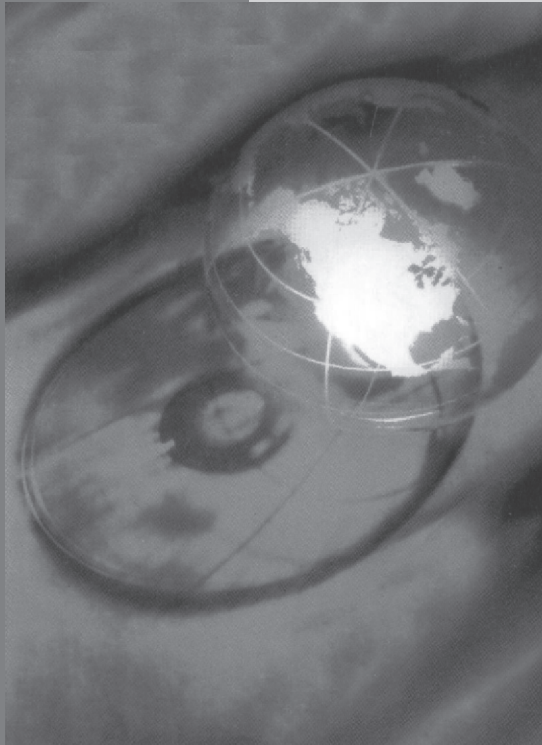


The efficiency catalyst



**27th ANNUAL
R E P O R T
2019-2020**

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CHIEF FINANCIAL OFFICER Anil Kumar Sharma	Development Centers	
COMPANY SECRETARY & COMPLIANCE OFFICER Harsha Sharma	I. FCS House, Plot No. 83, NSEZ, Noida Dadri Road, Phase-II, Noida, Gautam Budha Nagar-201305 (U.P)	
Statutory Auditors M/S. Aadit Sanyam & Associates Chartered Accountants New Delhi - 110005	II. Plot-J-7, Rajiv Gandhi Technology Park, Chandigarh – 160101	
Registered Office 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.]	
Corporate office Plot No. 83, NSEZ, Noida Dadri Road, Phase –II, Noida -201 305 [U.P.]	IV. Plot No. 1A, Sector-73, Noida-201301	
Website www.fcsltd.com	V. Plot No. 54, EHTP, Sector-34, Gurugram-122004	
CIN No: L72100DL1993PLC179154	VI. Plot No.-11, HSIIDC Park, Sector-22, Panchkula, Haryana-134109	
Bankers Canara Bank HDFC Bank ICICI Bank YES Bank	Subsidiaries	
	(a) Foreign Subsidiaries:-	
	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) Indian wholly owned Subsidiaries:-	
	III. M/s.Insync Business Solutions Limited	
	IV. M/s.Innova e Services Private Limited	
	V. M/s.Stablesecure Infraservices Private Limited	
	VI. M/s.cGain Analytics Private Limited	
	VII. M/s.Zero Time Constructions Private Limited	

FROM THE CHAIRMAN

Dear Shareholders,

I hope you and your family members are all safe and have managed to pass through the stressful phase of COVID-19. The entire world has faced the impact of this unprecedented Pandemic and suffered losses. The global economy has been significantly impacted due to lockdown for a long period, closure of businesses and travel restrictions imposed by Government to contain spread of COVID-19. This has also resulted in disruption of production cycle, supply chain, customer demand, payment obligations etc.

We remain indebted to the generous guidance and support of our partners, clients, co-founders and governments of the several countries and states that we operate in. And I am grateful to you, our shareholder, for your continued trust in us.

I would like to cordially invite to all the shareholders of the Company to attend the 27th Annual General Meeting of the Company (AGM) on 29th Day of September at 11.00 A.M through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

Sd/-

Dalip Kumar

(Chairman & Managing Director)

Date: 04/09/2020

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of M/s **FCS SOFTWARE SOLUTIONS LIMITED** will be held on Tuesday, 29th Day of September, 2020 at 11:00 AM through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2020, together with the Reports of the Board of Directors and Auditor's Report thereon and in this connection, to pass following resolution as an Ordinary Resolution:-

"RESOLVED THAT the Audited Balance Sheet as at March 31, 2020, together with the Profit & Loss Account and Cash flow statement for the year ended as on that date and the Reports of the Directors and Auditors thereon be and are hereby adopted."

2. To appoint a Director in place of Mr. Mahendra Pratap Singh, Non-executive Director of the Company (DIN: 08201381), who retire by rotation and being eligible, offer himself for re-appointment and in this connection to pass the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to provisions of Section 152 of Companies Act, 2013, Mr. Mahendra Pratap Singh (DIN: 08201381) who retire by rotation and being eligible has offered himself for re-appointment be and is hereby re-appointed as non-executive director and who shall be liable to retire by rotation."

SPECIAL BUSINESS:

3. **Appointment of Mr. Rajkumar Manikpuri (DIN:08614902) as non-executive Independent Director of the Company**

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

"RESOLVED THAT Mr. Rajkumar Manikpuri (DIN:08614902) who was appointed as an Additional Director in the capacity of a non executive Independent director with effect from 14th November, 2019 by the Board of Directors and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act') and as recommended by the Nomination and Remuneration Committee, who is eligible for appointment and in respect of whom the Company has received notice in writing from a member under Section 160 of the Act proposing his candidature for the office of a Director, be and is hereby appointed as non executive Independent Director of the Company for a period of five years commencing from 14th November, 2019.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Mr. Rajkumar Manikpuri (DIN:08614902), who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended, and who is eligible for appointment as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years w.e.f. 14th November, 2019 to 13th November, 2024 (both days inclusive), be and is hereby approved.

RESOLVED FURTHER THAT the Board of Director(s) and / or Ms. Harsha Sharma, Company Secretary of the Company be and are / is hereby authorized to do all such acts, and take all such steps as may be necessary, proper and expedient to give effect to the aforesaid resolution.”

4. 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.”

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

Place: Noida
Date: 04/09/2020

Sd/-
Harsha Sharma
(Company Secretary)

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 is annexed hereto.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the “Annual General Meeting” through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the AGM of the Company will be held through VC / OAVM where physical attendance of Members has been dispensed with. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by our RTA i.e. Link Intime India Private Limited.
3. **ONLY A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE AGM THROUGH VC/OAVM. IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULAR NO. SEBI/HO/CFD/CMD1/CIR/P/2020/79 DATED MAY 12, 2020, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
4. In view of amendment made to Section 139 of the Companies Act, 2013 vide Companies (Amendment) Act, 2017 which is effective from 7th May, 2018 annual ratification of appointment of Statutory Auditors have been done away with. Hence, no resolution has been proposed for the same.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and vote.
6. In Compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or CDSL / NSDL (“Depositories”). Members may note that the Notice and Annual Report for the financial year 2019-20 will also be available on the Company’s website at www.fcsltd.com, website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.
7. As per Regulation 40 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, “Listing Regulations”, as amended, securities of Listed Companies can be transferred only in dematerialized form with effect from April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risk associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialized form.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
10. In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, additional information for appointment/ re-appointment at the Annual General Meeting and directors liable to retire by rotation and seeking re-election is provided separately.
11. The Members can join the AGM 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.

12. Members are requested to send their queries atleast 3 days before the date of meeting so that information can be made available at the meeting at e-mail id agm20@fcsltd.com

PROCEDURE FOR SPEAKER REGISTRATION AND TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending a request in the below given form from their Registered Email ID to agm20@fcsltd.com till Friday, September 25, 2020. Only those member who have registered themselves as a Speaker will be allowed to express their views/ask questions during the AGM.

SPEAKER REGISTRATION FORM *

Name of Shareholder (including joint holder)	
DPID-CLID / Folio Number	
Permanent Account Number (PAN)	
Mobile Number	
Professional Query in brief	

* All fields are mandatory

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at agm20@fcsltd.com. The same will be replied by the Company suitably.

- 13 The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
- 14 The Notice of AGM and Annual Report 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. The Register of Members and Shares Transfer Books of the Company will remain closed from September 23, 2020 to September 24, 2020 (both days inclusive) for the purpose of Annual General Meeting.
15. All documents referred to, in the accompanying notice and explanatory statement, are open for inspection at the registered office of the Company on all working days,
16. **Registration of email ID and Bank Account details:**

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/ Depositories and or not updated the Bank Account mandate the following instructions to be followed:

- (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration- fill in the details and upload the required documents and submit. **OR**

- (ii) ***In the case of Shares held in Demat mode:***

The shareholder may please contact the Depository Participant ("DP") and register the email

address and bank account details in the demat account as per the process followed and advised by the DP.

17. Process and manner for attending the Annual General Meeting through InstaMeet :

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

➤ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

• Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

• Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

• Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company at agm20@fcsltd.com for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.

3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. 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’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

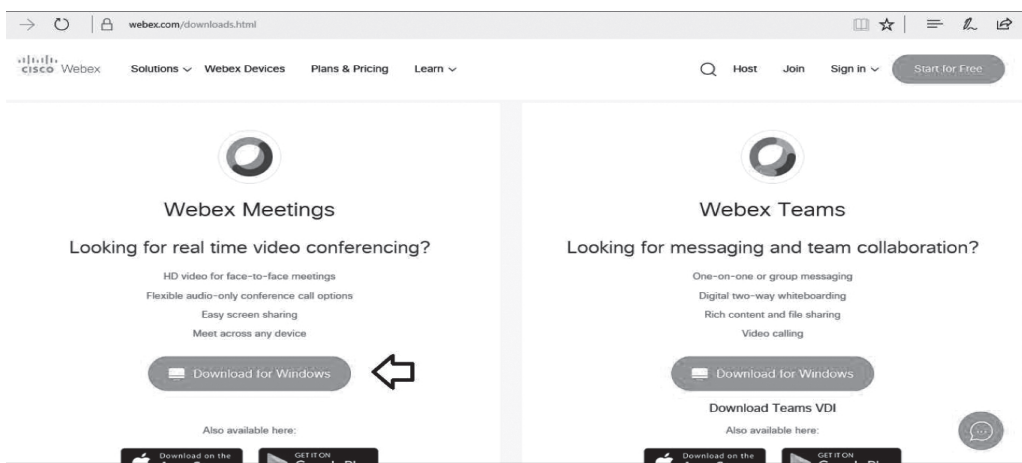
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

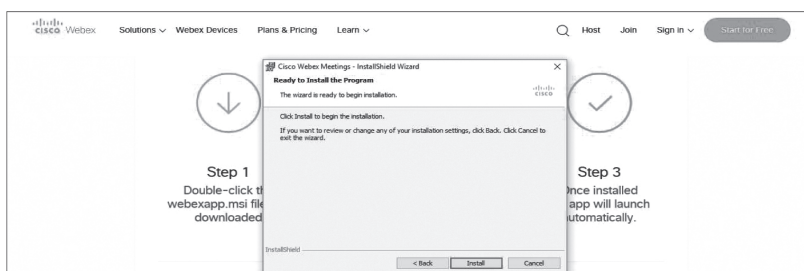
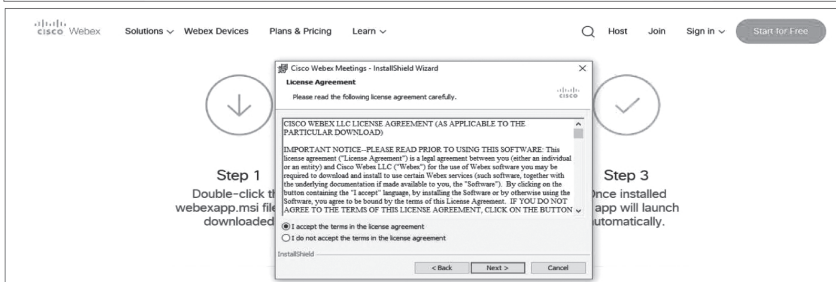
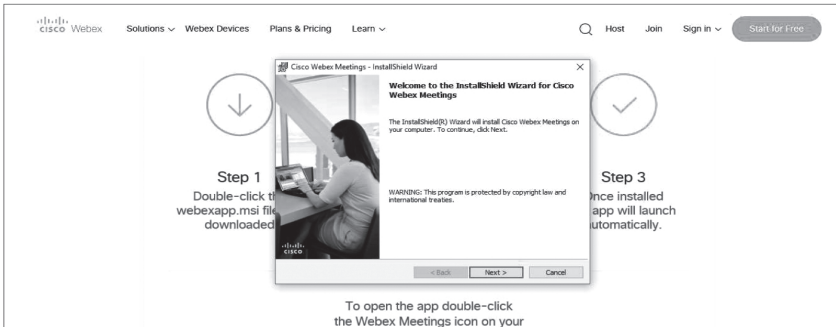
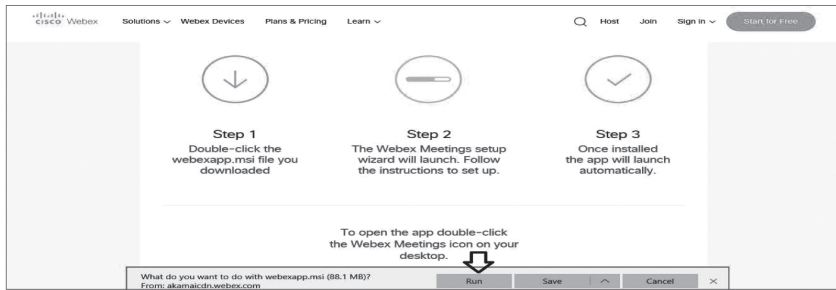
Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

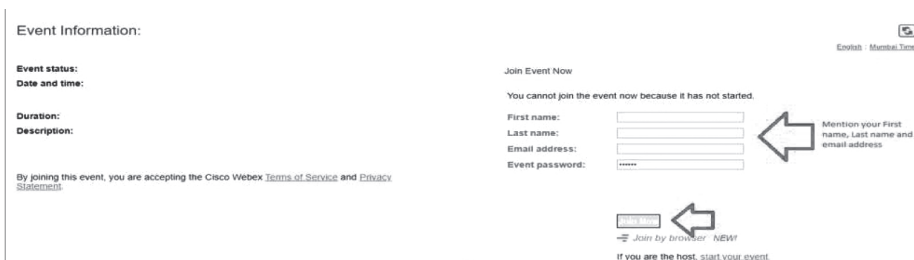




or

a) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

- Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.
- 1 (A) If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
 - 1 (B) If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



18. Remote e-Voting Instructions for shareholders:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- ▶ Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID: Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Event No + Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

- Shareholders/ members holding shares in **CDSL demat account shall provide either ‘C’ or ‘D’, above**
- Shareholders/ members holding shares in **NSDL demat account shall provide ‘D’, above**
- Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
 - ▶ Set the password of your choice (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).
 - ▶ Click “confirm” (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on ‘Login’ under ‘SHARE HOLDER’ tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.
4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.

5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
7. After selecting the desired option i.e. Favour / Against, 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.
8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <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.

If you have forgotten the password:

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.

In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.

Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

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.

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

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

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

❖ **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 or Call us :- Tel : 022 - 49186000.

General

- (A) The voting period begins on 26th September, 2020 (9:00 am) and ends on 28th September, 2020 (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. 22nd September, 2020.
- (B) May cast their vote electronically. The e-voting module shall be disabled by Link In time India Private Limited for voting thereafter.
- (C) 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. 22nd September, 2020 may follow the same instructions as mentioned above for e-voting.
- (D) M/s Arora Shekhar & Company, Company Secretaries has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (E) 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 22nd September, 2020.

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

Place: Noida
Date: 04/09/2020

Sd/-
Harsha Sharma
(Company Secretary)

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 September 4, 2020.

Item No. 3

Based on the recommendations of the Nomination & Remuneration Committee and under the provisions of Section 161 of the Act, the Board of Directors in their meeting held on 14th November, 2019 has appointed Mr. Rajkumar Manikpuri (DIN: 08614902) as an Additional Director in the capacity of Non-Executive Independent Director on the Board of the Company who holds his office up to the date of this Annual General Meeting.

The appointment of Mr. Rajkumar Manikpuri (DIN: 08614902) as Non-Executive Independent Director shall be effective upon approval by the members in their Meeting under the provisions of Section 149 and 152 of the Companies Act, 2013 (“the Act”). The Company has received notice in writing from a member under Section 160 of the Act proposing his candidature for the office of a Director. Mr. Rajkumar Manikpuri (DIN: 08614902) has given his consent to act as a Director and has given a declaration stating that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and that he meets the criteria of independence as prescribed in both sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of the Board, Mr. Rajkumar Manikpuri (DIN: 08614902) fulfills the conditions for his appointment as an Independent Non-Executive Director as specified in the Act and the Listing Regulations. Mr. Rajkumar Manikpuri (DIN: 08614902) is independent of the management and possesses appropriate skills, experience and knowledge.

The relevant particulars of Mr. Rajkumar Manikpuri (DIN: 08614902) as required under the provisions of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per SS-2 issued by Institute of Company Secretaries of India (ICSI) is annexed to this notice.

Copy of the letter of appointment of Mr. Rajkumar Manikpuri (DIN: 08614902) setting out the terms and conditions of appointment is available for inspection by the members at the website of the Company at www.fcsltd.com

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Rajkumar Manikpuri are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No. 4

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.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AS
PER REGULATION 36 OF LISTING REGULATIONS & CLAUSE 1.2.5 OF SECRETARIAL
STANDARD-2 ON GENERAL MEETING**

Name Of Director & DIN	Mr. Rajkumar Manikpuri, DIN 08614902
Date of Birth & Age	16/08/1969, 51 Years
Category/Designation	Non – executive & Independent Director
Nationality	Indian
Date of Appointment on the Board	14/11/2019, as an Additional Director
Qualification	Bachelors of Engineering
Expertise in specific functional area	Mr. Rajkumar Manikpuri has graduated in Bachelors of Engineering and has More than 25 years experience in Civil engineering.
Shareholding in the Company as on date	NIL
Other Directorship in the Other Listed Companies	NIL
Committee position in other Listed entities	NIL
Relationship with other Director & Key Managerial Personnel of the Company	NIL

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

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

Name Of Director & DIN	Mahendra Pratap Singh DIN 08201381
Date of Birth & Age	15/12/1961, 59 Years
Category/Designation	Non – executive
Nationality	Indian
Date of Appointment on the Board	14/08/2018
Qualification	Law Graduate
Expertise in specific functional area	More than 32 years of experience in the field of legal consultancy
Shareholding in the Company as on date	NIL
Other Directorship in the Other Listed Companies	NIL
Committee position in other Listed entities	NIL
Relationship with other Director & Key Managerial Personnel of the Company	NIL

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

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

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

Place: Noida
Date: 04/09/2020

Sd/-
Harsha Sharma
(Company Secretary)

Years at a Glance
(Rs. In Lakhs)

For the year	2020	2019
Revenue from operations	3,733.11	4,040.36
Operating profit (EBITDA)	(396.20)	538.25
Other Income	341.39	224.95
Profit before tax (PBT)	(2,298.62)	(16,489.62)
Profit after tax (PAT)	(2,380.26)	(16,570.82)
EPS (par value of Rs. 1 each)	-	-
Basic	(0.14)	(0.97)
Diluted	(0.14)	(0.97)
Dividend	-	-
At the end of the year	-	-
Fixed assets – net	21,079.07	21,262.33
Investment	9,055.23	10,130.98
Non-Current Assets	2,874.75	4,603.57
Net current assets	1,154.67	2,492.20
Total assets	34,163.71	38,489.08
Debt	2,709.08	2,742.54
Liabilities and short term borrowings	1,018.83	1,536.25
(Net of deferred tax assets)	-	-
Pending Allotment & non controlling interest	-	-
Total Liabilities & Debts	3,727.91	4,278.78
Equity(Shareholders Fund)/ Net Worth	30,435.80	34,210.30

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, 2020 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 2019-20, 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: 04/09/2020

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, 2020.

Date : 04/09/2020
Place: Noida

Sd/-
Dalip Kumar
(Chairman & Managing Director)

Directors' Report (For the Year 2019-2020)

Dear Stakeholders,

We have pleasure in presenting the 27th Directors Report on business and operations, together with the Audited Statement of Accounts, for the financial year ended March 31, 2020.

	Standalone		Consolidated	
	F.Y 2019-20	F.Y2018-19	F.Y 2019-20	F.Y2018-19
Revenue from operation	3688.48	3962.00	3733.11	4040.36
Other Income	332.54	200.66	341.39	224.95
Total Income	4021.02	4162.66	4074.49	4265.32
Operating Expenditure	3876.98	3607.27	3959.31	3701.02
Depreciation and Amortization exps	524.43	333.89	1819.82	16948.45
Total Expenses	4401.41	3941.16	5779.12	20649.47
Profit before Exceptional Items, finance cost and tax	(380.39)	221.50	(1704.63)	(16384.15)
Finance Cost	287.67	104.72	287.72	105.47
Exceptional Items	(306.26)	-	(306.26)	-
Profit before tax	(974.33)	116.77	(2298.62)	(16489.62)
Tax expense	81.86	81.10	81.65	81.20
Profit after Tax	(1056.18)	37.67	(2380.26)	(16570.82)
Other Comprehensive Income	(2288.71)	(975.91)	(2302.59)	(391.44)
Total Income for the Period	(3344.89)	(940.24)	(4682.85)	(16962.26)

The 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.

Financial Review

For the financial year ended March 31, 2020, the Company reported a total Consolidated revenue income of Rs. 3733.11 lakhs and Standalone revenue of Rs. 3688.48 lakhs.

Changes in Share Capital.

During the year 2019-20, there was no change in the share capital of the Company.

Changes in the nature of business

During the year 2019-20, there were no change in the nature of business of the company.

IMPACT OF COVID 19 PANDEMIC

The outbreak of Coronavirus (Covid-19) pandemic globally and in India is causing significant disturbances and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. COVID-19 is significantly impacting business operations of the Companies by way of interruption in production, supply chain disruption, unavailability of personnel, closure/ lockdown of production facilities etc. The management has evaluated the impact of this pandemic on its business operations and based on its review, there is no significant impact on its business operations.

However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material changes to future economic conditions.

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.

Dividend

The Directors have decided not to recommend any dividend due to losses incurred by the Company during the year under review.

Transfer to Reserves

Since the Company do not recommend any dividend, it is not required to transfer any amount to the General Reserve of the Company for the year under review.

Director and Key Managerial Personnel (KMP)

Mr. Mahendra Pratap Singh, Non-Executive Director of the Company, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 is proposed to be re- appointed as Non- Executive Director of the Company in the Annual General Meeting going to be held on 29th September, 2020.

Mr. Shiv Nandan Sharma, Independent Director of the Company has tendered his resignation from the Board on 27th July, 2019. He has provided the resignation letter to the Board of the Company and has not provided confirmation that there was no material reasons other than those stated in the resignation letter.

Mr. Rajkumar Manikpuri was appointed as an Additional Director in the capacity of a non executive Independent director with effect from 14th November, 2019 by the Board of Directors and holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act'). It is proposed to appoint him as non executive Independent Director for a period of five years commencing from 14th November, 2019 to 13th November, 2024 subject to share holders approval in this ensuing Annual General Meeting.

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 2019-20, Mr. Rajkumar Manikpuri was appointed as an Additional Director of the company w.e.f 14.11.2019.

Declaration given by Independent Director

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013, that he/she meets criteria of Independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as an Independent Directors of the Company.

Number of Meetings of the Board of Directors and Committees

The Board met eight times during the financial year 2019-20. The details of the Board Meeting and committees with regard to their dates and attendance of each director/ Committee member have been provided in the Corporate Governance Report that forms part of this Annual Report. The provisions of the Act and SEBI (LODR) Regulations were adhered to while considering the time gap between two meetings.

Annual Performance Evaluations

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, the Board evaluated the effectiveness of its functioning and that of its Committees and individual directors by seeking inputs on various aspects of Board/ Committee Governance.

Further, the Independent Directors at their meeting reviewed the performance of the Board as a whole and performance of Chairman of the Company and also of Non- executive Directors.

The criteria for performance evaluation as laid down by the Nomination Committee are mentioned in Corporate Governance Report attached and is part of Annual Report.

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 at www.fcsltd.com.

Audit committee

The details pertaining to the composition, terms of reference etc. of the audit committee are included in the Corporate Governance Report, which is a part of this report. There has been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

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

Particulars of Contract or Arrangement with Related Party

During the year, company have received rental Income from its wholly owned subsidiary i.e. Insync Business Solutions Ltd which falls under related parties transaction. All other 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 other than payment of salaries. 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 "Annexures-B" to this report. In compliance with Regulation 46(2)(g) of listing regulation policy on dealing with related party transactions as approved has already 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 Infraservices 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.

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, 2020, 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.

CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at www.fcsltd.com.

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 2020, 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 2019-20.

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 at 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 2019-20 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. 3,05,000/- 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.

Auditors

Statutory Auditors

M/s. Aadit Sanyam & Co., Chartered Accountant, are the existing statutory auditor of the Company and 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, 2020 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 have appointed M/s. VS Associates, Practising Company Secretaries, to conduct Secretarial Audit for the F.Y. 2019-20. The Secretarial Audit Report of M/s. VS Associates, Practising Company Secretaries for the financial year ended 31st March, 2020, is annexed herewith as “**Annexure-G**”.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, except comment on delay in appointing independent director by the company.

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 2019-20.

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 2019-20 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 for the F.Y. 2019-20. The certificate of Non- disqualification of directors of M/s. Oberoi & Associates, Practising Company Secretaries for the financial year ended 31st March, 2020, 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 : 04.09.2020

Sd/-
Dalip Kumar
(Chairman & Managing Director)

AOC-I
“Annexure-A”
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	1 st April, 2019 to 31 st March, 2020	1 st April, 2019 to 31 st March, 2020	1 st April, 2019 to 31 st March, 2020	1 st April, 2019 to 31 st March, 2020	1 st April, 2019 to 31 st March, 2020	1 st April, 2019 to 31 st March, 2020	1 st April, 2019 to 31 st March, 2020
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	(73,732,970)	(25,000)	2,18,35,231	(1,25,89,537)	3,44,08,832	(1,77,73,154)	(20,93,75,710)
6	Total assets	-	-	2,31,59,685	22,23,583	17,21,80,713	80,95,712	8,38,298
7	Total Liabilities	-	-	8,24,454	2,13,120	1,71,881	10,68,867	4,14,007
8	Investments	-	-	-	-	1,68,29,309	-	-
9	Turnover	-	-	50,43,000	9,25,000	-	55,000	-
10	Profit before taxation	(1,718,165)	-	(17,84,771)	6,16,765	(69,659)	(30,611)	(75,548)
11	Tax Expenses	-	-	5,438	96,216	(1,25,947)	3,070	-
12	Profit after taxation	(1,718,165)	-	(17,90,209)	5,20,549	56,289	(33,681)	(75,548)
13	Other Comprehensive Income	-	-	(17,443)	-	(13,70,691)	-	-
14	Proposed Dividend	-	-	-	-	-	-	-
15	% of shareholding	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Part “B”: Associates and Joint Ventures

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

	Associate Company
Name of associates/Joint Ventures	Enstaserv Eservices Limited
Latest audited Balance Sheet Date	31 st March, 2020
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)	(80,764)
Considered in Consolidation	(39,526)
Not Considered in Consolidation	(41,238)

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

Place: Noida
Date: 04/09/2020

Dalip Kumar
(Chairman & Managing Director)

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, 2020, 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:

- Insync Business Solutions Ltd. : wholly owned Subsidiary Company

(b) Nature of contracts/arrangements/transactions: **Rental Income**

(c) Duration of the contracts / arrangements/transactions: **11 Months**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **130,000 Per month**

(e) Date(s) of approval by the Board, if any: **NA**

(f) Amount paid as advances, if any: **Nil**

For and on behalf of the Board of Directors

Place: Noida
Date: 04/09/2020

Sd/-
Dalip Kumar
(Chairman & Managing Director)

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. We have established a substantial direct service network around the world, including Germany and UAE. These offices are staffed with IT service specialists who sell our services to large International clients.

During the year around 56.59% of revenues were derived from exports. The foreign exchange earned comprising of FOB value of exports, services was Rs. 2089.19 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)	
	2019-20	2018-19
Earning	2089.19	3147.64
Outflow	19.37	-
Net Foreign Exchange Earning	2069.82	3147.64

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

Place : Noida
Date : 04/09/2020

Sd/-
Dalip Kumar
(Chairman & Managing Director)

**“Annexure-D”
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"> 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. Web link: www.fcsltd.com 			
2.	The Composition of the CSR Committee.			The present constitution of CSR Committee is as follows:			
				Name of Member		Designation	
				Mr. Shayam Sunder Sharma		Chairman	
				Mr. Mahendra Pratap Singh		Member	
				Mr. Sunil Sharma		Member	
3.	Average net profit of the Company for last three financial years.			Average net profit of the company for last three financial years:			
				Financial Year		Net Profit Before Tax (Amount in Rs.)	
				2016-17		(18914380)	
				2017-18		36628534	
				2018-19		28003814	
				Average Profit of 3years		15239323	
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).			The company was required to spend (2% of 15239323) Rs. 3.047 lakhs			
5.	Details of CSR spent during the financial year: a) Total amount to be spent for the financial year b) Amount unspent, if any; c) Manner in which the amount spent during the financial year is detailed below			3,05,000/-			
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: Direct or through implementing agency
	Social Welfare (Item No.3 of Schedule VII)			3,05,000/-	3,05,000/-	3,05,000/-	3,05,000/-

“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

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2019-20, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2019-20.

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	2.59	NIL
2	Anil Kumar Sharma	Chief Financial Officer	6.86	7.00
3	Harsha Sharma	Company Secretary and Compliance Officer	2.12	NIL

2. The Company has 290 permanent Employees on the rolls of Company as on 31st March, 2020.
3. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 1.20% whereas there is no change in the managerial remuneration during the financial Year.
4. 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 2020, 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.

Place: Delhi
Dated: 01/09/2020

For Aadit Sanyam & Associates
Chartered Accountants
Firm’s registration No. 20531388



Membership No. 20531388
UDIN: 20531388AAAABD8891

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



VS ASSOCIATES
COMPANY SECRETARIES

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To
The Members,
FCS SOFTWARE SOLUTIONS LIMITED
CIN L72100DL1993PLC179154
205, 2nd 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, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2020 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.



A-52, Lower Ground Floor, Nirman Vihar, Delhi-110092
Ph.: 011-22442221, 43026621 Mob.: 09910792221
E-mail : office@vsassociate.com, Website : www.vsassociate.com

- (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 was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors for



a part of the year. 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, except for the period when an independent Director of the company resigned, another Independent Director of the company was required to be appointed within a period of 3months or at the next Board meeting whichever is later, but an Independent Director was not appointed by the company within such time frame which resulted in the violation of regulations of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

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 or at shorter notice, for which consents were received 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 : 31/08/2020
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.



VS ASSOCIATES
COMPANY SECRETARIES

'Annexure A'

To
The Members,
FCS SOFTWARE SOLUTIONS LIMITED
CIN L72100DL1993PLC179154
205, 2nd Floor, Agrawal Chamber IV,
27, Near Sawarker Block, Vikas Marg,
Shakarapur, 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 : 31/08/2020
Place : Delhi

A-52, Lower Ground Floor, Nirman Vihar, Delhi-110092
Ph.: 011-22442221, 43026621 Mob.: 09910792221
E-mail : office@vsassociate.com, Website : www.vsassociate.com

OA OBEROI & ASSOCIATES
(Company Secretaries)

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, 2nd 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.

Subject, to the declaration furnished by each director, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31.03.2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

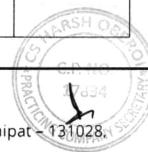
S. No.	NAME OF DIRECTOR	DESIGNATION	DIN	DATE OF APPOINTMENT	DATE OF CESSATION
1.	DALIP KUMAR	CHAIRMAN & MANAGING DIRECTOR	00103292	05/05/1993	-
2.	SHAYAM SUNDER SHARMA	INDEPENDENT DIRECTOR	00272803	08/12/2000	-

OBEROI & ASSOCIATES, Company Secretaries

Contact: - +91-8930138515, +91 9991452565

Address: - G-76, Parker Galleria, Besides Parker Mall, Sector - 62, Kundli, Sonapat - 131028, Haryana, India

✉ :- harsh@oberoiassociates.com, oberoipcs@gmail.com; Website: oberoassociates.com



OA OBEROI & ASSOCIATES
(Company Secretaries)

3.	SUNIL SHARMA	DIRECTOR	05359128	13/08/2016	-
4.	SHWETA SHATSRI	INDEPENDENT DIRECTOR	06480421	24/09/2014	-
5.	MAHENDRA PRATAP SINGH	NON- EXECUTIVE DIRECTOR	08201381	14/08/2018	-
6.	SHIV NANDAN SHARMA	INDEPENDENT DIRECTOR	00336736	08/05/2006	27/07/2019
7.	RAJ KUMAR MANIKPURI	INDEPENDENT DIRECTOR	08614902	14/11/2019	

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
UDIN: A042165B000611855

Date: 26-08-2020
Place: Sonipat

OBEROI & ASSOCIATES, Company Secretaries

Contact: - +91-8930138515, +91 9991452565

Address: - G-76, Parker Galleria, Besides Parker Mall, Sector - 62, Kundli, Sonipat - 131028, Haryana, India

✉ : - harsh@oberoiassociates.com, oberoi.pcs@gmail.com; Website: oberoiassociates.com

REPORT ON CORPORATE GOVERNANCE 2019-20

**Pursuant to Regulation 27 of SEBI
(Listing Obligation and Disclosure Requirement), Regulation, 2015**

1. COMPANY'S PHILOSOPHY ON CORPORATE 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.

The Company's firmly believes in good Corporate Governance and has endeavoured to practice and improve its focus on it by increasing transparency and accountability to its shareholders in particulars and other stakeholders in general.

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, 2020, 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. Shayam Sunder Sharma- Non Executive Independent Director
3. Ms. Shweta Shatsri- Non Executive Independent Director
4. Mr. Sunil Sharma- Executive Director
5. Mr. Mahendra Pratap Singh- Non Executive Director
6. Mr. Rajkumar Manikpuri- Non Executive Independent Director (Additional Director w.e.f. 14 November 2019)

The Non Executive Directors bring independent judgement in the Board's deliberations and decisions. Independent Directors are Directors who apart from receiving Director's sitting fees do not have any other material pecuniary relationship or transactions with the company, its promoters, its managements or its subsidiaries, which may affect the independence of the judgement of the 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 and SEBI (LODR) Regulations.

(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	8	4	NO
Mr. Shayam Sunder Sharma	8	8	YES
Mr. Rajkumar Manikpuri	8	1	NO
Ms. Shweta Shatsri	8	7	NA
Mr. Sunil Sharma	8	7	YES
Mr. Mahendra Pratap Singh	8	7	YES
Mr. Shiv Nandan Sharma	8	1	NO

(c) Composition, Category of Directors and their other Directorship as on 31st March, 2020

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. Rajkumar Manikpuri	Non-Executive (Independent Director)	0
Ms. Shweta Shatsri	Non-Executive (Independent Director)	1
Mr. Sunil Sharma	Executive Director	0
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 2019-20:

The directors of the Company is not having any other directorship in listed entity during the financial year 2019-20.

(d) Number of Board Meetings

The Board met Eight times during the financial year 2019-20 and dates for the Board meetings are:

1. April 19, 2019
2. May 30, 2019
3. June 28, 2019
4. August 14, 2019
5. September 20, 2019
6. October 14, 2019
7. November 14, 2019
8. February 13, 2020

(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, 2020, 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:

At the time of Appointment of an Independent Director on the Board, the Company familiarize the director about business and industry environment, the applicable various Board policies, code of conduct and insider trading.

The details of policy framed for familiarisation of the Independent Directors are available on the website of the Company at <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.
- j) Mr. Shiv Nandan Sharma, Independent Director of the company has tendered his resignation from the Board on 27th July, 2019. He has provided the resignation letter to the Board of the Company and has not provided confirmation that there was no material reasons other than those stated in the resignation letter received from him.
- k) Mr. Rajkumar Manikpuri, Independent Director of the company has been appointed as Additional Director on the Board of the company in the capacity of a non executive Independent director with effect from 14th November, 2019 subject to approval of shareholders in ensuing annual general meeting.

DIRECTORS' INTEREST IN THE COMPANY

Shareholding of Directors as on March 31, 2020:

Directors	Mr. Dalip Kumar	Mr. Shayam Sunder Sharma	Mr. Raj Kumar Manikpuri	Ms. Shweta Shatsri	Mr. Mahendra Pratap Singh	Mr. Sunil Sharma
% of total Shares of the company held	10.8751	Nil	Nil	Nil	Nil	Nil

3. Independent Directors Meeting:

In view of the provisions of Section 149 read with Schedule IV of the Companies Act 2013, it 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:

Name of Directors	Category
Mr. Shayam Sunder Sharma	Independent Director
Ms. Shweta Shatsri	Independent Director
Mr. Raj Kumar Manikpuri	Independent Director

During the year under review, the Independent Directors met on 13th February, 2020 , 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.

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 two Independent Directors i.e., 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 2019-20. The attendance record of the members at the meeting were as follows:

Members	Position and Category	No. of Meetings held	No. of Meetings Attended
Mr. Shiv Nandan Sharma	Member-Independent Director	6	0
Mr. Shayam Sunder Sharma	Chairman-Independent Director	6	6
Ms. Shweta Shatsri	Member-Independent Director	6	4
Mr. Sunil Sharma	Member- Executive Director	6	4

* Mr. Shiv Nandan Sharma has resigned from the Board w.e.f 27th July, 2019

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
Mr. Mahendra Pratap Singh	Member-Independent Director	4	2
Mr. Shayam Sunder Sharma	Chairman-Independent Director	4	4
Ms. Shweta Shatsri	Member-Independent Director	4	4

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

(c) Performance Evaluation criteria for thr 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.

5. 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.

6. 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. Shayam Sunder Sharma	Independent- Non Executive Director	Chairperson	1	1
Mr. Rajkumar Manikpuri	Independent- Non Executive Director	Member	1	1
Mr. Mahendra Pratap Singh	Non Executive Director	Member	1	0

Numbers of Shareholder's complaints received by Company from its RTA, BSE, NSE, SEBI and Shareholders, during the financial year ended March 31, 2020 are as under:

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

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

7. 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. Sunil Sharma	Member-Executive Director	1	1
Mr. Mahendra Pratap Singh	Member- Non Executive Director	1	0

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

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

8. GENERAL BODY MEETINGS:

Details of last Four General Meetings are as under:

Year	Day, Date and Time of Meeting	Venue	No. of Special Resolutions passed
2016-17	Thursday, September 28, 2017 Annual General Meeting Time: 9.00 A.M	The Executive Club, 439, Village Shahoorpur, FatehpurBeri, New Delhi –110 074.	0
2017-18	Tuesday, September 25, 2018 Annual General Meeting Time: 9.00 A.M	The Executive Club, 439, Village Shahoorpur, FatehpurBeri, New Delhi –110 074.	2
2018-19	Tuesday, July 30, 2019 Extra-Ordinary General Meeting Time: 9.00 A.M	The Executive Club, 439, Village Shahoorpur, FatehpurBeri, New Delhi –110 074.	1
2018-19	Wednesday, November 13, 2019 Annual General Meeting Time: 9.00 A.M	The Executive Club, 439, Village Shahoorpur, FatehpurBeri, New Delhi –110 074.	4

Special Resolution passed through Postal Ballot

For the year ended March 31, 2020, there have been no special resolutions passed by the Company's Shareholders through postal ballot.

9. MEANS OF COMMUNICATION

Quarterly/half-yearly/Annual financial results: The quarterly and half-yearly/Annual financial results are forthwith communicated to the BSE 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) 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.

10. SUBSIDIARY COMPANIES

The Company has following Non-Listed Indian Subsidiary Companies i.e. Insync Business Solutions Limited, Innova e Services Private Limited, Stablesecure Infraseservices 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 10% 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

11. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date and Time : 29th September, 2020 11:00 A.M

Mode : Video Conferencing (VC) / Other Audio Visual Means (OAVM).

Financial Calendar : 1st April 2019 to 31st March 2020

Tentative Calendar for declaration of results for the financial year 2020-21 is given below:

Results for the Quarter / Year ending	Date of Declaration
June 30, 2020	On or before September 15, 2020*
September 30, 2020	On or before November 14, 2020
December 31, 2020	On or before February 14, 2021
March 31, 2021 (Annual Audited)	On or before May 30, 2021

* Due to COVID-19 Pandemic, SEBI has been extended due date for declaration of financial results for quarter ended on June, 2020 vide circular no SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated 29th July, 2020

Dividend Payment Date:

No Dividend is recommended for the financial year 2019-20.

Date of Book Closure: 23/09/2020 to 24/09/2020 (Both days inclusive)

Name of Stock Exchange where shares are listed

Bombay Stock Exchange	BSE Limited PhirozeJeejeebhoy 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 2019-20 : 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-19	0.24	0.21	7259127	0.25	0.20	16499808	23758935
May-19	0.23	0.19	4812738	0.25	0.15	12510025	17322763
Jun-19	0.23	0.19	4019100	0.25	0.15	14188651	18207751
Jul-19	0.35	0.19	6302344	0.55	0.20	57994206	64296550
Aug-19	0.34	0.25	4276801	0.35	0.20	16536000	20812801
Sep-19	0.28	0.23	3639818	0.30	0.20	5946523	9586341
Oct-19	0.25	0.20	8069048	0.25	0.20	9526574	17595622
Nov-19	0.25	0.21	15288302	0.25	0.20	12953419	28241721
Dec-19	0.25	0.20	7441478	0.25	0.20	11209580	18651058
Jan-20	0.22	0.20	4985542	0.25	0.20	11503711	16489253
Feb-20	0.22	0.19	3939425	0.25	0.15	13755442	17694867
Mar-20	0.21	0.19	1992452	0.25	0.10	30214076	32206528
Total	72026175			212838015			284864190

Chart- A

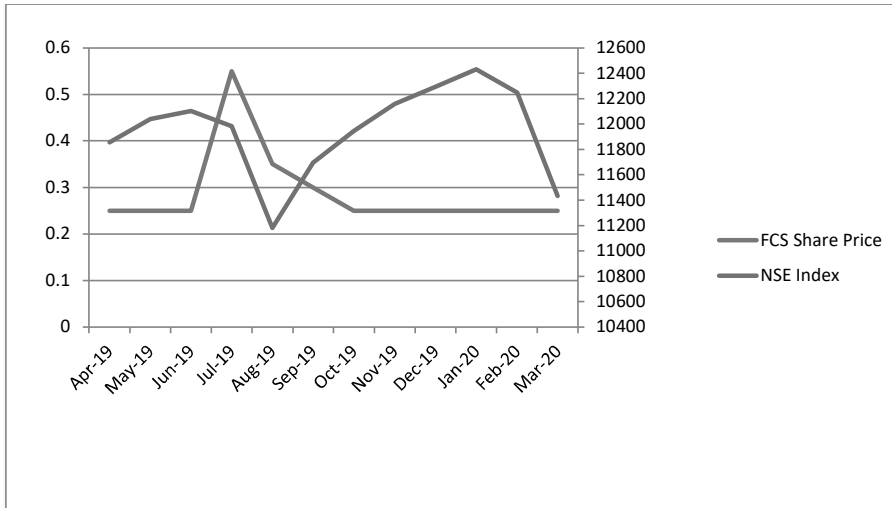
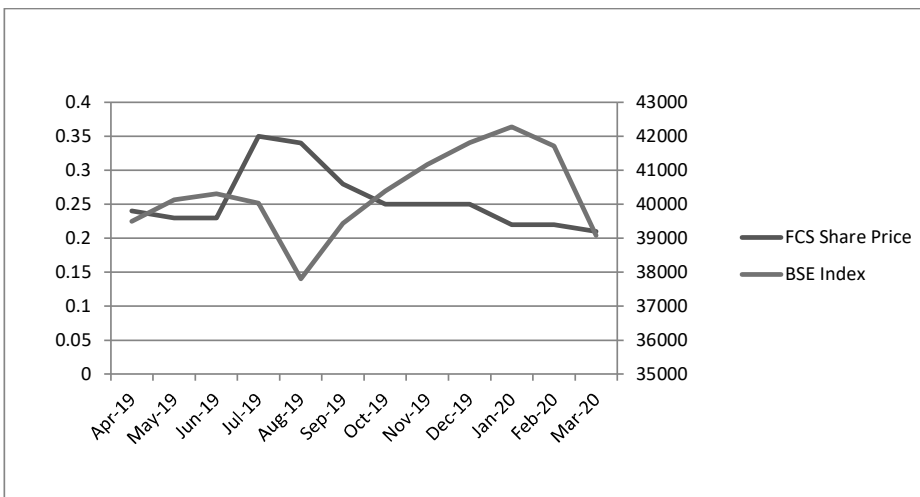


Chart -B



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 8.

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, 2020.

Shareholding pattern by size

As on 31st March, 2020

Shareholding of Normal Value (Rs.)	No. of shareholder	% of total shareholder	No. of shares held	% of Total shares
Upto 500	35158	30.8514	8160677	0.4774
501-1000	21709	19.0498	19910034	1.1646
1001-2000	17437	15.3011	30415217	1.7791
2001-3000	7373	6.4699	19976742	1.1685
3001-4000	4848	4.2542	18286669	1.0697
4001-5000	5784	5.0755	28175309	1.6481
5001-10000	9896	8.6838	79578827	4.6549
10001- & above	11754	10.3142	1505049625	88.0376
Total	113959	100.0000	1709553100	100.0000

Shareholding Pattern By Ownership

Categories	As on March 31, 2020		As on March 31, 2019	
	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	573750	0.0336	543150	0.0318
Central Government/State Government	568300	0.0332	568300	0.0332
Foreign Institutional Investor	0	0	0	0
Private Bodies Corporate	500787420	29.2935	519682396	30.3987
Indian Public-Individual	835637779	48.88	814748949	47.6586
NRI/OCB's	15903829	0.9303	16759814	0.9804
Clearing Member	2391239	0.1399	5830061	0.3410
Other (Director & their relatives , HUF)	17728333	1.0371	14222528	0.8319
Total	1709553100	100	1709553100	100

Dematerialization of the shares and liquidity:

As on March 31, 2020, 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, 2020 is as under:

Segment	No. of Shareholders	% of Total No. of Shareholders	No. of Shares	% of Total No. of Shares
Physical	111	00.089	520991	00.03
Demat	113848	99.911	1709032109	99.97
Total	114251	100	1709553100	100

Plant Locations

The Company has 7 offices as on 31st March, 2020 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, 2020.

The Code of Conduct is also available on our website at : www.fcsLtd.com

12. 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 materially significant related party transaction during the financial year 2019-20.

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 except the Company has delayed the appointment of Mr. Raj Kumar Manikpuri, Independent director, in place of resigned director Mr. Shiv Nandan Shama by 18 days, which was supposed to be appointed on or before 27th October, 2019. The Company was in process to appoint suitable candidate in terms of required skills, competency, etc. The Company has duly paid the penalties levied by both stock exchanges.

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

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, 2020 the details of which is as under:-

Nature of Dispute	Forum where dispute is pending	31/03/2020	31/03/2019
Advance against Land	Chief Magistrate, Gautam Buddha Nagar, Noida, Uttar Pradesh	Rs. 2,00,00,000	Rs. 2,00,00,000

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

This Management Discussion and Analysis Report presents the key performance highlights of the year 2019-20 pertaining to the Company's business. This Report has been prepared in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This review should be read in conjunction with the Company's financial statement, the schedules and notes thereto and other information included elsewhere in this Annual Report. The Company's financial statement has been prepared in accordance with Indian Accounting Standards (Ind AS), complying with the requirements of the Companies Act, 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI). The Management accepts responsibility for the integrity and objectivity of the Financial Statements.

The markets your Company serves are undergoing a massive disruption due to the outbreak of COVID-19. The situation caused by the COVID-19 pandemic continues to evolve and the effects on such markets remain uncertain. The outlook going forward will depend, in addition to other factors, on how COVID-19 continues to affect the global economy.

COVID-19 Impact on Business Outlook

On March 11, 2020, as COVID-19 spread rapidly, both in terms of number of cases and the affected countries, the World Health Organization ("WHO") characterized COVID-19 as a pandemic.

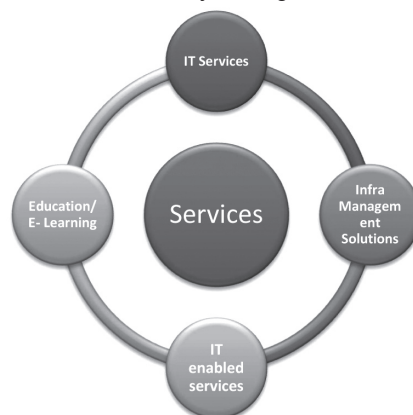
Most of our employees were quickly asked to work from home. However, the markets we serve continue to undergo massive disruptions due to the COVID-19 pandemic.. The economic fallout of and the subsequent recovery from COVID-19 will depend on multiple factors, such as recovery driven by containment efforts, supply chain disruptions, impact of lockdowns etc. The continued spread of COVID-19 could adversely affect workforces, customers, economies and financial markets globally, potentially leading to further economic downturn.

The management has evaluated the impact of this pandemic on its business operations and based on its review, there is no significant impact on its business operations. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material changes to future economic conditions.

During the period under review, the Company had been engaged in software development and marketing and providing support services mainly for corporate business entities in the BPO, software development, e-learning service and other related Information Technology Enabled Services. The company also carries business of leasing or letting out all kind of immovable property including IT Infrastructural property whether freehold, leasehold to any type of person.

A. Industry structure and developments:-

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



- **IT services**
- **IT enabled services**
- **Infra Management Solutions**
- **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.

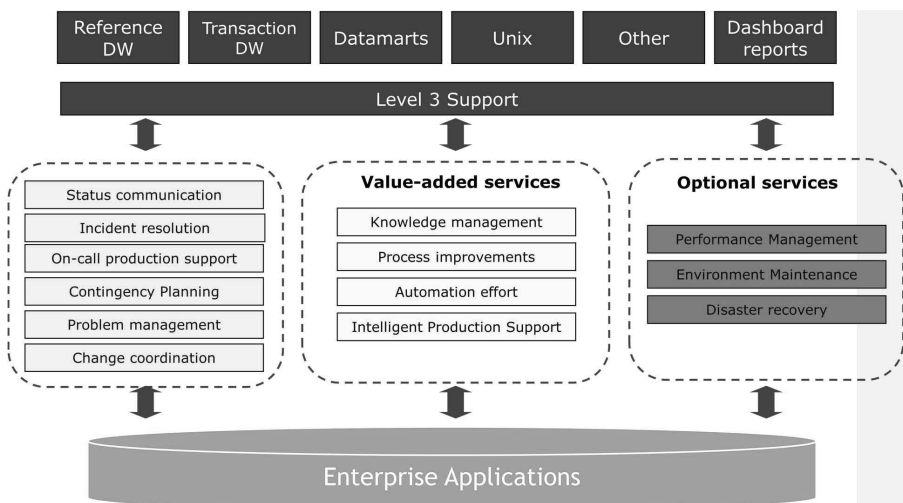
- Based on client’s Request for Proposal (RFP) and provide an estimate of time and cost. Based on nature of work, FCS will suggest T & M or FPFT pricing model as well as global delivery model.
- FCS replicates application environment based on project needs or will use secure VPN connections to directly 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 also carries business of leasing or letting out all kind of immovable property including IT Infrastructural property whether freehold, leasehold to any type of person.

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

The outbreak of Coronavirus (Covid 19) pandemic is causing significant disturbances leading to slowdown of economic activities globally. However, the same has not majorly impacted the businesses of the Company. We are able to continue our operations by enabling resources to work from home. The extent of impact on the future operational and financial performance will depend on certain developments, including duration and spread of the Pandemic, the impact on customers, vendors, employees, all of which are uncertain and can not be predicted. The management remains watchful of the evolving situation and will keep evaluating challenges and opportunities posted to us.

We will continue to execute our strategy along the same dimensions. The client market segments we serve are faced with challenges and opportunities arising from the COVID-19 pandemic and its resulting impact on the economy. We believe the investments we have made, and continue to make, in our strategy will enable us to advise and help our clients as they tackle these market conditions. Especially in the areas of digitization of processes, migration to cloud-based technologies, workplace transformation, business model transformation and enhanced cyber-security controls.

Evolution of technology outsourcing

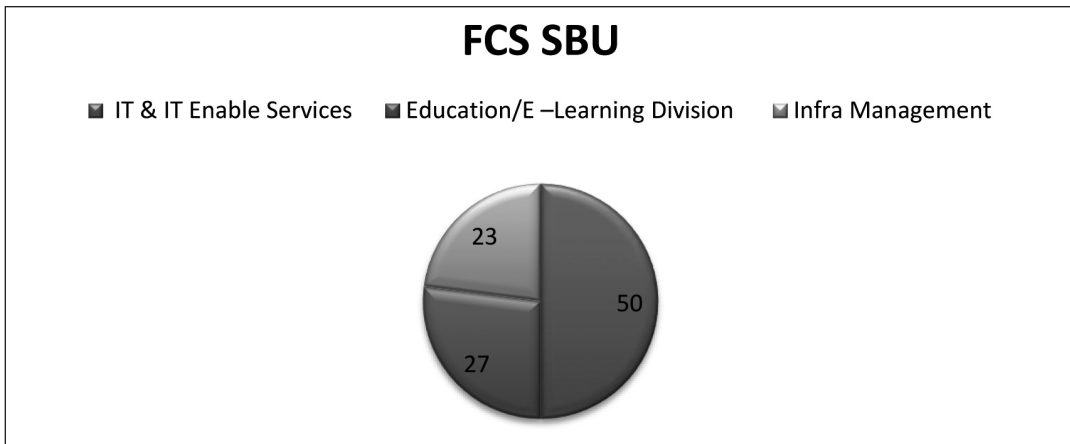
The nature of technology outsourcing is changing. Historically, enterprises either outsourced their technology requirements entirely, or on a standalone, project-by-project basis. In an environment of rapid technology change, globalization and regulatory changes, the complete outsourcing model is often 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, 2020, the Company reported a total consolidated revenue income of Rs. 3733.11 lakhs and Standalone revenue of Rs. 3688.48 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**



D. Outlook for the future

The management has evaluated the impact of this pandemic on its business operations and based on its review, there is no significant impact on its business operations. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated. The Company will continue monitoring any material changes to future economic conditions.

E. Risk and Concern

It is your Company’s responsibility to ensure that its products are safe and that the Company provides clear information on their use and any risks that are associated with their use. 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

The Company has an appropriate Internal Auditor control system for its various functions with the ultimate objective of improving efficiency in its operations, better financial management and compliance with regulations and applicable laws. 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. All operating parameters are well defined and monitored periodically. The detailed Internal Audit Reports are also placed before the audit committee for review and discussion.

G. Financial performance with respect to operational performance

For the financial year ended March 31, 2020, the Company reported a total consolidated revenue income of Rs. 3733.11 lakhs and Standalone revenue of Rs. 3688.48 lakhs.

H. Material developments in Human Resources/ Industrial Relations Front, including number of people employed

The Company has built a strong team consisting of domain experts. Our personal policies are focused on creating an environment which will derive best returns for the organization as well as the concerned employees.

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 2019-20	FY 2018-19	Changes	Remarks/Explanation
1	Debtor Turnover	11.09%	5.73%	5.36%	
2	Inventory Turnover	0.00%	0.00%	0.00%	
3	Interest Coverage Ratio	-1079.62%	426.99%	-1506.61%	1. There is loss on discarded assets of Rs. 306.26 lakhs and provision for doubtful advances made of Rs. 908.01 lakhs which are not in previous year. 2. If these are not considered then Interest Coverage ratio would be 390.51% which is close to previous year ratio.
4	Current Ratio	176.58%	205.14%	-28.56%	1. There is no Unbilled Revenue during the year where as unbilled Revenue of Rs. 143.52 lakhs was in previous year. 2. If unbilled Revenue was not there in previous year, Current Ratio would be 204.07 % which is close to ratio of previous year.
5	Debt Equity Ratio	12.51%	12.83%	-0.32%	
6	Operating Profit Margin	6.51%	6.56%	-0.05%	

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 2019-20	FY 2018-19	Changes	Remarks/Explanation
7	Net Profit Margin	-28.63%	4.51%	-33.14%	<ol style="list-style-type: none"> 1. There is loss on discarded assets of Rs. 306.26 lakhs and provision for doubtful advances made of Rs. 908.01 lakhs which are not in previous year. 2. If these are not considered then Net Profit Margin ratio would be 4.29% which is close to previous year ratio.
8	Return on Net Worth	-3.25%	0.77%	-4.03%	<ol style="list-style-type: none"> 1. There is loss on discarded assets of Rs. 306.26 lakhs and provision for doubtful advances made of Rs. 908.01 lakhs which are not in previous year. 2. If these are not considered then Return on Net Worth would be 0.80% which is close to previous year ratio

K. Compensation

The organization, its people, its workplaces, practices, and values all come together to give its employees a rewarding experience of working and contributing here. 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 above Management Discussion and Analysis Report contains "forward looking statements" within the meaning of applicable laws, and regulations and is futuristic in nature. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, market position, expenditures and financial results are forward looking statements. The Company's actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. Investors are requested to make their own independent judgments before taking any investment decisions and the Company assumes no responsibility.

For and on behalf of the Board of Directors

Place: Noida
Date: 04/09/2020

Sd/-
Dalip Kumar
(Chairman & Managing Director)

Independent Auditor’s Report

To the Members of

FCS Software Solutions Limited

Report on Audit of the Consolidated Financial Statements

OPINION

We have audited the Consolidated financial statements of **FCS Software Solutions Limited** (hereinafter referred to as “the Holding Company”) and its subsidiaries listed in Annexure I (Holding Company and its subsidiaries together referred to as “the Group”), which comprise the consolidated balance sheet as at 31st March, 2020 and the consolidated statement of Profit and Loss (including Other Comprehensive Income), consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of 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 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 31st March, 2020, and the consolidated profit/(loss), other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the consolidated financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 (‘KAM’) are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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:-

S.No.	The key audit matters	How our audit addressed the key audit matter
1	<p>Adoption of Ind AS 115 – Revenue from Contracts with Customers</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"> • Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;

	<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"> • 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; • Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the new accounting standard; • Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and • Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the 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 in the 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.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

The holding company's management and Board of Directors are responsible for preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board and Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as

a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective management and Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 entity 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 and Board of Directors of the Holding Company.
- Conclude on the appropriateness of management's and Board of Directors of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities 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 financial information of the entities included in the consolidated financial statements. We remain solely responsible for our audit opinion

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

We communicate with those charged with governance of the holding company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding,

among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

We did not audit the financial statements/ financial information of two Foreign subsidiaries viz., M/s F.C.S Software Middle East FZE, M/s F.C.S Software Solutions GmbH; four Indian subsidiaries viz., M/s Insync Business Solutions Limited, Innova E Services Private Limited, cGain Analytics Private Limited, Zero Time Constructions Private Limited and one 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 Solutions Limited (Holding Company) has initiated the scheme of Amalgamation 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 scheme of Amalgamation has been duly approved by the Board of Directors in its meeting held on 19th April 2019 and the further process for the same is still underway.

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

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the aforesaid consolidated financial statements.
 - 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), Consolidated Statement of changes of Equity and the consolidated statement of Cash Flow dealt with by this Report are in agreement with 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 representation received from the directors of the Holding company as on 31st March, 2020 taken on record by the board of directors of the holding company and on

the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31st March 2020, none of directors of the Group's companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Sub-section 2 of Section 164 of the Act.

- f) With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the Holding Company and its subsidiary company incorporate in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group. Refer Note 1.26 to the Consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts during the year ended 31st March, 2020;
 - iii. There has been no delay in transferring amounts, if any, to the Investor Education and Protection Fund by the holding company and its subsidiary companies incorporated in India during the year ended 31 March 2020;
3. With respect to the matter to be included in the Auditors Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provision of section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under section 197 of the Act and schedule V of the company Act, The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For Aadit Sanyam & Associates
Chartered Accountants
Firm Reg. No. 023685N

Sd/-
CA Sanyam Jain
(Partner)
M. No. -531388
UDIN: 20531388AAAAAY7409

Place: New Delhi
Dated: 29th July, 2020

Annexure A to the Independent Auditor's Report on the consolidated financial

statements of FCS Software Solutions Limited

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-sec on 3 of Sec on 143 of the Companies Act, 2013 (“the Act”)

(Referred to in Para 1(f) under the heading ‘Report on other Legal and Regulatory Requirements’ of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of FCS Software Solutions Limited (“the Holding Company”) as of 31 March 2020, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and such companies incorporated in India which are its subsidiary companies, have adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March, 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such 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 (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The respective company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as “the Act”).

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were established and maintained 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls, 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 procedure selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated 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 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Aadit Sanyam & Associates
Chartered Accountants
Firm Reg. No. 023685N

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

UDIN: 20531388AAAAAY7409

Place: New Delhi

Dated: 29th July, 2020

Annexure I: List of entities consolidated

Holding Company:

FCS Software Solutions Limited

Foreign Subsidiaries:

1. F.C.S Software Middle East FZE
2. F.C.S Software Solutions GmbH

Indian subsidiaries:

1. Insync Business Solutions Limited
2. Innova E Services Private Limited
3. cGain Analytics Private Limited
4. Zero Time Constructions Private Limited
5. Stablesecure Infraserivces Private Limited

Associate:

1. Enstaserv E-Services Limited

Consolidated Balance sheet as at 31st March 2020
(ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

CIN No: L72100DL1993PLC179154

[I] ASSETS	Note no.	As at March 31, 2020	As at March 31, 2019
1. Non-current assets			
(a) Property, plant and equipment	2	21,079.07	21,262.33
(b) Capital work-in-progress	3	64.14	546.95
(c) Intangible assets	4	17.29	27.73
(d) Financial assets			
- Investments	5	9,055.23	10,130.98
- Loans and advances	6	2,334.23	2,418.98
- Others	7	262.03	226.28
(e) Deferred tax assets (Net)	8	112.98	112.78
(f) Other non-current assets	9	84.08	1,270.85
2. Current assets			
(a) Financial assets			
- Trade Receivables	10	545.36	371.53
- Cash and cash equivalents	11	251.43	1,387.33
- Loans and advances	12	143.96	291.65
(b) Other current assets	13	213.92	441.68
TOTAL		34,163.71	38,489.08
[II] EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	14	17,095.53	17,095.53
(b) Other Equity	15	13,340.27	17,114.77
2. Non-current liabilities			
(a) Financial liabilities			
- Borrowings	16	2,709.08	2,742.54
(b) provisions	17	122.07	94.23
(c) Other non-current Liabilities	18	405.99	395.89
3. Current liabilities			
(a) Financial liabilities			
- Trade payables	19	153.33	281.51
(b) Provisions	20	4.08	3.51
(c) Other Current Liabilities	21	233.77	669.30
(d) Current Tax Liabilities (net)	22	99.59	91.81
TOTAL		34,163.71	38,489.08

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

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

Sd/-
CA. Sanyam Jain
(Partner)
M. No. 531338
UDIN: 20531388AAAAAX3878

Sd/-
Dalip Kumar
Chairman & Managing Director
DIN: 00103292

Sd/-
Shayam Sunder Sharma
Director
DIN: 00272803

Place: Noida
Date: July 29, 2020

Sd/-
Anil Kumar Sharma
Chief Financial Officer

Sd/-
Harsha Sharma
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March 2020
(ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

CIN No: L72100DL1993PLC179154

	Note no.	As at March 31, 2020	As at March 31, 2019
Revenue from operations	23	3,733.11	4,040.36
Other income	24	341.39	224.95
Total revenue		4,074.49	4,265.32
Expenses			
Employee benefit expense	25	2,008.91	1,900.99
Finance cost	26	287.72	105.47
Depreciation and amortisation expense	27	1,819.82	16,948.45
Other Operating expense	28	1,950.40	1,800.03
Total expenses		6,066.85	20,754.94
Profit/(loss) before exceptional items and tax		(1,992.35)	(16,489.62)
Exceptional Items		(306.26)	-
Profit/ (loss) before tax		(2,298.62)	(16,489.62)
Tax expense			
a) Current tax		81.85	49.61
b) Deferred tax		(0.21)	31.59
Profit/ (loss) for the period before Other Comprehensive Income		(2,380.26)	(16,570.82)
Other comprehensive income			
- Items that will not be reclassified to profit or loss			
1 Remeasurement of defined employee benefits plan		(17.79)	(0.48)
2 Changes in Fair Values of Investment in Equities carried at Fair Value through Other Comprehensive Income		(2,284.80)	(13,825.54)
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)
Net Other Comprehensive Income		(2,302.59)	(391.44)
Total comprehensive income for the period <i>(Profit/ loss + other comprehensive income)</i>		(4,682.85)	(16,962.26)
Earnings per equity share (for continuing operations)			
a) Basic		(0.14)	(0.97)
b) Diluted		(0.14)	(0.97)

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. 531338

UDIN: 20531388AAAAAX3878

Place: Noida
Date: July 29, 2020

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

Sd/-
Dalip Kumar
Chairman & Managing Director
DIN: 00103292

Sd/-
Shayam Sunder Sharma
Director
DIN: 00272803

Sd/-
Anil Kumar Sharma
Chief Financial Officer

Sd/-
Harsha Sharma
Company Secretary

Consolidated Statement of Cash Flows for the year ended 31 March 2020
 (ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

CIN No: L72100DL1993PLC179154

	As at March 31, 2020	As at March 31, 2019
1. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(2,298.62)	(16,346.68)
<i>Adjustments for :</i>	-	-
Depreciation and amortisation	1,819.82	16,948.45
Loss on Sale/Discarded Assets	308.44	-
Interest income	(232.66)	(199.66)
Finance costs	287.72	105.47
Other Adjustments	2.46	(54.44)
	(112.84)	453.13
<u>Working capital adjustments:</u>		
(Increase)/Decrease in Trade Receivables	(173.83)	47.29
(Increase)/Decrease in Loans and Advances	232.44	(231.97)
(Increase)/Decrease in Other Assets	183.79	1,068.44
Increase/(Decrease) in Trade Payables	(128.18)	(515.79)
Increase/(Decrease) in Provisions	(18.20)	16.14
Increase/(Decrease) in Current Liabilities	(457.30)	(840.36)
Cash Generated from Operations	(474.11)	(3.13)
Income Tax Paid	49.61	89.25
NET CASH GENERATED/(USED IN) BY OPERATING ACTIVITIES (1)	(523.72)	(92.37)
2. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(523.97)	(2,492.93)
Interest Income	232.66	199.66
Proceeds from sale of investments	-	639.72
Proceeds from sale of Assets	0.30	-
Purchase of Investment in Equity Shares	-	(291.30)
NET CASH GENERATED/(USED IN) BY INVESTING ACTIVITIES (2)	(291.01)	(1,944.84)
CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	(287.72)	(105.47)
Proceeds from borrowings	-	2,408.96
Repayment of borrowings	(33.45)	-

NET CASH GENERATED/(USED IN) BY FINANCING ACTIVITIES (3)	(321.17)	2,303.49
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)	(1,135.90)	266.27
Cash and cash equivalents at the beginning of the year	1,387.33	1,121.05
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	251.43	1,387.33

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

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

Sd/-
CA. Sanyam Jain
(Partner)
M. No. 531338
UDIN: 20531388AAAAAX3878

Sd/-
Dalip Kumar
Chairman & Managing Director
DIN: 00103292

Sd/-
Shayam Sunder Sharma
Director
DIN: 00272803

Place: Noida
Date: July 29, 2020

Sd/-
Anil Kumar Sharma
Chief Financial Officer

Sd/-
Harsha Sharma
Company Secretary

Notes to the Consolidated Financial Statements for the year ended 31 March 2020
(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, 2020:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2019:	13,349.19	6,750.82	1,750.15	6,656.33	826.65	77.04	29,410.18
Additions	12.30	750.46	91.72	4.26	148.04	-	1,006.78
Increase/(Decrease) due to Revaluation	(134.80)	-	-	-	-	-	(134.80)
Deletions*	-	-	318.75	5,811.87	4.88	24.31	6,159.81
Gross carrying value as of March 31, 2020 :	13,226.69	7,501.28	1,523.12	848.71	969.81	52.73	24,122.34
Accumulated depreciation as of April 1, 2019 :	-	505.83	858.75	6,319.20	394.17	69.88	8,147.84
Depreciation	-	357.48	282.99	3.19	100.73	2.06	746.45
Add/(Less); Adjustments	-	-	-	-	-	-	-
Accumulated depreciation on deletions	-	-	302.81	5,520.53	4.58	23.10	5,851.02
Accumulated depreciation as of March 31, 2020:	-	863.31	838.93	801.86	490.32	48.85	3,043.27
Carrying value as of March 31, 2020 :	13,226.69	6,637.96	684.19	46.86	479.49	3.88	21,079.07

*Discard of fixed assets (Office equipments, Computer equipments and Vehicles) purchased on or before 31st Mar, 2010.

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	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2019 :	13,349.19	6,750.82	1,750.15	6,656.33	826.65	77.04	29,410.18
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	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2019:	-	505.83	858.75	6,319.20	394.17	69.88	8,147.84
Carrying value as of March 31, 2019 :	13,349.19	6,244.99	891.40	337.13	432.48	7.15	21,262.33

4 INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2020:

Particulars	Software & IPR	Total
Cost as at April 1, 2019:	35,824.19	35,824.19
Additions	-	-
Deletions	-	-
Cost as at March 31, 2020 :	35,824.19	35,824.19
Accumulated amortization as of April 1, 2019:	35,796.46	35,796.46
Amortization expense	1,305.69	1,305.69
Add/(less): Adjustments	(1,295.25)	(1,295.25)
Deletion	-	-
Accumulated amortization as of March 31, 2020:	35,806.90	35,806.90
Carrying Amount as of March 31, 2020 :	17.29	17.29

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	-	-
Cost as at March 31, 2019 :	35,824.19	35,824.19
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	-	-
Accumulated amortization as of March 31, 2019:	35,796.46	35,796.46
Carrying Amount as of March 31, 2019 :	27.73	27.73

Notes to the Consolidated Financial Statements for the year ended 31 March 2020
 (ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

Particulars	As at March 31, 2020	As at March 31, 2019
5. Non-current investments		
a. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI) of associates		
1 M/s Myzeal IT Solutions Pvt. Ltd. 1900 Equity Shares of Rs.10/- fully paid	0.19	0.19
2 M/s.Enstaserv eServices Ltd 8279930 Equity shares of Rs.10/- each fully paidup.	827.99	827.99
(I)	828.18	828.18
b. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)		
1 M/s. Pumarth Prperties & Holdings Private 400000 equity shares @ Rs. 10 each at premium of Rs 215	900.00	900.00
2 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	614.00
3 M/s Readystate Infraservices 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
4 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
(II)	2,746.82	2,746.82
c. Non Trade - Investments in Preference Shares		
1 M/s Bloom Healthcare (P) Ltd. 9916138 Non convertible redeemable Preference shares of Rs. 70 each.	6,941.30	6,941.30
(III)	6,941.30	6,941.30
Total Non-Current Investments (I+II+III)	10,516.30	10,516.30
Less/(Add) : Provision for diminution in value of investments	1,462.05	387.26
Net Investments	9,055.23	10,130.98

	As at March 31, 2020	As at March 31, 2019
3. Capital Work in Progress		
<u>Considered Good</u>		
- Building WIP	64.14	546.95
	Total:	546.95
6. Non Current Financial Assets - Loans & Advances :		
- Loans to Others	1,368.60	1,432.68
- Inter-corporate Loans	965.63	78.28
	-	-
Unsecured Considered Doubtful	-	-
- Loans to Others	708.01	708.01
- Advance against Land	200.00	200.00
Less: Provision for doubtful advances	(908.01)	-
	Total:	2,418.98
7. Non Current Financial Assets - Others :		
- Long term Bank deposits	178.33	154.30
- Security deposits	83.70	71.99
	Total:	226.28
8. Deferred tax assets (net)		
- Depreciation and amortisation	83.84	83.64
- Employee benefits	29.14	29.14
	Total:	112.98
9. Other Non Current Assets :		
- TDS & IT Refund Receivables	84.08	75.85
- Preliminary and other Misc Expenses	-	1,195.00
	Total:	1,270.85
10. Current Financial Assets - Trade Receivables :		
Unsecured		
- Considered good	424.11	273.85
- Considered Doubtful-Refer Note 1.26(b) of Notes to accounts	121.26	97.68
	Total:	371.53
11. Cash and Cash Equivalents :		
(i) Balances with banks		
- In current accounts	200.78	1,320.71
(ii) Cash on hand	50.64	66.62
	Total:	1,387.33
12. Current Financial Assets - Loans & Advances :		
- Advances to Employee	25.60	24.47
- Advances to Others	25.32	-
- Advance to Suppliers	93.04	267.18
	Total:	291.65
13. Other Current Assets :		
- Prepaid expense	16.82	26.90
- Interest Receivables	-	3.87
- Unbilled Revenue	-	143.52
- Indirect Tax Recoverables	22.26	167.31
- TDS & IT Refund Receivables	174.84	100.09
	Total:	441.68

Particulars	As at March 31, 2020	As at March 31, 2019
14. Share capital		
A. Authorised Capital		
185,00,00,000 Equity Shares of Re. 1/- each fully paid up with voting rights	18,500.00	18,500.00
B. Issued, Subscribed And Fully Paid Up		
170,95,53,100 EQUITY SHARES OF Re. 1/- EACH fully paid up with voting rights	17,095.53	17,095.53
Less :		
Total :	17,095.53	17,095.53
15. Other Equity		
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	3,443.95
(ii) Transferred from retained earnings	-	-
	3,443.95	3,443.95
(d) Retained earnings		
(i) Opening balance	(36,624.86)	(19,387.75)
(ii) Less: Previous Year Provision Adjusted	-	-
(iii) Add/(less): Profit of Associates companies	(0.40)	0.96
(iv) Add: Profit for the period	(2,398.05)	(17,232.02)
	(39,023.30)	(36,618.82)
Less : Appropriations		
(i) Appropriation/Adjustments	9,259.92	(6.04)
	(29,763.39)	(36,624.86)
Non Controlling Interest	-	-
(e) Investment Revaluation Reserve		
(i) Opening balance	82.41	(1,833.10)
(ii) Unrealised gain on equity shares carried at fair value through OCI	(1,074.79)	855.97
(ii) Realised gain on equity shares carried at fair value through OCI	-	1,059.54
	(992.38)	82.41
(f) Assets Revaluation Reserve		
(i) Opening Balance	14,038.79	-
(ii) Addition/Deletion due to Revaluation	-	14,095.31
(ii) Reversal on account of Depreciation on Revaluation	367.18	56.52
	13,671.61	14,038.79
(g) Others (Foreign Currency Translation Reserve)	-	9,193.99
Total :	13,340.27	17,114.77

14A. 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, 2020		As at 31 March, 2019	
	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%

	As at March 31, 2020	As at March 31, 2019
16. Non-Current Financial Liabilities- Borrowings :		
Secured loans		
- ICICI Bank Loan	712.05	762.16
- ICICI Bank Loan (Rental Discounting)	194.21	-
- HDFC Bank Loan	1,792.83	1,969.44
Unsecured Loan	-	-
- From entity other than Banks	10.00	10.93
	2,709.08	2,742.54
17. Non-Current Provisions :		
- Provision for Leave encashment	19.76	15.15
- Provision for Gratuity	102.31	79.08
Total:	122.07	94.23
18. Other Non Current Liabilities :		
- Other Payables	-	-
- Security Deposits	405.99	395.89
Total:	405.99	395.89
19. Current Financial Liabilities - Trade Payables :		
Unsecured (Considered Good)		
(i) Total outstanding dues of MSME	0.81	-
(ii) Total outstanding dues of trade payables other than MSME	152.52	281.51
Total:	153.33	281.51
(Refer Note 1.28 of Notes to accounts)		
20. Current Provisions :		
- Provision for Leave Encashment	0.89	0.77
- Provision for Gratuity	3.19	2.74
Total:	4.08	3.51
21. Other Current Liabilities :		
- Advance received from customers	11.26	513.30
- Others (Payables)	222.51	155.99
	-	-
Total:	233.77	669.30
22. Current Tax Liabilities (net)		
- Income Tax Provision	81.85	49.61
- Indirect tax payable and other statutory liabilities	17.74	42.19
Total:	99.59	91.81

	As at March 31, 2020	As at March 31, 2019
23. REVENUE FROM OPERATIONS		
IT Enabled Services;		
- Overseas	2,087.19	3,071.48
- Domestic	817.31	569.64
Rental Income	828.61	399.24
Total:	3,733.11	4,040.36
24. OTHER INCOME		
Other income (net) consist of the following:		
- Interest income	232.66	199.66
- Net foreign exchange gains	-	5.58
- Other Income	108.73	19.71
Total:	341.39	224.95
Interest income comprise:		
- Interest on bank deposits	16.14	35.42
- Interest income on financial assets	216.29	159.85
- Other interest (including interest on income tax refunds)	0.23	4.39
Total:	232.66	199.66
25. EMPLOYEE BENEFIT EXPENSES		
Employee costs consist of the following:		
- Salaries, incentives and allowances	1,937.24	1,822.14
- Contributions to provident and other funds	29.81	23.53
- Staff welfare expenses	41.86	55.32
Total:	2,008.91	1,900.99
26. FINANCE COSTS (at effective interest rate method)		
Finance costs consist of the following:		
- Interest expenses	82.60	79.43
- Bank Charges	205.12	26.04
Total:	287.72	105.47
27. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of Property, Plant and equipment	514.13	319.19
Amortisation of Intangible Assets	1,305.69	16,629.25
Total:	1,819.82	16,948.45
28. OTHER OPERATING EXPENSES		
Other operating expenses consist of the following:		
- Fees to external consultants	240.37	137.83
- Communication expenses	59.31	44.76
- Software Consultancy and related expenses	-	25.15
- Technical Sub-contracting expenses	61.23	829.89
- Travel expenses	67.48	47.81
- Provisional for doubtful Advances	908.01	-
- Conveyance	44.83	27.79
- Power & Fuel	128.92	177.74
- Auditors Remuneration	16.21	11.67
- CSR Expenses (Refer Note No 1.24)	3.05	3.00
- Running & Maintenance	39.17	63.84
- Other expenses	381.81	430.58
Total:	1,950.40	1,800.03
(i) payment to Auditors net of GST, where applicable.		
- Annual Audit fee Incl. Quarterly review fee	10.71	11.29
- Internal Audit fee (Incl. GST Audit and Tax Audit fee)	5.50	0.38
Total:	16.21	11.67

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 5th May, 1993. The company is listed on two stock exchanges in India namely National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

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, e-learning service and other related Information Technology Enabled Services. The company also carries business of leasing or letting out all kind of immovable property including IT Infrastructural property whether freehold, leasehold to any type of person.

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;

Name of the Company	% Shareholdings 31.03.2020	% Shareholdings 31.03.2019	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	100	India
Stablesecure Infraservices Pvt. Ltd.	100	100	India
Zero Time Constructions Pvt. Ltd.	100	100	India
cGain Analytics Pvt. Ltd.	100	100	India

The Consolidated Financial statements also comprise the following associate companies;

Name of the Company	% Shareholdings 31.03.2020	% Shareholdings 31.03.2019	Country of Incorporation
Enstaserv Eservices 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 and audited Financial Statements of FCS Software Middle East FZE, Indian Subsidiaries and one associate Company namely Enstaserv Eservices Ltd. is considered for the consolidation of financial statements.

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 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.

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, 2020 and March 31, 2019 is as follows:

(Rs Lakhs)

S.No.	Particulars	March 31, 2020	March 31, 2019
1	Revenue from software service	2,904.50	3,641.12
2	Revenue from Renting of Property	828.61	399.24
	Total Revenue For Operations	3733.11	4,040.36

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.

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, Fixed assets additions include capitalization of Building amounting to Rs 675.04lakhs located at Panchkula. The Company is in the process of procuring completion certificate from the competent authority.

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. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit

or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

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 2020

(Rs Lakhs)

Description	India	USA	Total
Year ended March 31, 2020			
Revenue	1645.92	087.19	3733.11
Expenses	885.72	123.19	2008.91
Segment result	760.19	964.00	1724.20
Un-allocable expenses			4364.20
Operating income			(2640.01)
Other income (net)			341.39
Profit before tax			(2298.62)

For the Year Ended 31st March, 2019

(Rs Lakhs)

Description	India	USA	Total
Year ended March 31, 2019			
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			18,853.95
Operating income			(16,714.57)
Other income (net)			224.95
Profit before tax			(16,489.62)

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 and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates. The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

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 Infraseservices Pvt. Ltd, Zero Time Constructions Pvt. Ltd. and Enstaserv Eservices 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. When a foreign operation is disposed off in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to statement of profit and loss as part of the gain or loss on disposal.

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 differ-

ences 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 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

1.20 Other income

Other income is comprised primarily of interest income. Interest income is accounted for on accrual basis.

1.21 Related Party Transactions:

FCS Software Solutions Limited's principal related parties consist of its own subsidiaries, associates and key managerial personnel. The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enter into transactions in the ordinary course of business. Refer note 1.3 for list of subsidiaries and associates of the Company.

Transactions and balances with its own subsidiaries are eliminated on consolidation

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 resigned w.e.f. 27th July, 2019
- Raj Kumar Manikpuri – Additional Director appointed w.e.f 14th November, 2019
- Sunil Sharma – Director
- Shweta Shatsri – Independent Director
- Anil Kumar Sharma – Chief Financial Officer
- Harsha Sharma – Company Secretary

A. Transactions with the Related Parties

(Rs Lakhs)

Transactions	31.03.2020	31.03.2019
Salary & Other Benefits to Key Management Personnel		
1. Sunil Sharma	9.52	9.52
2. Harsha Sharma	7.80	7.80
3. Anil Kumar Sharma	21.21	19.87
Directors Sitting Fee		
Shiv Nandan Sharma	Nil	3.20
Shayam Sunder Sharma	4.00	4.20
Shweta Shatsri	3.00	2.80
Mahendra Pratap Singh	1.80	0.60
Raj Kumar Manikpuri	0.40	Nil
Legal & Professional Charges		
Mahendra Pratap Singh	Nil	1.07
Salary to Sandhya Singh	3.00	2.00

1.22 Expenditure in Foreign Currency

(Rs Lakhs)

	31.03.2020	31.03.2019
Expenditure incurred overseas	19.37	Nil

1.23 Earning in Foreign Exchange

(Rs Lakhs)

	31.03.2020	31.03.2019
Income from software development services and Products	2087.19	3147.64
	2087.19	3147.64

1.24 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) i) Gross amount spent by the Company for the year ended 31st March, 2020 is Rs. 3.05 lakhs (Previous Year 3.00 Lakhs)
- ii) Amount spent during the year on:

As on 31 st March 2020		(Rs Lakhs)		
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	3.05	-	3.05
iiia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	-	-	-

iib)	Social Welfare (Item No.(iii) of Schedule-VII)	3.05	-	3.05
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)	-	-	-
	Grand Total (i+ii)	3.05	-	3.05

As on 31 st March 2019				(Rs Lakhs)
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)	-	-	-
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)	-	-	-
	Grand Total (i+ii)	3.00	-	3.00

1.25 Investments

Investments are classified into non-current and current investments based on the intent of management at the time of acquisition. Fair Market Value for the purpose of valuation of investment in all companies including subsidiaries in compliance of the provisions of Companies Act, 2013 and applicable Ind AS is as per the Valuation Report taken from the Registered Valuers as prescribed u/s 247 of the Companies Act, 2013 read with Companies (Registered Valuers & Valuation) Rules 2018.

1.26 Contingent liabilities and commitments:

Contingent Liabilities:

- Claims against the Company, not acknowledged as debts, for FY2019-20 (P.Y 2018-19) is NIL
- Trade Receivable of Rs 545.36 lakhs for FY 2019-2020 (P.Y 2018-19 Rs 371.53 lakhs) includes Rs 121.26 lakhs for current year (P.Y 2018-19 Rs 97.68 lakhs) recoverability of which is subject to outcome of pending litigation with competent authorities.

1.27 During the year 2018-19, FCS Software Solutions Limited ("Holding Company") has initiated the scheme of Amalgamation 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 scheme of Amalgamation has been duly approved by the Board of Directors in its meeting held on 19th April 2019 and the further process for the same is still underway.

1.28 Disclosure under Micro, Small and Medium Enterprises Development Act,2006:

Particular	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid as at year end	0.81	-
Interest due thereon remaining unpaid as at year end	-	-
Interest paid by the company in terms of Section 16 of MSME Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at year end.	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-

1.29 The outbreak of Coronavirus disease (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management has evaluated the impact of this pandemic on its business operations and based on its review, there is no significant impact on its business operations. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material changes to future economic conditions.

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

AUDITOR'S REPORT

As per our separate report of even date

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

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

Sd/-
CA. Sanyam Jain
(Partner)
M. No. 531338
UDIN: 20531388AAAAAX3878

Sd/-
Dalip Kumar
Chairman & Managing Director
DIN: 00103292

Sd/-
Shayam Sunder Sharma
Director
DIN: 00272803

Place: Noida
Date: July 29, 2020

Sd/-
Anil Kumar Sharma
Chief Financial Officer

Sd/-
Harsha Sharma
Company Secretary

Independent Auditor’s Report

To the Members of FCS Software Solutions Limited

Report on Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of **FCS Software Solutions Limited** (“the Company”), which comprise the balance sheet as at 31st March, 2020 and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred 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 31st March, 2020, and the profit/(loss), other comprehensive income, changes in equity, and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

KEY AUDIT MATTERS

Key audit matters (‘KAM’) are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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:-

S.No.	The key audit matters	How our audit addressed the key audit matter
1	<p>Adoption of Ind AS 115 – Revenue from Contracts with Customers</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"> Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;

1	<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"> • 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; • Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the new accounting standard; • Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and • Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.
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INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report 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 will not express any form of assurance conclusion thereon.

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

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 management and Board of Directors are 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 state of affairs, profit/(loss) (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 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 standalone financial statements 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 and Board and Directors are 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of changes of Equity and the standalone statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representation received from the directors as on 31st March, 2020 taken on record by the board of directors, none of directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Sub-section 2 of Section 164 of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial

position in its standalone financial statements. Refer Note 1.23 to the standalone 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

3. With respect to the matter to be included in the Auditors Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provision of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For Aadit Sanyam & Associates
Chartered Accountants
Firm Reg. No. 023685N

Sd/-
CA Sanyam Jain
(Partner)
M. No. 531388
UDIN: 20531388AAAAAX3878

Place: New Delhi
Dated: 29th July, 2020

Annexure A to the Independent Auditor's Report on the financial statements

(Referred to in Para 1 under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to The Members of FCS Software Solutions Limited on the standalone Ind AS financial statements for the year ended 31st March, 2020)

1. 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 programme, certain fixed assets were physically verified during the year and 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 deed of immovable properties is held in the name of the company. In respect of immovable properties taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreement are in the name of the company.
2. The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Therefore, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.
3. According to 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 sec on 189 of the Act. Therefore, the provisions of paragraph 3 (iii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
4. According to information and explanations given to us and based on audit procedures performed, 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.
5. As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and relevant rules framed there under. 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.
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Sec 148 of the Act, for any of the services rendered by the Company. Accordingly, clauses 3(vi) of the Companies (Auditor's Report) Order are not applicable to the Company.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income- tax, Goods and Service tax, Duty of customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-Tax, Goods and Service tax, Duty

- of customs, Cess and other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no disputed dues in respect of income tax or Sales tax or Service tax or goods and service tax, Duty of customs, Duty of excise, Value added tax which have not been deposited with the appropriate authorities.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to a financial institution, banks. The company has not taken loan from government and has not issue debentures during the year.
9. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to by management, the Company has not raise any money by way of initial public offer or further public offer (including debt instruments). We further report that monies raised by way of term loans during the year were applied for the purposes for which those were raised.
10. To the best of our knowledge and belief and according to the information and explanations given to us, we report that no material fraud on or by the officers and employees of the Company has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us and based on the examination of the records of the company, the company has paid /provided managerial remuneration in accordance with the requisite approvals mandated by provision of section 197 read with Schedule V of the act.
12. According to the information and explanations given to us, the Company is not a nidhi company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.
13. According to the information and explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable, and the details of such transactions have been disclosed in Note No.1.18 in standalone financial statements, as required by the applicable Ind-As.
14. According to the information and explanations given by the management, and based on our examination of records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
15. According to the information and explanations given by the management, and based on our examination of records of the company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
16. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Aadit Sanyam & Associates
Chartered Accountants
Firm Reg. No. 023685N

Sd/-
CA Sanyam Jain
(Partner)
M. No. –531388
UDIN: 20531388AAAAAX3878

Place: New Delhi
Dated: 29th July, 2020

Annexure B to the Independent Auditor's Report on the financial statements of FCS Software Solutions Limited

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-sec on 3 of Sec on 143 of the Companies Act, 2013 ("the Act")

(Referred to in Para 2(f) under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date)

Opinion

We have audited the internal financial controls with reference to the financial statements of FCS Software Solutions Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March, 2020, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 procedure selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

**Sd/-
CA Sanyam Jain
(Partner)
M. No. – 531388
UDIN: 20531388AAAAAX3878**

**Place: New Delhi
Dated: 29th July, 2020**

Standalone Balance sheet as at 31st March, 2020
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

CIN No: L72100DL1993PLC179154

	Note no.	As at 31st March 2020	As at 31st March 2019
[I] ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	2	19,557.73	19,615.89
(b) Capital work-in-progress	3	64.14	546.95
(c) Intangible assets	4	17.29	27.73
(d) Financial assets			
- Investments	5	10,432.87	12,703.96
- Loans & Advances	6	2,264.70	2,354.33
- Other Financial Assets	7	253.84	218.54
(e) Deferred tax assets (Net)	8	111.84	113.25
(f) Other non-current assets	9	81.77	62.51
2. Current Assets			
(a) Financial assets			
- Trade Receivables	10	408.92	226.90
- Cash and cash equivalents	11	167.10	1,274.61
- Loans	12	136.32	291.56
(b) Other current assets	13	209.54	437.15
TOTAL		33,706.04	37,873.38
[II] EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	14	17,095.53	17,095.53
(b) Other Equity	15	12,863.75	16,470.93
2. Non-current liabilities			
(a) Financial liabilities			
- Borrowings	16	2,699.08	2,731.61
(b) Provisions	17	120.42	93.05
(c) Other non-current Liabilities	18	405.18	395.07
3. Current liabilities			
(a) Financial liabilities			
- Trade payables	19	149.95	278.02
(b) Provisions	20	3.96	3.43
(c) Other Current Liabilities	21	271.54	717.58
(d) Current Tax Liabilities (net)	22	96.63	88.15
TOTAL		33,706.04	37,873.38
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. 531338
UDIN: 20531388AAAAAX3878

Sd/-
Dalip Kumar
Chairman & Managing Director
DIN: 00103292

Sd/-
Anil Kumar Sharma
Chief Financial Officer

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

Sd/-
Shayam Sunder Sharma
Director
DIN: 00272803

Sd/-
Harsha Sharma
Company Secretary

Place: Noida
Date: July 29, 2020

Standalone Statement of Profit and Loss for the year ended 31 March, 2020
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

CIN No: L72100DL1993PLC179154

	Note no.	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations	23	3,688.48	3,962.00
Other income	24	332.54	200.66
Total revenue		4,021.02	4,162.66
Expenses			
Employee benefit expense	25	1,959.49	1,844.64
Finance cost	26	287.67	104.72
Depreciation and amortisation expense	27	524.43	333.89
Other Operating expense	28	1,917.49	1,762.63
Total expenses		4,689.08	4,045.88
Profit/ (loss) before exceptional items and tax		(668.06)	116.77
Exceptional items		(306.26)	-
Profit/ (loss) before tax		(974.33)	116.77
Tax expense			
a) Current tax		80.45	49.61
b) Deferred tax		1.41	31.49
Profit/ (loss) for the period		(1,056.18)	35.67
Other comprehensive income			
- Items that will not be reclassified to profit or loss			
1 Remeasurement of defined employee benefits plan		(17.61)	(0.44)
2 Changes in Fair Values of Investment in Equities carried at Fair Value through Other Comprehensive Income		(2,271.10)	(13,946.93)
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 Loss on Sale of Investments		-	(478.71)
Net Other Comprehensive Income not to be reclassified to Profit & Loss		(2,288.71)	(975.91)
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(3,344.89)	(940.24)
Earnings per equity share (for continuing operations)			
a) Basic		-0.06	0.00
b) Diluted		-0.06	0.00

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. 531338
UDIN: 20531388AAAAAX3878

Place: Noida
Date: July 29, 2020

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

Sd/-
Dalip Kumar
Chairman & Managing Director
DIN: 00103292

Sd/-
Anil Kumar Sharma
Chief Financial Officer

Sd/-
Shayam Sunder Sharma
Director
DIN: 00272803

Sd/-
Harsha Sharma
Company Secretary

Standalone Statement of Cash Flows for the year ended 31 March, 2020
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

CIN No: L72100DL1993PLC179154

	As at March 31, 020	As at March 31, 2019
1. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(974.33)	259.72
<i>Adjustments for :</i>	-	-
Depreciation and amortisation	524.43	333.89
Loss on Discarded Assets	306.26	-
Interest income	(223.82)	(193.32)
Finance costs	287.67	104.72
Other Adjustments	0.01	-4.91
	(79.76)	500.10
Working capital adjustments:		
(Increase)/Decrease in Trade Receivables	(182.02)	111.01
(Increase)/Decrease in Loans and Advances	244.87	(193.00)
(Increase)/Decrease in Other Assets	173.05	7.72
Increase/(Decrease) in Trade Payables	(128.07)	(136.28)
Increase/(Decrease) in Provisions	(40.55)	(64.13)
Increase/(Decrease) in Current Liabilities	(437.37)	(1,119.84)
Cash Generated from Operations	(449.85)	(894.43)
Income Tax Paid	49.61	88.13
NET CASH GENERATED/(USED IN) BY OPERATING ACTIVITIES (1)	(499.46)	(982.55)
2. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(511.67)	(1,411.17)
Interest Income	223.82	193.32
Proceeds from sale of investments	-	327.90
Gain/(Loss) on Sale of investments	-	-
Investment in Preference Shares	-	-
Investment in Equity Shares	-	(291.30)
NET CASH GENERATED/(USED IN) BY INVESTING ACTIVITIES (2)	(287.85)	(1,181.26)
CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	(287.67)	(104.72)
Proceeds from borrowings	-	2,731.61
Repayment of borrowings	(32.53)	-
NET CASH GENERATED/(USED IN) BY FINANCING ACTIVITIES (3)	(320.19)	2,626.88
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)	(1,107.51)	463.07
Cash and cash equivalents at the beginning of the year	1,274.61	811.53
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	167.10	1,274.61

The accompanying notes are an integral part of the Financial Statements
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. 531338

UDIN: 20531388AAAAAX3878

Sd/-

Dalip Kumar

Chairman & Managing Director

DIN: 00103292

Sd/-

Anil Kumar Sharma

Chief Financial Officer

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

Sd/-

Shayam Sunder Sharma

Director

DIN: 00272803

Sd/-

Harsha Sharma

Company Secretary

Place: Noida

Date: July 29, 2020

Standalone Statement of changes in equity for the year ended 31st March, 2020
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

CIN No: L72100DL1993PLC179154

a. Equity share capital

	Opening balance as at 01 Apr 2019	Changes in equity share capital during the year	Closing balance as at 31 March 2020
Equity shares of Rs.1 each	17,095.53	-	17,095.53
	17,095.53	-	17,095.53
	Opening balance as at 01 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
	17,095.53	-	17,095.53

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 31st March, 2020

	Share premium	Capital reserve	Retained earnings	Others (For- eign Currency Translation Reserve)	General reserve	OCI Items- Assets (L&B) Revaluation Reserve	OCI Items- Investment Revaluation Reserve	Total Equity
As at 1 April 2019	25,099.44	1,881.03	5,289.83	1,543.38	2,904.31	13,393.65	(33,640.72)	16,470.93
Profit for the period	-	-	(1,073.80)	-	-	-	-	(1,073.80)
Addition/Reversal during the Year	-	-	-	-	-	(232.38)	-	(232.38)
Other Adjustments*	-	-	1,508.55	(1,543.38)	-	-	4.92	(29.91)
Other comprehensive income/(loss)	-	-	-	-	-	-	(2,271.10)	(2,271.10)
TOTAL	25,099.44	1,881.03	5,724.58	-	2,904.31	13,161.27	(35,906.89)	12,865.75

For the year ended 31 March, 2019

	Share premium	Capital reserve	Retained earnings	Others (For- eign Currency Translation Reserve)	General reserve	OCI Items- Assets (L&B) Revaluation Reserve	OCI Items- Investment Revaluation Reserve	Total Equity
As at 1 April 2018	25,099.44	1,881.03	5,739.36	1,543.38	2,904.31	-	(20,643.15)	16,524.37
Profit for the period	-	-	(443.48)	-	-	-	-	(443.48)
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
TOTAL	25,099.44	1,881.03	5,289.83	1,543.38	2,904.31	13,393.65	(33,640.72)	16,472.93

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, 2020		As at 31 March, 2019	
	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, 2020 and March 31, 2019

	As at 31 March, 2020		As at 31 March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the period	17,095.53	17,095.53	17,095.53	17,095.53
Add/Less: Changes in number of shares	-	-	-	-
	-	-	-	-
Number of shares at the end of the period.	17,095.53	17,095.53	17,095.53	17,095.53

Summary of significant accounting policies

The accompanying notes are an integral part of the Financial Statements

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. 531338

UDIN: 20531388AAAAAX3878

For and on behalf of the Board of Directors of

FCS Software Solutions Limited

Sd/-

Shayam Sunder Sharma

Director

DIN: 00272803

Sd/-

Anil Kumar Sharma

Chief Financial Officer

Sd/-

Harsha Sharma

Company Secretary

Place: Noida

Date: July 29, 2020

Notes to the Standalone Financial Statements for the year ended 31st March, 2020
(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, 2020:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2019:	11,706.69	6,750.82	1,746.50	6,642.61	822.84	77.04	27,746.50
Additions	-	750.46	91.72	4.26	148.04	-	994.48
Increase/(Decrease) due to Revaluation	-	-	-	-	-	-	-
Deletions*	-	-	317.86	5,783.12	-	24.31	6,125.29
Gross carrying value as of March 31, 2020 :	11,706.69	7,501.28	1,520.36	863.75	970.88	52.73	22,615.68
Accumulated depreciation as of April 1, 2019:	-	505.83	855.94	6,308.07	390.88	69.88	8,130.60
Depreciation	-	357.48	282.99	3.19	100.66	2.06	746.38
Add/(Less): Adjustments	-	-	-	-	-	-	-
Accumulated depreciation on deletions*	-	-	301.97	5,493.96	-	23.10	5,819.03
Accumulated depreciation as of March 31, 2020:	-	863.31	836.96	817.30	491.54	48.85	3,057.95
Carrying value as of March 31, 2020 :	11,706.69	6,637.96	683.40	46.46	479.34	3.88	19,557.73

*Discard of fixed assets (Office Equipments, Computer Equipments & Vehicles) purchased on or before 31st Mar, 2010.

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	-	1,054.83	1,003.08	1.51	406.58	-	2,466.00
Increase/(Decrease) due to Revaluation	9,874.08	3,576.09	-	-	-	-	13,450.17
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2019 :	11,706.69	6,750.82	1,746.50	6,642.61	822.84	77.04	27,746.50
Accumulated depreciation as of April 1, 2018:	-	366.30	670.11	6,301.04	351.26	66.50	7,755.21
Depreciation	-	139.53	185.83	7.03	39.62	3.38	375.40
Add/(Less): Adjustments	-	-	-	-	-	-	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2019:	-	505.83	855.94	6,308.07	390.88	69.88	8,130.60
Carrying value as of March 31, 2019:	11,706.69	6,244.99	890.56	334.54	431.95	7.15	19,615.89

4 INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2020:

Particulars	Software & IPR	Total
Cost as at April 1, 2019 :	368.67	368.67
Additions	-	-
Deletions	-	-
Cost as at March 31, 2020 :	368.67	368.67
Accumulated amortization as of April 1, 2019:	340.94	340.94
Amortization expense	10.44	10.44
Add/(less): Adjustments	-	-
Deletion	-	-
Accumulated amortization as of March 31, 2020:	351.38	351.38
Carrying Amount as of March 31, 2020 :	17.29	17.29

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:	368.67	368.67
Additions	-	-
Deletions	-	-
Cost as at March 31, 2019 :	368.67	368.67
Accumulated amortization as of April 1, 2018:	325.93	325.93
Amortization expense	15.01	15.01
Add/(less): Adjustments	-	-
Deletion	-	-
Accumulated amortization as of March 31, 2019:	340.94	340.94
Carrying Amount as of March 31, 2019 :	27.73	27.73

Notes to the Standalone Financial Statements for the year ended 31st March, 2020
 (All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	As at 31.03.2020	As at 31.03.2019
5. Non-current investments		
a. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI) of subsidiaries		
1 M/s Insync Business Solutions Limited 50000 Equity Shares of Rs.10/- fully paidup	6.26	6.26
2 M/s Cgain Analytics Pvt. Ltd. 2300000 Equity Shares of Rs.10/- fully paidup and 180000 equity shares @2.58 per share	234.64	234.64
3 M/s Innova Eservices Pvt. Ltd. 1450000 Equity Shares of Rs.10/- fully paidup and 10000 equity shares @ 0.94 per share	145.09	145.09
4 M/s Stablesecure Infraserivices Pvt. Ltd. 12750000 Equity Shares of Rs.10/- and 1010000 equity shares @8.90 per shares	1,364.89	1,364.89
5 M/s Zertime constructions Pvt. Ltd. 9520000 equity shares @10/- per share and 11460000 equity shares @0.04 per shares	956.67	956.67
6 M/s.FCS SOFTWARE MIDDLE EAST FZE 2706 Equity shares of AED 100000/- each fully paidup	33,780.46	33,780.46
7 M/s.FCS SOFTWARE SOLUTIONS GmbH 100000 Equity shares of EURO 1/- each fully paidup	21.26	21.26
8 FCS Software (Shanghai) Co., Ltd	12.16	12.16
(I)	36,521.45	36,521.45
b. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI) of associate		
1 M/s. Enstaserv eServices Ltd 8279930 Equity shares of Rs.10/- each fully paidup.	827.99	827.99
(II)	827.99	827.99
c. Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)		
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	900.00	900.00
2 M/s Myzeal IT Solutions Pvt. Ltd. 1900 Equity Shares of Rs.10/- fully paid	0.19	0.19
3 M/s Readystate Infraserivices Private Limited 44627 Equity Shares of Rs.1151/- at premium i.e. Rs. 10 each per Share and premium @ Rs.1141	513.66	513.66
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	614.00	614.00
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	26.10	26.10
(III)	2,053.94	2,053.94
d. Non Trade - Investments in Preference Shares		
1 M/s Bloom Healthcare (P) Ltd. 9916138 Non convertible redeemable Preference shares of Rs. 70 each.	6,941.30	6,941.30
(IV)	6,941.30	6,941.30
Total Investments (I+II+III+IV)	46,344.68	46,344.68
Less : Provision for diminution in value of investments	(35,911.81)	(33,640.72)
Net Investments	10,432.87	12,703.96

Notes to the Standalone Financial Statements for the year ended 31st March, 2020

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

	As at 31/03/2020	As at 31/03/2019
3. Capital work-in-progress		
Considered Good		
- Building WIP	64.14	546.95
Total:	64.14	546.95
6. Non Current Financial Assets - Loans & Advances :		
Unsecured Considered Good		
- Loans to Others	1,299.07	1,368.91
- Inter-corporate Loans	965.63	77.40
Unsecured Considered Doubtful	-	-
- Loans to Others *	708.01	708.01
- Advance against Land	200.00	200.00
Less: Provision for doubtful advances	(908.01)	-
Total:	2,264.70	2,354.33
7. Non Current Financial Assets - Others :		
- Long term Bank deposits	170.79	147.20
- Security deposits	83.05	71.34
Total:	253.84	218.54
8. Deferred Tax Assets (Net) :		
- Depreciation and amortisation	82.70	84.11
- Employee benefits	29.14	29.14
Total:	111.84	113.25
9. Other Non Current Assets :		
- TDS & IT Refund Receivables	81.77	62.51
Total:	81.77	62.51
10. Current Financial Assets - Trade Receivables :		
Unsecured		
- Considered good	384.24	225.80
- Considered doubtful-Refer Note 1.23(b) of Notes to accounts	24.68	1.10
Total:	408.92	226.90
11. Cash and Cash Equivalents :		
(i) Balances with banks		
- In current accounts	147.89	1,255.19
(ii) Cash on hand	19.21	19.41
Total:	167.10	1,274.61
12. Current Financial Assets - Loans & Advances		
- Advances to Employee	25.23	24.47
- Advances to Others	2.53	-
- Advance to Suppliers	108.56	267.09
Total:	136.32	291.56
13. Other Current Assets :		
- Prepaid expense	16.82	26.90
- Interest Receivables	-	3.87
- Unbilled Revenue	-	143.52
- Indirect Tax Recoverables	21.96	167.31
- TDS & IT Refund Receivables	170.76	95.55
Total:	209.54	437.15

Notes to the Standalone Financial Statements for the year ended 31st March, 2020
 (All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	As at 31.03.2020	As at 31.03.2019
14. Share capital		
A. Authorised Capital		
185,00,00,000 Equity Shares of Re. 1/- each fully paid up with voting rights	18,500.00	18,500.00
B. Issued, Subscribed And Fully Paid Up		
170,95,53,100 EQUITY SHARES OF Re. 1/- EACH fully paid up with voting rights	17,095.53	17,095.53
Less :		
Total :	17,095.53	17,095.53
15. Other Equity		
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	-	-
	2,904.31	2,904.31
(d) Retained earnings		
(i) Opening balance	5,289.83	5,739.36
(ii) Add: Profit for the period	(1,073.80)	(443.48)
	4,216.04	5,295.87
Less : Appropriations		
(i) Appropriation/Adjustments	1,508.55	-6.04
	5,724.58	5,289.83
(e) Investment Revaluation Reserve		
(i) Opening balance	(33,640.72)	(20,643.15)
(ii) Unrealised gain on equity shares carried at fair value through OCI	(2,266.17)	(13,934.60)
(ii) Realised gain on equity shares carried at fair value through OCI	-	937.03
	(35,906.89)	(33,640.72)
(f) Assets (L & B) Revaluation Reserve		
(i) Opening Balance	13,393.65	-
(ii) Addition/Deletion due to Revaluation	-	13,450.17
(ii) Reversal on account of Depreciation on Revaluation	232.38	56.52
	13,161.27	13,393.65
(g) Others (Foreign Currency Translation Reserve)	-	1,543.38
Total :	12,863.75	16,470.93

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, 2020		As at 31 March, 2019	
	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, 2020 and March 31, 2019

	As at 31 March, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the period	1709553100	1,709,553,100	1709553100	1,709,553,100
Add/Less: Changes in number of shares	-	-	-	-
Number of shares at the end of the period.	1709553100	1,709,553,100	1709553100	1,709,553,100

	As at 31/03/2020	As at 31/03/2019
16. Non-Current Financial Liabilities- Borrowings :		
Secured loans		
- ICICI Bank Loan	712.05	762.16
- ICICI Bank Loan (Rental Discounting)	194.21	-
- HDFC Bank Loan	1,792.83	1,969.44
Total:	2,699.08	2,731.61
17. Non-Current Provisions :		
- Provision for Leave encashment	19.30	14.83
- Provision for Gratuity	101.12	78.23
Total:	120.42	93.05
18. Other Non Current Liabilities :		
- Security Deposits	405.18	395.07
Total:	405.18	395.07
19. Current Financial Liabilities - Trade Payables :		
Unsecured (Considered Good)		
(i) Total outstanding dues of MSME	0.81	-
(ii) Total outstanding dues of trade payables other than MSME	149.14	278.02
Total:	149.95	278.02

(Refer Note 1.25 of Notes to accounts)

PARTICULARS	As at 31/03/2020	As at 31/03/2019
20. Current Provisions :		
- Provision for Leave Encashment	0.85	0.75
- Provision for Gratuity	3.11	2.68
Total:	3.96	3.43
21. Other Current Liabilities :		
- Advance received from customers	57.03	568.26
- Others (Payables)	214.51	149.32
Total:	271.54	717.58
22. Current Tax Liabilities (net)		
- Income Tax Provision	80.45	49.61
- Indirect tax payable and other statutory liabilities	16.18	38.53
Total:	96.63	88.15
23. REVENUE FROM OPERATIONS		
IT Enabled Services;		
- Overseas	2,087.19	3,071.48
- Domestic	757.08	491.28
Rental Income	844.21	399.24
Total:	3,688.48	3,962.00
24. OTHER INCOME		
Other income (net) consist of the following:		
- Interest income	223.82	193.32
- Other Income	108.73	7.34
Total:	332.54	200.66
Interest income comprise:		
- Interest on bank deposits	15.71	35.05
- Interest income on financial assets	208.10	155.94
- Other interest (including interest on income tax refunds)	-	2.33
Total:	223.82	193.32
25. EMPLOYEE BENEFIT EXPENSES		
- Salaries, incentives and allowances	1,889.65	1,767.11
- Contributions to provident and other funds	27.97	22.21
- Staff welfare expenses	41.86	55.32
Total:	1,959.49	1,844.64
26. FINANCE COSTS (at effective interest rate method)		
- Interest expenses	82.60	79.43
- Bank Charges	205.07	25.30
Total:	287.67	104.72

PARTICULARS	As at 31/03/2020	As at 31/03/2019
27. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of Property, Plant and equipment	514.00	318.88
Amortisation of Intangible Assets	10.44	15.01
Total:	524.43	333.89
28. OTHER OPERATING EXPENSES		
Other operating expenses consist of the following:		
- Fees to external consultants	238.89	124.15
- Communication expenses	57.47	42.88
- Software Consultancy and related expenses	-	25.15
- Technical Sub-contracting expenses	61.23	829.89
- Travel expenses	67.48	47.81
- Provisional for doubtful Advances	908.01	-
- Conveyance	44.47	27.74
- Power & Fuel	128.92	177.74
- Auditors Remuneration	15.00	9.88
- CSR Expenses (Refer Note No 1.21)	3.05	3.00
- Running & Maintenance	39.17	63.84
- Other expenses	353.79	410.57
Total:	1,917.49	1,762.63
 (i) payment to Auditors net of GST, where applicable.		
- Annual Audit fee Incl. Quarterly review fee	9.50	9.50
- Internal Audit fee (Incl. GST Audit and Tax Audit fee)	5.50	0.38
Total	15.00	9.88

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 5th May, 1993 in India. The company is listed on two stock exchanges in India namely National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

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, e-learning service and other related Information Technology Enabled Services. The company also carries business of leasing or letting out all kind of immovable property including IT Infrastructural property whether freehold, leasehold to any type of person.

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.

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, 2020 and year ended March 31, 2019 is as follows:

S. No.	Particulars	March 31, 2020	March 31, 2019
1	Revenue from software service	2,844.27	3,562.76
2	Revenue from Renting of Property	844.21	399.24
	Total Revenue For Operations	3,688.48	3,962.00

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, fixed assets addition include capitalization of Building amounting to Rs 675.04 lakhs located at Panchkula. The Company is in the process of procuring completion certificate from the competent authority.

1.6 Financial Instruments

1.6.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

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 as per the valuation report taken from the registered valuer as prescribed u/s 247 of The Companies Act, 2013 read with Companies (Registered Valuers & Valuation) Rules 2018 is considered in compliance of the provisions of Companies Act, 2013.

b. Derivative financial instruments

The Company 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 Company 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 and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates. The Company uses significant judgment to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

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 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 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 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

1.11 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.

1.12 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.

1.13 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.

1.14 Employee benefits

1.14.1 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.

1.14.2 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.

1.14.3 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.

1.15 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.

1.16 Other income

Other income is comprised primarily of interest income. Interest income is accounted for on accrual basis.

1.17 Investment

Investments are classified into non-current and current investments based on the intent of management at the time of acquisition. Fair Market Value for the purpose of valuation of investment in all companies including subsidiaries in compliance of the provisions of Companies Act, 2013 and applicable Ind AS is as per the Valuation Report taken from the Registered Valuer as prescribed u/s 247 of the Companies Act, 2013 read with Companies (Registered Valuers & Valuation) Rules 2018.

1.18 Related Party Transactions:

Subsidiaries Companies

Name of Subsidiaries	Country	Holding as at	
		31.03.2020	31.03.2019
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	100
Stablesecure Infraseservices Pvt. Ltd.	India	100	100
Zero Time Constructions Pvt. Ltd.	India	100	100
cGain Analytics Pvt. Ltd.	India	100	100

Associate Companies

Name of Associate	Country	Holding as at	
		31.03.2020	31.03.2019
Enstaserv Eservices Ltd.	India	48.94	48.94

List of Directors/Key Managerial Personnel/

- Dalip Kumar – Chairman & Managing Director
- Mahendra Pratap Singh – Non- executive Director
- Shayam Sunder Sharma – Independent Director
- Shiv Nandan Sharma- Independent Director resigned w.e.f. 27th July, 2019
- Raj Kumar Manikpuri – Additional Director appointed w.e.f 14th November, 2019.
- Sunil Sharma – Director
- Shweta Shatsri – Independent Director
- Anil Kumar Sharma – Chief Financial Officer
- Harsha Sharma – Company Secretary

A. Transactions with the Related Parties

Transactions	31.03.2020	31.03.2019
Insync Business Solutions Ltd.		
Rental Income Received	15.60	15.60
Salary & Other Benefits to Key Management Personnel		
1. Sunil Sharma	9.52	9.52
2. Harsha Sharma	7.80	7.80
3. Anil Kumar Sharma*	21.21	19.87
Directors Sitting Fee		
Shiv Nandan Sharma	Nil	3.20
Shayam Sunder Sharma	4.00	4.20
Shweta Shatsri	3.00	2.80
Mahendra Pratap Singh	1.80	0.60
Raj Kumar Manikpuri	0.40	Nil
Legal & Professional Charges		
Mahendra Pratap Singh	Nil	1.07
Salary to Sandhya Singh	3.00	2.00

*The Salary of Mr. Anil Kumar Sharma, Chief Financial Officer was appraised w.e.f January, 2020.

B. List of Related Parties – Where Control exists:

Transaction between Holding and Subsidiaries:	31.03.2020	31.03.2019
M/s Cgain Analytics Pvt. Ltd.*	Nil	3.80
M/s Stablesecure Infraserivices Pvt. Ltd.#	Nil	182.00

* 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. Outstanding Balance Receivable/(Payable) as at year end:

S.No.	Outstanding Balances as at year end:	31.03.2020	31.03.2019
1.	Insync Business Solutions Limited	(45.78)	(54.18)

1.19 Expenditure in Foreign Currency

Particulars	31.03.2020	31.03.2019
Expenditure incurred overseas	Rs. 19.37	Nil

1.20 Earning in Foreign Exchange

Particulars	31.03.2020	31.03.2019
Income from software development services and Products	2,087.19	3147.64
	2,087.19	3147.64

1.21 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 spent by the Company during the year ended 31st March, 2020 is Rs. 3.05 lakhs (Previous Year 3.00 Lakhs)
- ii) Amount spent during the year on:

As on 31st March 2020

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	3.05	-	3.05
iiia)	Sanitation and safe drinking water (Item No. (i) of Schedule - VII)	-	-	-
iiib)	Social Welfare (Item No.(iii) of Schedule-VII)	3.05	-	3.05
iiic)	Forest & Environment, animal welfare etc. (Item No. (iv) of Schedule-VII)	-	-	-
iiid)	Contribution to 'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	-
iiie)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	-	-	-
	Grand Total (i+ii)	3.05	-	3.05

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	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)	-	-	-
iiid)	Contribution to 'Clean Ganga Fund' (Item No.(iv) of Schedule-VII)	-	-	-
iiie)	Ensuring environment sustainability item No. (iv) of Schedule - (VII)	-	-	-
	Grand Total (i+ii)	3.00	-	3.00

1.22 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 2020

Description	India	USA	Total
Year ended March 31, 2020			
Revenue	1601.29	2087.19	3688.48
Expenses	850.68	1108.81	1959.49
Segment result	750.61	978.38	1728.99
Un-allocable expenses			3035.86
Operating income			(1306.87)
Other income (net)			332.54
Profit before tax			(974.33)

For the Year Ended 31st March, 2019

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			2201.25
Operating income			(83.89)
Other income (net)			200.66
Profit before tax			116.77

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.

1.23 Contingent liabilities and commitments:

Contingent Liabilities:

- Claims against the Company, not acknowledged as debts for FY2019-20 (P.Y 2018-19) is NIL.
- Trade Receivable of Rs 408.92 lakhs for FY 2019-2020 (P.Y 2018-19 Rs 226.90 lakhs) includes Rs 24.68 lakhs for current year (P.Y 2018-19 Rs 1.10 lakhs) recoverability of which is subject to outcome of pending litigation with competent authorities.

1.24 During the year 2018-19, FCS Software Solutions Limited (“Holding Company”) has initiated the scheme of Amalgamation 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 scheme of Amalgamation has been duly approved by the Board of Directors in its meeting held on 19th April 2019 and the further process for the same is still underway.

1.25 Disclosure under Micro, Small and Medium Enterprises Development Act,2006:

Particular	As at 31 March 2020	As at 31 March 2019
Principal amount remaining unpaid as at year end	0.81	-
Interest due thereon remaining unpaid as at year end	-	-
Interest paid by the company in terms of Section 16 of MSME Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at year end.	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-

- 1.26** The outbreak of Coronavirus disease (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management has evaluated the impact of this pandemic on its business operations and based on its review, there is no significant impact on its business operations. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue monitoring any material changes to future economic conditions.
- 1.27** Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosures.

AUDITOR'S REPORT

As per our separate report of even date

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. 531338
UDIN: 20531388AAAAAX3878

Place: Noida
Date: July 29, 2020

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

Sd/-
Dalip Kumar
Chairman & Managing Director
DIN: 00103292

Sd/-
Anil Kumar Sharma
Chief Financial Officer

Sd/-
Shayam Sunder Sharma
Director
DIN: 00272803

Sd/-
Harsha Sharma
Company Secretary



Registered Office

205, 2nd 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.]