b>	<b>13,393.65</b>	<b>(33,640.72)</b>	<b>16,470.93</b>

For the year ended 31 March, 2018

	Share premium	Capital reserve	Retained earnings	Others (Foreign Currency Translation Reserve )	General reserve	OCI Items- Assets (L&B) Revaluation Reserve	OCI Items- Investment Revaluation Reserve	Total Equity
<b>As at 1 April 2017</b>	<b>25,099.44</b>	<b>1,881.03</b>	<b>5,428.36</b>	<b>1,543.38</b>	<b>2,904.31</b>	-	<b>(16,378.91)</b>	<b>20,478</b>
Profit for the period	-	-	297.67	-	-	-	-	298
IT Provision of Previous year	-	-	(9.37)	-	-	-	-	(9)
Depreciation adjustment of Prev. Years	-	-	23.00	-	-	-	-	23
Other Adjustments	-	-	(0.30)	-	-	-	-	(0)
Other comprehensive income/(loss)	-	-	-	-	-	-	(5,282.55)	(5,283)
Realised gain/ (loss) on shares carried at FVTOCI	-	-	-	-	-	-	1,018.32	1,018
<b>TOTAL</b>	<b>25,099.44</b>	<b>1,881.03</b>	<b>5,739.36</b>	<b>1,543.38</b>	<b>2,904.31</b>	<b>-</b>	<b>(20,643.15)</b>	<b>16,524</b>



**12A. Details of shareholders holding more than 5% shares in the Company**

Equity shares of Re. 1 each, fully paid up held by:

	As at 31 March, 2019		As at 31 March, 2018	
	Number	% Holding	Number	% Holding
- Dalip Kumar	185916060	10.88%	185916060	10.88%
- Enstaserve e services Limited	150000000	8.77%	150000000	8.77%
- SLG Softech Private Limited	220000000	12.87%	220000000	12.87%
- Prahlad Estates and Properties Pvt. Ltd.	260000000	15.21%	260000000	15.21%

**12B. Reconciliation of number of shares outstanding and amount of share capital as at March 31, 2019 and March 31, 2018**

	As at 31 March, 2019		As at 31 March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the period	1709553100	1709553100	1659553100	1659553100
Add/Less: Changes in number of shares		-		-
Number of shares at the end of the period.	1709553100	17,095.53	1709553100	17,095.53

Summary of significant accounting policies

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For **Aadit Sanyam & Associates**

Chartered Accountants  
Firm Regd. No.: 023685N

Sd/-  
**CA. Sanyam Jain**  
(Partner)  
M. No.531388

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)  
Din: 00103292

Sd/-  
**Shayam Sunder Sharma**  
(Independent Director)  
Din: 00272803

**Place:** Noida  
**Date:** May 30, 2019

Sd/-  
**Anil Kumar Sharma**  
(Chief Financial Officer)

Sd/-  
**Harsha Sharma**  
(Company Secretary)

## Notes to the Standalone Financial Statements for the year ended 31 March 2019

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

### 2. PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2019:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2018:	1,832.61	2,119.91	743.42	6,641.10	416.26	77.04	11,830.33
Additions	0.00	1,054.83	1,003.08	1.51	406.58	0.00	2,466.00
Increase/(Decrease) due to Revaluation	9,874.08	3,576.09	0.00	0.00	0.00	0.00	13,450.17
Deletions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Gross carrying value as of March 31, 2019 :</b>	<b>11,706.69</b>	<b>6,750.82</b>	<b>1,746.50</b>	<b>6,641.61</b>	<b>822.84</b>	<b>77.04</b>	<b>27,746.50</b>
Accumulated depreciation as of April 1, 2018:	0.00	366.30	670.11	6,301.04	351.26	66.50	7,755.21
Depreciation	0.00	139.53	185.83	7.03	39.62	3.38	375.40
Add/(Less): Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated depreciation on deletions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Accumulated depreciation as of March 31, 2019 :</b>	<b>0.00</b>	<b>505.83</b>	<b>855.94</b>	<b>6,308.07</b>	<b>390.88</b>	<b>69.88</b>	<b>8,130.60</b>
<b>Carrying value as of March 31, 2019 :</b>	<b>11,706.69</b>	<b>6,244.99</b>	<b>890.56</b>	<b>334.54</b>	<b>431.95</b>	<b>7.15</b>	<b>19,615.89</b>

### PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2018:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2017:	1,832.61	873.99	738.97	6,635.55	416.26	77.04	10,574.41
Additions	0.00	1,245.92	4.45	5.55	0.00	0.00	1,255.92
Deletions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Gross carrying value as of March 31, 2018 :</b>	<b>1,832.61</b>	<b>2,119.91</b>	<b>743.42</b>	<b>6,641.10</b>	<b>416.26</b>	<b>77.04</b>	<b>11,830.33</b>
Accumulated depreciation as of April 1, 2017:	0.00	314.31	650.93	6,353.60	341.99	56.81	7,717.63
Depreciation	0.00	25.09	20.33	18.20	12.71	5.57	81.91
Add/(Less): Adjustments	0.00	26.90	-1.16	-70.77	-3.43	4.12	-44.34
Accumulated depreciation on deletions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Accumulated depreciation as of March 31, 2018 :</b>	<b>0.00</b>	<b>366.30</b>	<b>670.11</b>	<b>6,301.04</b>	<b>351.26</b>	<b>66.50</b>	<b>7,755.21</b>
<b>Carrying value as of March 31, 2018 :</b>	<b>1,832.61</b>	<b>1,753.61</b>	<b>73.31</b>	<b>340.07</b>	<b>64.99</b>	<b>10.54</b>	<b>4,075.12</b>

#### 4. INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2019:

Particulars	Software & IPR	Total
Cost as at April 01, 2018 :	368.67	368.67
Additions	-	-
Deletions	-	-
<b>Cost as at March 31, 2019 :</b>	<b>368.67</b>	<b>368.67</b>
Accumulated amortization as of April 1, 2018:	325.93	325.93
Amortization expense	15.01	15.01
Deletion	-	-
Accumulated amortization as of March 31, 2019:	340.94	340.94
<b>Carrying Amount as of March 31, 2019 :</b>	<b>27.73</b>	<b>27.73</b>

#### INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2018:

Particulars	Software & IPR	Total
Cost as at April 1, 2017:	368.67	368.67
Additions	0.00	0.00
Deletions	0.00	0.00
<b>Cost as at March 31, 2018:</b>	<b>368.67</b>	<b>368.67</b>
Accumulated amortization as of April 1, 2017:	297.16	297.16
Amortization expense	22.32	22.32
Add/(less): Adjustments	6.45	6.45
<b>Deletion</b>	<b>0.00</b>	<b>0.00</b>
<b>Accumulated amortization as of March 31, 2018:</b>	<b>325.93</b>	<b>325.93</b>
<b>Carrying Amount as of March 31, 2018 :</b>	<b>42.74</b>	<b>42.74</b>

## Notes to the Standalone Financial Statements for the year ended 31st March, 2019

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31.03.2019	As at 31.03.2018
<b>5. Non-current investments</b>		
<b>a. Non-current investments</b>		
<b>i. of subsidiaries</b>		
1 M/s Insync Business Solutions Limited 50000 Equity Shares of Rs.10/- fully paidup	6	6
2 M/s Cgain Analytics Pvt. Ltd. 2300000 Equity Shares of Rs.10/- fully paidup and 180000 Equity shares of Rs. 2.58 fully paidup	235	230
3 M/s Innova E servcies Pvt. Ltd. 1450000 Equity Shares of Rs.10/- fully paidup and 10000 Equity shares @ Rs. 0.94 fully paidup	145	145
4 M/s Stablesecure Infrservices Pvt. Ltd. 12750000 Equity Shares of Rs.10/- and 1010000 Equity shares @ Rs. 8.90 fully paidup	1,365	1,275
5 M/s Zerotime constructions Pvt. Ltd. 9520000 Equity Shares of Rs.10/- Fully paidup and 11460000 Equity Shares of Rs. 0.04 fully paidup	957	952
6 M/s.FCS SOFTWARE MIDDLE EAST FZE 2706 Equity shares of AED 100000/- each fully paidup	33,780	33,780
7 M/s FCS Software Solutions America Ltd. USD 1.00 PAR VALUE OF 701,000 COMMON STOCK	-	449
8 M/s.FCS SOFTWARE SOLUTIONS GmbH 100000 Equity shares of EURO 1/- each fully paidup	21	21
9 FCS Software (Shanghai) Co., Ltd	12	12
<b>(i)</b>	<b>36,521</b>	<b>36,871</b>
<b>b. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)</b>		
<b>iv. of associate</b>		
1 M/s Myzeal IT Solutions Pvt. Ltd. 1900 Equity Shares of Rs.10/- fully paid	0	1
2 M/s.Enstaserv eServices Ltd 8279930 Equity shares of Rs.10/- each fully paidup.	828	828
<b>(ii)</b>	<b>828</b>	<b>828</b>
<b>c. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)</b>		
1 M/s. Pumarth Prperties & Holdings Private 400000 equity shares of Rs. 225/- each at premium i.e. Rs. 10 per share and at premium of Rs 215	900	900
2 M/s Readystate Infrservices Private Limited 44627 Equity Shares of Rs.1151/- at premium i.e. Rs. 10 each per Share and premium @ Rs.1141	514	1,207
3 M/s Indian Durobuild Private Limited, 250000 Equity Shares of Rs. 10 each fully paid up	-	25
4 M/s Bloom Healthcare (P) Ltd. 594366 Equity Shares of Rs. 71/- each i.e. Rs. 10 per share at premium of Rs. 61/- and 274285 equity shares of Rs. 70/- each	614	422
5 M/s Heimdahl Software Systems Pvt. Ltd. 100379 (previously held 961538) Equity Shares of Rs.26/- at premium i.e. Rs. 10 each per Share and premium @ Rs.16	26	26
6 M/s Madoc Pharmaceuticals Pvt Limited Equity Shares 900000 of Rs. 10/- each fully paidup	-	90
<b>(iii)</b>	<b>2,054</b>	<b>2,670</b>
<b>d. Non Trade - Investments in Preference Shares</b>		
1 M/s Bloom Healthcare (P) Ltd. 9916138 Preference shares of Rs. 70 each.	6,941	6,941
<b>(iv)</b>	<b>6,941</b>	<b>6,941</b>
<b>Total Investments (I+II+III+IV)</b>	<b>46,345</b>	<b>47,310</b>
Less : Provision for diminution in value of investments	(33,641)	(20,638)
<b>Total (I+II+III)</b>	<b>12,704</b>	<b>26,672</b>

PARTICULARS	As at March 31, 2019	As at March 31, 2018
<b>3. Capital work-in-progress</b>		
<b>Considered Good</b>		
- Building WIP	546.95	1,252.49
<b>Total:</b>	<b>546.95</b>	<b>1,252.49</b>
<b>6. Non Current Financial Assets - Loans &amp; Advances :</b>		
<b>Unsecured Considered Good</b>		
- Loans to Others	1,368.91	1,509.94
- Advances to Employee #	-	2.25
- Inter-corporate Loans	77.40	-
<b>Unsecured Considered Doubtful</b>		-
- Loans to Others *	708.01	708.01
Advance against Land (Refer Note No. 1.23)	200.00	200.00
<b>Total:</b>	<b>2,354.33</b>	<b>2,420.21</b>
* Includes non interest bearing loan of Rs. 7.08 Crores since Feb, 2016, being contingent by nature.		
#These are non-interest bearing advances given to employee - repayable for more than one year.		
<b>7. Non Current Financial Assets - Others :</b>		
- Long term Bank deposits	147.20	195.95
- Security deposits	71.34	83.99
<b>Total:</b>	<b>218.54</b>	<b>279.94</b>
<b>8. Deferred Tax Assets (Net) :</b>		
- Depreciation and amortisation	84.11	115.61
- Employee benefits	29.14	29.14
<b>Total:</b>	<b>113.25</b>	<b>144.74</b>
<b>9. Other Non Current Assets :</b>		
- TDS & IT Refund Receivables	62.51	44.22
<b>Total:</b>	<b>62.51</b>	<b>44.22</b>
<b>10. Current Financial Assets - Trade Receivables :</b>		
<b>Unsecured</b>		
- Considered good	226.90	278.05
<b>Total:</b>	<b>226.90</b>	<b>278.05</b>
<b>11. Current Financial Assets - Lease Receivables :</b>		
Unsecured		
- Considered good	-	59.87
<b>Total:</b>	<b>-</b>	<b>59.87</b>
<b>12. Cash and Cash Equivalents :</b>		
(i) Balances with banks		
- In current accounts	1,255.19	797.08
(ii) Cash on hand	19.41	14.45
<b>Total:</b>	<b>1,274.61</b>	<b>811.53</b>
<b>13. Current Financial Assets - Loans &amp; Advances</b>		
- Advances to Employee	24.47	10.32
- Advance to Suppliers	267.09	22.36
<b>Total:</b>	<b>291.56</b>	<b>32.69</b>
<b>14. Other Current Assets :</b>		
- Prepaid expense	26.90	22.29
- Interest Receivables	3.87	3.11
- Unbilled Revenue	143.52	219.68
- Indirect Tax Recoverables	167.31	16.69
- TDS & IT Refund Receivables	95.55	139.98
<b>Total:</b>	<b>437.15</b>	<b>401.75</b>

**Notes to the Standalone Financial Statements for the year ended 31 March 2019**  
(ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

PARTICULARS	As at March 31, 2019	As at March 31, 2018
<b>15. Share capital</b>		
<b>(a). Authorised Capital</b>		
185,00,00,000 Equity Shares of Re. 1/- each fully paid up with voting rights	18,500.00	18,500.00
<b>(b). Issued, Subscribed And Fully Paid Up</b>		
170,95,53,100 EQUITY SHARES OF Re. 1/- EACH fully paid up with voting rights	17,095.53	17,095.53
Less :		
<b>Total :</b>	<b>17,095.53</b>	<b>17,095.53</b>
<b>16. Other Equity</b>		
Other equity consist of the following:		
(a) Capital reserve	1,881.03	1,881.03
(b) Share premium	25,099.44	25,099.44
(c) General reserve	-	-
(i) Opening balance	2,904.31	2,904.31
(ii) Transferred from retained earnings	-	-
	<b>2,904.31</b>	<b>2,904.31</b>
(d) Retained earnings		
(i) Opening balance	5,739.36	5,428.36
(ii) Add: Profit for the period	(443.48)	297.67
	<b>5,295.87</b>	<b>5,726.03</b>
Less : Appropriations		
(i) Appropriation/Adjustments	(6.04)	13.33
	<b>5,289.83</b>	<b>5,739.36</b>
(e) Investment revaluation reserve		
(i) Opening balance	(20,643.15)	(16,378.91)
(ii) Unrealised gain on equity shares carried at fair value through OCI	(13,934.60)	(5,282.55)
(iii) Realised gain on equity shares carried at fair value through OCI	937.03	1,018.32
	<b>(33,640.72)</b>	<b>(20,643.15)</b>
(f) Others (Foreign Currency Translation Reserve )		
(i) Opening Balance	-	-
(ii) Addition/Deletion due to Revaluation	13,450.17	-
(ii) Reversal on account of Depreciation on Revaluation	56.52	-
<b>Total :</b>	<b>13,393.65</b>	<b>-</b>
(g) Others (Foreign Currency Translation Reserve )	1,543.38	1,543.38
	<b>16,470.93</b>	<b>16,524.37</b>

### Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs 1/- each. Each shareholder is eligible for one vote per share held. The dividend, if any as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### 15A. Details of shareholders holding more than 5% shares in the Company

Equity shares of Re. 1 each, fully paid up held by:

	As at 31 March, 2019		As at 31 March, 2018	
	Number	% Holding	Number	% Holding
- Dalip Kumar	185916060	10.88%	185916060	10.88%
- Enstaserve e services Limited	150000000	8.77%	150000000	8.77%
- SLG Softech Private Limited	220000000	12.87%	220000000	12.87%
- Prahlad Estates and Properties Pvt. Ltd.	260000000	15.21%	260000000	15.21%

#### 15B. Reconciliation of number of shares outstanding and amount of share capital as at March 31, 2019 and March 31, 2018

	As at 31 March, 2019		As at 31 March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the period	1709553100	17,095.53	1709553100	17,095.53
Add/Less: Changes in number of shares	-	-	-	-
Number of shares at the end of the period.	1709553100	17,095.53	1709553100	17,095.53

#### 17 Non-Current Financial Liabilities- Borrowings :

Secured loans

- ICICI Bank Loan	762.16	-
- HDFC Bank Loan	1,969.44	-
<b>Total:</b>	<b>2,731.61</b>	<b>-</b>

#### 18. Non-Current Provisions :

- Provision for Leave encashment	14.83	12.80
- Provision for Gratuity	78.23	64.97
<b>Total:</b>	<b>93.05</b>	<b>77.77</b>

#### 19. Other Non Current Liabilities :

- Security Deposits	395.07	84.09
<b>Total:</b>	<b>395.07</b>	<b>84.09</b>

PARTICULARS	As at March 31, 2019	As at March 31, 2018
<b>20. Current Financial Liabilities : Trade Payables :</b>		
<b>Unsecured</b>		
- Considered Good	278.02	414.31
<b>Total:</b>	<b>278.02</b>	<b>414.31</b>
<b>21. Current Provisions :</b>		
- Provision for Leave Encashment	0.75	0.68
- Provision for Gratuity	2.68	2.18
<b>Total:</b>	<b>3.43</b>	<b>2.86</b>
<b>22. Other Current Liabilities :</b>		
- Advance received from customers	568.26	1,562.06
- Advance received against sale of stake	-	447.98
- <b>Others (Payables)</b>	149.32	138.36
<b>Total:</b>	<b>717.58</b>	<b>2,148.40</b>
<b>23. Current Tax Liabilities (net)</b>		
- Income Tax Provision	49.61	88.13
- Indirect tax payable and other statutory liabilities	38.53	80.01
<b>Total:</b>	<b>88.15</b>	<b>168.14</b>
<b>24. REVENUE FROM OPERATIONS</b>		
IT Enabled Services:		
- Overseas	3,071.48	2,521.03
- Domestic	491.28	384.13
<b>Rental Income</b>	399.24	195.97
<b>Total:</b>	<b>3,962.00</b>	<b>3,101.13</b>
<b>25. OTHER INCOME</b>		
Other income (net) consist of the following:		
- Interest income		
- Net foreign exchange gains	193.32	546.18
- Gain on sale of Investment carried at fair value through FVTOCI	-	32.01
- Other Income	-	71.50
- Rent income	7.34	3.91
<b>Total:</b>	<b>200.66</b>	<b>653.61</b>
<b>Interest income comprise:</b>		
- Interest on bank deposits	35.05	7.84
- Interest income on financial assets	155.94	508.56
- Other interest (including interest on income tax refunds)	2.33	29.78
<b>Total:</b>	<b>193.32</b>	<b>546.18</b>



PARTICULARS	As at March 31, 2019	As at March 31, 2018
<b>26. EMPLOYEE BENEFIT EXPENSES</b>		
- Salaries, incentives and allowances	1,767.11	1,838.73
- Contributions to provident and other funds	22.21	23.10
- Staff welfare expenses	55.32	51.46
<b>Total:</b>	<b>1,844.64</b>	<b>1,913.29</b>
<b>27. FINANCE COSTS (at effective interest rate method)</b>		
- Interest expenses	79.43	21.91
- Bank Charges	25.30	15.71
<b>Total:</b>	<b>104.72</b>	<b>37.62</b>
<b>28. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation of Property, Plant and equipment	318.88	81.91
Amortisation of Intangible Assets	15.01	22.32
	<b>333.89</b>	<b>104.23</b>
<b>29. OTHER OPERATING EXPENSES</b>		
<b>Other operating expenses consist of the following:</b>		
- Fees to external consultants	124.15	60.77
- Communication expenses	42.88	53.54
- Cost of equipment and software licenses	25.15	3.21
- Cost of Technical Sub-contractors	829.89	669.32
- Travel expenses	47.81	59.81
- Bad debts and advances written off	-	-
- Conveyance	27.74	27.07
- Power & Fuel	177.74	187.82
- Auditors Remuneration	9.88	10.38
- Running & Maintenance	63.84	96.24
- Other expenses	270.62	124.20
	<b>1,619.69</b>	<b>1,292.34</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

## 1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

### 1.1 Company Overview:

FCS Software Solutions Limited ('the company') was incorporated on 05th May, 1993 in India. The company is listed on two stock exchanges in India namely National Stock Exchange and Bombay Stock Exchange.

The Company has its wholly owned subsidiaries in Germany, UAE and India (the company and its subsidiaries constitute 'the group'). The company business consists of software development and marketing and providing support services mainly for corporate business entities in the BPO, software development and e-learning service sector.-

### 1.2 Basis of preparation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, *First Time Adoption of Indian Accounting Standards*, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As the year-end figures are rounded to the nearest lakhs, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

### 1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 1.4 Revenue recognition

Revenue from IT Enabled Service including software development services and other projects on as time-and material basis is recognized based on service rendered and billed to clients as per the terms of specific contracts. In the case of fixed-price contracts, revenue is recognized based on the milestones achieved, as specified in the contracts, on a percentage of completion basis. Rental Income comprising of rent and other related services from operating lease is recognized in the Statement of Profit and Loss on accrual basis.

Unbilled revenue represents amount recognized based on services performed in advance of billing in accordance with contract terms. Interest on development of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. However, those expenses on which revenue had not recognized was considered as work in process.

Advance received for services and products are reported as client deposits until all conditions for revenue recognition are met.

The company presents revenues net of indirect taxes in its Statement of Profit & Loss Account.

Revenue from operation for the Period ended March 31, 2019 and year ended March 31, 2018 is as follows:

*Rs. in lacs*

S.No.	Particulars	March 31, 2019	March 31, 2018
1	Revenue from IT & ITES, Infra Management, e-Learning	3,562.76	2,905.16
2	Revenue from Renting of Property	399.24	195.97
	<b>Total Revenue For Operations</b>	<b>3,962.00</b>	<b>3,101.13</b>

### 1.5 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation and impairment loss, if any. All direct costs are capitalized till the assets are ready to be put to use. Fixed assets under construction, advances paid towards acquisition of fixed assets and cost of assets not put to use before the period/year end, are disclosed as capital work in progress. The company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

Fixed Assets	Useful life of Assets	Useful life as per companies act
Buildings	70 Years	60 Years
Office equipment	8 Years	5 Years
Computer equipment	3 Years	3 Years
Furniture and fixtures	14 Years	10 Years
Vehicles	6 Years	6 Years
Servers and networks	8 Years	6 Years

During the year, the company revalued its Land and Building in order to arrive at estimated Fair Market Value, as per the Valuation Certificate as certified by independent valuer. The effective date of Revaluation is 31st December, 2018. Such Increase/(decrease) in carrying amount of an asset due to revaluation is taken to other comprehensive income and accumulated in equity as per Ind-AS 16. The revaluation effect is as follows:-

S.No	Class of Fixed Assets	Value before Revaluation#	Value After Revaluation	Revaluation Profit
1.	Land	1,832.61	11,706.69	9,874.08
2.	Building	2,672.41*	6,248.50	3,576.09

#It represents WDV as on 31st December, 2018.

\*For the purpose of calculating depreciation, revalued figure has been apportioned on the basis of WDV available as at 31st December, 2018.

### 1.6 Financial Instruments

#### 1.6.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at Transaction Price. Transaction costs that is directly attributable to the acquisition or issue of financial assets and financial liabilities.

## 1.6.2 Subsequent measurement

### a. Non-derivative financial instruments

#### (i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows.

#### (ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by collecting contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows. Investments which are classified as financial asset, the subsequent changes in fair value are recognized through other comprehensive income (OCI).

#### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

#### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date are carried at carrying amounts.

#### (v) Investment in subsidiaries

Investments in subsidiaries are carried at cost as per Ind AS 27 “Separate Financial Statements”. However the provision for impairment on these investments is recognised using the net asset value certificate provided by the independent valuer.

### b. Derivative financial instruments

The Group does not holds any derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

## 1.6.3 De-recognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or become non recoverable and are qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group’s Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## 1.7 Intangible assets

### 1.7.1 Accounting Policy

Intangible fixed assets comprising of computer servers and networks, are stated at cost of acquisition less accumulated amortization and impairment loss, if any. Intangible fixed assets are capitalized where they are expected to provide future enduring economic benefits. Capitalization costs include license fees and cost of implementation/system integration services. The costs are capitalized in the year in which the software is fully implemented for use. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future

economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

### 1.7.2 Impairment

Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual assets basis unless the asset does not generate cash flows that are largely independent of those from other assets.

### 1.8 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### 1.9 Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

### 1.10 Functional & Foreign currency

Functional currency:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

#### Transactions and translations:

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the Balance sheet.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

### 1.11 Earnings per equity share

Basic earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the year in conformity with the Ind-AS-33. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by weighted average number of equity and

equivalent diluted equity shares outstanding during the year-end, except where the results would be anti-dilutive.

## **1.12 Income Taxes**

Income tax expense comprises current and deferred income tax. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements as prescribed in Ind-AS-12. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company does not offsets current tax assets and current tax liabilities on net basis, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **1.13 Employee benefits**

### **1.13.1 Gratuity**

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of FCS. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income.

### **1.13.2 Provident fund**

Eligible employees of the company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The companies have no further obligation to the plan beyond its monthly contributions.

### **1.13.3 Compensated absences**

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

## **1.14 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

Amendment to Ind AS 7:

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in

liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements.

### 1.15 Other income

Other income is comprised primarily of interest income, Rental Income and exchange gain / loss on foreign currencies. Interest income is accounted for on accrual basis. Rental Income comprising of rent and other related services from operating lease is recognized in the Statement of Profit and Loss on accrual basis.

### 1.16 Investment

Investments are classified into non-current and current investments based on the intent of management at the time of acquisition. Net Assets value as certified by expert is considered as Fair Market Value for the purpose of valuation of investment in all companies including subsidiaries. Further as per Ind AS 109, Non-current investments including investment in subsidiaries and associate companies are measured at Fair value through other comprehensive income.

### 1.17 Related Party Transactions:

#### Subsidiaries Companies

*Rs. in lacs*

Name of Subsidiaries	Country	Holding as at	
		31.03.2019	31.03.2018
FCS Software Middle East FZE	UAE	100	100
FCS Software Solutions GmbH	Germany	100	100
Insync Business Solutions Limited	India	100	100
Innova Eservices Pvt. Ltd.	India	100	99.31
Stablesecure Infrservices Pvt. Ltd.	India	100	92.67
Zero Time Constructions Pvt. Ltd.	India	100	90.66
cGain Analytics Pvt. Ltd.	India	100	92.74

#### Associate Companies

Name of Associate	Country	Holding as at	
		31.03.2019	31.03.2018
Enstaserv Eservices Pvt. Ltd.	India	48.94	48.94
Myzeal IT Solutions Ltd.*	India	-	50.00

\*Investment in Myzeal transferred

#### List of Key Managerial Personnel

- Dalip Kumar – Chairman & Managing Director
- Mahendra Pratap Singh – Non- executive Director
- Shayam Sunder Sharma – Independent Director
- Shiv Nandan Sharma – Independent Director
- Sunil Sharma – Director
- Shweta Shatsri – Independent Director
- Anil Kumar Sharma – Chief Financial Officer
- Harsha Sharma – Company Secretary

**A. Transactions with the Related Parties**

Rs. in lacs

Transactions	31.03.2019	31.03.2018
Insync Business Solutions Ltd.		
Rental Income Received	15.60	15.60
<b>Salary &amp; Other Benefits to Key Management Personnel</b>	0.00	0.00
1. Sunil Sharma	9.52	9.52
2. Harsha Sharma	7.80	7.80
3. Anil Sharma	19.87	20.40
<b>Directors Sitting Fee</b>	0.00	0.00
Shiv Nandan Sharma	3.20	2.35
Shayam Sunder Sharma	4.20	1.85
Shweta Shatsri	2.80	0.70
Mahendra Pratap Singh	0.60	Nil
<b>Legal &amp; Professional Charges</b>		
Mahendra Pratap Singh	1.07	Nil
Salary to Sandhya Singh	2.00	Nil

**B. List of Related Parties – Where Control exists:**

Rs. in lacs

Transaction between Holding and Subsidiaries:	31.03.2019	31.03.2018
M/s Zerotime constructions Pvt. Ltd.*	Nil	950.00
M/s Cgain Analytics Pvt. Ltd.**	3.80	57.00
M/s Stablesecure Infraserivices Pvt. Ltd.#	182.00	-

\* It represents sale of investment in subsidiary companies.

\*\* It represent amount against Purchase of Zero Time Constructions (P) Ltd. Shares.

# It represents sale of shares of M/s Readystate Infraserivices Pvt. Ltd. to Stablesecure Infraserivices Pvt. Ltd.

**C. List of Related Parties – where Control does not exists:**

Rs. in lacs

Inter Corporate Transactions	31.03.2019	31.03.2018
M/s Bloom Healthcare & Hospitality Management Pvt. Ltd.	192.00	7,356.30
M/s Heimdahl Software Systems Pvt. Ltd.**	Nil	(223.90)

\*\*Amount in bracket represents sale of investment in subsidiary companies.

**D. Outstanding Balance Receivable as at year end:**

Rs. in lacs

S.No.	Outstanding Balances as at year end:	31.03.2019	31.03.2018
1.	Insync Business Solutions Limited	(54.18)	117.65
2.	FCS Software Solutions America Ltd.*	Nil	447.98

\*received against buy back of shares which has been ratified by board /management in their board meeting dated 29th May, 2018

**1.18 Expenditure in Foreign Currency**

Rs. in lacs

Particulars	31.03.2019	31.03.2018
Expenditure incurred overseas	NIL	Nil

**1.19 Earning in Foreign Exchange**

Rs. in lacs

	31.03.2019	31.03.2018
Income from IT & ITES, Infra Management, e-Learning	3,147.64	2,301.34
	<b>3,147.64</b>	<b>2,301.34</b>



## 1.20 Corporate Social Responsibility

As per Section 135 of Companies Act 2013 a Corporate Social responsibility Committee has been formed by the Company. During the year the Company has undertaken Corporate Social Responsibility activities as approved by the CSR Committee which are specified in Schedule VII of the Companies Act 2013.

i) Gross amount required to be spent by the Company upto the period 31st March, 2019 is Rs. 3 lakhs (Previous Year NIL)

ii) Amount spent during the year on:

### As on 31st March 2019

*Rs. in lacs*

S. No	Particulars	In cash	Yet to be paid in cash	Total
i)	Construction/Acquisition of any assets	-	-	-
ii)	On Purpose other than (i) above	3.00	-	3.00
ia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	-	-	-
iib)	Social Welfare (Item No.(iii) of Schedule-VII)	3.00	-	3.00
iic)	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	-
iid)	Contribution to 'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	-
iie)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	-	-	-
	<b>Grand Total (i+ii)</b>	<b>3.00</b>	<b>-</b>	<b>3.00</b>

### As on 31st March 2018

S. No	Particulars	In cash	Yet to be paid in cash	Total
i)	Construction/Acquisition of any assets	-	-	-
ii)	On Purpose other than (i) above	-	-	-
ia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	-	-	-
iib)	Social Welfare (Item No.(iii) of Schedule-VII)	-	-	-
iic)	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	-
iid)	Contribution to 'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	-
iie)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	-	-	-
	<b>Grand Total (i+ii)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 1.21 Segment Reporting

The Segment reporting policy complies with the accounting policies adopted for preparation and presentation of financial statements of the Company and is in conformity with Ind AS 108. The segmentation is based on the Geographies (reportable business segment) in which the Company operates and internal reporting systems. The geographical segmentation is based on the nature and type of services rendered. Based on the "management approach" as defined in Ind AS 108.

The Company has identified two main Geographical Segments as reportable segments. The business segments comprise:

1. INDIA Segment
2. USA Segment

The Profit and Loss for reportable Primary Segment is set out below:-

For the period ending 31st March 2019

<i>Rs. in lacs</i>			
Description	India	USA	Total
Year ended March 31, 2019			
Revenue	890.52	3071.48	3962.00
Expenses	414.61	1430.03	1844.64
Segment result	475.91	1641.45	2117.36
Un-allocable expenses			2058.30
Operating income			59.06
Other income (net)			200.66
<b>Profit before tax</b>			<b>259.72</b>

For the Year Ended 31st March, 2018

Description	India	USA	Total
Year ended March 31, 2018			
Revenue	580.10	2521.03	3101.13
Expenses	251.46	1650.33	1901.79
Segment result	328.64	870.70	1199.34
Un-allocable expenses			1445.70
Operating income			(246.36)
Other income (net)			653.61
<b>Profit before tax</b>			<b>407.24</b>

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

- 1.22** The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). As the Company has not received the relevant information till finalization of accounts, disclosure in this regard could not be made.
- 1.23** The company has pending litigation as at year end 31st March, 2019 the details of which is as under:-

Nature of Dispute	Forum where dispute is pending	31/03/2019	31/03/2018
Advance against Land	Chief Megistrate, Gautam Budh Nagar, Noida, Uttar Pradesh	200	200

Note: The company has advanced Rs. 708.01 Lakh to Vivan Enterprises, for which legal notice has been served for the recovery. This may pose potential risk to the financial standing of the company

- 1.24** Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosures.

As per our report of even date attached

For **Audit Sanyam & Associates**  
Chartered Accountants  
Firm Regd. No.: 023685N

Sd/-  
**CA. Sanyam Jain**  
(Partner)  
M. No.531388

**Place:** Noida  
**Date:** May 30, 2019

For and on behalf of the Board of Directors of  
**For FCS Software Solutions Limited**

Sd/-  
**Dalip Kumar**  
(Chairman & Managing Director)  
Din: 00103292

Sd/-  
**Anil Kumar Sharma**  
(Chief Financial Officer)

Sd/-  
**Shayam Sunder Sharma**  
(Independent Director)  
Din: 00272803

Sd/-  
**Harsha Sharma**  
(Company Secretary)

**FCS SOFTWARE SOLUTIONS LIMITED**

[CIN No: L72100DL1993PLC179154]

**Registered Office:** 205, 2nd Floor, Agrawal Chamber IV, 27, Veer Sawarker Block, Vikas Marg, Shakerpur, Delhi-110092, **Phone:** 011-42418371

**Website:** www.fcsltd.com; **Email:** investors@fcsltd.com

**Form No. MGT-11**

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**CIN:** L72100DL1993PLC179154

**Name of the company:** FCS Software Solutions Limited

**Registered office:** 205, 2ndFloor, Agrawal Chamber IV, 27, Near Sawarker Block, Vikas Marg, Shakerpur, Delhi-110092

<p><b>Name of the member(s):</b></p> <p><b>Registered address:</b></p> <p><b>E-mail Id:</b></p> <p><b>Folio No/ Client Id:</b></p> <p><b>DP ID:</b></p>
---

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address: .....

E-mail Id: ..... Signature:....., or failing him
2. Name: .....

Address: .....

E-mail Id: ..... Signature:....., or failing him
3. Name: .....

Address: .....

E-mail Id: ..... Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on Wednesday, the 13th day of November, 2019 at 9:00 A.M at The Executive Club, 439, Village Sahoopur, Fatehpur Beri, New Delhi- 110074 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO	RESOLUTIONS	ASSENT	DISSENT
<b>Ordinary Business:</b>			
1.	To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2019 together with the reports of the Directors and Auditors thereon.		
2.	To consider re-appointment of Mr. Sunil Sharma (DIN-05359128), as Executive Director of the Company, who retires by rotation.		
<b>Special Business:</b>			
3.	Re-Appointment of Mr. Shayam Sunder Sharma as an independent director of the company for the further term of 5 years		
4.	Re-Appointment of Mrs. Shweta Shatsri as an independent director of the company for the further term of 5 years		
5.	Re-Appointment of Mr. Dalip Kumar as Chairman & Managing Director of the company		
6.	Consider and approve remuneration of Mr. Sunil Sharma, executive Director of the Company		
7.	Consider and approve remuneration of Mr. Dalip Kumar, Chairman & Managing Director of the company		

Signed this..... day of..... 2019

Affix  
Re. 1/-  
Revenue  
Stamp

Signature of shareholder.....

Signature of Proxy holder(s).....

**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.

**FCS SOFTWARE SOLUTIONS LIMITED**

[CIN- L72100DL1993PLC179154]

**Registered Office:** 205, 2nd Floor, Agrawal Chamber IV, 27, Near Sawarker Block,  
Vikas Marg, Shakerpur, Delhi-110092, **Phone:** 011-42418371  
**Website:** www.fcsltd.com; **Email:** investors@fcsltd.com

**ATTENDANCE SLIP FOR ATTENDING ANNUAL GENERAL MEETING**

<b>Regd. Folio No.</b>	
<b>Name of Shareholder</b>	
<b>No. of Shares held</b>	
<b>DP. ID. No.</b>	
<b>Client ID. No.</b>	

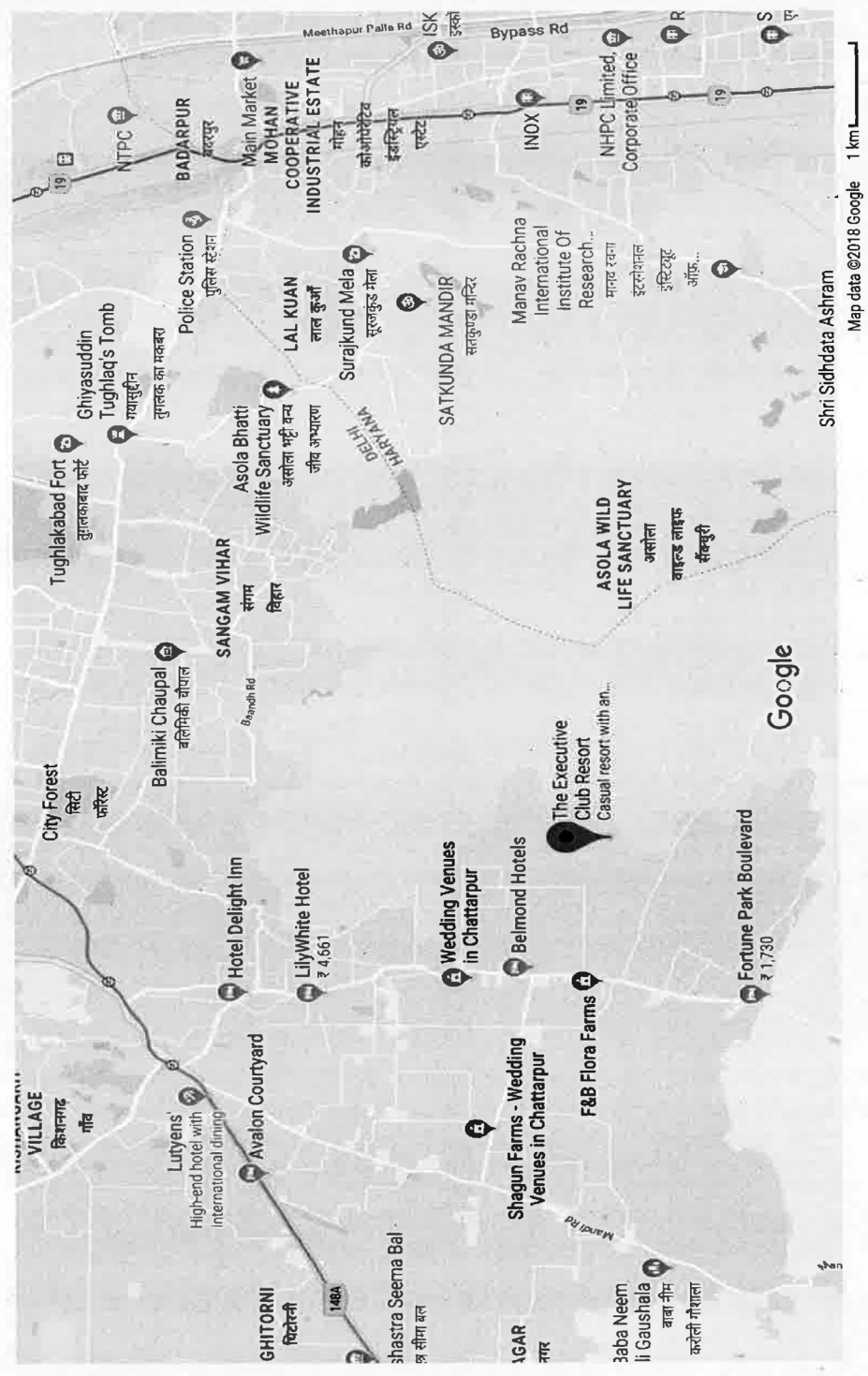
I/ We certify that I/We are Member(s) / Proxy of the Member(s) of the Company holding .....  
Shares.

Hereby record my presence at the 26th Annual General Meeting of the Company on 13th day of November,  
2019 at The Executive Club, 439, Village Sahoopur, Fatehpur Beri, New Delhi - 110074.

.....  
Signature of Member/Proxy

**Note:** Please fill this attendance slip and hand over at the entrance of the meeting hall.

**Google Maps**  
**The Executive Club Resort**  
 AGM Venue, 2019



### **Statutory Auditors**

M/S Aadit Sanyam & Associates  
Chartered Accountants  
Shop No. 220, Gold Plaza,  
Gurudwara Road, Karol Bagh,  
New Delhi - 110005  
Phone: 011-45700127  
Email: sanyam\_jain@yahoo.com

### **Registered Office**

205, 2nd Floor, Agrawal Chamber IV,  
27, Veer Sawarker Block, Vikas Marg,  
Shakarpur, Delhi – 110 092  
Phone: 011-42418371  
Fax : 011-42418371  
E mail: investors@fcsltd.com  
Web site: www.fcsltd.com

### **Internal Auditors**

SPMG & Company  
Chartered Accountants  
3322-A, 2nd Floor, Bank Street,  
Karol Bagh, New Delhi - 110005

### **Corporate office**

Plot No. 83, NSEZ, Noida Dadri Road,  
Phase-II, Noida -201305 [U.P.]  
Phone: 0120-4635900  
Fax : 0120-4635941  
E mail: investors@fcsltd.com  
Web site: www.fcsltd.com

### **Registrar & Share Transfer Agent (RTA)**

Link Intime (India) Pvt. Ltd  
Noble Heights, 1st floor,  
Plot No NH-2, C-1 Block, LSC,  
Near Savitri Market, Janakpuri,  
New Delhi - 110058

### **Development centers**

- (i) FCS House Plot No. 83, NSEZ, Noida Dadri Road, Phase-II, Noida, Gautam Budha Nagar, (UP) 201305
- (ii) Plot-J-7, Rajiv Gandhi Technology Park, Chandigarh – 160 101
- (iii) FCS House, A-86, Sector – 57, Noida – 201 301 [U.P.]
- (iv) I.T. Park, Plot. No. 24, Sahastradhara Road, Dehradun -248 001
- (v) Plot No. 1A, Sector-73, Noida-201301
- (vi) Plot No. 54, EHTP, Sector-34, Gurugram-122004
- (vii) Plot No. 11, HSIDC Park, Sector-22, Panchkula, Haryana-134109

### **Company Secretary & Compliance Officer**

#### **Harsha Sharma**

FCS House, Plot No. 83, NSEZ, Noida  
Dadri Road, Phase-II, Noida-201305 [U.P.]  
Phone: 0120-4635900, Fax : 0120-4635941  
E mail: investors@fcsltd.com  
Web site: www.fcsltd.com



### **Registered Office**

**205, 2<sup>nd</sup> Floor, Agrawal Chamber IV,  
27, Veer Sawarkar Block, Vikas Marg,  
Shakarpur, Delhi 110092**

### **Corporate office**

**Plot No. 83, NSEZ, NOIDA Dadri Road,  
Phase - II, Noida 201 305 [U.P.]**