

Annual Report | 16th Edition 2018 -19



Vision & Mission

To be a preferred IT service provider to the Healthcare sector leveraging next-gen technologies.

“Provide Innovative Managed IT Services at a Committed Quality and Optimal Cost leveraging Technology, Thought Leadership and Global Delivery Model”

Core values

- ❖ Entrepreneurship
- ❖ Integrity
- ❖ Pursuit of Excellence

GSS Infotech – A Snapshot

- ❖ One of the fastest growing Managed IT Services Companies in India
- ❖ A Global organization with operations in US & India
- ❖ Strong Business Acumen with Technology Leadership
- ❖ World-class delivery engine delivering solutions to Fortune 500 companies and Global 1000 Companies
- ❖ SEI-CMMi Level-5 company with ISO 9001, 27001 certifications and SSAE18 SOC TYPE II
- ❖ Global Operations Command Center (GOCC) and remote delivery center in Hyderabad, India
- ❖ Best-in-class top tier technology alliances and domain intensive Centers of Excellence
- ❖ Highly capable global team

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Corporate Information

Board of Directors

Mr. Bhargav Marepally

CEO & Managing Director

Mrs. Nagajayanthi Das Juttur Ragavendra

Non-Executive, Independent Director

Mr. Prabhakara Rao Alokam

Non-Executive, Independent Director

Mr. Gowrisankara Padma Rao Lakkaraju

Non-Executive, Independent Director

Mr. Rambabu Sampangi Kaipa

Non-Executive Director

Mr. Saikiran Satya Surya Raghavendra Gundu

Non-Executive Director

Mr. V. Ravikumar Jatavallabha

Chief Financial Officer

Mr. Mohammad Anwar ul haq Abdul Mannan

Company Secretary & Compliance Officer

Bankers

Axis Bank Limited

Bank of India

Committees of Board of Directors

Audit Committee

Mr. Prabhakara Rao Alokam

Mrs. Nagajayanthi Das Juttur Ragavendra

Mr. Bhargav Marepally

Nomination and Remuneration Committee

Mrs. Nagajayanthi Das Juttur Ragavendra

Mr. Prabhakara Rao Alokam

Mr. Gowrisankara Padma Rao Lakkaraju

Stakeholders Relationship Committee

Mrs. Nagajayanthi Das Juttur Ragavendra

Mr. Bhargav Marepally

Mr. Gowrisankara Padma Rao Lakkaraju

Statutory Auditors

M/s. Sarath & Associates

Chartered Accountants, 4th floor, Mass heights,
H.No. 8-2-577/B, Road No.8, Banjara Hills,
Hyderabad - 500034. Telangana State

Registered Office

CIN: L72200TG2003PLC041860

Ground Floor, Wing-B,
N heights, Plot No. 12,
TSIIC software units lay out, Madhapur,
Serilingampally Mandal,
Ranga Reddy District
Hyderabad -500 081

Registrar and Share Transfer Agents

Bigshare Services Private Limited

E-2 & 3, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri(E), Mumbai-400072, India
Tel:+912240430200, Fax:+912228475207

Notice of Annual General Meeting (AGM)

Notice is hereby given that the 16th Annual General Meeting (AGM) of the members of GSS Infotech Limited will be held on Monday, the 30th Day of September, 2019, at 10.00 A.M at Ellaa Suites, Jasmine Hall, Hill Ridge Springs, 25 Kancha, Gachibowli, ISB Road, Hyderabad - 500 032 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt:
 - a) The audited financial statement of the Company for the financial year ended 31 March, 2019 and the reports of the Board of Directors and the report of the Auditors thereon.
 - b) The audited consolidated financial statement of the company for the financial year ended 31 March, 2019 and the report of the Auditors thereon.
2. To appoint a Director in the place of Mr. Bhargav Marepally (DIN: 00505098), who retires by rotation, and being eligible, offers himself for Re-appointment;
3. To Consider and approve the appointment of M/s. Rambabu & Co, Chartered Accountants (Firm Registration Number 002976S), as Statutory Auditors of the Company to hold office for a period of Five years until the Conclusion of 21st Annual General Meeting and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and Board of Directors of the Company M/s Rambabu & Co, Chartered Accountants (Firm Registration No 002976S) , be and is hereby appointed as the Statutory Auditors of the Company, in place of retiring auditors M/s. Sarath and Associates, Chartered Accountants (Firm Registration Number 005120S), to hold the office from the conclusion of this 16th AGM until the conclusion of 21st Annual General Meeting of the company, at such remuneration and out of pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the auditors”

Special Business:

4. Appointment of Mr. Saikiran Satya Surya Raghavendra Gundu (DIN 02224296) as Non-Executive Director:
To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Saikiran Satya Surya Raghavendra Gundu (DIN 02224296), who was appointed as an Additional Director of the company by the Board of Directors with effect from 13th February, 2019 and who holds office up to the date of this Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, whose term of office shall be liable to retire by rotation.”
5. Appointment of Mr. Rambabu Sampangi Kaipa (DIN 8238968) as Non-Executive Director:
To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Rambabu Sampangi Kaipa (DIN 8238968), who was appointed as an Additional Director of the company by the Board of Directors with effect from 13th February, 2019 and who holds office up to the date of this Annual General Meeting of the Company, be and is hereby appointed as a Director of the Company, whose term of office shall be liable to retire by rotation.”
6. Re-appointment of Mrs. Nagajayanthi Ragavendra Das Juttur (DIN: 5107482) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013:

To consider and if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

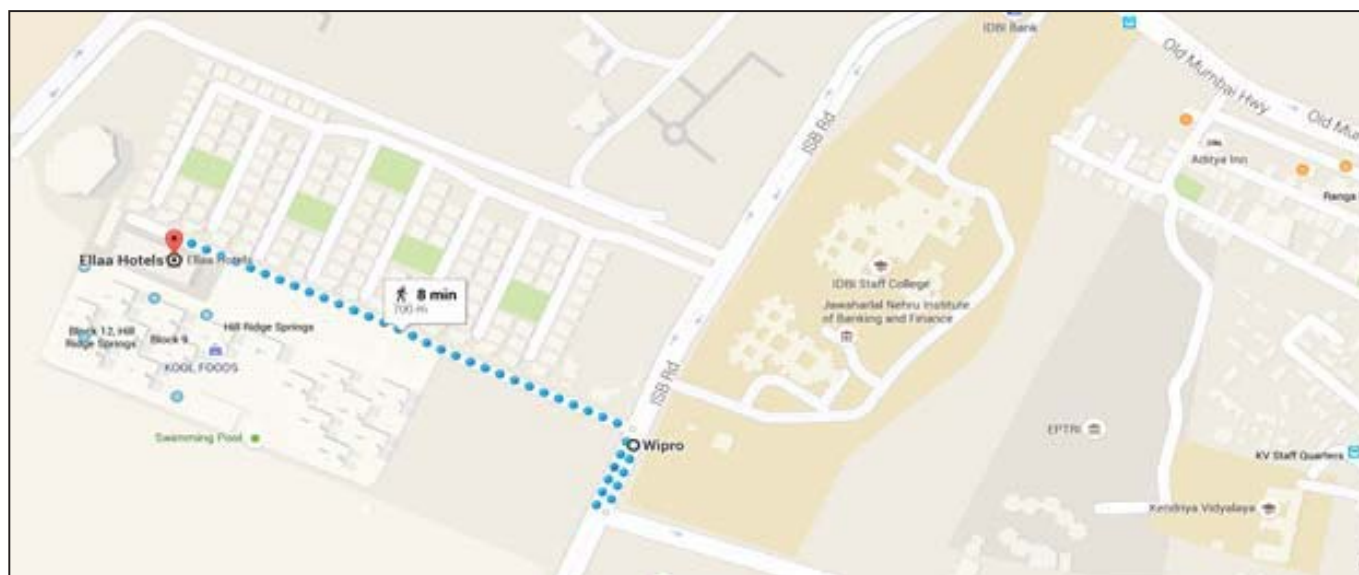
“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mrs. Nagajayanthi Ragavendra Das Juttur (DIN: 5107482), who was appointed as an Independent Director of the Company for a term of five years, by the members at the 12th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from the date of coming into effect of this resolution, not liable to retire by rotation.”

By Order of the Board of Directors

Date: 13th August, 2019
Place: Hyderabad

Bhargav Marepally
CEO & Managing Director

Map for the venue of Annual General Meeting



Explanatory Statement (pursuant to section 102(1) of the Companies Act, 2013)

ITEM No 3:

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the present Statutory Auditors of the Company, M/s. Sarath & Associates, Chartered Accountants (Registration No. 005120S), will hold office until the conclusion of the ensuing Annual General Meeting and will not seek re-appointment as their consecutive term comes to an end. The Company is required to appoint another Auditor for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 21st Annual General Meeting.

The Board of Directors at its meeting held on 13th August 2019, after considering the recommendations of the Audit Committee, had recommended the appointment of M/s. Rambabu & Co, Chartered Accountants, (Registration No. 002976S), as the Statutory Auditors of the Company for approval of the members. The proposed Auditors shall hold office for a period of five consecutive years' from the conclusion of the 16th Annual General Meeting till the conclusion of 21st Annual General Meeting of the Company.

M/s. Rambabu & Co, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. Rambabu & Co, Chartered Accountants as the Statutory Auditors of the Company and to fix their remuneration.

Interest of Directors and Key Managerial Personnel:

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

ITEM No 4:

The Board of Directors of the Company ('the Board') at the meeting held on 13th February, 2019, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), appointed in terms of Section 161 of the Companies Act, 2013 ('the Act'), Mr. Saikiran Satya Surya Raghavendra Gundu (DIN 02224296) as an Additional Non-Executive Director of the Company with effect from the said date.

Mr. Saikiran Satya Surya Raghavendra Gundu will vacate office at this Annual General Meeting. The Board at the aforesaid meeting, on the recommendation of the Committee, recommended for the approval of the Members, the appointment of Mr. Saikiran Satya Surya Raghavendra Gundu as a Non-Executive Director of the Company as set out in the Resolution relating to his appointment.

Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Saikiran Satya Surya Raghavendra Gundu has been received by the Company, and consent has been filed by Mr. Saikiran Satya Surya Raghavendra Gundu pursuant to Section 152 of the Act.

Additional information in respect of Mr. Saikiran Satya Surya Raghavendra Gundu, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, Brief Profile:

Mr. Saikiran Satya Surya Raghavendra Gundu, aged 43 years has rich global experience of 19 years in IT infrastructure and Automation and has rolled out many products and services to address key problem through automation and solving business problems through automation. A post graduate in computer applications (MCA) from Osmania University. He combines business acumen with technical knowledge to create innovative solution to address industry challenges.

Mr. Saikiran Satya Surya Raghavendra Gundu does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person.

None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution. Mr. Saikiran Satya Surya Raghavendra Gundu is not related to any of the Directors or Key Managerial Personnel of the Company. The Board recommends this Resolution for your approval.

Item No. 5:

The Board of Directors of the Company ('the Board') at the meeting held on 13th February, 2019, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), appointed in terms of Section 161 of the Companies Act, 2013 ('the Act'), Mr. Rambabu Sampangi Kaipa (DIN 8238968) as an Additional Non-Executive Director of the Company with effect from the said date.

Mr. Rambabu Sampangi Kaipa will vacate office at this Annual General Meeting. The Board at the aforesaid meeting, on the recommendation of the Committee, recommended for the approval of the Members, the appointment of Mr. Rambabu Sampangi Kaipa as a Non-Executive Director of the Company as set out in the Resolution relating to his appointment.

Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Rambabu Sampangi Kaipa has been received by the Company, and consent has been filed by Mr. Rambabu Sampangi Kaipa pursuant to Section 152 of the Act.

Additional information in respect of Mr. Rambabu Sampangi Kaipa, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, Brief Profile:

Mr. Rambabu Sampangi Kaipa, aged 51 years comes with 25 years of global experience in delivering IT services globally for large clients managing in excess of USD 150 Million in revenues. A post graduate in Computer Science from NIT, Warangal, has spent 25 years with Infosys Limited, building their global delivery model working from the Chairman's office and spearheaded their CSR initiatives "The Akshaya Patra Foundation".

Mr. Rambabu Sampangi Kaipa does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person.

None of the other Directors and Key Managerial Personnel of the Company, or their relatives, are interested in this Resolution. Mr. Rambabu Sampangi Kaipa is not related to any of the Directors or Key Managerial Personnel of the Company. The Board recommends this Resolution for your approval.

ITEM No 6:

Mrs. Nagajayanthi Ragavendra Das Juttur (DIN: 05107482) was appointed as an additional director (independent) of the Company in a board meeting held on 10th February 2015. In terms of Section 149 of the Companies Act, 2013, the members have at the 12th Annual General Meeting held on 30th September 2015 appointed Mrs. Nagajayanthi Ragavendra Das Juttur as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years.

Accordingly, the current term of Mrs. Nagajayanthi expires on 10th February 2020. In terms of Section 149 of the Companies Act, 2013, Mrs. Nagajayanthi is eligible for being appointed as an Independent Director for another term of 5 consecutive years. The Company has received a notice in writing from a member proposing the re-appointment Mrs. Nagajayanthi as an Independent Director of the Company for another term of five consecutive years effective from the Conclusion of the ensuing AGM 2019.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 13th August 2019, approved, subject to the approval of the members at the ensuing Annual General Meeting, re-appointment of Mrs. Nagajayanthi Ragavendra Das Juttur as an Independent Director for another term of five consecutive years effective from the Conclusion of the ensuing AGM 2019. Mrs. Nagajayanthi will not be liable to retire by rotation.

Mrs. Nagajayanthi Ragavendra Das Juttur, a Fellow Member of Institute of Company Secretaries of India, a Post Graduate in Financial management having rich experience in Corporate Finance, Secretarial and corporate compliance. She is also a speaker, writer and contributor in various Fora, having specialization in the area of carbon credits and Corporate Governance. After a brief stint as Class 1 Gazette Officer with Cabinet Secretariat Government of India, New Delhi she ventured into

corporate world and has been company secretary and compliance officer for reputed multinational companies in field of construction, fertilizer manufacturing, Bio-informatics and Genomics and Pharmaceutical industry. with over 18 years of experience in Secretarial, Legal and Finance domains. She specializes in advising businesses on mergers and acquisitions, project financing, debt syndication, corporate restructuring, corporate governance, strategic planning, legal and secretarial compliances.

The re-appointment is recommended based on knowledge, skills, experience and performance evaluation of Mrs. Nagajayanthi Ragavendra Das Juttur. She has attended almost all the Board Meetings and the Committees of which she is a Chairperson and/or Member during her tenure as an Independent Director. Her performance evaluation has been considered annually by the Nomination and Remuneration Committee and the Board. Mrs. Nagajayanthi has been evaluated on parameters including proactive discussions, understanding of the Company's business, engagement with the Company's management, exercising of Independence of behavior and judgement in her decisions and if she strives to bring in the best practices regarding governance, disclosures and operations. She has been rated most favorably in her performance evaluation by other directors. Mrs. Nagajayanthi is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as the Director. The Company has also received a declaration that she meets the criteria for the independence as prescribed under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mrs. Nagajayanthi Ragavendra Das Juttur fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for re-appointment as an Independent Director.

Your Directors recommend the approval of proposed resolution in the best interest of the company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, whether directly or indirectly, in the resolution mentioned at item No. 6 of the Notice.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/ HERSELF. A Proxy need not be a member of the Company. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the AGM i.e. by 10.00 a.m. on Saturday, 28th September, 2019. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person shall not act as a proxy for more than 50 (fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as a proxy for any other person.
2. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public Holidays up to the date of the AGM.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2019 to 30th September, 2019 (both days inclusive).
4. Members holding shares in electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall where the AGM is proposed to be held. The Members are requested to fill the details i.e. folio number in case of physical shares and DP ID and Client ID numbers for identification.
6. Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM, to the Company's Registrar and Transfer Agent or to the Company's Registered office by 10.00 a.m. on Saturday, 28th September, 2019.

7. In terms of section 124(6) All shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund. Accordingly, the shares in respect of unpaid and unclaimed dividend for the FY 2009-10 has been transferred to the IEPF.
8. Any claimant of shares transferred to IEPF shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as prescribed.
9. In case any dividend is paid or claimed for any year during the said period of seven consecutive years, the share has not been transferred to Investor Education and Protection Fund.
10. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer agent or at the Company's registered office.
11. Electronic copy of the Annual Report containing the Notice of the Annual General Meeting along with the Attendance Slip and Proxy Form are being sent to the members who have registered their email ids with the Company/Depository Participant(s). For members who have not registered their email ids, physical copies of the aforementioned documents are being sent in the permitted mode.
12. ***Members, who have not registered their email address so far, are requested to register their email ids for receiving all communications including Annual Report, Notices, etc., from the Company electronically.***
13. As a measure of austerity, copies of the Annual Report will not be distributed at the AGM. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.
14. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules issued thereunder. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled to the Company's Registrar and Share Transfer agent i.e. Bigshare Services Private Limited. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
15. Members who wish to obtain any information on any item of business of this meeting are requested to forward the same before 23rd September, 2019, to the Company Secretary at the Registered Office of the Company, email: company.secretary@gssinfotech.com, so that the same may be attended appropriately. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered Office of the Company on all working days i.e. Monday to Friday up to 29th September, 2019.

16. E-Voting:

In compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, E-voting facility is being provided to Members to exercise their right to vote on the resolutions proposed to be passed at the 16th AGM by electronic means. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on 23rd September, 2019 may cast their vote electronically. The e-voting will commence on 27th September, 2019 at 9:00 A.M. and will end on 29th September, 2019 at 5:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the record date i.e. 23rd September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. In addition,

the facility for voting through ballot paper shall also be made available at the venue of AGM and the Members attending the 16th AGM who have not cast their vote by e-voting shall be eligible to cast their vote at the 16th Annual General Meeting venue.

EVSN (E-VOTING SEQUENCE NUMBER)	COMMENCEMENT OF E-VOTING	END OF E-VOTING
190820036	27 th September, 2019 at 9:00 A.M.	29 th September, 2019 at 5:00 P.M .

THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER: -

- i. Log on to the e-voting website www.evotingindia.com
- ii. Click on “Shareholders” tab.
- iii. Now Enter your User ID
 - a) For CDSL: 16 digits’ beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) i. Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. ii. In case the sequence number is less than 8 digits enter the applicable number of ‘0’s before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio #. Please enter the DOB or Dividend Bank Details in order to login. Incase either the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Members holding shares in physical form will then directly reach GSS Infotech Limited selection screen. However, members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided

that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Select the “EVSN” (EVSN 190820036) of GSS Infotech Limited. Members can cast their vote online from 27th September, 2019 at 9.00 A.M. to 29th September, 2019 at 5.00 P.M. e-Voting shall not be allowed beyond the said time.
- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting.
- xii. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO Implies that you dissent to the Resolution
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed.
- xv. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. For Non – Individual Shareholders and Custodians
 - a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c. After receiving the login details compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - d. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xvii. In case of any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- xviii. Members are advised to cast their vote only through e-voting or through Poll at the AGM. In case you cast your votes through both the modes, votes cast through e-voting shall only be considered and votes cast at the meeting through Poll would be rejected.

In case of members receiving the physical copy:

- a. Please follow all steps from sl. no. (i) to sl. no. (xviii) above to cast vote.
- b. The voting period begins on 27th September, 2019 at 09:00 A.M. and ends on 29th September, 2019 at 05:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the record date i.e. 23th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- c. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and evoting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

17. Ms. Manjula Aleti, Practicing Company Secretary (Membership No. 31661, COP 13279) has been appointed as the Scrutinizer to scrutinize the e-voting and also the polling process in a fair and transparent manner.
18. The Scrutinizer shall within a period not exceeding one (1) working day from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against and submit her report to the Chairman of the Company.
19. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto. As per the requirements of Section 102(1) read with Section 110 and other applicable provisions of the Companies Act, 2013, this Explanatory Statement contains relevant and material information to enable the shareholders to consider and approve the Ordinary resolutions in item no. 3,4,5 and Special Resolution set out at item no. 6 of the Notice for the Annual General Meeting of the Company.

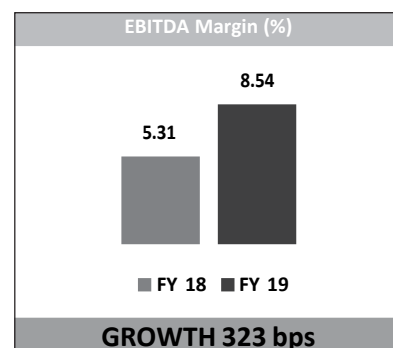
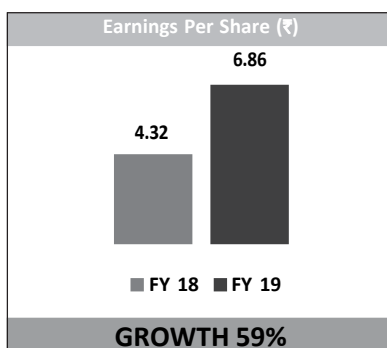
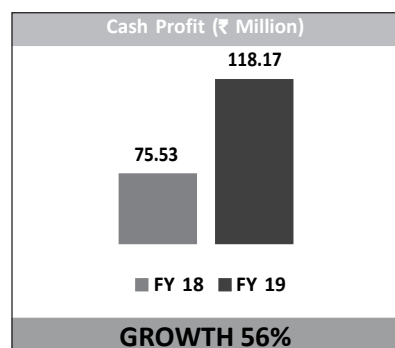
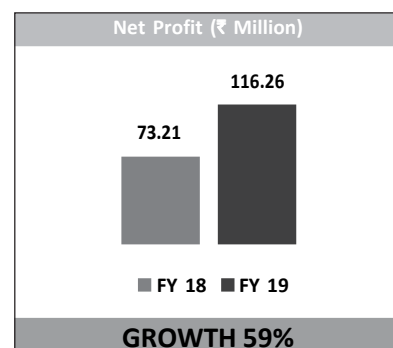
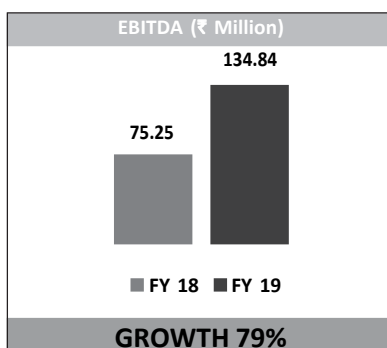
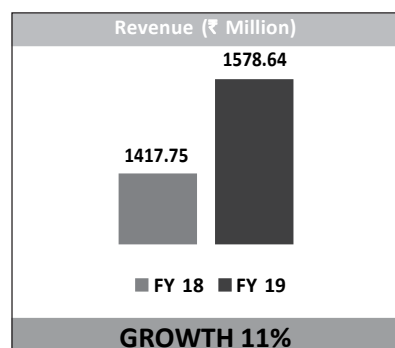
By Order of the Board of Directors

Date: 13th August, 2019
Place: Hyderabad

Bhargav Marepally
CEO & Managing Director
DIN: 00505098

KEY PERFORMANCE INDICATORS

Consolidated Numbers



BOARD'S REPORT

Dear Members,

We are delighted to present the report on our business and operations for the financial year ended 31 March 2019

FINANCIAL RESULTS

The Company's Financial results (standalone & consolidated) for the year ended 31 March 2019 is provided in the Annual Report.

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2018-19	2017-18	2018-19	2017-18
Net sales/income from operations	15,786.42	14,177.47	3,086.14	2,275.13
Less: Direct cost	1,513.51	1,713.41	417.78	319.40
Indirect Cost	13,044.11	11,742.60	1,867.33	1,609.99
Profit / (Loss) from operations before other income, finance costs and exceptional items	1,228.80	721.46	801.03	345.74
Other income	100.56	7.85	100.56	0.99
Profit / (Loss) from ordinary activities before finance costs and exceptional items	1,329.36	729.31	901.59	346.73
Finance costs	98.14	106.60	8.12	28.31
Profit / (Loss) from ordinary activities after finance costs but before exceptional items	1231.22	622.71	893.47	318.42
Exceptional items*	-	-	-	-
Profit / (Loss) from ordinary activities before tax	1231.22	622.71	893.47	318.42
Tax expense	68.62	(109.37)	60.13	(129.12)
Net Profit / (Loss) from ordinary activities after tax	1,162.60	732.08	833.34	447.54
Net Profit / (Loss) for the period	1,162.60	732.08	833.34	447.54

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year ended 2018-19 and the date of this report.

I. STATE OF COMPANY'S AFFAIRS

GSS primary focus is in the ADMS (Application Development and Maintenance Services), IMS (Infrastructure Management Services) and Healthcare services, while our major revenue contributor has been Professional Services. We continue to execute our business operations under the same units as last year. As we continue to meet customers, we remain convinced of the huge potential our company has given the services we offer today. We not only intend to leverage on our existing customer base to drive growth we will also be focusing on emerging technologies in the Business Intelligence and Analytics areas, which will be driving transformation and be within the demand circle.

II. CONSOLIDATED ACCOUNTS

The consolidated financial statements of your Company for the financial year 2018-19, are prepared in compliance with applicable provisions of the Companies Act, 2013, Indian Accounting Standards (Ind AS) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as prescribed by the Securities and Exchange Board of India (SEBI). The consolidated financial statements have been prepared on the basis of audited financial statements of the Company, its subsidiary companies, as approved by their respective Board of Directors.

III. SUBSIDIARIES

A separate statement (Form No. AOC-1) containing the salient features of financial statements of all subsidiaries of your Company forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013. The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of your Company. The financial statements including the consolidated financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of your Company www.gssinfotech.com

IV. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms an integral part of this Report and gives detail of the overall industry structure, developments, performance and state of affairs of the Company's various businesses during the financial year ended 31 March, 2019, is enclosed as Annexure [F] to this report.

V. CORPORATE GOVERNANCE REPORT

In compliance with the Regulations 34 of Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance forms an integral part of this Report and is enclosed as Annexure [G] to this report.

VI. DIVIDEND

The Board of Directors did not recommend dividend for the financial year ended 31 March, 2019.

VII. PUBLIC DEPOSITS

During the financial year 2018-19, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

VIII. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Bhargav Marepally, Managing Director is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible have offered himself for re-appointment. Appropriate resolution for his re-appointment is being placed for your approval at the ensuing AGM. Your Directors recommend the re-appointment of Mr. Bhargav Marepally (DIN 00505098), as Managing Director of your Company.

Mr. Sanjay Heda has resigned as Chief Financial Officer of the Company with effect from 01st June, 2018.

Mr. Vishnubhatla Ravikumar Jatavallabha appointed as Chief Financial Officer of the Company with effect from 04th June, 2018.

Mr. Rambabu Sampangi Kaipa and Mr. Saikiran Satya Surya Raghavendra Gundu appointed as an additional directors, Non – Executive with effect from 13th February, 2019 subject to approval members at the ensuing annual general meeting.

Key Managerial Personnel:

- Mr. Bhargav Marepally is the Chief Executive Officer and Managing Director of the Company.
- Mr. Vishnubhatla Ravikumar Jatavallabha is the Chief Financial Officer of the Company.
- Mr. Mohammad Anwar ul haq Abdul Mannan is the Company Secretary and Compliance Officer of the Company.

The Key Managerial Personnel have been appointed in accordance with the provisions of section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Mr. Bhargav Marepally, CEO & Managing Director, Mr. Vishnubhatla Ravikumar Jatavallabha, CFO and Mr. Mohammad Anwar ul haq Abdul Mannan, Company Secretary & compliance officer, are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

Annual Evaluation of Board's Performance:

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and the Listing Regulations, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have annually evaluated the effectiveness of the Board/Director(s) for the financial year 2018-19.

IX. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy has been outlined in the Corporate Governance Report which forms part of this report. None of the Directors draw remuneration from the Company other than sitting fees paid to the eligible directors.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors of your Company is set out in Annexure [B] to this report and is also available on the website of your Company (www.gssinfotech.com).

X. NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

The details of the number of Board and Audit Committee meetings of your Company are set out in the Corporate Governance Report Annexure [G] which forms an integral part of this Report.

XI. DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013, read with the Schedules and Rules issued thereunder as well as Listing Regulations.

XII. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of your Company confirm that:

- (a) In the preparation of the annual accounts for the financial year ended 31 March, 2019, the applicable Indian Accounting Standards (Ind AS) and Schedule III of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) for the time being in force) have been followed and there are no material departures from the same;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31 March, 2019 and of the profit and loss of the Company for the financial year ended 31 March, 2019;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) The annual accounts have been prepared on a 'going concern' basis;
- (e) Proper Internal Financial Controls laid down by the Directors were followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- (f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

XIII. AUDITORS AND AUDITOR'S REPORT

The Statutory Auditors of the Company, M/s. Sarath and Associates, Chartered Accountants (Firm Registration No. 005120S) were re-appointed by the members at the 13th AGM held on 30th September, 2016, for a term of three (3) years till the conclusion of the 16th Annual General Meeting of your company to be held in 2019, in accordance with section 139 of the Companies Act, 2013.

The Auditors' Report issued by the Statutory Auditors for the financial year ended 31 March 2019 forms part of this Report and does not contain any Audit qualification, for which the reply of Directors is required.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

XIV. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Sunil Kumar Kacham from M/s. SUNIL KACHAM AND ASSOCIATES, Practicing Company Secretaries (Membership No.: 46155, and CP No: 16820), Hyderabad, to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as Annexure [C] to this Report. The Secretarial Audit report issued by the Secretarial Auditor for the financial year ended 31 March, 2019 forms part of this report and does not contain any Audit Qualifications, for which the reply of the Directors is required.

XV. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as Annexure [D] to this Report.

XVI. RELATED PARTY TRANSACTIONS

During the financial year 2018-19, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and Listing Regulations. During the financial year 2018-19, there were no transactions with related parties which qualify as material transactions under the Listing Agreement.

The details of the related party transactions as required under Indian Accounting Standard - 24 are set out in point 30 of the notes to the Standalone Financial Statements forming part of this Annual Report.

The Form AOC-2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as Annexure [E] to this Report.

XVII. LOANS AND INVESTMENTS

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

A. Details of investments made by the Company.

(i) Investments in Equity Instruments in wholly owned Subsidiaries as at 31 March, 2019:

(In Indian ₹)

Particulars	31 March 2019	31 March 2018
GSS Infotech Inc (Delaware)		
GSS Infotech Inc (Delaware)		
1,500 (31 March 2018: 1,500) equity shares of \$ 1 each fully paid up in GSS Infotech Inc (Delaware)	890,940,578	736,185,789
GSS Healthcare IT Solutions Private Limited		
9,990 (31 March 2018: 9,990) Equity Shares of Rs. 10/- Each fully paid up in GSS Healthcare IT Solutions Private Limited.	99,900	99,900
GSS IT Solutions Private Limited		
9,990 (31 March 2018: 9,990) Equity Shares of Rs. 10/- Each fully paid up in GSS IT Solutions Private Limited.	99,900	99,900

(ii) Investments in Debt Instruments by the Company as at 31 March, 2019: Nil

B. Details of Amounts advanced to Subsidiary Companies by the Company pursuant to clause 32 of the Listing Agreement as at 31 March 2019:

(In Indian ₹)

Name of Subsidiary	Balance as at 31.03.2019	Balance as at 31.03.2018
GSS Infotech Inc (Delaware)	0.00	14,42,21,972
GSS IT Solutions Pvt. Ltd	0.00	0.00
GSS Healthcare IT Solutions Pvt. Ltd	600.00	0.00

These amounts are advanced to fully owned subsidiaries towards carrying out the principal business activities of the subsidiaries. These funds are utilized in the regular course of business by the subsidiaries and shall be received back. Interest is not charged since these amounts are advanced to subsidiaries for the purpose of overall growth of the business of the GSS Group.

C. There are no guarantees issued by your Company in accordance with Section 186 of the Companies Act, 2013 read with the Rules issued thereunder.

XVIII. EMPLOYEE STOCK OPTION SCHEME:

The Stock exchanges accorded in-principal approval for listing of 20,00,000 shares under the GSS Infotech Limited Restricted Employee Stock Option Plan 2013. However, no shares were granted to the eligible employees during the financial year ended 31 March, 2019.

XIX. VIGIL MECHANISM

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulation. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the vigil mechanism and the Whistle Blower Policy of your Company have been outlined in the Corporate Governance Annexure [G] report which forms part of this report.

XX. INTERNAL FINANCIAL CONTROLS

Your Company has put in place adequate Internal Financial Controls with reference to the financial statements, some of which are outlined below:

Your Company has adopted accounting policies which are in line with the Indian Accounting Standards (Ind AS) prescribed in the Companies (Indian Accounting Standards) Rules, 2015 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable. These are in accordance with Generally Accepted Accounting Principles (GAAP) in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Auditors.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited and certified by their respective Auditors for consolidation.

Your Company, in preparing its financial statements makes judgments and estimates based on sound policies and uses external agencies to verify/validate them as and when appropriate. The basis of such judgements and estimates are also approved by the Auditors and Audit Committee.

The Management periodically reviews the financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary.

Your Company has a code of conduct applicable to all its employees along with a Whistle Blower Policy which requires employees to update accounting information accurately and in a timely manner. Any non-compliance noticed is to be reported and actioned upon in line with the Whistle Blower Policy. Your Company gets its standalone accounts audited every quarter by its Internal Auditors.

XXI. RISK MANAGEMENT

The Board regularly discusses the significant business risks identified by the Management and the mitigation process to be adopted by the Company. At present, there exists no element of risk which threatens the existence of the Company.

XXII. SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

XXIII. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors have constituted the CSR Committee at its meeting held on 29th May, 2019 pursuant to the provisions of Section 135 of the Companies Act, 2013 and the rules thereunder as applicable to your Company.

Composition of the CSR Committee is:

Sr. No.	Particulars	Category	Designation
1	Mr. Rambabu Sampangi Kaipa	Non-Executive – Non Independent Director	Chairman
2	Mrs. Nagajayanthi Das Juttur Ragavendra	Non-Executive - Independent Director	Member
3	Mr. Prabhakara Rao Alokam	Non-Executive - Independent Director	Member

XXIV. REPORTING UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

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

i. Details of Conservation of Energy:

Your Company's operations consume very low levels of energy. It is pleasure to announce that your Company's technology center has latest technology energy management system based on human occupancy. As the cost of energy consumed by the Company forms a very small portion of the total costs, the impact of changes in energy cost on total costs is insignificant.

ii. Technology, absorption, adaptation and innovation

Your Company is a technology driven organization and understands the importance of technical expertise from time to time. It has successfully built such expertise over a period of years and shall continue to with emerging technologies to be on a leading edge to offer its customers the state of art solutions.

Your Company's quality systems are ISO 9001:2008 and ISO 27001:2005 certified, which reflects a high degree of technology absorption, adoption and innovation across various operating layers within the Company. During the year technology absorption activities, have mainly created on:

- Network Operations Center
- Disaster Recovery Center
- IT Infrastructure Management
- Offshore Development Center using BOT delivery model
- Software Testing Service using SaaS Model
- Wholly owned subsidiary rendering BPO healthcare services in India.

iii. Foreign Exchange Earnings and Outgo

a. Activities relating to Exports:

The Company is in the business of software exports. All efforts of the Company are geared to increase the business of software exports in different products and markets.

b. Total Foreign Exchange Earnings used and earned:

Particulars	2018-19 (₹)	2017-18 (₹)
Foreign Exchange expenditure (on Accrual basis)	64,148,284	45,739,897
Foreign Exchange earned (on Accrual basis)	19,26,23,691	13,67,94,306

XXVI. APPRECIATION

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

Place: Hyderabad
Date: 13th August, 2019

Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Prabhakara Rao Alokam
Director
DIN: 02263908

Annexure [A] to Board's Report

FINANCIAL PERFORMANCE OF SUBSIDIARIES

Form AOC -1

The financial performances of each of the subsidiaries included in the consolidated financial statements are detailed below:

Amount in ₹ (Lakhs)

Sr. No	Name of the Subsidiary/ Joint Venture Company	Turnover		Profit/(Loss) Before Tax		Profit/(Loss) After Tax	
		Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
	Subsidiaries:						
1	GSS Infotech Inc*, (A Delaware Company)	13,686.72	12,452.13	335.99	310.66	327.50	308.44
2	GSS IT Solutions Private Limited	-	-	-	(0.23)	-	(13.66)
3	GSS Healthcare IT Solutions Private Limited	-	-	(0.04)	4.70	(0.04)	0.59

Annexure [B] to Board's Report

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the financial Year 2018-19 is as follows:

(Amount in ₹)

Name of Director	Total Remuneration	Ratio of remuneration of director to the Median remuneration
Mr. Bhargav Marepally	Nil	Nil
Mrs. Nagajayanthi Das Juttur Ragavendra	120,000	0.18
Mr. A Prabhakara Rao	110,000	0.17
Mr. L.G.S.Padma Rao	100,000	0.15
Mr. Rambabu Sampangi Kaipa	20,000	0.03
Mr. Saikiran Surya Satya Raghavendra Gundu	20,000	0.03

Notes:

- The information provided above is on **standalone** basis.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2018-19.
- The remuneration to Directors is only the sitting fees paid to them for the financial year 2018-19. The sitting fees for attending each of the Board and other Committee meetings is Rs. 20,000/- and Rs. 5,000/- respectively.
- Median remuneration of the Company for all its employees is Rs. 6,65,000 for the financial year 2018-19.

B. Details of percentage increase/(decrease) in the remuneration of each Director, CFO & Company Secretary in the financial year 2018-19:

(Amount in ₹)

Name of the Director/Chief Financial Officer/ Company Secretary	Designation	Remuneration		Increase/ (Decrease) (%)
		2018-19	2017-18	
Mr. Bhargav Marepally	Managing Director	Nil	Nil	Nil
Mr. Ramesh Yerramsetti	Director	-	40,000	*
Mr. Madhukar Sheth	Director	-	85,000	*
Mr. Mark Silgado	Director	Nil	Nil	Nil
Mr. Patri VenkataRamakrishna Prasad	Director	-	40,000	*
Mr. Keerthy Jaya Tilak	Director	-	65,000	*
Mrs. Nagajayanthi Das Juttur Ragavendra	Director	120,000	120,000	0%
Mr. A Prabhakara Rao	Director	110,000	50,000	*
Mr.L.G.S.Padma Rao	Director	100,000	45,000	*
Mr. Rambabu Sampangi Kaipa	Director	20,000	Nil	*
Mr. Saikiran Surya Satya Raghavendra Gundu	Director	20,000	Nil	*
Mr. Sanjay Heda (Resigned on 01.06.2018)	CFO	656,946	3,144,042	*
Mr. Ravi Kumar Jatavallabha V (Appointed on 04.06.2018)	CFO	4,921,963	-	*

(Amount in ₹)

Name of the Director/Chief Financial Officer/ Company Secretary	Designation	Remuneration		Increase/ (Decrease) (%)
		2018-19	2017-18	
Ms. Esha Sinha (Resigned on 13.11.2017)	CS	-	232,958	*
Mr. Anwar (Appointed on 15.11.2017)	CS	495,168	186,927	*

The information provided above is on **Standalone** basis.

- *Percentage increase/(decrease) in remuneration not reported as they were holding the office of Directorship for part of the financial year 2017-18 or 2018-19.
- The remuneration to Directors is only the sitting fees paid to them for the financial year 2018-19.

C. Percentage increase/ (Decrease) in the median remuneration of all employees in the financial year 2018-19:

(Amount in ₹)

	2018-19	2017-18	Increase/ (Decrease) (%)
Median remuneration of all employees per annum	6,65,000	4,00,000	66.25

D. Number of permanent employees on the rolls of the Company as on 31 March 2019:

Executive/Manager cadre	26
Staff	162
Operators/Workmen	3
Total	191

E. Comparison of average percentage increase/(decrease) in salary of employees other than the key managerial personnel and the percentage increase/(decrease) in the key managerial remuneration:

(Amount in ₹)

	2018-19	2017-18	Increase/(Decrease) (%)
Average Salary of all employees other than Key Managerial Personnel	8,37,006	6,44,638	29.84
Salary of CEO & MD (Key Managerial Personnel)	Nil	Nil	Nil
Salary of CFO & CS* (Key Managerial Personnel)	60,74,077	35,63,927	*

The above information is being provided on **Standalone** Basis.

*The CS was employed for part of the financial year of 2017-18 or 2018-19. Therefore, the Increase/ decrease have not been reported.

F. Affirmation:

Pursuant to Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

Annexure [C] to Board's Report

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31 MARCH, 2019

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

To,
The Members
GSS Infotech Limited
Ground Floor, Wing-B,
N heights, Plot No. 12,
TSIIC Software Units Layout,
Madhapur, Serilingampally Mandal,
Rangareddy District,
Hyderabad – 500081.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GSS Infotech 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31 March, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by GSS Infotech Limited for the financial year ended on 31 March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment (Foreign 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') viz.: -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - not applicable during the audit period.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 - no shares were allotted during the audit period.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - not applicable during the audit period.
 - (f) 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;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - not applicable during the audit period and
- (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; - not applicable during the audit period

The following are the specific laws which are applicable to the Company:

- a) Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- b) Employees State Insurance Act, 1948.
- c) Payments of Wages Act, 1936.
- d) Payment of Bonus Act, 1965.
- e) Information Technology Act, 2000
- f) Shops and Commercial Establishment Act.
- g) Labour Welfare Fund Act.
- h) The Professional Tax Act.
- i) Minimum Wages Act, 1948.
- j) The Workmen's Compensation Act, 1923.
- k) Payment of Gratuity Act, 1972.
- l) The Equal Remuneration Act, 1976.
- m) The Maternity Benefit Act, 1961.
- n) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Listing Agreement entered into by the Company with Stock Exchanges and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

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

We further report that:

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

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

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

For **Sunil Kacham & Associates**

Sunil Kumar Kacham
Practicing Company Secretary
ACS No: 46155
CP. No: 16820

Place: Hyderabad
Date: 15th July, 2019

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

'Annexure A'

To,
The Members
GSS Infotech Limited
Ground Floor, Wing-B,
N heights, Plot No. 12,
TSIIC Software Units Layout,
Madhapur, Serilingampally Mandal,
Rangareddy District,
Hyderabad – 500081.

Our 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. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Sunil Kacham & Associates**

Place: Hyderabad
Date: 15th July, 2019

Sunil Kumar Kacham
Practicing Company Secretary
ACS No: 46155
CP. No: 16820

Annexure [D] to Board's Report

Extract of Annual Return as at 31 March, 2019, Form No. MGT-9

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

I. REGISTRATION AND OTHER DETAILS

i) CIN	L72200TG2003PLC041860
ii) Registration Date	13.10.2003
iii) Name of the Company	GSS Infotech Limited
iv) Category/Sub-Category of the Company	Public Company Limited by shares

v) Address of the Registered Office and Contact Details:

Company Name	GSS Infotech Limited
Address	Ground Floor, Wing-B, N heights, Plot No. 12, TSIIC Software Units Layout, Madhapur, Serilingampally Mandal, Rangareddy District Hyderabad – 500081 Telangana State, India
Telephone with STD Area Code Number	+91 40 4455 66 00
Email Address	company.secretary@gssinfotech.com
Website, if any	www.gssinfotech.com

vi) Whether shares listed on recognized Stock Exchange(s): Yes

Details of the Stock Exchanges where shares are listed:		
Sr. No.	Stock Exchange	Name Code
1.	BSE Limited (BSE)	532951
2.	The National Stock Exchange of India Limited (NSE)	GSS

vii) Name and Address of Registrar & Transfer Agents (RTA):

Name of Registrar & Transfer Agents	Bigshare Services Private Limited
Address	E-2 & 3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai, 400 072, Maharashtra, India
Pin Code	400 072
Telephone with STD Area Code Number	+91 22 40430200
Fax Number	+91 22 28475207
Email Address:	prabhakar@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
Computer programming, consultancy and related activities	620	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

[No. of Companies for which information is being filled-7]

Sr. No.	Name and address of the Company	Company Identification Number / Global Location Number	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section of Companies Act, 2013
1	GSS IT Solutions Private Limited Ground Floor, Wing-B, N heights, Plot No. 12, TSIC Software Units Layout, Madhapur, Serilingampally Mandal, Rangareddy District Hyderabad – 500081 Telangana State, India	CIN:U72400TG2009PTC064514	Subsidiary	100	2(87)
2	GSS Healthcare IT Solutions Private Limited Ground Floor, Wing-B, N heights, Plot No. 12, TSIC Software Units Layout, Madhapur, Serilingampally Mandal, Rangareddy District Hyderabad – 500081 Telangana State, India	CIN:U72200TG2013PTC089229	Subsidiary	100	2(87)
3	GSS Infotech Inc (Delaware) 2050 Brunswick Plaza, Route 27, Ste#201, North Brunswick, NJ 08902	Federal Id: 27-2907139	Subsidiary	100	2 (87)
4	GSS Infotech CT Inc (Formerly System Dynamix Corporation) 2842 Main Street Ste#164, Glastonbury, CT 06033	Federal Id: 06-1432821	Subsidiary	100	2 (87)
5	Technovant Inc 2050 Brunswick Plaza, Route 27, Ste#201, North Brunswick, NJ 08902	Federal Id: 20-0398637	Subsidiary	100	2 (87)
6	Infovision Technologies Inc 2050 Brunswick Plaza, Route 27, Ste#201, North Brunswick, NJ 08902	Federal Id: 20-3731391	Subsidiary	100	2 (87)
7	Infovista Technologies Inc 2050 Brunswick Plaza, Route 27, Ste#201, North Brunswick, NJ 08902	Federal Id: 20-8455186	Subsidiary	100	2 (87)
8	Nexii Labs Inc 15, New England Executive Park Burlington, Massachusetts, MA 01803	Federal Id: 00-1098947	Subsidiary	100	2 (87)

IV. SHAREHOLDING PATTERN (Equity share capital break-up as percentage to total equity)

A. Category-wise Shareholding:

Category of Shareholders	No. of shares held at the beginning of the year (As on 01.04.2018)				No. of shares held at the end of the year (As on 31.03.2019)				% Change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares		
A. Promoters										
1) Indian										
a. Individuals/ HUF	2,171,992	-	2,171,992	12.82	2,171,992	-	2,171,992	12.82	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-	-
e. Banks/FI	-	-	-	-	-	-	-	-	-	-
f. Any other (specify)	-	-	-	-	-	-	-	-	-	-
g. Trusts	-	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	2,171,992	-	2,171,992	12.82	2,171,992	-	2,171,992	12.82	-	-
2) Foreign										
a. NRI Individuals	-	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-	-
d. Banks/ FI	-	-	-	-	-	-	-	-	-	-
e. Any other (specify)	-	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter(s) (A)=(A) (1) + (A) (2)	2,171,992	-	2,171,992	12.82	2,171,992	-	2,171,992	12.82	-	-
B. Public Shareholding										
1) Institutions										
a. Mutual Funds/UTI	-	-	-	-	-	-	-	-	-	-
b. Banks/ FI	801,595	-	801,595	4.73	8,86,820	-	8,86,820	5.24	0.51	-
c. Central Govt.	-	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-	-
g. FIs/FPI	2,537,073	-	2,537,073	14.98	3,549,275	-	3,549,275	20.96	5.98	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	3,338,668	-	3,338,668	19.71	4,436,095	-	4,436,095	26.20	6.49	-
2) Non-Institutions										
a. Body Corporates										
i. Indian	4,370,537	-	4,370,537	25.80	4,450,241	-	4,450,241	26.28	0.48	-
ii. Overseas	-	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares held at the beginning of the year (As on 01.04.2018)				No. of shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
b. Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 2 lakhs	3,300,292	1	3,300,292	19.49	2,345,925	1	2,345,926	13.85	(5.64)
ii. Individual Shareholders holding nominal share capital in excess of Rs. 2 lakhs	2,309,428	-	2,309,428	13.64	9,39,306	-	9,39,306	5.55	(8.09)
c. Others (specify)									
i. Non-Resident Indian	102,222	-	102,222	0.60	9,33,747	-	9,33,747	5.51	4.91
ii. Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
iii. Foreign Nationals	-	-	-	-	-	-	-	-	-
iv. Clearing Members	991,203	-	991,203	5.85	1,283,213	-	1,283,213	7.58	1.73
v. Trust	-	350,000	350,000	2.07	-	350,000	350,000	2.07	-
vi. Foreign Bodies	-	-	-	-	-	-	-	-	-
vii. Corporate Body NBFC registered with RBI	2,500	-	2,500	0.01	2,500	-	2,500	0.01	-
viii. IEPF					23,823	-	23,823	0.14	0.14
Sub-Total (B) (2)	11,076,182	35,0001	11,426,183	67.46	9,978,755	350,001	10,328,756	60.99	(6.47)
Total Public Shareholding (B)=(B) (1) + (B)(2)	14,414,850	350,001	14,764,851	87.18	14,414,850	350,001	14,764,851	87.18	-
C Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16,586,842	350,001	16,936,843	100.00	16,586,842	350,001	16,936,843	100.00	0.00

B. Shareholding of Promoters and Promoter Group:

Sr. No.	Shareholder's Name	No. of shares held at the beginning of the year (As on 01.04.2018)			No. of shares held at the end of the year (As on 31.03.2019)			% change during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares*	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares*	
1.	Mr. Ramesh Yerramsetti	-	-	-	-	-	-	-
2.	Mr. Bhargav Marepally	4,992	0.03	0.00	4,992	0.03	0.00	-
3.	Mrs. Usha Yerramsetti	-	-	-	-	-	-	-
4.	Mrs. Jhansi Laxmi Yerramsetti	29,198	0.17	-	29,198	0.17	-	-
5.	Mr. Raghunadha Rao Marepally	2,137,793	12.62	0.00	2,137,793	12.62	-	-
6.	Mrs. Madhavi Latha Marepally	9	0.00	0.00	9	0.00	0.00	-
7.	Mrs. Nanditha Marepally	-	-	-	-	-	-	-
8.	Mrs. Vidyavathi Marepally	-	-	-	-	-	-	-
9.	Mrs. G. Vijayakumari	-	-	0.00	-	-	-	-
10.	Mr. Sivaranga Rao Yarramsetty	-	-	0.00	-	-	0.00	-
	TOTAL	2,171,992	12.82	0.00	2,171,992	12.82	0.00	-

*The % of shares pledged/encumbered represents % of shares pledged/encumbered as a % of the total shares of the Promoter and Promoter Group Holding

The term "encumbrance" has the same meaning as assigned to it in regulation 28(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

C. Change in Promoters' and Promoter Group shareholding:

Sr. No.	Shareholder's Name	Shareholding		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Mr. Ramesh Yerramsetti	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
2.	Mr. Bhargav Marepally	4,992	0.03	01.04.2018	-	-	-	-
		4,992	0.03	31.03.2019	-	-	-	-

Sr. No.	Shareholder's Name	Shareholding		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
3.	Mrs. Usha Yerramsetti	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
4.	Mrs. Jhansi Laxmi Yerramsetti	29,198	-	01.04.2018	-	-	-	-
		29,198	0.17	31.03.2019				
5.	Mr. Raghunadha Rao Marepally	2,137,793	12.62	01.04.2018	-	-	-	-
		2,137,793	12.62	31.03.2019	-	-	-	-
6.	Mrs. Madhavi Latha Marepally	9	0.00	01.04.2018	-	-	-	-
		9	0.00	31.03.2019	-	-	-	-
7.	Mrs. Nanditha Marepally	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
8.	Mrs. Vidyavati Marepally	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
9.	Mrs. G. Vijayakumari	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
10.	Sivaranga Rao Yarramsetty	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019				

* Date of transfer has been considered from the holding statements provided by depositories to the Company

D. Shareholding pattern of Top Ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholder's Name	Shareholding		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	Shriram Insight Share Brokers Limited	1,540,737	9.09	01.04.2018	-	-	-	-
		1,656,402	9.78	31.03.2019	1,15,665	Purchase	-	-

Sr. No.	Shareholder's Name	Shareholding		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
2.	ASPIRE EMERGING FUND	1,600,000	9.45	01.04.2018	-	-	-	-
		1,249,275		-	(3,50,725)	sale	1,249,275	7.38
				31.03.2019	-	-	-	-
3.	Raisonneur Capital Ltd	800,000	4.72	01.04.2018	-	-	-	-
		800,000	4.72	31.03.2019	-	-	-	-
4.	Elara India Opportunities Fund	-	-	01.04.2018	800,000	purchase	800000	4.72
		800,000	4.72	31.03.2019	-	-	-	-
5.	Nomura Singapore Limited	-	-	01.04.2018	700,000	purchase	700000	4.13
		700,000	4.13	31.03.2019	-	-	-	-
6.	Ambika Kapur	-	-	01.04.2018	654534	purchase	654534	3.86
		654534	3.86	31.03.2019	-	-	-	-
7.	United India Insurance Company Limited	407,603	2.41	01.04.2018	-	-	-	-
		407,603	2.41	31.03.2019	-	-	-	-
8.	General Insurance Corporation of India	393,992	2.32	01.04.2018	-	-	-	-
		393,992	2.32	31.03.2019	-	-	-	-
9.	GSS America ESOP Trust	350,000	2.06	01.04.2018	-	-	-	-
		350,000	2.06	31.03.2019	-	-	-	-
10.	Corum Securities Pvt Ltd	300,000	1.77	01.04.2018	30,000	Purchase	30,000	-
		330,000	1.95	31.03.2019	-	-	-	-

*Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to the Company.

E. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors and Key Managerial Personnel	Shareholding		Date*	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.18 to 31.03.19)	
		No. of shares at the beginning of the year (01.04.18)/end of the year (31.03.19)	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Mr. Bhargav Marepally	4,992	0.03	01.04.2018	-	-	-	-
		4,992	0.03	31.03.2019	-	-	-	-
2.	Mrs. Nagajayanthi Das Juttur Ragavendra	Nil	Nil	01.04.2018	-	-	-	-
		Nil	Nil	31.03.2019	-	-	-	-
3.	Mr. Prabhakara Rao Alokam	Nil	Nil	01.04.2018	-	-	-	-
		Nil	Nil	31.03.2019	-	-	-	-
4.	Mr. L.G. Padmarao	Nil	Nil	01.04.2018	-	-	-	-
		Nil	Nil	31.03.2019	-	-	-	-
5.	Mr. Rambabu Sampangi Kaipa	Nil	Nil	01.04.2018	-	-	-	-
		Nil	Nil	31.03.2019	-	-	-	-
6.	Mr. Saikiran Gundu	Nil	Nil	01.04.2018	-	-	-	-
		Nil	Nil	31.03.2019	-	-	-	-

Key Managerial Personnel

1.	Mr. Sanjay Heda	Nil	Nil	01.04.2018	-	-	-	-
		Nil	Nil	31.03.2019	-	-	-	-
2.	Mr. Ravi Kumar Jatavallabha Vishnubhatla	Nil	Nil	01.04.2018	-	-	-	-
		Nil	Nil	31.03.2019	-	-	-	-
3.	Mohammad Anwar ul haq Abdul Mannan	Nil	Nil	01.04.2018	-	-	-	-
		Nil	Nil	31.03.2019	-	-	-	-

Notes: *Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to the Company.

V. INDEBTEDNESS

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

Particulars	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year (As at 01.04.2018)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year (As at 31.03.2019)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of the Managing Director
		Mr. Bhargav Marepally*
1.	Gross salary (excluding Commission)	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	-
	- as % of profit	-
5.	Others - Employer contribution to provident and other funds	-
	Total	Nil

* The Information provided is on **standalone** basis

B. Remuneration to other Directors:

(Amount in ₹)

1.	Independent Directors:				
	Name of Director	Fee for attending Board/committee meetings	Commission	Others	Total
	Mrs. Nagajayanthi Das Juttur Ragavendra	1,20,000	-	-	1,20,000
	Mr. Prabhakara Rao Alokam	1,10,000	-	-	1,10,000
	Mr. LGS Padmarao	1,00,000	-	-	1,00,000
	Mr. Rambabu Kaipa	20,000	-	-	20,000
	Mr. Saikiran Gundu	20,000	-	-	20,000
	Total (1)	3,70,000	-	-	3,70,000
2.	Non-Executive/Promoter Directors:				
	Mr. Bhargav Marepally	-	-	-	-
	Total (2)	-	-	-	-
	Total (1+2)	3,70,000	-	-	3,70,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Amount in ₹)

Sr.No.	Particulars of Remuneration	Key Managerial Personnel CFO & Company Secretary
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	60,74,077 - -
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit	-
5.	Others - Contribution to Provident and other funds	-
	Total	60,74,077

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (under the Companies Act, 2013):

No penalties/punishment/compounding of offences were levied under the Companies Act, 2013.

Annexure [E] to Board's Report

FORM AOC – 2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) 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:

a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed	
i)	Amount paid as advances, if any	
j)	Date on which (a) the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

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	Nil
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	

Annexure [F] to Board's Report

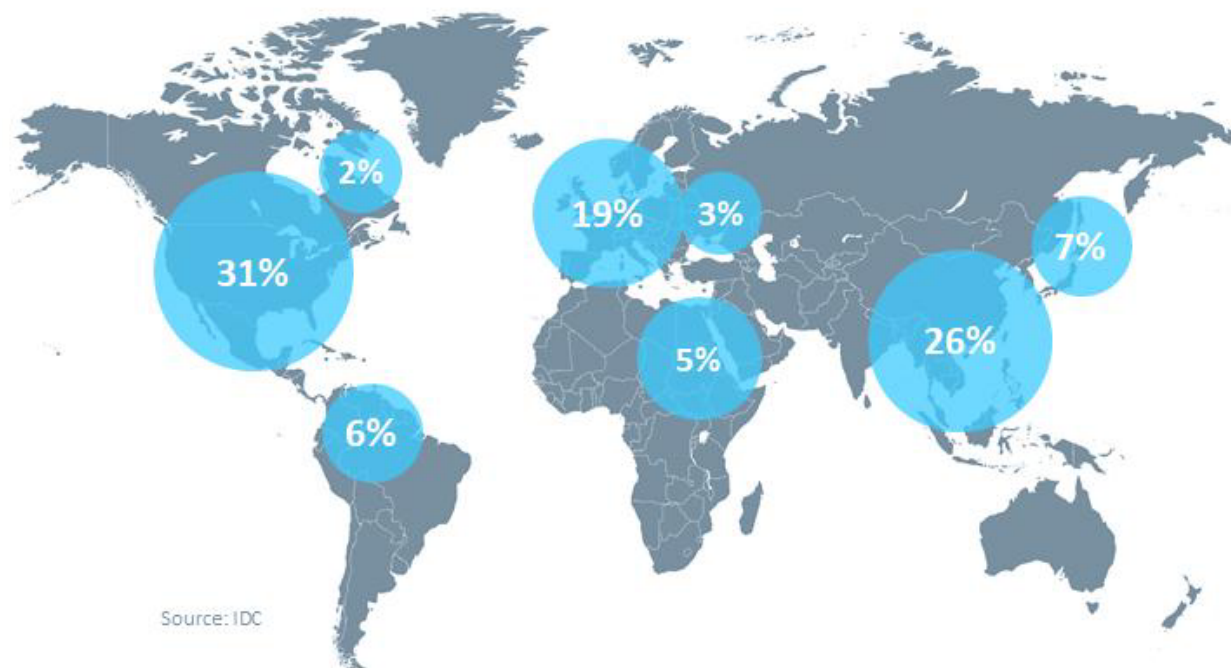
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GSS Infotech is stronger and our prospects are as promising as at any time in our 20-year history. In 2018, GSS InfoTech's technology solutions and services helped many business, government, education and healthcare customers throughout the Globe navigate an increasingly complex IT landscape and optimize the return on their technology investment.

The global information technology industry is on pace to reach \$5 trillion in 2019, Economies, jobs, and personal lives are becoming more digital, more connected, and increasingly, more automated. Waves of innovation build over time, powering the technology growth engine that appears to be on the cusp of another major leap forward.

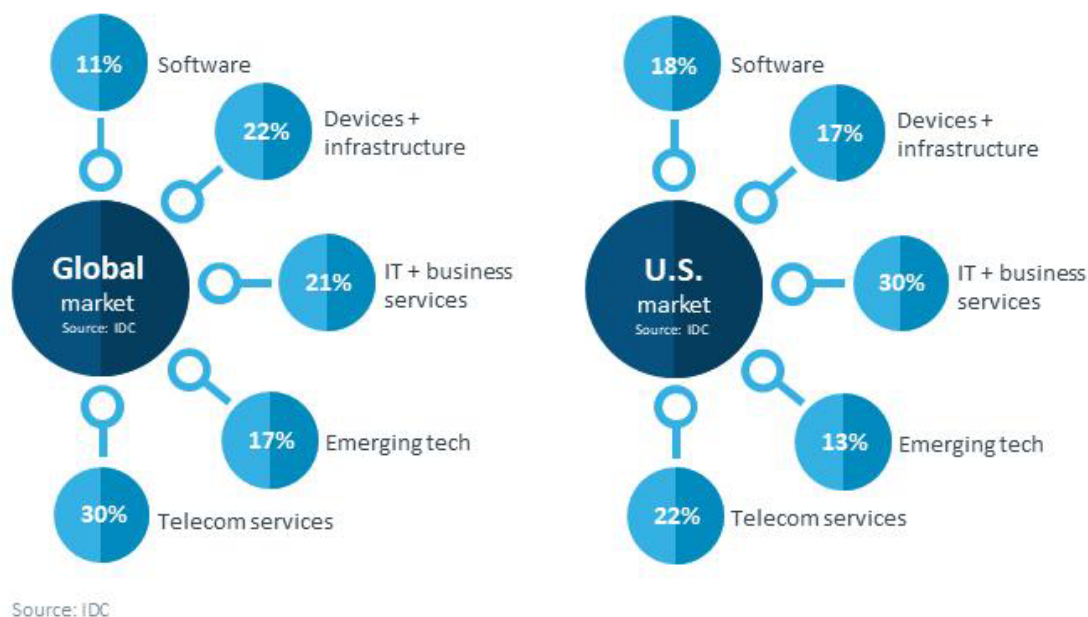
The Global Information Technology Industry: \$5.0 Trillion

Estimated 2019 spending at constant currency, according to IDC | Encompasses hardware, software, services, telecommunications, and emerging tech



Using the conventional approach, the industry market can be categorized into five top level buckets. The traditional categories of hardware, software and services account for 53% of the global total. The other core category, telecom services, accounts for 30%. The remaining 17% covers various emerging technologies that either don't fit into one of the traditional buckets or span multiple categories, which is the case for many emerging 'as-a-service' solutions that include elements of hardware, software, and service, such as IoT, drones, and many automating technologies.

Key Categories of the Information Technology Industry



Trends to Watch out for

- Cloud, Edge and 5G Form the Modern Economic Infrastructure
- IoT and AI Open New Possibilities in Ambient Computing
- Distributed Technology Models Challenge Existing Structures
- Business of Emerging Technology Prompts Sales Channels Reinvention
- Partnerships Bridge Gaps in New Tech Ecosystem
- High Tech Increasingly Transforms Low Tech
- Global Tech Hubs Put Spotlight on the Ingredients for Innovation

GSS Present and Evolving Technology Trends

GSS Infotech Ltd is a leading provider of information technology services and solutions to small, medium and large business, government, Telecom, Cloud and healthcare customers Across the globe. Our broad array of offerings ranges from software services to Managed Infra and IT solutions such as mobility, security, data center optimization, cloud computing, virtualization and collaboration. Our goal is to have our customers, regardless of their size, view us as a trusted adviser and extension of their IT resources. That is how GSS Infotech contribute in key business decisions for small as well as large enterprises

We are keeping a close watch on the trends mentioned above and adopting to the trends that are resulting in adding value to our customers. We are technology “agnostic,” with a large solutions portfolio and our solutions are delivered in physical, virtual and cloud-based environments through highly-skilled technology specialists and advanced service delivery engineers. We are a leading sales channel partner for many original equipment manufacturers (“OEMs”), software vendors and cloud providers The pace of innovation and disruption is accelerating. These new areas that are emerging are Blockchain, Infrastructure Automation, Artificial Intelligence and Application Security. A brief about these areas, their benefits and the domains that are widely adopting them are outlined below.

Blockchain

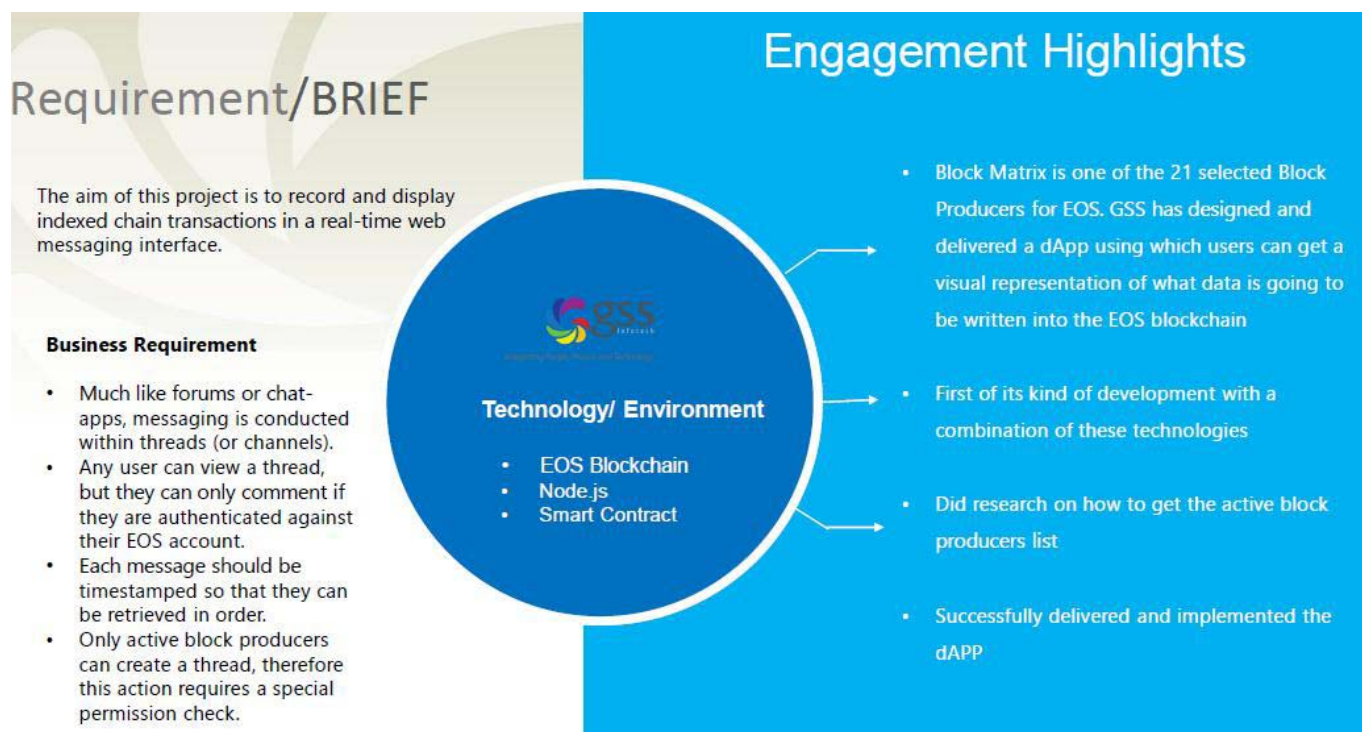
Exciting times in Blockchain right now! While other service providers are researching and speculating about the potential uses of Blockchains, we have already moved squarely into the era of implementation. Blockchain is a system that eliminates the need of a middleman while protecting information through cryptography. Data stored on Blockchain is resistant to unauthorized changes or intrusion. The technology is also expected to possess capability of faster, safer and more reliable automated communication based on its ability to support multi-directional communication and transactions.

GSS Infotech has developed and implemented a Blockchain based social portal for a UK based company and taking the lead in bidding for such projects across the globe.

GSS Infotech is focused on building innovative Blockchain based solutions for Government, Education, Finance, Health and Manufacturing industries. Our customized solutions enable enterprises to streamline their business process by enhancing i) Security ii) Authenticity and iii) Transparency.

GSS Infotech works on the problems such as i) Integrity of the Data ii) Process Transparency iii) Ensuring Originality iv) Track and Trace and Integration of Systems. We have developed use cases for Hospitality, Education, Government and exploring the use cases in the healthcare.

Given the primary focus for GSS is Healthcare Sector in the US geography, it is important to understand the sector in the geography a little deeper. The combined US healthcare market for Blockchain, AI and Analytics is USD 7.9 Billion. Blockchain constitutes about USD 0.57 Billion, Analytics constitutes USD 6.4 Billion and AI constitutes USD 1.4 Billion. Which is growing at an average rate of 42% and is expected to reach USD 32 Billion by 2022.



Artificial Intelligence

A combination of technologies that allows machines to learn from experience, add new inputs and perform tasks similar to humans. These technologies rely heavily on deep learning and natural language processing techniques to enable machines to learn to process large amounts of data and recognize patterns so as to perform the designated tasks. The best examples of such technologies are self-driving cars, computed simulated and self-learning games etc.

Some of the benefits of AI are as follows:

- AI automates repetitive learning through large data
- Saves time and money on routine processes and tasks
- Increases productivity and efficiency
- Faster and accurate business decisions based on outputs on cognitive technologies
- Avoids human error
- AI can bring incredible accuracy by anticipating outcomes
- AI elevates the speed of execution of programmes
- Creates personalized experience in customer facing tasks

There are multiple ways businesses can benefit adopting AI related technologies. Domains such as

Health Care: AI applications can provide personalized medicine, X-ray readings, Personal health care assistants diagnostic data.

Retail: AI provides virtual shopping capabilities that offer personalized recommendations and discuss purchase options with the consumer. Customer service is a key area where AI is being used for enhanced customer experience in a timely and accurate manner

Manufacturing: one of the most important areas in the future is manufacturing where processes are going to be automated in manufacturing most complicated machines that involve accuracy, timeliness, handling multiple complex tasks simultaneously.

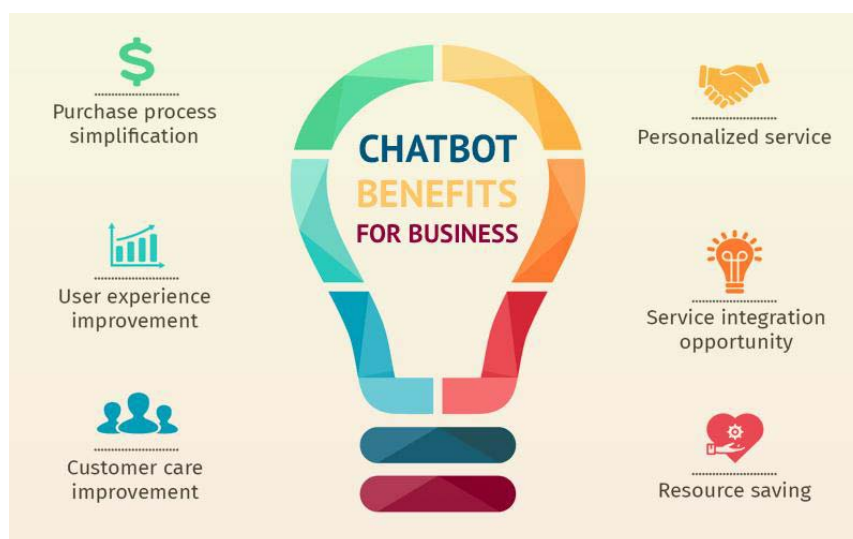
Banking and Financial services: AI is used for AML, Fraud detection, algorithmic trading, credit, customer services, loan and deposit processing and all banking processes that can be subjected to intelligent automation.

Sports: AI is used to capture, simulate, evolve and present the most complex scenarios and bring out best strategies for effective results.

Importantly, AI is used extensively in sales, customer experience, customer assistance, computer based personalized interaction in customer communications like chatbots, perform consistently all tasks that can be automated in various fields.

While these technologies are gaining importance and ground in the businesses across multiple geographies, USA leads the pact in embracing them all in every day walk of life. The geographies that are adopting these Technologies are actively looking to make investments in acquiring or developing and implementing them in their business processes.

While USA is far ahead, China has also begun to invest in adopting these technologies in their businesses and their large production centers to bring in efficiencies. Economies, that have a large manufacturing base with large customer facing business models both online and offline, are rapidly implementing AI in the form of chatbots and voice assistants.



Infrastructure Automation and Orchestration

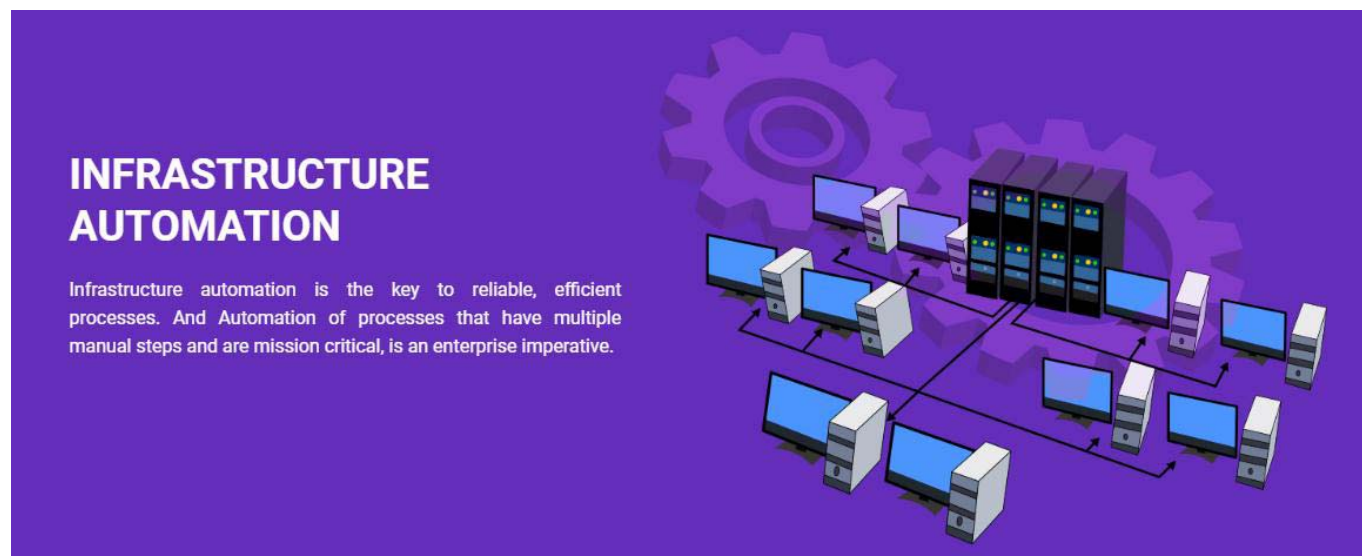
With the latest acquisition, GSS Infotech strengthened its capability and added Automation and Orchestration to its IT Infrastructure Management offering.

Infrastructure automation is the process of scripting the environment, which enables organizations to manage and monitor IT processes without any human intervention. The scripting comprises of installation of OS, configuring servers on situations, and configuring the software & situations to communicate with each other. Infrastructure automation offers agility, flexibility, and improvement in productivity in less time. These benefits are driving the organizations to adopt automation into their infrastructure to compete in the ever-changing market. The major software companies such as Wipro, HPE, and IBM are investing in the growth of technology to offer enhanced services to end-users.

The “Worldwide Infrastructure Automation Market” is expected to reach \$65.48 billion by 2022, growing at a CAGR of around 19.9%. Increasing labor costs, human errors, demand for improving consistency & compliance, and technological advancements are forcing organizations to focus on automating their traditional infrastructure to speed up the productivity. The increasing demand for alignment of IT with business needs is one of the major drivers for adopting automation into the business environment.

Our Experience

GSS Infotech offers end to end automation and orchestration support for Infrastructure Management of Enterprises. We have skilled professionals who have the expertise in understanding complex systems and architecting automation solutions around it. Our orchestration solutions provide a seamless and uncomplicated way to achieve Software Defined Storage and Software Defined Networking capability thereby helping the Enterprises to integrate and utilize better both legacy and modern systems together. This results in cost saving as legacy systems would otherwise have to be discarded. Our expertise in both on premise and Cloud based deployments, capability to integrate with multiple complex systems and development of intelligent APIs for consumption by other systems and development of optimal workflows results in good ROI for the infrastructure operations teams. Wherever required, we have developed automation frameworks or integrated existing customer frameworks to our solutions.



We have the ability to develop independent automation/orchestration or utilize any third party product already employed by the customer as a part of the development. We have deep experience in different storage, network and virtualization platforms. Where required, we can help integrate customer owned products to be managed through standard management software like RedHat CloudForms etc. As a part of end-to-end offering we can integrate our solutions into CI/CD/CT pipelines providing ultimate automated ability thereby reducing product roll out times.

Significant Areas/Segments for GSS Roadmap

- Infrastructure Automation
- Infrastructure Orchestration
- Ability to integrate with leading integration platforms
- On premise/Cloud orchestration capability

RPA

Robotic process automation (RPA) software revenue grew 63.1% in 2018 to \$846 million, making it the fastest-growing segment of the global enterprise software market, according to Gartner, Inc. Gartner expects RPA software revenue to reach \$1.3 billion in 2019 and is expected reach USD 3.97 billion by 2025

North America continued to dominate the RPA software market, with a 51% share in 2018, but its share dropped by 2 percentage points year over year. Western Europe held the No. 2 position, with a 23% share. Japan came third, with adoption growth of 124% in 2018. “This shows that RPA software is appealing to organizations across the world, due to its quicker deployment cycle times, compared with other options such as business process management platforms and business process outsourcing,”

Although RPA software can be found in all industries, the biggest adopters are banks, insurance companies, telcos and utility companies. Gartner expects the RPA software market to look very different three years from now. Large software companies, such as IBM, Microsoft and SAP, are partnering with or acquiring RPA software providers, which means they are increasing the awareness and traction of RPA software in their sizable customer bases. At the same time, new vendors are seizing the opportunity to adapt traditional RPA capabilities for digital business demands, such as event stream processing and real-time analytics.

This is an exciting time for RPA vendors, However, the current top players will face increasing competition, as new entrants will continue to enter a market whose fast evolution is blurring the lines distinguishing RPA from other automation technologies, such as optical character recognition and artificial intelligence.

Outline of US Healthcare domain

Health care sector stakeholders around the globe are looking for innovative, cost-effective ways to deliver patient-centered, technology enabled “smart” health care. Over the past decade, the North American healthcare IT market has evolved from basic EMR/EHR solutions to the development of specialized hospital information management systems, population health management solutions, and healthcare information exchange systems. 2018 was a tipping point for mainstream adoption of popular digital health tech/solutions (e.g., artificial intelligence, mHealth/wearables, telehealth, Big Data analytics, and robotics) and the transition of noble technologies from research/proof-of-concept to actionable healthcare and clinical applications (e.g., Blockchain and cancer immunotherapy products). The US healthcare IT market held the largest market share of the North American market, in 2017. The global Healthcare IT or Healthcare Information Technology market is estimated to reach USD 297 Billion by 2022, with a CAGR of 13.2%. North American IT Market is estimated to reach USD 100 Billion by 2020. It is projected that healthcare spending will, on average rise 5.5 % annually from 2017 to 2026 and will comprise 19.7 % of the U.S. economy in 2026, up from 17.9 percent in 2016. By 2026, health spending is projected to reach USD 5.7 Trillion creating a huge opportunity for the services providers.

GSS Transformation and Strategy

Companies across the globe are digitally transforming as they are challenged to improve business processes and develop new capabilities and business models. With the world slowly entering a new phase of rapid digitization on the back of 5G and affordable SaaS-based artificial intelligence (AI) solutions, and getting more hands-on with managing big data collected via sensors on an internet of things (IoT) network, organizations need to shake out of inertia.

We help clients tackle their biggest challenges by thinking and acting digitally, using tried and tested user centered design methods. The solutions we create, whether it's for a website, mobile app or campaign, are tailored to meet your users' needs and deliver on your business goals.

Successful projects and positive relationships grow from open and honest communication. Although every project is different, some common approaches govern how we work.



Discovery: This underpins everything that follows. GSS Infotech would want to research and learn as much as possible about your organization, your business goals and your users' needs.

Plan and Prototype: It's time to workshop ideas, sketch, create content models and develop prototypes. We do it carefully but quickly. We believe that prototypes are worth a thousand meetings.

Test, refine and validate: Putting prototypes in front of real users, with a defined test plan, is the fastest way to improve the quality of the solution and experience.

Build. Iterate. Review. Improve.: Once we're happy with our prototype, we'll turn it into a fully-functional, production-ready digital service. We'll iterate with you, test and improve - until we get where need to be.

Launch: Our team can migrate data, arrange hosting and everything else associated with going live.

Review and improve: There is always a scope for improvement. Insights derived from real-world data can inform short-term improvements - or a longer-term next phase.

Currently GSS provides comprehensive Revenue Cycle Management (RCM) support for medical practices and Hospitals. Our professional and highly skilled team uses state of the art billing systems, which are integrated with EHR systems and provide sophisticated automation and workflows designed to increase reimbursements and dramatically reduce denials. GSS offers a whole gamut of healthcare IT services and solutions, helping clients effectively address their operational challenges and grow their businesses stronger. Some of our services include Medical Billing, Practice Management, Consulting and Professional Services. GSS combines the above mentioned healthcare specific services with domain agnostic services like Infrastructure Management, Service Desk, security management and outsourced product development.

During the current year along with the current healthcare offerings mentioned above the company plans to offer Analytics, Blockchain and AI services and solutions to the Healthcare sector including population management.

The company has concrete plans for Inorganic growth in which the company plans to acquire companies in the “Revenue Cycle Management” space of the health care sector, introduce Analytics and AI solutions to build operational efficiencies and save costs to improve the bottom line on one hand and benefit from labor arbitrage opportunities on the other. Similarly, we also plan to introduce Blockchain for expanding the healthcare business models.

We are aligning our people, processes and capabilities in line with the current plan. Specific and advanced training is being planned to strengthen the internal capability to gear up for execution. Parallely, the sales, solutioning and service definitions are being planned and delivery capabilities are being augmented.

We plan to incorporate cutting edge technologies such as Blockchain, Artificial Intelligence, Machine Learning into our offerings to develop contemporary and compelling solutions for the “Healthcare industry”.

A step towards this objective, the company announced its plans to launch “GSS Labs”, a platform that will incubate innovative applications of cutting edge technologies targeting white space opportunities in the Healthcare IT products and solutions space.

The company envisions GSS Labs becoming a platform that brings together ideas, expertise, talent and opportunity. The goal of GSS Labs is to bring to market rapid and relevant innovation that has transformative impact for companies and consumers in the Healthcare domain. GSS Labs forms the bridge between what GSS today is and what it intends to be in the next leap of growth. This platform provides all the impetus required for the company to launch innovative solutions to the customers earlier than competition.

Facial and Voice Recognition

Facial recognition technology creates “face prints” by capturing the features of a face from an image or video. It uses this to match against a database to accurately detect, identify and validate the identity of a person.

Market size

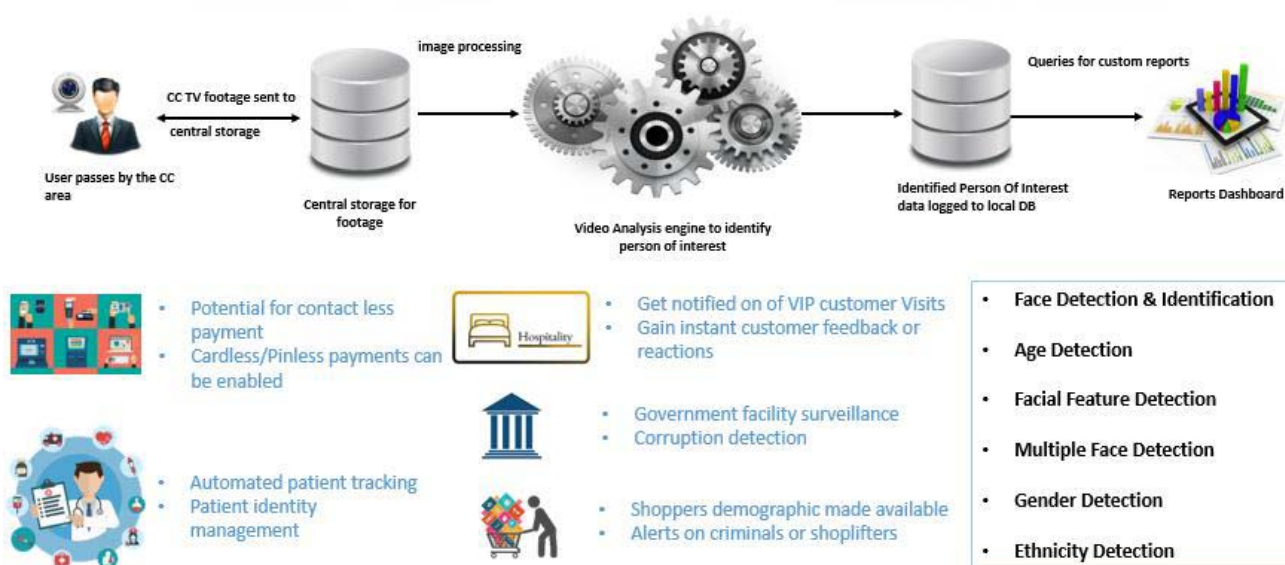
The facial recognition market was valued at USD 4.51 billion in 2018. It is projected to grow more than two-fold to USD 9.06 billion by 2024, at a CAGR of 12.5%, for the forecast period (2019-2024).

Market trends

Facial recognition technology is gaining popularity owing to the benefits it offers over traditional verification and monitoring methods. It is a non-intrusive, contactless and convenient verification system. It has piqued the interest of governments world over for the high level of safety it offers with the United States and China being in the forefront of adoption of this technology.

The demand for facial recognition systems is powered by

- Rising demands for identity access management(IAM) systems to enhance safety and security in both public and private spaces. Eg-Schools, colleges, hospitals, malls
- Push from government bodies to launch these in public areas such as airports, parks, stadiums for security and surveillance purposes
- Rising deployment in diverse industry sectors for purposes other than security.
 - o Retail: Footfall capturing, floor planning, customer demographics, building loyalty programs, VIP customer alert, shoplifter alerts
 - o Enterprises: Attendance monitoring, detection and verification of authorized access systems
 - o Healthcare: Patient medication tracking, pain management, identity verification
 - o Public spaces: Airports, stadiums, auditoriums, malls etc Monitoring for security purposes with alerts on match with blacklisted persons.
 - o Banking: For use as additional or primary authentication for payments



GSS ESMP (Enterprise Security Monitoring Platform) is an enterprise solution built on strong AI/ML based security algorithms. ESMP also has the option to blends facial recognition with voice recognition to create a multi modal approach that adds additional security layers.

Key features of the solution:

- Easy deployed on any device with just a mic and/or camera
- Flexible. Can be cloud hosted or on-prem
- Provides actionable Imposter data. ESMP captures specific data on actors behind unauthorized access attempts to help enforcement agencies zero in on the hackers.
- Kill Switch. An advanced feature, activate the kill switch at the slightest hint of a security compromise. This will disable all systems immediately ensuring minimum losses.
- Phone alerts. Receive alerts on the device of your choice whenever there is a login from an unfamiliar location or device

GSS ADVANTAGE

1. IT Industry Experts

20+ Years in Enterprise IT |
350+ Dedicated IT Consultants |
150+ consultants in the US

2. Service Delivery Expertise

Innovative Delivery Framework based on
leveraging ADMS | IMS | BPO | Strategic Sourcing Services

3. Technology Practice Expertise

Microsoft Collaboration | ERP | Mobility
| Testing /IV&V | Virtualization | Cloud | Security | RCM

4. Quality Assurance

SSAE 18 | ISO 27001 | ISO 20001 HIPAA |
ITIL Certified Resources

5. IT Adoption Commitment

Our approach to IT Transformation Services is driven by our four key stages of
Rationalization | Optimization | Implementation | Adoption.

Locations

APAC -India	North America	
Hyderabad -Global HQ Ground Floor, Wing-B, N heights, Plot No. 12, TSIIC Software Units Layout, Madhapur, Serilingampally Mandal, Rangareddy District Hyderabad, Telangana –500081 Tel: +91 40 44556600	North Brunswick, NJ, USA 2050, Brunswick Plaza -1, State Highway 27, Suite #201 North Brunswick NJ-08902. Tel: +1 732-798-3101 Fax: +1 866-726-0520	Glastonbury, CT, USA 2842, Main Street, Suite#164, New London Turnpike, Glastonbury, CT, 06033, USA Tel: +1 860-633-7174 Fax: +1 860-633-7162
		15 New England Executive Park, Burlington, Massachusetts 01803

Annexure [G] to Board's Report Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The philosophy of governance has been deeply rooted in the culture of GSS Infotech Limited over a long period of time. Your Company continues to deliver value to its various stakeholders. The practice of responsible governance has enabled your Company to achieve sustainable growth, while meeting the expectations of all stakeholders and the society at large. Besides complying with Listing Regulations, your Company has adopted various practices and set responsible standards of business. Your Company endeavors to improve upon aspects like transparency, professionalism, accountability and fair disclosures, on an ongoing basis and takes necessary steps towards growth and enhancing value for its shareholders.

The Securities and Exchange Board of India ("SEBI") on 2nd September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Obligations") with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. The Listing Regulations were effective from 01st December 2015. Accordingly, all the listed companies were required to enter into the Listing Agreement with the Stock Exchanges within six months from the effective date. Your company has entered into listing agreement with BSE Limited and National Stock Exchange of India Limited on 20th November, 2015.

GOVERNANCE FRAMEWORK

Your Company's Governance structure consists of Board of Directors, its Committees and the Senior Management.

Board Structure:

Board Leadership:

Your Company has a well-balanced Board of Directors with members from diverse backgrounds who have years of experience and expertise in various fields. There are 6 members on the Board. Out of 6 members on the Board, 3 are Independent Directors who are well known for their wealth of experience, high standards of governance and independence and 2 are Non-executive non-Independent Directors well known for their wealth of experience. 1 out of 6 members is Promoter Director. The CEO & Managing Director is responsible for the overall management of the affairs of the Company under the supervision of the Board of Directors. The Board over the period of years has created a culture of leadership to provide long-term vision and policy approach to improve performance and quality of governance in your Company. It has played a primary role in providing strategic direction to the management coupled with giving responsibility and accountability to deliver value with highest level of transparency and integrity.

Board Committees:

Committees have been constituted by the Board with specific terms of reference and have an optimum representation of Board members. These Committee members meet at such frequency as is necessary to address the responsibilities and tasks assigned to them. Presently there are four (4) Committees of the Board viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee.

Management Structure:

CEO & Managing Director:

The CEO & Managing Director is responsible for the overall management of the affairs of the Company under the supervision of the Board. He drives the initiatives as approved by the Board of Directors of the Company and provides direction to achieve the same.

Senior Management:

The Senior Management is led by the CEO & Managing Director and consists of Business heads who are in charge of the different functions in the organization such as the ADMS, IMS, Sales & Marketing, Finance, Information Technology, International Operations, Legal/Secretarial and Human Resources. They are in charge of driving strategic initiatives of the Company, reviewing the overall performance including risk management, compliance and taking decisions on major investments of the Company. The Senior Management meets on a regular basis to deliberate and discuss on various matters including effectiveness of the businesses/functions reporting to them. The members of the Senior Management report to Mr. Bhargav Marepally, CEO & Managing Director of the Company.

BOARD OF DIRECTORS

Composition:

- The Composition of the Board of GSS Infotech Limited comprises of 6 Directors as stated below:

1	Mr. Bhargav Marepally	Managing Director and Promoter
2	Mrs. Nagajayanthi Das Juttur Ragavendra	Non-executive, Woman Independent Director
3	Mr. Prabhakara Rao Alokam	Non-executive, Independent Director
4	Mr. L.G.S. Padmarao	Non-executive, Independent Director
5	Mr. Rambabu Sampangi Kaipa	Non-executive, Non Independent Director
6	Mr. Saikiran Surya Satya Raghavendra Gundu	Non-executive, Non Independent Director

*Mr. Rambabu Sampangi Kaipa and Mr. Saikiran Surya Satya Gundu were appointed as the additional directors on the Board of Directors of the Company with effect from 13th February, 2019, subject to appointment as director at the ensuing AGM by the shareholders.

- The Company have one-half of the composition of the Board as Independent Directors.
- As on March 31, 2019, the Composition of the Board was in order as required under Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013.

Independent Directors:

- The Independent Directors of your company have been appointed for a tenure of 5 (five) years
- Their appointment was approved by the shareholders of your Company at the AGM's held on 30th September, 2015 for Mrs. Nagajayanthi Das Juttur Ragavendra and 30th September, 2017 for Mr. Padmarao G.S. Lakkaraju and A Prabhakara Rao.
- The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship in more than the prescribed limit in the Listing Regulations. Your Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013. A sample letter of appointment is available on the website of your Company and can be assessed through the link:

<http://www.gssinfotech.com/about/compliance-under-clause-49.html>

Independent Director's Meeting:

During the year under review, the Independent Directors met on 13th February, 2019, without the attendance of Non-Independent Directors and members of the management, inter alia, to discuss on the following:

- To review the performance of the Non-Independent Directors and the Board as a whole;
- Review the performance of the chairperson of your Company, taking into account views of Executive/Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between your Company's management and the Board that was necessary for the Board to effectively and reasonably perform the duties.

Directorship and Membership on Committees:

The details of nature of Directorships, relationship inter-se, number of directorships and committee chairmanships/memberships held by them in other public companies are detailed below:

Name of the Director(s)	Nature of Directorship	Relationship with each other	Directorship in other Companies (*)	As on 31 st March, 2019	
Mr. Bhargav Marepally	CEO and Managing Director	***	-	Mr. Bhargav Marepally	CEO and Managing Director
Mrs. Nagajayanthi Das Juttur Ragavendra	Non-Executive and Independent Director	***	-	Mrs. Nagajayanthi Das Juttur Ragavendra	Non-Executive and Independent Director
Mr. A Prabhakara Rao	Non-Executive and Independent Director	***	Covidh Technologies Limited	Mr. A Prabhakara Rao	Non-Executive and Independent Director
Mr. Padmarao G.S. Lakkaraju	Non-Executive and Independent Director	***	-	Mr. Padmarao G.S. Lakkaraju	Non-Executive and Independent Director
Mr. Rambabu Sampangi Kaipa	Non-Executive and Non Independent Director	***	-	Mr. Rambabu Sampangi Kaipa	Non-Executive and Non-Independent Director
Mr. Saikiran Surya Satya Gundu	Non-Executive and Non Independent Director	***	-	Mr. Saikiran Surya Satya Gundu	Non-Executive and Non-Independent Director

* Excludes directorship in GSS Infotech Limited. Also excludes directorship in private limited companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorships

**For the purpose of considering the limit of committee memberships and chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of public limited companies have been considered

***No inter - se relationship with any of the Directors of the Company.

Number of Board Meetings:

During the financial year ended 31 March, 2019, Four (4) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed one hundred and twenty days. The dates of the Board meetings are as under:

Date(s) on which Board meeting(s) were held	Purpose
28 th May, 2018	Results
01st August, 2018	Results
13 th November, 2018	Results
13 th February, 2019	Results

All the Directors have informed the Company periodically about their Directorship and Membership on the Board/Committees of the Board of other companies. As per the disclosures received, none of the Directors of the Company hold membership in more than the prescribed limits across all companies in which he/she is a director.

Details of their attendance at Board Meetings and at the AGM held during the year ended 31 March, 2019 are as follows:

Name of the Director	Board Meeting details		Attendance
	Held	Attended	
Mr. Bhargav Marepally	4	4	Mr. Bhargav Marepally
Mrs. Nagajayanthi Das Juttur Ragavendra	4	4	Mrs. Nagajayanthi Das Juttur Ragavendra
Mr. A Prabhakara Rao	4	4	Mr. A Prabhakara Rao
Mr. Padmarao G.S. Lakkaraju	4	4	Mr. Padmarao G.S. Lakkaraju
Mr. Rambabu Sampangi Kaipa	4	1	Mr. Rambabu Sampangi Kaipa
Mr. Saikiran Surya Satya Raghavendra Gundu	4	1	Mr. Saikiran Surya Satya Raghavendra Gundu

Shareholding of the Non-Executive Directors of the Company in GSS Infotech Limited as on 31 March, 2019 is as follows:

Name of the Director	Nature of Directorship	No. of shares held	% to the paid up share capital
Mrs. Nagajayanthi Das Juttur Ragavendra	Non-Executive and Independent Director	Nil	Nil
Mr. A Prabhakara Rao	Non-Executive and Independent Director	Nil	Nil
Mr. Padmarao G.S. Lakkaraju	Non-Executive and Independent Director	Nil	Nil
Mr. Rambabu Sampangi Kaipa	Non-Executive and Non Independent Director	Nil	Nil
Mr. Saikiran Surya Satya Raghavendra Gundu	Non-Executive and Non Independent Director	Nil	Nil

Mr. Bhargav Marepally, CEO and Managing Director holds 4,992 equity shares of the Company as on 31 March 2019.

Board Procedures:

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of your Company. The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board members are, on a quarterly basis, appraised by the Managing Director on the overall performance of the Company through presentations and detailed notes.

Presentations are also made by the members of the Senior Management on the Company's plans, performance, operations and other matters on a periodic basis. The Board has complete access to any information within your Company which includes the information as specified in Regulation 17 of the Listing Regulation and they are updated about their roles and responsibilities in the Company.

The Companies Act, 2013 read with the relevant rules issued thereunder, now facilitate conducting meetings of Board and its Committees through permitted audio-visual means or video-conferencing. Accordingly, during the year, the Board members were, in accordance with the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers)

Rules, 2014, provided with an option to participate at Board Meetings through video conferencing mode except in respect of those meetings wherein transactions are not permitted to be carried out by way of video-conferencing.

Familiarization Programme:

Your Company has put in place a structured induction and familiarization programme for all its Directors including the Independent Directors. The Company through such programme familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading by Insiders, etc.

The Managing Director, CFO, business heads and other senior officials of the Company make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

The familiarization programme for Independent Directors in terms of provisions of Listing Regulations for the financial year ending is uploaded on the website of the Company and can be accessed through the following link:

<http://www.gssinfotech.com/images/downloads/compliance-under-clause/familiarization-programme-and-meeting-of-independent-directors.pdf>

Evaluation of Board Effectiveness:

In terms of provisions of the Companies Act, 2013 read with Rules issued thereunder and Listing Regulations, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31 March, 2019. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution vis-à-vis their responsibilities.

The Board of Directors at its meeting held on 13th August, 2019, has noted the overall feedback on the performance of the Directors and the Board as a whole and its Committees.

The overall outcome of this exercise to evaluate effectiveness of the Board and its Committees was positive and members expressed satisfaction.

COMMITTEES OF THE BOARD:

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and Listing Regulations. The minutes of Committee meetings are tabled at the Board meetings and the Chairperson of each Committee briefs the members of the Board on the important deliberations and decisions of the respective Committees. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the

provisions of the Companies Act, 2013. Currently, there are four (4) Committees of the Board, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Corporate Social Responsibility (CSR) Committee.

Audit Committee:

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes oversight of the financial reporting process, the audit process, the adequacy of internal controls, transactions with related parties and compliance with applicable laws and regulations.

The composition of the Audit Committee is in line with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have requisite experience in financial management. The Committee invites Chief Financial Officer and Statutory Auditor to attend its meetings. The Company Secretary acts as the Secretary to the Committee

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended 31 March, 2019, are detailed below:

Name of the Member	Nature of Membership	Audit Committee Meeting Details	
		Held	Attended
Mr. Prabhakara Rao Alokam	Chairman	4	4
Mr. Bhargav Marepally	Member	4	4
Mrs. Nagajayanthi Das Juttur Ragavendra	Member	4	4

Date(s) on which Audit Committee meeting(s) were held.	Purpose
28 th May, 2018	Results
01 st August, 2018	Results
13 th November, 2018	Results
13 th February, 2019	Results

1. The Chairman of the Audit Committee was present at the last AGM held on 5th September, 2018:
The scope of activities and terms of reference of the Audit Committee is governed by a Charter which is in line with the provisions of Section 177 of the Companies Act, 2013 and Listing Regulations.

The role of the Audit Committee, inter alia, includes the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Reviewing with the management the quarterly, half-yearly, nine-monthly and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
3. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report as per Section 134(3)(c) of the Companies Act, 2013;
 - b. Changes in the accounting policies and practices and the reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings;
 - c. Compliance with listing and other legal requirements relating to financial statements;
 - d. Disclosure of any Related Party Transactions (RPTs); and
 - e. Qualifications in the draft audit report, if any.
5. Reviewing the financial statements of unlisted subsidiary companies (including joint ventures) and investments made by the unlisted subsidiary companies (including joint ventures);
 6. Reviewing and considering the following w.r.t. appointment of auditors before recommending to the Board:
 - a. qualifications and experience of the individual/firm proposed to be considered for appointment as auditor;
 - b. whether such qualifications and experience are commensurate with the size and requirements of the company; and
 - c. giving due regard to any order or pending proceeding relating to professional matters of conduct against the proposed auditor before the Institute of Chartered Accountants of India or any competent authority or any Court.
 7. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;
 8. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 9. Reviewing and approving quarterly and yearly management representation letters to the statutory auditor;
 10. Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors and ensuring suitable follow-up thereon;
 11. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 13. Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor of the Company;
 14. Formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
 15. Evaluating the Internal Financial Controls and risk management policies/system of the Company;
 16. Discussion with the internal auditors on internal audit reports relating to internal control weaknesses and any other significant findings and follow-up thereon;

17. Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
18. Review and comment upon the report made by the statutory auditors (before submission to the Central Government) with regard to any offence involving fraud committed against the company by its officers/employees;
19. Approval or subsequent modification of transactions of the Company with related parties including appointment and revision in remuneration of related parties to an office or place of profit in the Company, its subsidiary company or associate company;
20. Reviewing the statements of significant related party transactions submitted by the management;
21. Reviewing and Scrutinizing the inter-corporate loans and investments;
22. Review of the Whistle Blower mechanism of the Company as per the Whistle Blower Policy. Overseeing the functioning of the same;
23. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
24. Approving the auditors (appointed under the Companies Act, 2013) to render any service other than consulting and specialized services;
25. Recommending to the Board of Directors, the appointment, remuneration and terms of appointment of Cost Auditor for the Company;
26. Review the cost audit report submitted by the cost auditor on audit of cost records before submission to the Board for approval;
27. Appointing registered valuers and defining the terms and conditions for conducting the valuation of assets/net-worth/Liabilities of the Company. Reviewing the valuation report and follow-up thereon;
28. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
29. Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
30. Review and approve policy formulated for determination of material subsidiaries;
31. Review and approve policy on materiality of related party transactions and also dealing with related party Transactions and
32. Any other matter referred to by the Board of Directors.

The Company Secretary acts as the Secretary to the Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee broadly plays a dual role of determining the composition of the Board based on need and requirements of the Company from time to time and determines the overall compensation framework and policy for Directors, senior management and employees. The Committee further reviews that the human resource practices of the Company are effective in maintaining and retaining a competent workforce. The Company Secretary acts as the Secretary to the Committee.

The Nomination Committee and Remuneration Committee met thrice during the financial year 2018-19. The composition of the Nomination and Remuneration Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations.

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company as on 31 March, 2019 is detailed below:

Name of the Member	Membership
Mrs. Nagajayanthi Das Juttur Ragavendra	Chairperson
Mr. Padmarao G.S. Lakkaraju	Member
Mr. Prabhakara Rao Alokam	Member

Date(s) on which NRC meeting(s) were held.
28 th May, 2018, 4 th June, 2018,
1 st August, 2018, 13 th February, 2019

The Nomination and Remuneration Committee was reconstituted on 28th May, 2018 with the following Composition:

Name of the Member	Membership
Mrs. Nagajayanthi Das Juttur Ragavendra	Chairperson
Mr. Padmarao G.S. Lakkaraju	Member
Mr. Prabhakara Rao Alokam	Member

The Nomination and Remuneration Committee is empowered, pursuant to its terms of reference, inter alia, to:

1. Identify persons who are qualified to become directors and persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
2. Carry on the evaluation of every Director's performance;
3. Formulate criteria for determining qualifications, positive attributes and independence of a Director;
4. Recommend to the Board a policy, relating to the remuneration of the directors, Key Managerial Personnel and other employees;
5. Formulate criteria for evaluation of Independent Directors and the Board;
6. Devise a policy on Board Diversity; and
7. Undertake any other matters as the Board may decide from time to time

Nomination and Remuneration Policy of the Company:

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, inter alia, the following responsibilities:

1. **Formulate the criteria for appointment as a Director:** The Committee shall formulate criteria, and review them on an ongoing basis, for determining qualifications, skills, expertise, qualities, positive attributes required to be a Director of the Company.
2. **Identify persons who are qualified to be Directors:** The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening and reviewing candidates for appointment as Directors, whether Independent, Non-Executive or Executive.
3. **Nominate candidates for Directorships subject to the approval of Board:** The Committee recommends to the Board the appointment of potential candidates as Non-Executive Director or Independent Director or Executive Director, as the case may be.
4. **Approve the candidates required for senior management positions:** The Committee shall lay down criteria including qualifications, skills, expertise and qualities required for senior management positions like Managing Director & CEO, CFO and Company Secretary and members of the Executive Council of the Company.
5. **Evaluate the performance of the Board:** The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board and the Board. The Committee may seek the support and guidance of external experts and agencies for this purpose.
6. **Evaluate the performance of the Managing Director or Whole-time Director and determine the Executive Compensation.** The Committee shall evaluate the performance of the Managing Director by setting his Key Performance Objectives at the beginning of each financial year. The Committee shall also approve his/her/their compensation package(s) in accordance with applicable laws, in line with the Company's objectives, shareholders' interests, comparable with industry standards and which shall have an adequate balance between fixed and variable component.
7. **Review performance and compensation of senior management:** The Committee shall review the performance of the senior management of the Company. The Committee shall ensure that the remuneration to the Key Managerial Persons and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
8. **Recommend to the Board, commission to the Non-Executive Directors:** The Committee shall recommend the commission payable to the Non-Executive Directors, including Independent Directors, to the Board of Directors of the Company after considering their contribution to the decision making at meetings of the Board/Committees, participation and time spent as well as providing strategic inputs and supporting the highest level of corporate governance and Board effectiveness. It shall be within the overall limits fixed by the shareholders of the Company.

Remuneration to the Managing Director during the year 2018-19:

During the financial year ended 31 March, 2019, Mr. Bhargav Marepally, Managing Director, did not draw any remuneration from the Company.

Details of remuneration paid to Directors during the year 2018-19:

During the financial year ended 31 March, 2019, the Company paid Rs. 20,000/- (Rupees Twenty thousand only) as sitting fees for attending each of the Board meeting and Rs. 5,000/- (Rupees Five thousand only) for other Committee meetings to the Non-Executive Directors of the Company.

Details of remuneration paid to the Directors of the Company for the financial year ended 31 March, 2019 are as follows*:

(Amount in ₹)

Name of the Director	Salary	Perquisites	Sitting fees	Commission	Total
Mr. Bhargav Marepally	-	-	-	-	-
Mrs. Nagajayanthi Das Juttur Ragavendra	-	-	1,20,000	-	1,20,000
Mr. Prabhakara Rao Alokam	-	-	1,10,000	-	1,10,000
Mr. LGS Padmarao	-	-	1,00,000	-	1,00,000
Mr. Rambabu Sampangi Kaipa	-	-	20,000	-	20,000
Mr. Saikiran Surya Satya Raghavendra Gundu	-	-	20,000	-	20,000

*The information is provided on **Standalone** basis

Stakeholders Relationship Committee

The Composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations.

The Committee had a meeting on 13th February 2019. The terms of reference of the Committee includes enquiring into and redressing the complaints of shareholders and investors and to resolve the grievance of the security holders of the Company.

The Composition of the Stakeholder's Relationship Committee as on 31 March, 2019 is as follows:

Name of the Member	Nature of Membership
Mrs. Nagajayanthi Das Juttur Ragavendra	Member
Mr. Bhargav Marepally	Member

The Stakeholders Relationship Committee was reconstituted on 29th May, 2019 with the following composition:

Name of the Member	Nature of Membership
Mrs. Nagajayanthi Das Juttur Ragavendra	Chairperson
Mr. Bhargav Marepally	Member
Mr. LGS Padmarao	Member

Details pertaining to the number of complaints received and responded and status thereof during the financial year ended 31 March, 2019, is given below:

Details of Investor Complaints during FY 2018-19	Number
No. of complaints received during the year 2018-19	Nil
No. of complaints resolved during the year 2018-19	Nil
No. of complaints pending at the end of the year 2018-19	Nil

SUBSIDIARY COMPANIES

Your Company does not have any material non-listed Indian subsidiary company in terms Regulation 16 of the Listing Regulations. The minutes of the Board meetings of the subsidiary companies are placed at the meeting of the Board of Directors of the Company on periodical basis. The Audit Committee reviews the financial statements including investments made by the unlisted subsidiary companies of the Company.

The Board of Directors of the Company have approved a policy for determining "material" subsidiaries. The said Policy has been placed on the website of the Company and can be accessed through the following link:

<http://www.gssinfotech.com/images/downloads/compliance-under-clause/policy-for-determining-material-subsiidiary.pdf>

RELATED PARTY TRANSACTIONS

Your Company enters into various transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 in its ordinary course of business. All the RPTs are undertaken in compliance with the provisions set out in Companies Act, 2013 and Listing Regulations. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the following link:

<http://www.gssinfotech.com/images/downloads/compliance-under-clause/policy-for-determining-material-subsiary.pdf>

The Company has a robust process for RPTs and the transactions with Related Parties are referred to the Audit Committee for its approval at the scheduled quarterly meetings or as may be called upon from time to time along with all relevant and stipulated information of such transaction(s).

During the financial year ended 31 March, 2019, the Company has entered into RPTs in the ordinary course of business and on arms' length basis; and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Regulation 23 of the Listing Regulations and the Policy of the Company on dealing with RPTs. During the financial year ended 31 March, 2019, there are no transactions with related parties which qualify as a material transaction in terms of the applicable provisions of Listing Regulations. The details of the RPTs are set out in the Notes to Financial Statements forming part of this Annual Report.

The details of the remuneration paid to the Key Managerial Personnel appointed by the Company in accordance with the provisions of Section 203 of the Companies Act, 2013 is set out in the Board's Report forming part of this Annual Report.

Details of employees, who are relatives of the Directors, holding an office or place of profit in your Company pursuant to Section 188 of the Companies Act, 2013:

There are no employees in the Company, who are relatives of Directors, holding office of place of profit in the Company as on 31 March, 2019:

Directors with materially significant, pecuniary or business relationship with the Company:

There is no pecuniary or business relationship between the Non-Executive Directors/Independent Directors and the Company, except for the Sitting fees payable to them in accordance with the applicable laws.

CEO AND CFO CERTIFICATION

As required under Regulation 17 of the Listing Regulations, the CEO and CFO certificate for the financial year ended 31 March, 2019, signed by Mr. Bhargav Marepally, CEO & Managing Director and Mr. Ravikumar Jatavallabha V., CFO is annexed and forms part of this Report.

GENERAL BODY MEETINGS

Details of last three Annual General Meetings of the Company are as under:

Financial Year	Location	Meeting Date	Time	No. of special resolutions set out at the AGM
2017-18	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad – 500032.	5 th September, 2018	10:00 a.m.	3
2016-17	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad – 500032.	30 th September, 2017	10:30 a.m.	1
2015-16	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad – 500032.	30 th September, 2016	10:30 a.m.	2

All special resolutions set out in the notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

Postal Ballot

During the year, no resolutions were passed through postal ballot.

DISCLOSURES

1. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
2. Your Company has complied with all the requirements of the Stock Exchange(s) and the Securities Exchange Board of India (SEBI) on matters related to Capital Markets.

3. Vigil Mechanism and Whistle Blower Policy:

Your Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers and shareholders in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

- Your Company prohibits any kind of discrimination, harassment, victimization or any other unfair practice being adopted against an employee. In accordance with Regulation 22 of the Listing Regulation, your Company has adopted a Whistle Blower Policy with an objective to provide its employees and a mechanism whereby concerns can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication.
- No personnel were denied access to the Audit Committee of the Company

4. Code of Conduct

Your Company has adopted a Code of Conduct for all the employees including Board Members and Senior Management Personnel of the Company in accordance with the requirement under Regulation 17 of the Listing Regulations. The Code of Conduct has been posted on the website of the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31 March, 2019. The declaration to this effect signed by Mr. Bhargav Marepally, CEO & Managing Director of the Company forms part of the report. The Code of Conduct can be accessed through the following link: <http://www.gssinfotech.com/images/downloads/compliance-under-clause/code-of-conduct.pdf>

5. Code of Conduct for Prevention of Insider Trading

GSS's Code of Conduct for Prevention of Insider Trading covers all the Directors, senior management personnel, persons forming part of promoter(s)/promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company. The Directors, their relatives, senior management personnel, persons forming part of promoter(s)/promoter group(s), designated employees etc. are restricted in purchasing, selling and dealing in the shares of the Company while in possession of unpublished price sensitive information about the Company as well as during the periods when the trading window is closed. All the Directors, senior management personnel, persons forming part of promoter(s)/ promoter group(s) and other designated employees of the Company are restricted from entering into opposite transaction, i.e., buy or sell any number of shares during the next six months following the prior transaction. The Board of Directors at its meeting held on 30th May 2015 approved and adopted the 'GSS Infotech Limited - Code of Conduct to Regulate, Monitor and Report Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulation, 2015. The Board at its aforesaid meeting also approved the 'GSS Infotech Limited - Code for Fair Disclosure' and the same can be accessed through the following link: <http://www.gssinfotech.com/images/downloads/compliance-under-clause/sebi-insider-trading-and-code-for-upsi-30052015.pdf>

Following is the status of the compliance with the non-mandatory requirements:

1. The Board:

The Chairman of the Company has a separate Chairman's Office at the Registered Office of the Company.

2. Shareholder Rights:

Half-yearly results of the Company are not sent to all shareholders of the Company, however, the Company uploads its Half-yearly results on its website www.gssinfotech.com and submits to the stock exchanges.

3. Audit qualifications:

During the year under review, there were no audit qualification and Emphasis of matter on the Company's financial statements. The Company shall strive to move towards the regime of unqualified financial statements

4. Reporting of Internal Auditor:

M/s. J S Sundaram and Co, Chartered Accountants, Hyderabad are the Internal Auditors of the Company. They do not participate in the meetings of the Audit Committee. They submit the Internal Audit Report and observations on quarterly basis to the Audit Committee of the Board of Directors of the Company.

MEANS OF COMMUNICATION

1. Publication of quarterly financial results:

Quarterly, half-yearly, nine-monthly and annual financial results of the Company were published in leading National and regional newspapers having wide circulation in the state of Telangana and nationally.

2. Website and News Releases:

A separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Share holding pattern, Annual Report, Quarterly/Half-yearly/Nine-monthly and Annual financial results along with the applicable policies of the Company.

3. Stock Exchange:

Your Company makes timely disclosures of necessary information to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in terms of the Listing Agreement(s) and other rules and regulations issued by SEBI.

4. NEAPS (NSE Electronic Application Processing System):

NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are also filed electronically through NEAPS.

5. BSE Corporate Compliance & Listing Centre:

BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, Shareholding pattern, Corporate Governance Report, Corporate announcements, amongst others are also filed electronically on the Listing Centre.

6. Reminders to Investors:

Reminders to shareholders for claiming returned undelivered share certificates, unclaimed dividend are regularly dispatched to the shareholders.

GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting

Date	- 30 th September, 2019
Time	- 10.00 A.M
Venue	- Ellaa Suites, Jasmine Hall, Hill Ridge Springs, 25 Kancha, Gachibowli, ISB Road, Hyderabad - 500 032

(ii) Financial Calendar

Financial year	- 1 st April 2019 to 31 st March 2020
Tentative Schedule for declaration of results during the financial year 2019-20	
First Quarter	- Second week of Aug 2019
Second Quarter and Half Yearly	- Second week of Nov 2019
Third Quarter and Nine Months	- Second week of Feb 2020
Fourth Quarter and Annual	- Fourth week of May 2020

(iii) Date of Book closure

- 23rd September 2019 to 30th September 2018 (both day inclusive)

(iv) Listing on Stock Exchanges

Name of Stock Exchange	Stock Code
BSE Limited (BSE)	532951
National Stock Exchange of India Limited (NSE)	GSS
The Company has paid the listing fees to the above Stock Exchange(s) for the financial year 2018-19.	

(v) Market Price Data

The monthly high and low prices and volumes of the Company's shares at BSE and NSE for the financial year ended 31 March, 2019 are as under:

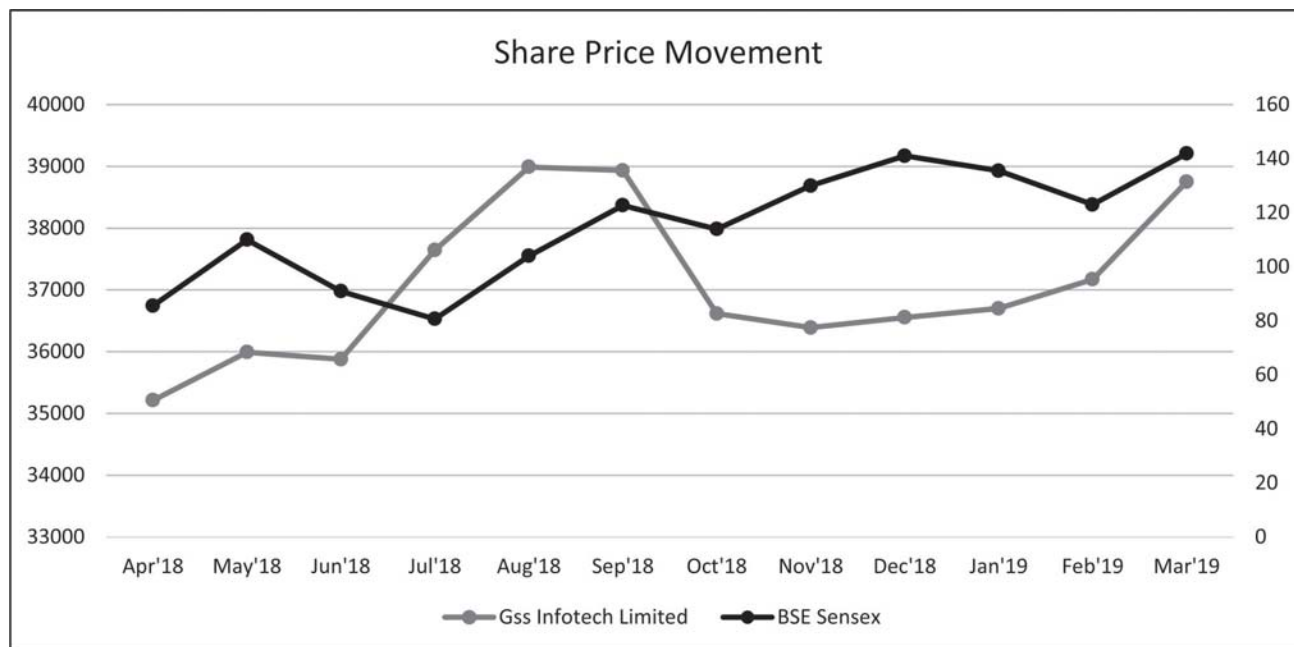
Month	BSE			NSE		
	High (in Rs.)	Low (in Rs.)	Volume (No. of Shares)	High (in Rs.)	Low (in Rs.)	Volume (No. of Shares)
Apr-18	85.6	51.3	51,90,52,650	85.45	51.15	3,87,57,923
May-18	110	72.2	74,85,32,632	110	70.7	3,38,19,381
Jun-18	90.95	72.85	7,47,95,775	91.2	71.35	30,88,244
Jul-18	80.7	64.35	2,33,89,541	81	64.6	15,61,073
Aug-18	104	75	13,24,87,568	103.95	75.2	87,41,101
Sep-18	122.75	91.55	25,19,53,622	122.8	90.2	1,46,62,489
Oct-18	113.95	88.25	11,24,52,917	113.9	88.8	77,54,457
Nov-18	130	90.5	13,73,93,234	129.9	90	87,17,493
Dec-18	141.05	108.3	18,86,73,742	141	108.8	91,58,407
Jan-19	135.5	101.55	14,83,30,559	135.25	101.75	63,86,516
Feb-19	123	97.15	13,77,25,617	121.2	95.2	53,37,664
Mar-19	141.9	111.25	30,36,73,354	141.65	110.85	57,74,062

Source: BSE and NSE website

Note: High and low are in per traded share. Volume is the total monthly volume of trade (in numbers) in GSS Infotech Limited shares on BSE and NSE

(vi) Performance in comparison to broad-based Indices

The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the financial year ended 31 March, 2019 (based on month end closing):



(vii) Registrar and Transfer Agent -

Bigshare Services Private Limited

E-2 and 3, Ansa Industrial Estate, Saki-Vihar Road,
Saki Naka, Andheri (E), Mumbai - 400072. India
Tel: 022 - 40430200, Fax: 022 - 28475207
Email: prabhakar@bigshareonline.com

(viii) Share Transfer System

The share transfer activities in respect of the shares in physical mode are carried out by the Company's Registrar and Transfer Agent (RTA). The shares lodged for transfer are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

The Board of Directors of the Company have delegated the authority to approve the transfer of shares, transmission of shares or requests for deletion of name of the shareholder, etc., to the Company Secretary of the Company. A summary of all the transactions in respect of issue of duplicate share certificates, split, rematerialisation, consolidation and renewal of share certificates are placed from time to time for the information and noting by the Board of Directors of the Company.

The Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under the Listing Regulations and files a copy of the said certificate with Stock Exchanges.

(ix) Distribution of Shareholding

Distribution of shareholding of shares of the Company as on 31 March, 2019 is as follows:

No. of Equity Shares		Shareholders		Shareholding	
		Number	% to total	Number	% to total
1	5000	9129	91.04	66,86,950	3.95
5001	10000	360	3.59	44,01,200	1.72
10001	20000	215	2.14	32,95,100	1.95
20001	30000	76	0.76	19,47,920	1.15
30001	40000	43	0.43	15,58,740	0.92
40001	50000	45	0.45	21,00,430	1.24
50001	100000	66	0.66	50,59,130	2.99
100001	999999999	93	0.93	145,810,060	86.09

Shareholding Pattern as on 31 March, 2019:

Category of Shareholder	Total Number of Shares	% of total no. of shares
(A) Shareholding of Promoter and Promoter Group		
(a) Individuals/Hindu Undivided Family	21,71,992	12.82
(b) Bodies Corporate	Nil	Nil
(c) Trust	Nil	Nil
Total Shareholding of Promoter and Promoter Group (A)	21,71,992	12.82
(B) Public shareholding		
(1) Institutions		
(a) Mutual Funds/ UTI	Nil	Nil
(b) Financial Institutions/Banks	8,86,820	5.24
(c) Venture Capital Funds	Nil	Nil
(d) Foreign Institutional Investors/FPI's	35,49,275	20.96
Sub-Total (B)(1)	44,36,095	26.20
(2) Non-Institutions		
(a) Bodies Corporate	44,50,241	26.28
(b) Individuals		
(i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs	23,45,926	13.85
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	9,39,306	5.55
(c) Individual (Non-Resident individuals)	9,33,747	5.51
(d) Trust	3,50,000	2.07
(e) Clearing Member	12,83,213	7.58
(f) NBFCs registered with RBI	2,500	0.01
(g) Overseas Corporate Bodies	-	-
(h) IEPF	23,823	23,823
Sub-Total(B)(2)	1,03,28,756	60.99
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,47,64,851	87.18
Total (A)+(B)	1,69,36,843	100.00

Details of the Company's dematerialized shares as on 31 March, 2019:

Number of shares	% of total shares	Number of shareholders	% of total shareholders
16936843	97.93	10,027	99.98

Break up of shares in physical and Demat form as on 31 March, 2019:

Physical/Demat	No. of Shares	% of Shares
Physical segment	3,50,001	2.07
Demat segment		
a) NSDL	85,35,950	50.40
b) CDSL	80,50,892	47.53
TOTAL	1,69,36,843	100.00

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at earliest and avail various benefits of dealings in securities in electronic/dematerialized form. For any clarification, assistance or information, please contact the Registrar and Share Transfer Agent of the Company.

(x) Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on equity

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on 31 March 2019.

(xi) The Company does not have plant locations.

(xii) Address for Correspondence Bigshare services Private Limited

E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Saki Naka, Andheri (E), Mumbai - 400072. India Tel: 022 - 40430200, Fax : 022 - 28475207

For the benefit of shareholders, documents will continue to be accepted at the Registered Office of the Company: For any queries relating to the shares of the Company, correspondence may please be addressed to:

GSS Infotech Limited

CIN: L72200TG2003PLC041860

Ground Floor, Wing-B, N heights, Plot No. 12,
TSIIC Software Units Layout, Madhapur, Serilingampally Mandal,
Rangareddy District, Hyderabad - 500081, Telangana, India
Ph No. : 040 - 445556600 Website: www.gssinfotech.com

Shareholders are requested to quote their folio no. / DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar & Share Transfer Agent.

(xiii) There are no Equity Shares in the Unclaimed Suspense Account of the Company.

(xiv) For any correspondence relating to Annual Report Kindly write to: The Company Secretary

GSS Infotech Limited

Ground Floor, Wing-B, N heights, Plot No. 12,
TSIIC Software Units Layout, Madhapur, Serilingampally Mandal,
Rangareddy District, Hyderabad - 500081, Telangana State, India
Email: company.secretary@gssinfotech.com

Annexure to Report on Corporate Governance for the financial year ended 31 March, 2019

Declaration of Compliance with the Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31 March, 2019.

Place: Hyderabad
Date: 13th August, 2019

Bhargav Marepally
CEO & Managing Director
DIN: 00505098

CEO and CFO Certificate under Regulation 17 (8) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors

GSS Infotech Limited

We hereby certify that for the financial year ended 31 March, 2019, on the basis of the review of the financial statements and the statement of cash flows and to the best of our knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. 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.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2018-19, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies, if any.

We further certify that –

- a) There have been no significant changes in internal control over financial reporting during the year 2018-19; and
- b) There have been no significant changes in accounting policies during the year 2018-19; and
- c) There have been no materially significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Ravikumar Jatavallabha V.
Chief Financial Officer

Place: Hyderabad
Date: 29th May, 2019

CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF GSS INFOTECH LIMITED

We have examined the compliance of conditions of Corporate Governance by GSS Infotech Limited ('the Company'), for the year ended 31 March, 2019, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st April, 2018 to 31 March, 2019.

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.

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 stipulated in the above-mentioned Listing Agreement / Listing Regulations, as applicable and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and Clause 49 of the listing agreement for the financial year ended 31 March, 2019.

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

For **Sunil Kacham & Associates**

Sunil Kumar Kacham
Practicing Company Secretary
ACS No: 46155
CP. No: 16820

Place: Hyderabad
Date: 15th July, 2019

CONSOLIDATED FINANCIAL STATEMENTS & NOTES

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors of
M/s GSS Infotech Limited

Report on the Audit of the Consolidated Financial Statements

Opinion:

We have audited the accompanying consolidated financial statements of **M/s GSS Infotech 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 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), the 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 Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, of its consolidated profit and 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

Key Audit Matters	How the matter was addressed in our audit
Adoption of Ind AS 115 – Revenue from Contr-acts with Customers	
As described in Note 3.1 to the consolidated financial statements, the Group 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. 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. The Group adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.	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 – • Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard; • 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.

Other Information:

The Holding Company's management and Board of Directors are 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 auditors' 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 the 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 (Ind AS) specified under Section 133 of the Act. The respective 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 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of 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 management 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 is 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Act, 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.
- Conclude on the appropriateness of management's 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) 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 or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

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 auditors' 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:

1. We did not audit the financial statements and other financial information, in respect of One US Subsidiary (Including its step down subsidiaries), whose financial statements include total assets of Rs.144,33,05,235 as at March 31, 2019 and total revenues of Rs.136,86,71,707 for the year ended on that date respectively and One Bangladesh Branch, whose financial statements include total assets of Rs.2,35,42,425 as at March 31, 2019 and total revenues of Rs.4,87,07,508 for the year ended on that date respectively. These financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management and our opinion, on the consolidated financial results, in so far as it relates to the affairs of such subsidiaries and branches is based solely on the report of other such auditors. Our opinion is not modified in respect of this matter.

Certain of these subsidiaries/branches are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries/branches located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Report on Other Legal and Regulatory Requirements

- A. 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 our audit 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), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries which are incorporated in India, as on 31 March 2019 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group. Refer Note 33 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer Notes 20 and 21 to the consolidated financial statements in respect of such items as it relates to the Group.
 - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended 31 March 2019.
 - iv. The disclosures in the consolidated financial statements regarding holdings as well as dealing in specified banks notes during the period from 8 November 2016 to 30 November 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.
- C. With respect to the matter to be included in the Auditors' report under Section 197(16), in our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India is in accordance with the provisions 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. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For and on behalf of
Sarath & Associates
Chartered Accountants
F. Reg. No. 005120S

P. Sarath Kumar
Partner
M. No. : 021755

Place : Hyderabad
Date : 29.05.2019

Annexure A to the Independent Auditor's Report

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of GSS Infotech Limited ("the Holding Company") as of 31 March 2019, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its subsidiaries, which are incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding company and its subsidiaries, which are incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective entity'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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system with reference to financial statements of the Holding Company and its subsidiaries which are incorporated in India.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control 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 control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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.

Opinion

In our opinion, the Holding Company and its subsidiaries which are incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2019, based on the internal control with reference to financial statements criteria established by the Holding Company and its subsidiaries which are incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For and on behalf of
Sarath & Associates
Chartered Accountants
F. Reg. No. 005120S

P. Sarath Kumar
Partner
M. No. : 021755

Place : Hyderabad
Date : 29.05.2019

GSS INFOTECH LIMITED

Consolidated Balance Sheet as at 31st March, 2019

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	4	4,032,665	2,046,071
Goodwill		1,058,429,656	905,892,340
Other intangible assets	5	1,191,592	-
Financial assets			
Loans	6	964,640	913,622
Deferred tax assets (net)	7	997,026	990,090
Other non-current assets	8	35,000,000	3,500,000
		1,100,615,579	913,342,123
Current assets			
Financial assets			
Trade receivables	9	324,357,520	261,380,914
Cash and cash equivalents	10	77,739,939	34,892,238
Other bank balances	11	6,325,883	1,693,323
Loans	6	3,716,762	2,047,089
Current Tax Assets (Net)	12	120,968,083	106,201,981
Other current assets	8	65,655,176	97,570,377
		598,763,363	503,785,922
Total assets		1,699,378,942	1,417,128,045
Equity and Liabilities			
Equity share capital	13	169,368,630	169,368,630
Other equity	14	1,099,825,239	935,929,384
Total equity		1,269,193,869	1,105,298,014
Non-current liabilities			
Financial Liabilities			
Borrowings	15	-	-
Provisions	16	1,054,392	391,374
		1,054,392	391,374
Current liabilities			
Financial Liabilities			
Trade payables	17	76,551,188	47,414,764
Other financial liabilities	18	348,018,615	260,579,035
Provisions	16	1,516,398	1,456,418
Other current liabilities	19	3,044,480	1,988,440
Total liabilities		429,130,681	311,438,657
Total equity and liabilities		1,699,378,942	1,417,128,045

Summary of significant accounting policies

3

The accompanying notes form an integral part of these consolidated financial statements.

As Per Our Report of Even Date

For SARATH & ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 005120S

For and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

P. Sarath Kumar

Partner

Membership No: 21755

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A. Prabhakara Rao

Director

DIN: 02263908

Place: Hyderabad

Date : 29-May-2019

Ravi Kumar Jatavallabha V

Chief Financial Officer

Mohammad Anwar ul haq

Company Secretary

GSS INFOTECH LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations	20	1,578,641,700	1,417,747,406
Other income	21	10,056,471	784,547
Total income		1,588,698,171	1,418,531,953
Expenses			
Materials consumed	22	151,350,994	171,341,045
Employee benefits expense	23	1,220,559,163	1,088,845,595
Depreciation and amortisation expense	24	1,905,765	2,319,794
Finance costs	25	9,814,320	10,660,292
Other expenses	26	81,945,588	83,094,331
Total expense		1,465,575,830	1,356,261,057
Profit before exceptional items and tax		123,122,341	62,270,896
Exceptional Item		-	-
Profit before tax		123,122,341	62,270,896
Tax expenses			
Current tax	27	6,869,167	(12,706,483)
Deferred tax charge	27	(6,936)	1,769,478
Total tax expense		6,862,231	(10,937,005)
Profit after tax		116,260,110	73,207,901
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan		314,640	254,418
Exchange differences on translation of foreign operations		47,321,107	2,755,186
Income-tax effect		-	-
Other comprehensive income for the year, net of tax		47,635,747	3,009,604
Total comprehensive income for the year		163,895,857	76,217,505
Earnings per equity share (nominal value of INR 10) in INR			
Basic and		6.86	4.32
Diluted		6.86	4.32

Summary of significant accounting policies

3

The accompanying notes are an integral part of the standalone financial statements.

As Per Our Report of Even Date

For SARATH & ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 0051205

For and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

P. Sarath Kumar

Partner

Membership No: 21755

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A. Prabhakara Rao

Director

DIN: 02263908

Place: Hyderabad

Date : 29-May-2019

Ravi Kumar Jatavallabha V

Chief Financial Officer

Mohammad Anwar ul haq

Company Secretary

GSS INFOTECH LTD

Statement of Cash Flows for the year ended 31st March, 2019

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Operating activities		
Profit/ (loss) before tax	123,122,340	62,270,896
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of tangible assets	1,905,766	2,319,794
Profit on sale of assets	-	(30,459)
Finance income (including fair value change in financial instruments)	(10,056,471)	(69,251)
Finance costs (including fair value change in financial instruments)	9,814,319	10,660,292
Advance/Bad Debt Written off	-	2,107,282
Written of Investments	-	-
Unrealized foreign exchange loss/gain	(16,406,570)	2,770,806
Re-measurement gains/ (losses) on defined benefit plan	314,640	254,418
<i>Working capital adjustments:</i>		
(Increase)/ decrease in trade receivables	(62,976,606)	21,911,549
(Increase)/ decrease in loans	(1,669,673)	9,678,510
(Increase)/ decrease in other assets	415,201	(10,279,033)
Increase/ (decrease) in trade payables	29,136,424	(11,843,605)
Increase/ (decrease) in provisions	722,997	(334,019)
Increase/ (decrease) in current tax asset	(14,766,101)	(27,326,057)
Increase/ (decrease) in other financial liabilities	87,439,579	(33,279,237)
Increase/ (decrease) in other current liabilities	1,056,040	(549,388)
	148,051,885	28,262,500
Income tax paid	(6,869,167)	12,706,483
Net cash flows from operating activities	141,182,718	40,968,983
Investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(5,083,950)	(1,066,427)
Proceeds from sale of fixed assets	-	135,408
Other bank balances	(4,632,560)	(938,300)
Increase in Goodwill on Consolidation due to difference in exchange rate	(152,537,317)	(24,095,843)
Interest received (finance income)	10,056,471	69,251
Net cash flows used in investing activities	(152,197,357)	(25,895,911)
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	(51,018)	(2,471)
Interest paid	(9,814,319)	(10,660,292)
Unrealized foreign exchange loss/gain	63,727,677	21,325,036
inflow of excess deposit in dividend unclaim account		
Net cash flows from/ (used in) financing activities	53,862,340	10,662,273
Net increase / (decrease) in cash and cash equivalents	42,847,701	25,735,345
Cash and cash equivalents at the beginning of the year (refer note 10)	34,892,238	9,156,892
Cash and cash equivalents at the end of the year (refer note 10)	77,739,939	34,892,238

Summary of significant accounting policies

3

The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.

The accompanying notes form an integral part of these consolidated financial statements.

As Per Our Report of Even Date

For SARATH & ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 005120S

P. Sarath Kumar

Partner

Membership No: 21755

Place: Hyderabad

Date : 29-May-2019

For and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A. Prabhakara Rao

Director

DIN: 02263908

Ravi Kumar Jatavallabha V

Chief Financial Officer

Mohammad Anwar ul haq

Company Secretary

GSS INFOTECH LIMITED

Consolidated Statement of Changes in Equity for the year ended March 31, 2019

(All amounts in Indian Rupees, except share data and where otherwise stated)

a. Equity Share Capital

	No. of shares	Amount
Balance as at March 31, 2018	16,936,863	169,368,630
Balance as at March 31, 2019	16,936,863	169,368,630

b. Other equity

Particulars	Reserves and Surplus			OCI	Total
	Share Premium	General Reserve	Retained Earnings	Exchange differences on translation of foreign operations	
At March 31, 2018	2,052,380,129	24,001,603	(1,862,314,159)	721,861,810	935,929,384
Profit for the year			116,260,110		116,260,110
Other comprehensive income					-
Re-measurement gains/ (losses) on defined benefit plans, net of tax				314,640	314,640
Exchange differences on translation of foreign operations				47,321,107	47,321,107
Income-tax effect					-
Balance as of 31 March 2019	2,052,380,129	24,001,603	(1,746,054,049)	769,497,557	1,099,825,239

Summary of significant accounting policies

3

The accompanying notes form an integral part of these consolidated financial statements.

As Per Our Report of Even Date

For SARATH & ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 005120S

P. Sarath Kumar

Partner

Membership No: 21755

Place: Hyderabad

Date : 29-May-2019

For and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A. Prabhakara Rao

Director

DIN: 02263908

Ravi Kumar Jatavallabha V

Chief Financial Officer

Mohammad Anwar ul haq

Company Secretary

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

1 General Information

GSS Infotech Limited ('the Company') was incorporated on 13th October, 2003 as a Listed Public limited company under the Companies Act, 1956. The Registered office of the Company is situated at Grd Floor, Wing-B, N heights, Plot No. 12, TSIIIC Software Units Layout, Madhapur, Serilingampally Hyderabad Rangareddi, Telangana - 500081, India. The Company together with its subsidiaries (hereinafter collectively referred to as "the Group") is primarily engaged in the business of IT & ITES.

2 Basis of preparation of financial statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Group's financial statements up to and for the year ended March 31, 2016 were prepared in accordance with the Companies (Accounting Standards) Rules 2006, notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

As these are the first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance of the Group is provided in Note 38.

The financial statements were authorised for issue by the Group's Board of Directors on May 29, 2019. Details of the accounting policies are included in Note 3.

2.2 Group information

The consolidated financial statements of the Group includes subsidiary listed in the table below:

Name of investee	Principal activities	Country of incorporation	Relationship	Percentage of ownership/ voting rights	
				31 March 2019	31 March 2018
GSS Infotech Inc (A Delaware Company)	IT and ITES	USA	Subsidiary	100%	100%
GSS IT Solutions Private Limited	IT and ITES	India	Subsidiary	100%	100%
GSS Healthcare IT Solutions Private Limited	IT and ITES	India	Subsidiary	100%	100%
GSS Infotech CT Inc (Formerly known as System Dynamix Corporation)	IT and ITES	USA	Step down Subsidiary	100%	100%
Infovision Technologies, Inc	IT and ITES	USA	Step down Subsidiary	100%	100%
Infovista Technologies Inc	IT and ITES	USA	Step down Subsidiary	100%	100%
Technovant Inc	IT and ITES	USA	Step down Subsidiary	100%	100%
Nexii Labs Inc	IT and ITES	USA	Step down Subsidiary	100%	100%

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

2.3 Basis of consolidation

- (i) The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- (ii) Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary.
- (iii) The consolidated financial statements of the Group combines financial statements of the Parent Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company.

The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

2.4 Basis of measurement

These financial statements have been prepared on the historical cost basis, except certain financial assets and liabilities are measured at fair value or amortised cost.

2.5 Functional currency

The financial statements are presented in Indian rupees, which is the functional currency of the Group. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupees INR except share data, unless otherwise stated.

2.6 Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Group's normal operating cycle;
- b) it is held primarily for the purpose of being traded;

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

- c) it is due to be settled within twelve months after the reporting date; or
- d) the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

2.7 Critical accounting judgements and key sources of estimation uncertainty Operating cycle

In the application of the Group's accounting policies, which are described in note 3, the management of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Provision and contingent liability

On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2019 management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

2.8 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Significant accounting policies

3.1 Revenue recognition

Revenue from operations

The company is primarily engaged in the business of IT & ITES and earns revenue from the same.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 3.1 – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended 31 March, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sales price and the then carrying value of the investment. Dividend income is recognised where the Group's right to receive dividend is established. Interest and Other Income is recognised on accrual basis.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.2 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Leases under which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Group determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Group separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.3 Foreign currencies

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

3.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.5 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. 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.

3.6 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

3.7 Property, plant and equipment

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Subsequent Costs

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss at the time of incurrence

3.8 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Group, or the number of production or similar units expected to be obtained from the asset by the Group.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

3.9 Goodwill and other intangible assets

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents excess of the Group's share in the net worth of a subsidiary over the cost of acquisition at each point of time of making the investment in the subsidiary. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Goodwill on consolidation arising on acquisitions on or after the date of transition represents the excess of the cost of acquisition at each point of time of making the investment in the subsidiary, over the Group's share in the fair value of the net assets of a subsidiary.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the acquisition.

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortisation

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) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Computer software is amortised on straight line basis over a period of three years.

3.10 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

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3.11 Statement of Cash flow

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

3.12 Impairment of non financial assets

The carrying amounts of the Group's non-financial assets and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 or the cash-generating unit. For the purpose of impairment testing, assets 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").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. 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. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

3.13 Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Group's contributions to defined contribution plans are charged to the income statement as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the

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income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

Termination benefits are recognized as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Group's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

3.14 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.15 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not eorganiza in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are eorganiza in the period in which the change occurs.

3.16 Financial instruments

a. Recognition and Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and Subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

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- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or eorganiz cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;

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- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are eorganiza in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are eorganiza in profit or loss. Any gain or loss on derecognition is eorganiza in profit or loss.

Financial liabilities: Classification, Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are eorganiza in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are eorganiza in profit or loss. Any gain or loss on derecognition is also eorganiza in profit or loss.

c. Derecognition

Financial assets

The Group eorganizati a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets eorganiza on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not eorganizati.

Financial liabilities

The Group eorganizati a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also eorganizati a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is eorganiza at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is eorganiza in profit

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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e. Impairment

The Group eorganiza loss allowances for expected credit losses on financial assets measured at amortised cost; At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial eorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

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3.17 Recent amendments in Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 1, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortization change for the right-to-use asset, and (b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified as an operating lease if the head lease is classified as a short term lease. In all other cases, the sublease shall be classified as a finance lease.

Lessees are permitted to make an accounting policy election, by class of underlying asset, to apply a method such as Ind AS 17's operating lease accounting and not recognize lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases). Lessees also are permitted to make an election, on a lease-by-lease basis, to apply a method similar to current operating lease accounting to leases for which the underlying asset is of low value (i.e., low-value assets). Accordingly the company will use Ind AS 17, as the lease period is less than 12 months.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this

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pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not expect any significant impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The company does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

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4 Property, Plant and Equipment

Particulars	Plant and Equipment	Furniture and Fixtures	Computers	Vehicles	Total
Cost					
At March 31, 2017	831,930	527,160	2,789,447	1,162,560	5,311,097
Additions	863,211	5,727	166,833	-	1,035,771
Deletions	-	-	-	135,408	135,408
At March 31, 2018	1,695,141	532,887	2,956,280	1,027,152	6,211,460
Additions	582,822	698,279	2,240,106	-	3,521,207
Deletions	-	-	-	-	-
At March 31, 2019	2,277,963	1,231,166	5,196,386	1,027,152	9,732,667
Accumulated depreciation					
At March 31, 2017	415,080	151,710	964,719	664,404	2,195,913
Charge for the year	678,205	68,993	1,181,056	71,878	2,000,132
Less: Adjustments	-	-	30,656	-	30,656
At March 31, 2018	1,093,285	220,703	2,115,119	736,282	4,165,389
Charge for the year	439,844	377,480	690,582	26,707	1,534,613
Less: Adjustments	-	-	-	-	-
At March 31, 2019	1,533,129	598,183	2,805,701	762,989	5,700,002
Carrying amount					
At March 31, 2017	416,850	375,450	1,824,728	498,156	3,115,184
At March 31, 2018	601,856	312,184	841,161	290,870	2,046,071
At March 31, 2019	744,834	632,983	2,390,685	264,163	4,032,665

5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
At March 31, 2017	-	340,455	340,455
Additions	-	-	-
Deletions	-	-	-
At March 31, 2018	-	340,455	340,455
Additions	-	1,562,743	1,562,743
Deletions	-	-	-
At March 31, 2019	-	1,903,198	1,903,198
Accumulated depreciation			
At March 31, 2017	-	20,793	20,793
Depreciation expense	-	319,662	319,662
Deletions	-	-	-

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Particulars	Copy rights	Computer softwares	Total
At March 31, 2018	-	340,455	340,455
Depreciation expense		371,152	371,152
Deletions		-	-
At March 31, 2019	-	711,607	711,607
Carrying amount			
At March 31, 2017	-	319,662	319,662
At March 31, 2018	-	-	-
At March 31, 2019	-	1,191,592	1,191,592

6 Loans (Unsecured, considered good unless otherwise stated)	31 March 2019	31 March 2018
Non-current		
Security deposits	964,640	913,622
	964,640	913,622
Note: These financial assets are carried at amortised cost		
Current		
Security deposits	3,716,762	2,047,089
	3,716,762	2,047,089

7 Deferred Tax Assets (net)	31 March 2019	31 March 2018
Deferred Tax Assets (net)	997,026	990,090
	997,026	990,090

8 Other assets	31 March 2019	31 March 2018
Non-current assets		
<i>Unsecured, considered good</i>		
Advances other than capital advances		
Advance to ESOP Trust	3,500,000	3,500,000
Advance to vendors	31,500,000	-
	35,000,000	3,500,000
Current assets		
<i>Unsecured, considered good</i>		
Balance with Govt authorities	20,853,440	16,100,636
Advances other than capital advances		
Staff advances	111,087	-
Other advances	1,640	478,273
Prepaid expenses	41,655,341	77,489,197
Unbilled revenue	3,033,669	3,502,272
	65,655,176	97,570,377

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9 Trade receivables

	31 March 2019	31 March 2018
Unsecured, considered good		
Trade Receivables outstanding for a period exceeding six months	10,266,427	7,612,274
Less Provision for doubtful debts	(1,843,937)	(1,843,937)
	<u>8,422,490</u>	<u>5,768,337</u>
Trade receivable, Others	315,935,030	255,612,577
Total Trade receivables	<u>324,357,520</u>	<u>261,380,914</u>

10 Cash and cash equivalents

	31 March 2019	31 March 2018
Balances with banks:		
- On current accounts	77,730,846	34,875,657
Cash on hand	9,093	16,581
Total Cash and cash equivalents	<u>77,739,939</u>	<u>34,892,238</u>

11 Other bank balances

	31 March 2019	31 March 2018
Other bank balances		
Term deposits with Banks with original maturities of less than 1 year*	6,325,883	1,693,323
Total Other bank balances	<u>6,325,883</u>	<u>1,693,323</u>

*Represents margin money deposits against bank guarantees, letter of credit and term loans.

12 Current Tax Assets (Net)

	31 March 2019	31 March 2018
TDS Receivable	65,599,983	50,966,133
Advance Tax	-	6,317,245
MAT entitlement	64,600,912	55,368,100
Less: Provision for Income tax	(9,232,812)	(6,449,497)
	<u>120,968,083</u>	<u>106,201,981</u>

13 Share Capital

	31 March 2019	31 March 2018
Authorised Share Capital		
50,000,000 Equity shares of Rs.10/- each.	<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and fully paid-up		
1,69,36,843 (March 31, 2018: 1,69,36,843)		
Equity Shares, of Rs.10/- each	<u>169,368,630</u>	<u>169,368,630</u>
	<u>169,368,630</u>	<u>169,368,630</u>

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(a) Reconciliation of shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2019		31 March 2018	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	16,936,863	169,368,630	16,936,863	169,368,630
Issued during the year	-	-	-	-
Outstanding at the end of the year	16,936,863	169,368,630	16,936,863	169,368,630

(b) Terms / rights attached to the equity shares

Equity shares of the Company have a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	31 March 2019		31 March 2018	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
1. Marepally Raghunadha Rao	2,137,793	12.62%	2,137,793	12.62%
2. Aspire Emerging Fund	1,249,275	7.37%	1,600,000	9.45%
3. Shriram Insight Share Brokers Ltd.	1,649,202	9.73%	1,540,737	9.10%
	5,036,270	29.74%	5,278,530	31.16%

14 Other equity

	31 March 2019	31 March 2018
Share premium		
Opening balance	2,052,380,129	2,052,380,129
Add: Premium on fresh issue	-	-
Closing balance	<u>2,052,380,129</u>	<u>2,052,380,129</u>
General Reserve		
Opening balance	24,001,603	24,001,603
Add:	-	-
Closing balance	<u>24,001,603</u>	<u>24,001,603</u>

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

	31 March 2019	31 March 2018
Retained earnings		
Opening balance	(1,140,452,349)	(1,216,669,854)
Profit/(loss) for the year	116,260,108	73,207,901
Other comprehensive income	47,635,747	3,009,604
Less: Transfers to general reserve		
Closing balance	<u>(976,556,493)</u>	<u>(1,140,452,349)</u>
Total other equity	<u>1,099,825,239</u>	<u>935,929,384</u>

Share premium consists of the difference between the face value of the equity shares and the consideration received in respect of shares issued.

15 Borrowings

	31 March 2019	31 March 2018
Non-current Borrowings		
Secured loans		
Term loans		
- From banks		
Total non-current borrowings	-	-

16 Provisions

	31 March 2019	31 March 2018
Non-Current		
Provision for employee benefits		
- Gratuity (refer note 31)	1,054,392	391,374
	<u>1,054,392</u>	<u>391,374</u>
Current		
Provision for employee benefits		
- Gratuity (refer note 31)	61,244	62,994
- Compensated absences	1,455,154	1,393,424
	<u>1,516,398</u>	<u>1,456,418</u>

17 Trade payables

	31 March 2019	31 March 2018
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 32)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	76,551,188	47,414,764
	<u>76,551,188</u>	<u>47,414,764</u>

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

18 Other financial liabilities

	31 March 2019	31 March 2018
Current maturities of long-term debts	156,272,876	153,408,547
Capital creditors	-	-
Employee payables	151,439	15,968
Provision for expenses	158,929,409	75,802,690
Other liabilities	32,664,891	31,351,830
	348,018,615	260,579,035

19 Other current liabilities

	31 March 2019	31 March 2018
Statutory Dues	3,044,480	1,988,440
	3,044,480	1,988,440

20 Revenue from operations

	31 March 2019	31 March 2018
Revenue from Operations	1,578,641,700	1,417,747,406
	1,578,641,700	1,417,747,406

**No Single Customer contributing 10% or more of revenue from operations.*

21 Other income

	31 March 2019	31 March 2018
Interest income	861,331	69,251
Miscellaneous income	9,195,140	715,296
	10,056,471	784,547

22 Direct Cost

	31 March 2019	31 March 2018
Software Expenses	9,915	36,983
Subcontractor Expenses	151,341,079	171,304,062
Hardware Expenses	-	-
	151,350,994	171,341,045

23 Employee benefits expense

	31 March 2019	31 March 2018
Salaries, wages and bonus	1,169,210,392	1,054,891,955
Contribution to provident and other funds	3,452,978	3,436,707
Staff welfare expenses	47,895,793	30,516,933
	1,220,559,163	1,088,845,595

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

24 Depreciation and amortisation expense

	31 March 2019	31 March 2018
Depreciation of tangible assets	1,534,613	2,000,132
Amortization of intangible assets	371,152	319,662
	1,905,765	2,319,794

25 Finance costs

	31 March 2019	31 March 2018
Interest on term loans	7,683,306	8,215,937
Bank Charges	2,131,014	2,444,355
	9,814,320	10,660,292

26 Other expenses

	31 March 2019	31 March 2018
Directors' Sitting Fees	370,000	466,200
Power and fuel	4,358,683	4,702,299
Auditor's Remuneration	1,213,880	1,245,691
Repairs and maintenance		
- Plant and equipments	465,681	29,572
- Others	2,009,554	484,832
Meeting Expenses	294,232	407,344
License, Immigration And Permits	243,273	871,718
Rent	22,371,789	16,399,291
Business promotion and advertisement expenses	1,521,491	1,412,914
Service Tax Expenses	-	1,961,400
Travelling and conveyance	18,680,611	15,818,288
Rates and taxes	2,861,036	1,283,129
Legal and professional charges	21,577,421	12,870,925
Printing and stationary	93,506	44,281
Communication expenses	5,067,509	5,356,380
Insurance	9,997,032	11,620,378
General Office Expenses	4,015,887	3,241,601
Profit / Loss on sale on Assets	-	-
Advances /Bad debts written off	3,210,573	2,107,282
Loss on Exchange Rate Fluctuation	(16,406,570)	2,770,806
	81,945,588	83,094,331

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

27 Tax expenses	31 March 2019	31 March 2018
Current income tax:		
Current income tax charge	6,869,167	(12,706,483)
Mat Credit entitlement	-	-
	<u>6,869,167</u>	<u>(12,706,483)</u>
Deferred tax:		
Relating to originating and reversal of temporary differences	(6,936)	1,769,478
Income tax expense recognised in the statement of profit or loss	<u>6,862,231</u>	<u>(10,937,005)</u>

28 Contingent liabilities and commitments

Particulars	As at 31 March 2019	As at 31 March 2018
i) Appeal is pending before Income Tax Appellate Tribunal, Hyderabad for AY 2013-14	20,929,300*	20,929,300*
ii) Appeal is pending before Hon'ble Dispute Resolution Panel, Bangalore for AY 2014-15	28,226,934*	28,226,934*
iii) Further for Assessment year 2015-16 tax liability is arising on account of disallowance of losses for earlier years and the said tax liability may not crystallize in case of favorable Consequential and appellate orders for earlier Asst Years 2012-13 and 2013-14.	30,633,747*	30,633,747*
iv) Against bank guarantees issued by banks towards financial & performance guarantees outstanding	1,420,000	1,620,000
v) There was service tax demand (for the years 2010-12, 2012-13 & 2013-14) on the company on account of the e-Procurement contract executed in Bangladesh for Bangladesh Government, teating of business support, against which company filed appeal before CESTAT, Bagalore	8,519,526	8,519,526
vi) The company had filed application for compounding before the RBI for obtaining permissions under the FEMA provisions relating to the transfer of funds to WOS, company, by the branch which was returned back on procedural aspects. The company had compiled the necessary information and is in the process of re-submitting the same through a subject expert.		
* Further the company has unutilized Minimum Alternate Tax Credit Entitlement as on 31.03.2019 to the extent of Rs 646.01 lakhs, Based on Expert opinion, the unutilized MAT Credit amounts and the expected favorable appellate orders adequately cover any amount that may crystallize on account of the above Income tax liabilities.		

29 Related party disclosures

a) The following table provides the name of the related party and the nature of its relationship with the Company:

Name of the parties	Relationship
Key Management Personnel	
Bharghav Marepally	CEO & Managing Director

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

b) Details of all transactions with related parties during the year:

Particulars	31 March 2019	31 March 2018
Mangerial remuneration to Key Management personnel	24,458,000	16,260,000
Repayment of loan taken	-	602,768

*Does not include insurance, which is paid for the Company as a whole and gratuity and compensated absences as this is provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

c) Details of balances receivable from and payable to related parties are as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
i) Repayment of Loan Received		
Bhargav Marepally	-	-

d) Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

30 Segment information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating and geographical segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments and geographical segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis. The Company's sole operating segment is therefore 'Software services' but there are multiple geographical segments. Accordingly, the information as per these geographical segments is as under:

Particulars	2018-19	2017-18
Revenue from United States of America	1,413,943,615	1,280,786,781
Revenue from Bangladesh	48,707,508	46,242,362
Revenue from India	115,990,577	90,718,263
TOTAL:	1,578,641,700	1,417,747,406

31 Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹ 2,000,000

The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the plan:

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	31 March 2019	31 March 2018
Opening balance	2,696,332	2,512,728
Service cost	940,694	970,670
Past Service cost	-	-
Interest cost	208,966	186,444
Benefits paid	(604,202)	(705,602)
Actuarial gain	(386,499)	(267,908)
Closing balance	2,855,291	2,696,332
Present value of projected benefit obligation at the end of the year	2,855,291	2,696,332
Fair value of plan assets at the end of the year	1,739,655	2,241,964
Net liability recognised in the balance sheet	1,115,636	454,368
Long term provision	2,794,047	2,633,338
Short term provision	61,244	62,994
Expenses recognised in statement of profit and loss	31 March 2019	31 March 2018
Service cost	940,694	970,670
Interest cost	35,214	2,081
Gratuity cost	975,908	972,751
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to financial assumption changes	(386,499)	(267,908)
Return on plan assets greater (less) than discount rate	71,859	13,490
Total expenses routed through OCI	(314,640)	(254,418)

Assumptions	31 March 2019	31 March 2018
Discount rate	7.65% p.a.	7.75% p.a.
Future salary increases	4.00% p.a.	4.00% p.a.
Employee turnover	3.00% p.a.	3.00% p.a.

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

	31 March 2019	31 March 2018
Effect of + 1% change in rate of discounting	2,618,462	2,467,340
Effect of - 1% change in rate of discounting	3,131,801	2,963,866
Effect of + 1% change in rate of salary increase	3,415,981	3,251,477
Effect of - 1% change in rate of salary increase	2,398,526	2,246,072
Effect of + 1% change in rate of employee turnover	3,108,329	2,949,961
Effect of - 1% change in rate of employee turnover	2,573,115	2,413,164

The sensitivity analyses above have been determined based on a method that extrapolates the impact on projected benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

32 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

Particulars	31 March 2019	31 March 2018
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	NIL	NIL
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	NIL	NIL
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	NIL	NIL

33 Leases

Where the Company is a lessee:

The company has operating lease for office premises, which is renewable on a periodical basis and cancellable at its option.

i) Future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	31 March 2019	31 March 2018
Not later than 1 year	4,442,693	3,523,805
Later than 1 year and not later than 5 years	-	8,662,500
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	31 March 2019	31 March 2018
Cancellable lease expense	17,465,049	4,050,000
Non - cancellable lease expense	4,906,740	12,349,291
Total	22,371,789	16,399,291

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

34 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following table sets out the computation of basic and diluted earnings per share:

Particulars	31 March 2019	31 March 2018
Profit/ (Loss) for the year	116,260,110	73,207,901
Profit / (Loss) attributable to equity share holders	116,260,110	73,207,901
Shares		
Weighted average number of equity shares outstanding during the year - basic and diluted	16,936,863	16,936,863
Earnings per share of par value 10 - basic	6.86	4.32
Earnings per share of par value 10 - diluted	6.86	4.32

35 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions. The below assumption has been made in calculating the sensitivity analysis: The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in interest rate	Effect on profit before tax
31 March 2019		
INR	+1%	(1,562,729)
INR	-1%	1,562,729
31 March 2018		
INR	+1%	(1,534,085)
INR	-1%	1,534,085

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 326,201,457 (March 31, 2018 : 263,224,851). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	31 March 2019	31 March 2018
Opening balance	1,843,937	1,843,937
Credit loss provided/ (reversed)	-	-
Closing balance	1,843,937	1,843,937

No single customer accounted for more than 10% of the revenue as of March 31, 2019, March 31, 2018. There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2019						
Borrowings	156,272,876	-	-	-	-	156,272,876
Trade payables	57,779,147	18,772,041	-	-	-	76,551,188
Year ended March 31, 2018						
Borrowings	153,408,547	-	-	-	-	153,408,547
Trade payables	41,962,858	5,451,906	-	-	-	47,414,764

36 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2019, March 31, 2018 was as follows:

Particulars	31 March 2019	31 March 2018
Total equity attributable to the equity shareholders of the Company	1,269,193,869	1,105,298,014
As a percentage of total capital	89.04%	87.81%
Long term borrowings including current maturities	156,272,876	153,408,547
Short term borrowings	-	-
Total borrowings	156,272,876	153,408,547
As a percentage of total capital	10.96%	12.19%
Total capital (equity and borrowings)	1,425,466,745	1,258,706,561

37 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

As Per Our Report of Even Date
For SARATH & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 005120S

For and on behalf of the Board of GSS Infotech Limited
CIN: L72200TG2003PLC041860

P. Sarath Kumar
Partner
Membership No: 21755

Bhargav Marepally
CEO & Managing Director
DIN: 00505098

A. Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date : 29-May-2019

Ravi Kumar Jatavallabha V
Chief Financial Officer

Mohammad Anwar ul haq
Company Secretary

STANDALONE FINANCIAL STATEMENTS & NOTES

Independent Auditors' Report

To the Members of
M/s GSS Infotech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **M/s GSS Infotech Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit (including 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 Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matter
Adoption of Ind AS 115 – Revenue from Contracts with Customers	
As described in Note 3.1 to the standalone financial statements, 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. 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. The Company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.	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 – • Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard; • 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.

Other Information

The Company's management and Board of Directors are 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 auditors' report thereon.

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

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

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 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 (Ind AS) 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 standalone financial statements, management and Board of 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.

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 standalone 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - (A) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows 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 Ind- AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (B) With respect to the other matters to be included in the Auditors' 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 2019 on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 19 to the standalone financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16), 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 provisions 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 and on behalf of
Sarath & Associates
Chartered Accountants
F. Reg. No. 005120S

Place : Hyderabad
Date : 29.05.2019

P. Sarath Kumar
Partner
M. No. : 021755

“Annexure A” to the Independent Auditors’ Report

With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report the following:

- (i)
 - 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 to cover all the items of Fixed Assets in a phased manner, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed.
 - c) The company does not own any permanent immovable property which require having title deeds.
- (ii) The Company is in the business of providing software services and does not hold any physical inventories. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.
- (iii)
 - a) According to the information and explanation given to us, the company has granted unsecured loans to a two parties covered in the register maintained under Section 189 of the Companies Act 2013, year end outstanding being Rs 600/- (Previous year amounting to Rs. 144,221,972/-).
 - b) As per the information and explanations given to us, in our opinion, the above loans are given to fully owned subsidiary companies and does not carry interest or do not specify any specific repayment schedule and hence is generally repayable on demand. Considering the principal business activities carried out by these fully owned subsidiaries, which are in line with Company’s own business, we are on the opinion that the terms and conditions on which these interest free loans have been granted to parties listed in the register maintained under Section 189 of the Companies Act, 2013 are, prima facie, not prejudicial to the interests of the Company.
 - c) As per the information and explanations given to us, these loans do not carry any specific repayment schedule and accordingly do not warrant any comments under Clauses 3 (iii) (b) & (c) of the said Order for the current year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.
- (vii)
 - (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 Services 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. 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 Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2019, for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes, except for the following:
 - a. Appeal pending before Hon’ble Income Tax Appellate Tribunal, Hyderabad for AY 2013-14 involving tax amount of Rs. 2,09,29,300.
 - b. Appeal pending before Hon’ble Income Tax Appellate Tribunal, Hyderabad, for AY 2014-15 involving tax amount of Rs. 2,82,26,934.

- c. Further for Assessment year 2015-16 tax amount of Rs 3,06,33,747 is arising on account of disallowance of losses for earlier years and the said tax liability may not crystallize in case of favorable Consequential and appellate orders for earlier Asst Years 2010-11, 2011-12, 2012-13 and 2013-14.
- d. The company has unutilized Minimum Alternate Tax Credit Entitlement as on 31.03.2019 to the extent of Rs 646.01 lakhs. Based on Expert opinion, the unutilized MAT Credit amounts and the expected favorable appellate orders adequately cover any amount that may crystallize on account of the above Income tax liabilities.
- e. The company received partially favorable orders from hon'ble Income Tax Appellate Tribunal, in respect of which consequential orders are pending before the Transfer Pricing Officer and Assessing officer for the Assessment Years 2009-10, 2010-11, 2011-12 and 2012-13, involving Tax Amounts of Rs.28,28,435/-, Rs 75,45,571/-, Rs.1,04,15,056, and Rs. 2,01,87,300 respectively;

However these amounts are adjusted by the department from the MAT Credit Entitlement available to the company and there is nil liability against the above disputes.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence, reporting under clause 3(viii) of the Order is not applicable to the Company.
- (ix) In our opinion and according to the information and explanations given to us, the Company didnot raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of therecords of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of therecords 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.
- (xv) According to the information and explanations given to us and based on our examination of therecords of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934

For and on behalf of
Sarath & Associates
Chartered Accountants
F. Reg. No. 005120S

P. Sarath Kumar
Partner
M. No. : 021755

Place : Hyderabad
Date : 29.05.2019

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of GSS Infotech Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control 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 control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For and on behalf of
Sarath & Associates
Chartered Accountants
F. Reg. No. 005120S

P. Sarath Kumar
Partner
M. No. : 021755

Place : Hyderabad
Date : 29.05.2019

GSS INFOTECH LIMITED

Balance Sheet as at 31st March, 2019

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	4	3,157,115	1,088,058
Intangible assets	5	1,191,592	-
Financial assets			
Investments	6	891,140,378	736,385,589
Loans	7	110,183	110,183
Deferred Tax Assets (net)	8	997,026	990,090
Other non-current assets	9	35,000,000	3,500,000
		931,596,294	742,073,920
Current assets			
Financial assets			
Trade receivables	10	109,090,936	92,844,422
Cash and cash equivalents	11	12,923,367	10,308,010
Other bank balances	12	6,325,883	1,693,323
Loans	7	3,717,362	146,269,061
Current Tax Assets (Net)	13	120,968,083	106,201,981
Other current assets	9	24,965,577	19,013,700
		277,991,208	376,330,497
Total assets		1,209,587,502	1,118,404,417
Equity and Liabilities			
Equity			
Equity share capital	14	169,368,430	169,368,430
Other equity	15	982,839,014	899,190,708
Total equity		1,152,207,444	1,068,559,138
Non-current liabilities			
Financial Liabilities			
Borrowings	16	-	-
Provisions	17	1,054,392	391,374
		1,054,392	391,374
Current liabilities			
Financial Liabilities			
Trade payables	18	12,057,707	10,378,090
Other financial liabilities	19	39,707,082	35,631,032
Provisions	17	1,516,397	1,456,418
Other current liabilities	20	3,044,480	1,988,364
Total liabilities		56,325,666	49,453,904
Total equity and liabilities		1,209,587,502	1,118,404,417

Summary of significant accounting policies

3

The accompanying notes form an integral part of these standalone financial statements.

As Per Our Report of Even Date

For SARATH & ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 0051205

For and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

P. Sarath Kumar

Partner

Membership No: 21755

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A. Prabhakara Rao

Director

DIN: 02263908

Place: Hyderabad

Date : 29-May-2019

Ravi Kumar Jatavallabha V

Chief Financial Officer

Mohammad Anwar ul haq

Company Secretary

GSS INFOTECH LIMITED

Statement of Profit & Loss for the year ended 31st March, 2019

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations	21	308,614,268	227,512,569
Other income	22	10,056,471	99,251
Total income		318,670,739	227,611,820
Expenses			
Direct Cost	23	41,777,687	31,940,271
Employee benefits expense	24	154,152,168	117,301,420
Depreciation and amortisation expense	25	1,750,502	1,530,485
Finance costs	26	811,669	2,831,270
Other expenses	27	30,831,787	42,167,299
Total expense		229,323,813	195,770,745
Profit before exceptional items and tax		89,346,926	31,841,075
Exceptional Item		-	-
Profit before tax		89,346,926	31,841,075
Tax expenses			
Current tax	28	6,020,195	(14,613,500)
Deferred tax charge	28	(6,936)	1,701,154
Total tax expense		6,013,259	(12,912,346)
Profit for the year		83,333,667	44,753,421
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan		314,640	254,418
Income-tax effect		-	-
Other comprehensive income for the year, net of tax		314,640	254,418
Total comprehensive income for the year		83,648,307	45,007,839
Earnings per equity share (nominal value of INR 10) in INR			
Basic		4.92	2.64
Diluted		4.92	2.64

Summary of significant accounting policies

3

The accompanying notes form an integral part of these standalone financial statements.

As Per Our Report of Even Date

For SARATH & ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 005120S

For and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

P. Sarath Kumar

Partner

Membership No: 21755

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A. Prabhakara Rao

Director

DIN: 02263908

Place: Hyderabad

Date : 29-May-2019

Ravi Kumar Jatavallabha V

Chief Financial Officer

Mohammad Anwar ul haq

Company Secretary

GSS INFOTECH LTD

Statement of Cash Flows for year ended 31st March, 2019

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Operating activities		
Profit before tax	89,346,924	31,841,075
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of tangible assets	1,750,502	1,530,485
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(861,331)	(69,251)
Finance costs (including fair value change in financial instruments)	-	2,831,270
Advance/Bad Debt Written off	826,267	1,388,471
Written of Investments	-	-
Unrealized foreign exchange loss/gain	123,915	2,773,603
Re-measurement gains/ (losses) on defined benefit plan	314,640	254,418
<i>Working capital adjustments:</i>		
(Increase)/ decrease in trade receivables	(16,246,514)	204,941,094
(Increase)/ decrease in loans	(13,029,357)	8,134,056
(Increase)/ decrease in other assets	(37,451,878)	(4,798,431)
Increase/ (decrease) in trade payables and other financial liabilities	1,679,617	673,037
Increase/ (decrease) in provisions	722,997	(334,019)
Increase/ (decrease) in current tax asset	(14,766,101)	(28,668,671)
Increase/ (decrease) in other financial liabilities	4,076,050	(27,608,254)
Increase/ (decrease) in other current liabilities	1,056,116	(549,365)
	17,541,848	192,339,518
Income tax paid	(6,020,195)	14,613,500
Net cash flows from operating activities	11,521,653	206,953,018
Investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(5,011,151)	(863,211)
Proceeds from sale of fixed assets	-	135,408
Other bank balances	(4,632,560)	(938,300)
Interest received (finance income)	861,331	69,251
Investment in Subsidiary	-	(195,663,451)
Net cash flows used in investing activities	(8,782,380)	(197,260,303)
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	-	-
Interest paid	-	(2,831,270)
Unrealized foreign exchange loss/gain	(123,915)	(2,773,602)
inflow of excess deposit in dividend unclaim account	-	908
Net cash flows from/ (used in) financing activities	(123,915)	(5,603,964)
Net increase / (decrease) in cash and cash equivalents	2,615,357	4,088,751
Cash and cash equivalents at the beginning of the year (refer note 11)	10,308,010	6,219,259
Cash and cash equivalents at the end of the year (refer note 11)	12,923,367	10,308,010

Summary of significant accounting policies

3

The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.

The accompanying notes form an integral part of these standalone financial statements.

As Per Our Report of Even Date

For SARATH & ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 005120S

P. Sarath Kumar

Partner

Membership No: 21755

Place: Hyderabad

Date : 29-May-2019

For and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A. Prabhakara Rao

Director

DIN: 02263908

Ravi Kumar Jatavallabha V

Chief Financial Officer

Mohammad Anwar ul haq

Company Secretary

GSS INFOTECH LIMITED

Statement of Changes in Equity for the year ended March 31, 2019

(All amounts in Indian Rupees, except share data and where otherwise stated)

a. Equity Share Capital

	No. of shares	Amount
Balance as at March 31, 2018	16,936,843	169,368,430
Balance as at March 31, 2019	16,936,843	169,368,430
	16,936,843	169,368,430

b. Other equity

Particulars	Reserves and Surplus				Total
	Share Premium	General Reserve	Retained Earnings	OCI	
At March 31, 2018	2,052,380,129	24,001,603	(1,177,445,442)	254,418	899,190,708
Profit for the year			83,333,667		83,333,667
Other comprehensive income					
Re-measurement gains/ (losses) on defined benefit plans				314,640	314,640
Income-tax effect	-	-			
Balance as of 31 March 2019	2,052,380,129	24,001,603	(1,094,111,775)	569,058	982,839,014

Summary of significant accounting policies

3

The accompanying notes form an integral part of these standalone financial statements.

As Per Our Report of Even Date
For SARATH & ASSOCIATES
Chartered Accountants
ICAI Firm Registration Number: 005120S

P. Sarath Kumar
Partner
Membership No: 21755

Place: Hyderabad
Date : 29-May-2019

For and on behalf of the Board of GSS Infotech Limited
CIN: L72200TG2003PLC041860

Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Ravi Kumar Jatavallabha V
Chief Financial Officer

A. Prabhakara Rao
Director
DIN: 02263908

Mohammad Anwar ul haq
Company Secretary

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

1 General Information

GSS Infotech Limited ('the Company') was incorporated on 13th October, 2003 as a Listed Public limited company under the Companies Act, 1956. The Registered office of the Company is situated at Ground Floor, Wing-B, N heights, Plot No. 12, TSIC Software Units Layout, Madhapur, Serilingampally, Hyderabad, Rangareddy, Telangana - 500081, India. The Company is primarily engaged in the business of IT & ITES

2 Basis of preparation of financial statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act. The financial statements were authorised for issue by the Company's Board of Directors on May 29, 2019. Details of the accounting policies are included in Note 3.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis, except certain financial assets and liabilities are measured at fair value or amortised cost.

2.3 Functional currency

The financial statements are presented in Indian rupees, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates. All amounts are in Indian Rupees INR except share data, unless otherwise stated.

2.4 Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

2.5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2019 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

2.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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3 Significant accounting policies

3.1 Revenue recognition

The company is primarily engaged in the business of IT & ITES and earns revenue from the same.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer note 3.1 - Significant accounting policies - Revenue recognition in the Annual report of the Company for the year ended 31 March, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs incurred determining the degree of completion of the performance obligation. The contract costs used in computing the revenues include cost of fulfilling warranty obligations.
- Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered significantly modifies or customises the software, these services and software are accounted for as a single performance obligation and revenue is recognised over time on a POC method.
- Revenue from the sale of distinct third party hardware is recognised at the point in time when control is transferred to the customer.
- The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

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Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

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- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.
- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sales price and the then carrying value of the investment. Dividend income is recognised where the Group's right to receive dividend is established. Interest and Other Income is recognised on accrual basis.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.2 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

All other leases are classified as operating leases. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

3.3 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates

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prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

3.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.5 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. 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.

3.6 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

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3.7 Property, plant and equipment

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any.

Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Subsequent Costs

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss at the time of incurrence

3.8 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

3.9 Goodwill and other intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortisation

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) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Computer software is amortised on straight line basis over a period of three years.

3.10 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

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3.11 Statement of Cash flow

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

3.12 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 or the cash-generating unit. For the purpose of impairment testing, assets 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").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. 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. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

3.13 Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the income statement as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep

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market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

3.14 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.15 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

3.16 Financial instruments

a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

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A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and Subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

- a) **Financial assets at amortised cost:** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- b) **Financial liabilities:** Classification, Subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.
- c) **Derecognition**

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in

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which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

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12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probabilityweighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Investment in Subsidiaries

Investment in subsidiaries is carried at cost, less any impairment in the value of investment, in these separate financial statements.

3.17 Recent amendments in Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 1, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortization change for the right-to-use asset, and (b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified as an operating lease if the head lease is classified as a short term lease. In all other cases, the sublease shall be classified as a finance lease.

Lessees are permitted to make an accounting policy election, by class of underlying asset, to apply a method such as Ind AS 17's operating lease accounting and not recognize lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases). Lessees also are permitted to make an election, on a lease-by-lease basis, to apply a method similar to current operating lease accounting to leases for which the underlying asset is of low value (i.e., low-value assets). Accordingly the company will use Ind AS 17, as the lease period is less than 12 months.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not expect any significant impact from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The company does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

4 Property, Plant and Equipment

Particulars	Plant and Equipment	Furniture and Fixtures	Computers	Vehicles	Total
Cost					
At March 31, 2017	570,467	-	1,428,694	283,223	2,282,384
Additions	863,211	-	-	-	863,211
Deletions	-	-	-	135,408	135,408
At March 31, 2018	1,433,678	-	1,428,694	147,815	3,010,187
Additions	582,822	698,279	2,167,307	-	3,448,408
Deletions	-	-	-	-	-
At March 31, 2019	2,016,500	698,279	3,596,001	147,815	6,458,595
Accumulated depreciation					
At March 31, 2017	273,401	-	363,465	62,696	699,562
Charge for the year	558,416	-	664,151	-	1,222,567
Less: Adjustments	-	-	-	-	-
At March 31, 2018	831,817	-	1,027,616	62,696	1,922,129
Charge for the year	439,844	349,150	590,357	-	1,379,350
Less: Adjustments	-	-	-	-	-
At March 31, 2019	1,271,661	349,150	1,617,973	62,696	3,301,479
Carrying amount					
At March 31, 2017	297,066	-	1,065,229	220,527	1,582,822
At March 31, 2018	601,861	-	401,078	85,119	1,088,058
At March 31, 2019	744,839	349,129	1,978,028	85,119	3,157,115

5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
At March 31, 2017	2,069,832	307,918	2,377,750
Additions	-	-	-
Deletions	-	-	-
At March 31, 2018	2,069,832	307,918	2,377,750
Additions	-	1,562,743	1,562,743
Deletions	-	-	-
At March 31, 2019	2,069,832	1,870,661	3,940,493
Accumulated depreciation			
At March 31, 2017	2,069,832	-	2,069,832
Depreciation expense	-	307,918	307,918
Deletions	-	-	-

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Copy rights	Computer softwares	Total
At March 31, 2018	2,069,832	307,918	2,377,750
Depreciation expense	-	371,152	371,152
Deletions	-	-	-
At March 31, 2019	2,069,832	679,070	2,748,902
Carrying amount			
At March 31, 2017	-	307,918	307,918
At March 31, 2018	-	-	-
At March 31, 2019	-	1,191,592	1,191,592

6 Investments

31 March 2019 31 March 2018

Non-current investments

Investments carried at cost

Unquoted equity shares

Investments in subsidiaries

1,500 (31-March-2018: 1,500) Equity Shares of

\$1 each fully paid up in GSS Infotech Inc (Delaware)

890,940,578

736,185,789

9,990 (31-March-2018: 9,990) Equity Shars of

Rs. 10/- each fully paid up in GSS Healthcare IT Solutions Private Ltd

99,900

99,900

9,990 (31-March-2018: 9,990) Equity Shars of

Rs. 10/- each fully paid up in GSS IT Solutions Private Ltd

99,900

99,900

Total investments carried at cost

891,140,378

736,385,589

7 Loans (Unsecured, considered good unless otherwise stated)

31 March 2019 31 March 2018

Non-current

Security deposits

110,183

110,183

110,183

110,183

Note: These financial assets are carried at amortised cost

Current

Security deposits

3,716,762

2,047,089

Loans and advances to related parties

600

144,221,972

3,717,362

146,269,061

8 Deferred Tax Assets (net)

31 March 2019 31 March 2018

Deferred Tax Assets (net)

997,026

990,090

997,026

990,090

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Significant items of Deferred Tax Asset		
Particulars	31 March 19	31 March 18
WDV as per Income Tax Act	5,361,762	1459466.27
WDV as per Companies Act	4,348,703	1088058
Timing Difference		
Difference in WDV as per IT and Books	1,013,059	371,408
Provision for Leave Encashment	1,455,153	1393424
Provision for Gratuity	1,115,636	1439341.801
Total Timing Defference (DeferredTax Asset)	3,583,848	3,204,174
Tax rate	27.82%	30.90%
Deferred Income Tax @ 27.82%	997,026	990,090

9 Other assets

	31 March 2019	31 March 2018
Non-current assets		
<i>Unsecured, considered good</i>		
Advances other than capital advances		
Advance to ESOP Trust	3,500,000	3,500,000
Advance to vendors	31,500,000	-
	35,000,000	3,500,000
Current assets		
<i>Unsecured, considered good</i>		
Balance with Govt authorities	20,853,440	16,100,636
Advances other than capital advances		
Staff advances	111,087	-
Other advances	1,640	478,273
Prepaid expenses	2,050,328	1,467,388
Unbilled revenue	1,949,082	967,403
	24,965,577	19,013,700

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

10 Trade receivables

	31 March 2019	31 March 2018
Unsecured, considered good		
Trade Receivables outstanding for a period exceeding six months	37,751,396	33,851,547
Less Provision for doubtful debts	(1,843,937)	(1,843,937)
	<u>35,907,459</u>	<u>32,007,610</u>
Trade receivable, Others	73,183,477	60,836,812
Total Trade receivables	<u>109,090,936</u>	<u>92,844,422</u>

*Above trade receivable are inclusive of related party trade receivables for Rs.47,877,123/- & Rs.62,625,751/- for 31 March, 2019 & 31 March, 2018 respectively

11 Cash and cash equivalents

	31 March 2019	31 March 2018
Balances with banks:		
- On current accounts	12,914,380	10,292,410
Cash on hand	8,987	15,600
Total Cash and cash equivalents	<u>12,923,367</u>	<u>10,308,010</u>

12 Other bank balances

	31 March 2019	31 March 2018
Term deposits with Banks with original maturities of less than 1 year*	6,325,883	1,693,323
Total Other bank balances	<u>6,325,883</u>	<u>1,693,323</u>

*Represents margin money deposits against bank guarantees, letter of credit and term loans.

13 Current Tax Assets (Net)

	31 March 2019	31 March 2018
TDS Receivable	65,599,983	50,966,133
Advance Tax	-	6,317,245
MAT entitlement	64,600,912	55,368,100
Less: Provision for Income tax	(9,232,812)	(6,449,497)
	<u>120,968,083</u>	<u>106,201,981</u>

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

14 Share Capital

	31 March 2019	31 March 2018
Authorised Share Capital		
50,000,000 (March 31, 2018: 50,000,000)		
equity shares of Rs.10 each	<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and fully paid-up		
169,368,43 (March 31, 2018: 169,368,43)		
equity shares of Rs.10/- each fully paid-up	<u>169,368,430</u>	<u>169,368,430</u>
	<u>169,368,430</u>	<u>169,368,430</u>

(a) Reconciliation of shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2019		31 March 2018	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	16,936,843	169,368,430	16,936,843	169,368,430
Issued during the year	-	-	-	-
Outstanding at the end of the year	16,936,843	169,368,430	16,936,843	169,368,430

(b) Terms / rights attached to the equity shares

Equity shares of the Company have a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	31 March 2019		31 March 2018	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
1. Marepally Raghunadha Rao	2,137,793	12.62%	2,337,793	12.62%
2. Aspire Emerging Fund	1,249,275	7.37%	1,600,000	9.45%
3. Shriram Insight Share Brokers Ltd.	1,649,202	9.73%	1,540,737	9.10%
	5,036,270	29.74%	5,278,530	31.16%

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

15 Other equity

	31 March 2019	31 March 2018
Share premium		
Opening balance	2,052,380,129	2,052,380,129
Add: Premium on fresh issue	-	-
Closing balance	2,052,380,129	2,052,380,129
General Reserve		
Opening balance	24,001,603	24,001,603
Add: Transfers during the year	-	-
Closing balance	24,001,603	24,001,603
Retained earnings		
Opening balance	(1,177,191,025)	(1,222,199,772)
Profit/(loss) for the year	83,333,667	44,753,421
Excess dividend of prior years reversed	-	908
Other comprehensive income	314,640	254,418
Closing balance	(1,093,542,718)	(1,177,191,025)
Total other equity	982,839,014	899,190,708

Share premium consists of the difference between the face value of the equity shares and the consideration received in respect of shares issued.

16 Borrowings

	31 March 2019	31 March 2018
Non-current Borrowings		
Secured loans		
Term loans		
- From banks	-	-
Total non-current borrowings	-	-

17 Provisions

	31 March 2019	31 March 2018
Non-Current		
Provision for employee benefits		
- Gratuity (refer note 33)	1,054,392	391,374
- Compensated absences	-	-
	1,054,392	391,374
Current		
Provision for employee benefits		
- Gratuity (refer note 33)	61,244	62,994
- Compensated absences	1,455,153	1,393,424
	1,516,397	1,456,418

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

18 Trade payables

	31 March 2019	31 March 2018
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 34)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	12,057,707	10,378,090
	12,057,707	10,378,090

19 Other financial liabilities

	31 March 2019	31 March 2018
Current maturities of long-term debts	-	-
Employee payables	151,439	15,968
Provision for expenses	6,890,152	4,263,234
Other liabilities	32,665,491	31,351,830
	39,707,082	35,631,032

20 Other current liabilities

	31 March 2019	31 March 2018
Statutory Dues	3,044,480	1,988,364
	3,044,480	1,988,364

21 Revenue from operations

	31 March 2019	31 March 2018
Revenue from Export services	192,623,691	136,794,306
Revenue from Domestic services	115,990,577	90,718,263
	308,614,268	227,512,569

*There are four customers contributing 10% or more of revenue from operations which comes to ₹ 236,859,794 for the FY 2018-19.

*There are three customers contributing 10% or more of revenue from operations which comes to ₹ 183,332,086 for the FY 2017-18.

22 Other income

	31 March 2019	31 March 2018
Interest income from Banks	861,331	69,251
Miscellaneous income	9,195,140	30,000
	10,056,471	99,251

23 Direct Cost

	31 March 2019	31 March 2018
Software Expenses	9,915	36,983
Subcontractor Expenses	41,767,772	31,903,288
	41,777,687	31,940,271

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

24 Employee benefits expense

	31 March 2019	31 March 2018
Salaries, wages and bonus	149,308,368	112,433,418
Contribution to provident and other funds	3,452,378	3,435,807
Staff welfare expenses	1,391,422	1,432,195
	154,152,168	117,301,420

25 Depreciation and amortisation expense

	31 March 2019	31 March 2018
Depreciation of tangible assets	1,379,350	1,222,567
Amortization of intangible assets	371,152	307,918
	1,750,502	1,530,485

26 Finance costs

	31 March 2019	31 March 2018
Interest on term loans	-	1,836,869
Bank Charges	811,669	994,401
	811,669	2,831,270

27 Other expenses

	31 March 2019	31 March 2018
Directors' Sitting Fees	370,000	466,200
Power and fuel	3,721,028	4,073,203
Auditor's Remuneration	1,213,880	1,210,691
Repairs and maintenance		
- Plant and equipments	465,681	29,572
- Others	1,915,915	398,469
Meeting Expenses	294,232	407,344
License, Immigration And Permits	185,342	870,236
Rent	13,991,919	9,146,088
Business promotion and advertisement expenses	500,614	514,094
Service Tax Expenses	-	1,961,400
Travelling and conveyance	9,745,545	5,858,701
Rates and taxes	1,854,334	387,636
Legal and professional charges	5,971,765	7,723,055
Printing and stationary	93,506	44,281

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

	31 March 2019	31 March 2018
Communication expenses	2,030,035	2,030,695
Insurance	1,479,289	1,498,699
General Office Expenses	1,962,673	1,384,861
Profit / Loss on sale on Assets	-	-
Advances written off	826,267	1,388,471
Loss on Exchange Rate Fluctuation	(15,790,238)	2,773,603
	30,831,787	42,167,299

28 Tax expenses (reconciliation between tax profit and book profit)

	31 March 2019	31 March 2018
Current income tax:		
Current income tax charge	15,253,007	(14,613,500)
Mat Credit entitlement	(9,232,812)	-
	6,020,195	(14,613,500)
Deferred tax:		
Relating to originating and reversal of temporary differences (Refer Note No. 8)	(6,936)	1,701,154
Income tax expense recognised in the statement of profit or loss	6,013,259	(12,912,346)

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:

Income Tax Reconciliation	31 March 2019	31 March 2018
Profit before tax as per Profit & Loss A/c	89,346,924	31,841,075
Indian statutory income tax rate	27.82%	30.90%
Expected income tax expense	24,856,314	9,838,892
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense under U/s 115JB (MAT Provisions)		
Profit before tax as per Profit & Loss A/c	89,346,924	31,841,075
Loss or unabsorbed depreciation, which ever is less	15,255,726	15,255,726
Adjusted Book Profit (MAT) U/s 115JB	74,091,198	16,585,349
Income Tax	15,253,007	7,728,414
of Which MAT credit entitlement	(9,232,812)	-
Deferred Tax asset (Refer Note No.8)	(6,936)	1,701,154
Tax relating to previous years	-	(22,341,914)
Total Income Tax expenses	6,013,259	(12,912,346)

***The company is having Carry-forward losses of Rs. 1,177,191,024/- as on 31.03.2019, hence income tax paid as per MAT Provisions applicable U/s 115JB**

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

29 Contingent liabilities and commitments

Particulars	As at 31 March 2019	As at 31 March 2018
i) Appeal is pending before Income Tax Appellate Tribunal, Hyderabad for AY 2013-14	20,929,300*	20,929,300*
ii) Appeal is pending before Hon'ble Dispute Resolution Panel, Bangalore for AY 2014-15	28,226,934*	28,226,934*
iii) Further for Assessment year 2015-16 tax liability is arising on account of disallowance of losses for earlier years and the said tax liability may not crystallize in case of favorable Consequential and appellate orders for earlier Asst Years 2012-13 and 2013-14.	30,633,747*	30,633,747*
iv) Against bank guarantees issued by banks towards financial & performance guarantees outstanding	1,420,000	1,620,000
v) There was service tax demand (for the years 2010-12, 2012-13 & 2013-14) on the company on account of the e-Procurement contract executed in Bangladesh for Bangladesh Government, teating of business support, against which company filed appeal before CESTAT, Bangalore	8,519,526	8,519,526
vi) The company had filed application for compounding before the RBI for obtaining permissions under the FEMA provisions relating to the transfer of funds to WOS, company, by the branch which was returned back on procedural aspects. The company had compiled the necessary information and is in the process of re-submitting the same through a subject expert.		
* Further the company has unutilized Minimum Alternate Tax Credit Entitlement as on 31.03.2019 to the extent of Rs 646.01 lakhs, Based on Expert opinion, the unutilized MAT Credit amounts and the expected favorable appellate orders adequately cover any amount that may crystallize on account of the above Income tax liabilities.		

30 Related party disclosures

a) The following table provides the name of the related party and the nature of its relationship with the Company:

Name of the parties	Relationship
Gss Infotech Inc (A delaware Company)	Wholly owned Subsidiary
GSS IT Solutions Private Limited	Wholly owned Subsidiary
GSS Healthcare IT Solutions Private Limited	Wholly owned Subsidiary
GSS Infotech CT Inc (Formerly known as System Dynamix Corporation)	Step down Subsidiary
Infovision Technologies, Inc	Step down Subsidiary
Infovista Technologies Inc	Step down Subsidiary
Technovant Inc	Step down Subsidiary
Nexii Labs Inc	Step down Subsidiary
Mr. Bhargav Marepally	Chief Executive Officer and Managing Director

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

b) Details of all transactions with related parties during the year:

Particulars	31 March 2019	31 March 2018
i		
Managerial Remuneration to Key Management Personnel	-	-
ii		
Investment in Capital of Subsidiaries		
GSS Infotech INC (a Delaware Company)	154,754,789	195,663,451
iii		
Advances to Subsidiaries		
GSS IT Solutions Pvt Ltd	-	2,800
GSS Healthcare IT Solutions Pvt Ltd	600	-
iv		
Payment received from Subsidiaries against Advances		
GSS Healthcare IT Solutions Pvt Ltd	-	303,903
v		
Sales to Subsidiaries		
Gss Infotech CT Inc	39,377,477	54,978,348
vi		
Loan Received	-	-
vii		
RePayment against Loans		
Mr. Ramesh Yerramsetti	-	602,768
Mr. Bhargav Marepally	-	-
viii		
Amounts Writtenoff		
GSS IT Solutions Pvt Ltd	-	1,852,800
GSS Healthcare IT Solutions Pvt Ltd	-	14,517,630

c) Details of balances receivable from and payable to related parties are as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
i) Investment in Capital of Subsidiaries		
GSS Infotech INC (a Delaware Company)	890,940,578	736,185,789
GSS IT Solutions Pvt Ltd	99,900	99,900
GSS Healthcare IT Solutions Pvt Ltd	99,900	99,900
ii) Advances Receivable from Subsidiaries		
GSS Infotech INC (a Delaware Company)	-	144,221,972
GSS IT Solutions Pvt Ltd	-	-
GSS Healthcare IT Solutions Pvt Ltd	600	-

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

d) Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

31 Segment information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating and geographical segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments and geographical segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis. The Company's sole operating segment is therefore 'Software services' but there are multiple geographical segments. Accordingly, the information as per these geographical segments is as under:

Particulars	2018-19	2017-18
Business from United States of America	143,916,183	90,551,944
Business from Bangladesh	48,707,508	46,242,362
Domestic	115,990,577	90,718,263
TOTAL:	308,614,268	227,512,569

32 Auditors' remuneration includes

Particulars	31 March 2019	31 March 2018
Statutory audit fee	1,200,000	1,200,000
Other services	-	-
Out of pocket expenses	13,880	8,513
Total	1,213,880	1,208,513

33 Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of 2,000,000. The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the plan: Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	31 March 2019	31 March 2018
Opening balance	2,696,332	2,512,728
Service cost	940,694	970,670
Past Service cost	-	-
Interest cost	208,966	186,444
Benefits paid	(604,202)	(705,602)
Actuarial gain	(386,499)	(267,908)

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	31 March 2019	31 March 2018
Closing balance	2,855,291	2,696,332
Present value of projected benefit obligation at the end of the year	2,855,291	2,696,332
Fair value of plan assets at the end of the year	1,739,655	2,241,964
Net liability recognised in the balance sheet	1,115,636	454,368
Long term provision	2,794,047	2,633,338
Short term provision	61,244	62,994
Expenses recognised in statement of profit and loss	31 March 2019	31 March 2018
Service cost	940,694	970,670
Interest cost	35,214	2,081
Gratuity cost	975,908	972,751
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to financial assumption changes	(386,499)	(267,908)
Return on plan assets greater (less) than discount rate	71,859	13,490
Total expenses routed through OCI	(314,640)	(254,418)

Assumptions	31 March 2019	31 March 2018
Discount rate	7.65% p.a.	7.75% p.a.
Future salary increases	4.00% p.a.	4.00% p.a.
Employee turnover	3.00% p.a.	3.00% p.a.

A quantitative sensitivity analysis for significant assumption and its impact on projected benefit obligation are as follows:

	31 March 2019	31 March 2018
Effect of + 1% change in rate of discounting	2,618,462	2,467,340
Effect of - 1% change in rate of discounting	3,131,801	2,963,866
Effect of + 1% change in rate of salary increase	3,415,981	3,251,477
Effect of - 1% change in rate of salary increase	2,398,526	2,246,072
Effect of + 1% change in rate of employee turnover	3,108,329	2,949,961
Effect of - 1% change in rate of employee turnover	2,573,115	2,413,164

The sensitivity analyses above have been determined based on a method that extrapolates the impact on projected benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

34 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

payable to such enterprises as at March 31, 2019 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

Particulars	31 March 2019	31 March 2018
a)	NIL	NIL
b) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	NIL	NIL
c) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	NIL	NIL
e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.		

35 Leases

Where the Company is a lessee:

The company has operating lease for office premises, which is renewable on a periodical basis and cancellable at its option.

i) Future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	31 March 2019	31 March 2018
Not later than 1 year	598,291	-
Later than 1 year and not later than 5 years	-	8,662,500
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	31 March 2019	31 March 2018
Cancellable lease expense	9,085,179	4,050,000
Non - cancellable lease expense	4,906,740	5,096,088
Total	13,991,919	9,146,088

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

36 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares. The following table sets out the computation of basic and diluted earnings per share:

Particulars	31 March 2019	31 March 2018
Profit / (Loss) for the year	83,333,667	44,753,421
Less: Preference dividend for the year	-	-
Less: Tax on preference dividend	-	-
Profit / (Loss) attributable to equity share holders	83,333,667	44,753,421
Shares		
Weighted average number of equity shares outstanding during the year – basic and diluted	16,936,843	16,936,843
Earnings per share of par value 10 – basic	4.92	2.64
Earnings per share of par value 10 – diluted	4.92	2.64

37 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt. The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions. The below assumption has been made in calculating the sensitivity analysis: The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in interest rate	Effect on profit before tax
March 31, 2019		
INR	+1%	-
INR	-1%	-
March 31, 2018		
INR	+1%	-
INR	-1%	-

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to Rs. 110,934,873 (March 31, 2018 : 94,688,359). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	31 March 2019	31 March 2018
Opening balance	1,843,937	1,843,937
Credit loss provided/ (reversed)	-	-
Closing balance	1,843,937	1,843,937

No single customer accounted for more than 10% of the revenue as of March 31, 2019 and March 31, 2018. There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2019						
Borrowings	-	-	-	-	-	-
Trade payables	7,733,766	4,323,941	-	-	-	12,057,707
Year ended March 31, 2018						
Borrowings	-	-	-	-	-	-
Trade payables	4,926,184	5,451,906	-	-	-	10,378,090

38 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2019 and March 31, 2018 was as follows:

Particulars	31 March 2019	31 March 2018
Total equity attributable to the equity shareholders of the Company	1,152,207,444	1,068,559,138
As a percentage of total capital	100.00%	100.00%
Long term borrowings including current maturities	-	-
Short term borrowings	-	-
Total borrowings	-	-
As a percentage of total capital	0.00%	0.00%
Total capital (equity and borrowings)	1,152,207,444	1,068,559,138

39 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

As Per Our Report of Even Date

For SARATH & ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 0051205

For and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

P. Sarath Kumar

Partner

Membership No: 21755

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A. Prabhakara Rao

Director

DIN: 02263908

Place: Hyderabad

Date : 29-May-2019

Ravi Kumar Jatavallabha V

Chief Financial Officer

Mohammad Anwar ul haq

Company Secretary

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Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : **GSS Infotech Limited**
 CIN : L72200TG2003PLC041860
 Address : Ground Floor, Wing-B, N heights, Plot No. 12, TSIIIC Software Units Layout, Madhapur, Serilingampally Mandal, Rangareddy District, Hyderabad – 500081, Telangana, India
 Name of the member(s) :
 Registered Address :
 E-mail ID :
 Folio No/Client ID DP ID :

I/We, being the member(s) holding shares of the above named company, hereby appoint

1. Name :
 Address :
 E-mail ID :
 Signature : _____, or failing him
2. Name :
 Address :
 E-mail ID :
 Signature :

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf on Monday, the 30th Day of September, 2019 at 10.00 A.M. at Ellaa Suites, Jasmine Hall, Hill Ridge Springs, 25 Kancha, Gachibowli, ISB Road, Hyderabad - 500 032 and at any adjournment thereof in respect of such resolutions as indicated below:

Ordinary Business:

1. Adoption of Audited Standalone and Consolidated Financial Statements of the Company as on 31 March, 2019.
2. Appointment of Mr. Bhargav Marepally, Managing Director who retires by rotation and offers himself for reappointment.
3. Appointment of M/s. Rambabu & Co, Chartered Accountants (Firm Regn. No. 002976S), Hyderabad as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the Conclusion of this 16th annual general meeting till the conclusion of the 21st annual general meeting of the company.

Special Business:

4. Appointment of Mr. Saikiran Satya Surya Raghavendra Gundu (DIN: 02224296) as Non-Executive Director and in this regard to consider and if thought fit, to pass, with or without modification, the resolution as an Ordinary Resolution.
5. Appointment of Mr. Rambabu Sampangi Kaipa (DIN: 8238968) as Non-Executive Director and in this regard to consider and if thought fit, to pass, with or without modification, the resolution as an Ordinary Resolution.
6. Reappointment of Mrs. Nagajayanthi Ragavendra Das Juttur (DIN: 5107482) as an Independent Director for a second term of five consecutive years, in terms of section 149 of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification, the resolution as **Special Resolution**.

Signed this _____ day of _____ 2019

Signature of shareholder:

Signature of Proxy holder(s) :

**Affix 1/-
revenue
stamp**

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. (i.e., by 10.00 a.m. on Saturday, 28th September, 2018)

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GSS INFOTECH LIMITED

CIN : L72200TG2003PLC041860

Ground Floor, Wing-B, N heights, Plot No. 12, TSII Software Units Layout, Madhapur, Serilingampally Mandal,
Rangareddy District, Hyderabad – 500081, Telangana, India

Ph: +914044556600 Fax: +914040028703

Website: www.gssinfotech.com

**Attendance Slip for the
Annual General Meeting to be held on 30th September, 2019 at 10.00 A.M.**

Regd. Folio No.		Depository Participant ID*	
No. of Shares held		Client ID*	

Name of the Shareholder	
Name of Proxy	
Signature of the Member/Proxy	

I hereby record my presence at the AGM of the Company held on 30th September, 2019 at 10.00 A.M. at Ellaa Suites, Jasmine Hall, Hill Ridge Springs, 25 Kancha, Gachibowli, ISB Road, Hyderabad - 500 032.

Signature of the member or proxy attending the meeting :

If member, please sign here :

If proxy, please sign here :

Note: This form should be signed and handed over at the meeting venue. No duplicate attendance slip will be issued at the meeting hall. You are requested to bring the attendance slip at the venue of the annual general meeting.

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COURIER

If underlivered please return this copy to the following address:



GSS INFOTECH LIMITED

CIN : L72200TG2003PLC041860

Ground Floor, Wing-B, N heights, Plot No. 12, TSIIIC Software Units
Layout, Madhapur, Serilingampally Mandal, Rangareddy District,
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