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

Bhargav Marepally
CEO & Managing Director

Date: 13th August, 2019
Place: Hyderabad

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	27th September, 2019 at 9:00 A.M.	29th 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.

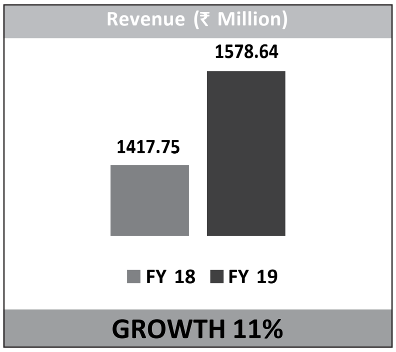
By Order of the Board of Directors

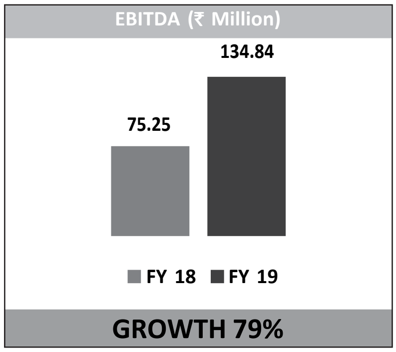
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

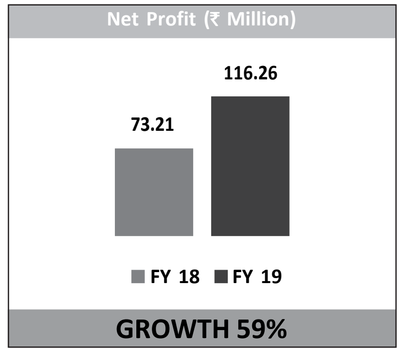
Date: 13th August, 2019
Place: Hyderabad

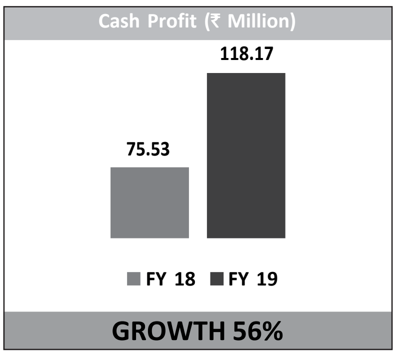
KEY PERFORMANCE INDICATORS

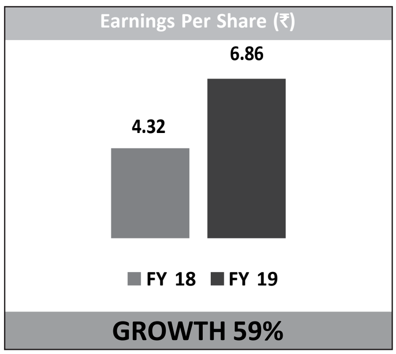
Consolidated Numbers

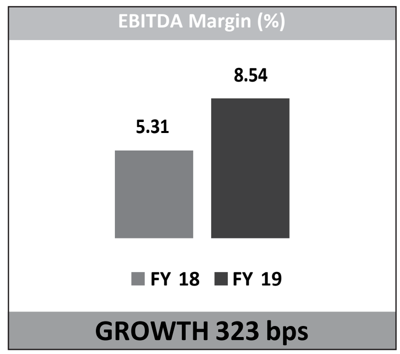












BOARD'S REPORT

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	**Bhargav Marepally**	**Prabhakara Rao Alokam**
Date: 13th August, 2019	**CEO & Managing Director**	**Director**
	DIN: 00505098	**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:

1. The information provided above is on **standalone** basis.
2. The aforesaid details are calculated on the basis of remuneration for the financial year 2018-19.
3. 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.
4. 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 Silgardo	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.

1. *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.
2. 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 alloted 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**

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

Place: Hyderabad
Date: 15th July, 2019

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, TSIIC 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, TSIIC 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. FIIs/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	29,198	-	01.04.2018	-	-	-	-
	Yerramsetti	29,198	0.17	31.03.2019				
5.	Mr. Raghunadha Rao	2,137,793	12.62	01.04.2018	-	-	-	-
	Marepally	2,137,793	12.62	31.03.2019	-	-	-	-
6.	Mrs. Madhavi Latha	9	0.00	01.04.2018	-	-	-	-
	Marepally	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	-	-	01.04.2018	-	-	-	-
	Yarramsetty	-	-	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)	
	For each of the top Ten Shareholders	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	-	-	-	-
				-	1,15,665	Purchase	-	-
		1,656,402	9.78	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)	
	For each of the top Ten Shareholders	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	-	-	-	-
				-	(3,50,725)	sale	1,249,275	7.38
		1,249,275		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	407,603	2.41	01.04.2018	-	-	-	-
	Company Limited	407,603	2.41	31.03.2019	-	-	-	-
8.	General Insurance	393,992	2.32	01.04.2018	-	-	-	-
	Corporation of India	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	Nil	Nil	01.04.2018	-	-	-	-
	Ragavendra	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	Nil	Nil	01.04.2018	-	-	-	-
	Vishnubhatla	Nil	Nil	31.03.2019	-	-	-	-
3.	Mohammad Anwar ul haq	Nil	Nil	01.04.2018	-	-	-	-
	Abdul Mannan	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	
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	**Nil**
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:

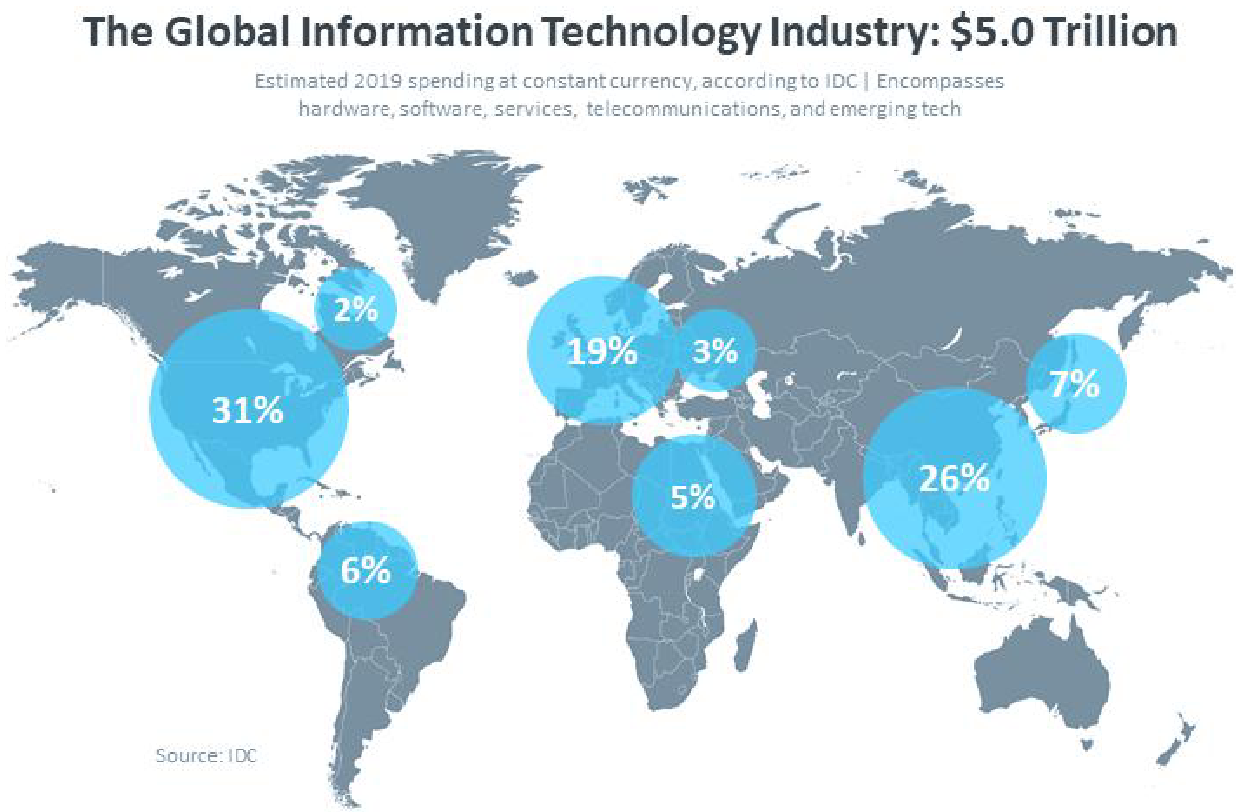
(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	**Nil**
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the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

Annexure [F] to Board's Report

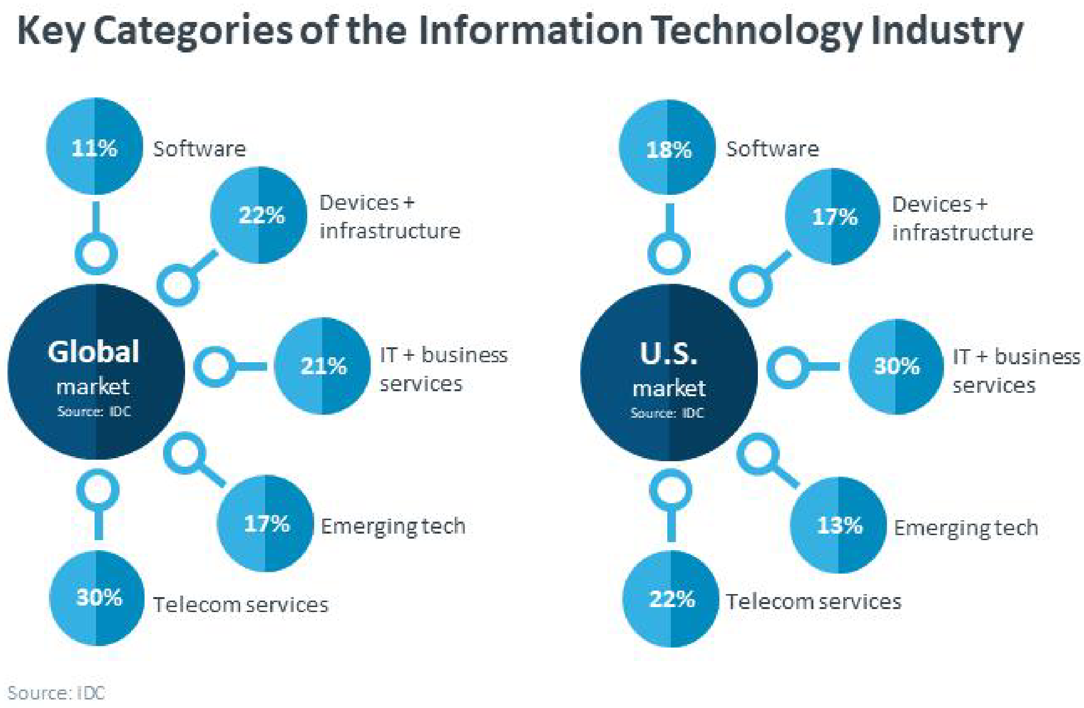
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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.



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.



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

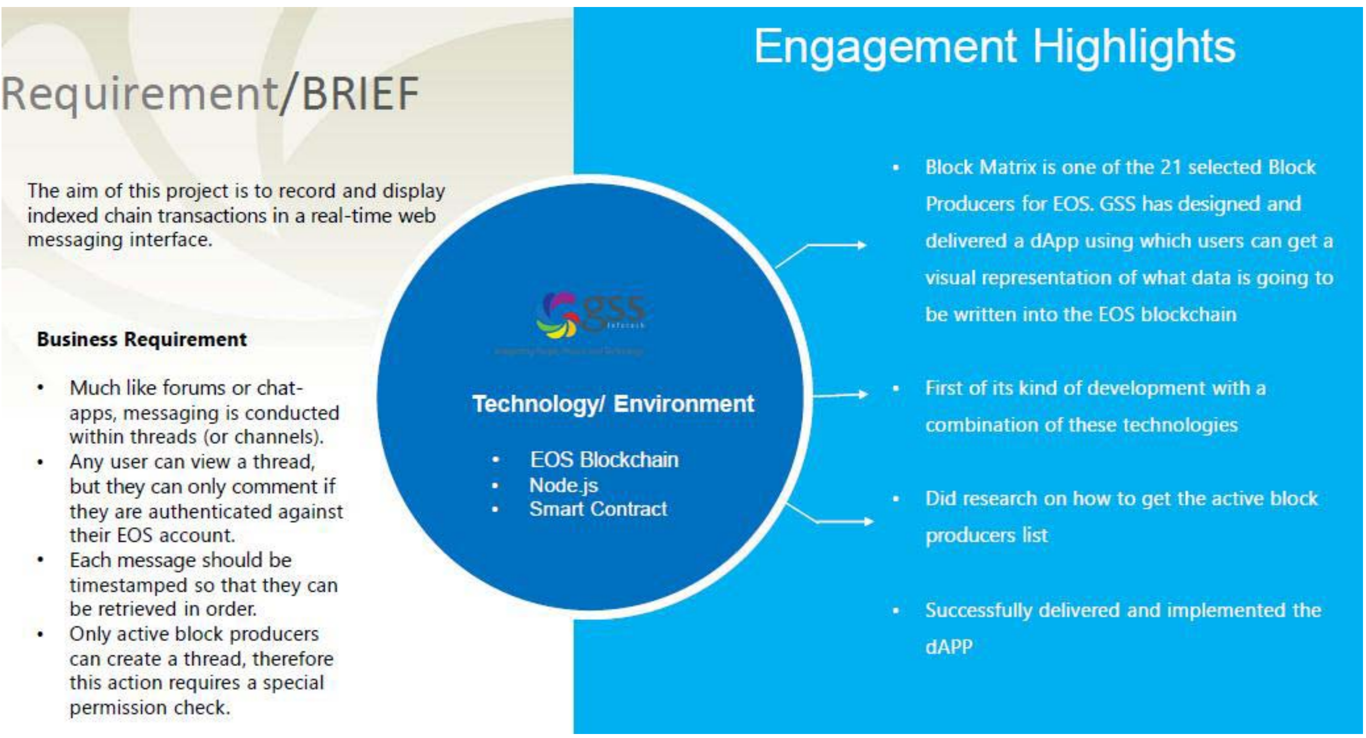
Exciting times in Blockchain right now! While other service providers are researching and speculating about the potential uses of Blockchains, we have already moved squarely into the era of implementation. Blockchain is a system that eliminates the need of a middleman while protecting information through 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.

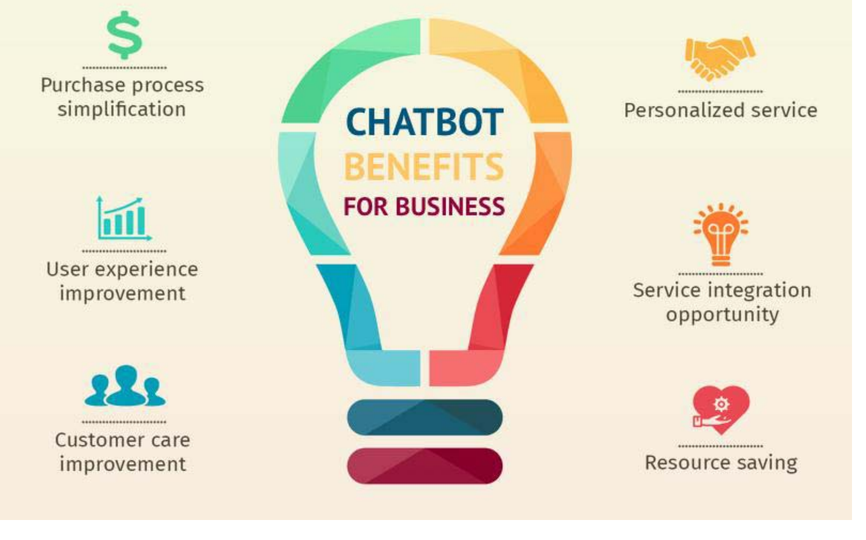
Retail: AI provides virtual shopping capabilities that offer personalized recommendations and discuss purchase options with the consumer. Customer service is a key area where AI is being used for enhanced customer experience in a timely and accurate manner

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. Parallelly, 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

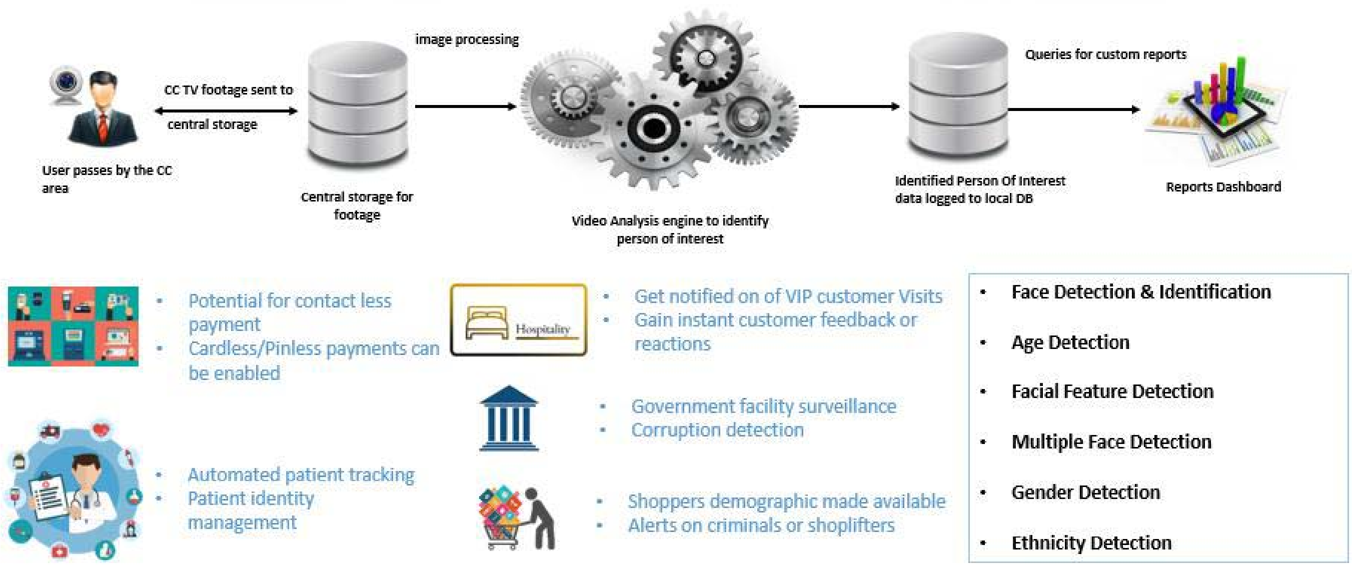
The facial recognition market was valued at USD 4.51 billion in 2018. It is projected to grow more than two-fold to USD 9.06 billion by 2024, at a CAGR of 12.5%, for the forecast period (2019-2024).

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.
    - Retail: Footfall capturing, floor planning, customer demographics, building loyalty programs, VIP customer alert, shoplifter alerts
    - Enterprises: Attendance monitoring, detection and verification of authorized access systems
    - Healthcare: Patient medication tracking, pain management, identity verification
    - Public spaces: Airports, stadiums, auditoriums, malls etc Monitoring for security purposes with alerts on match with blacklisted persons.
    - 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

<table>
<tr><th>APAC -India</th><th colspan="2">North America</th></tr>
<tr><td rowspan="2">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</td><td rowspan="2">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</td><td>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</td></tr>
<tr><td>15 New England Executive Park,
Burlington,
Massachusetts 01803</td></tr>
</table>

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 31st 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
28th May, 2018	Results
01st August, 2018	Results
13th November, 2018	Results
13th 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 via-a-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
28th May, 2018	Results
01st August, 2018	Results
13th November, 2018	Results
13th 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.
28th May, 2018, 4th June, 2018,
1st August, 2018, 13th 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-subsidiary.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-subsidiary.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.	5th September, 2018	10:00 a.m.	3
2016-17	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad – 500032.	30th September, 2017	10:30 a.m.	1
2015-16	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad – 500032.	30th 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	-	30th 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	-	1st April 2019 to 31st 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:

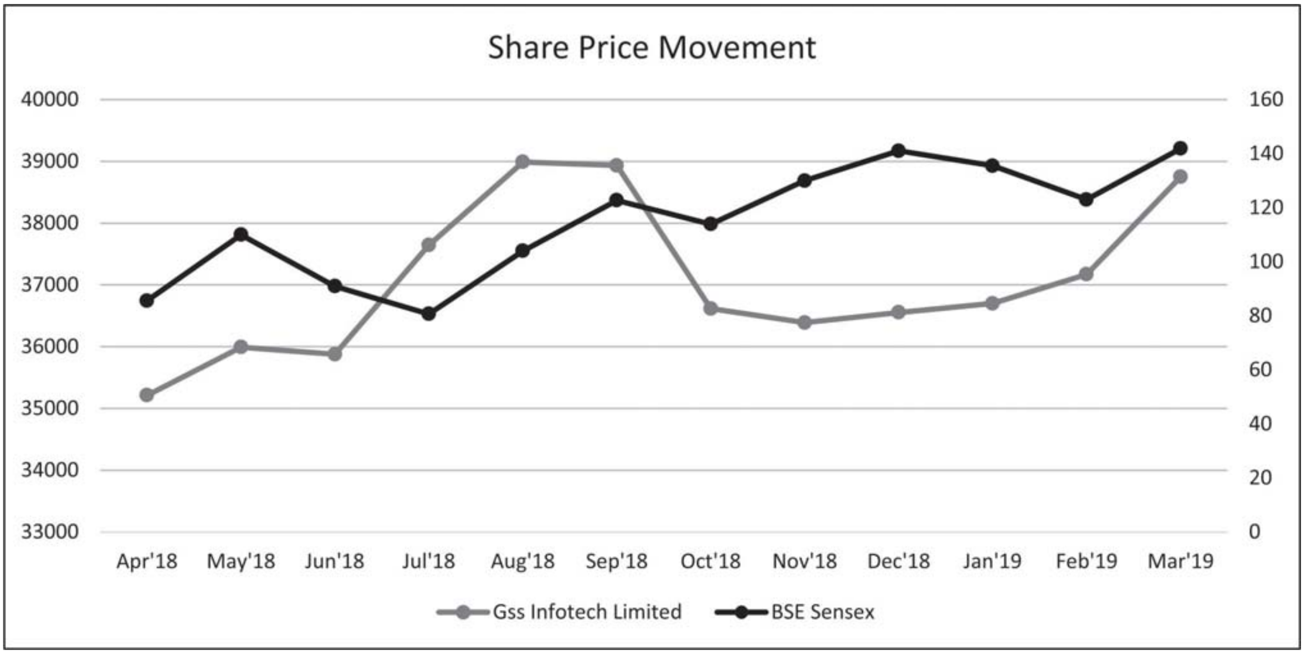
Month	BSE			NSE		
	High (in Rs.)	Low (in Rs.)	Volume (No. of Shares)	High (in Rs.)	Low (In Rs.)	Volume (No. of Shares)
Apr-18	85.6	51.3	51,90,52,650	85.45	51.15	3,87,57,923
May-18	110	72.2	74,85,32,632	110	70.7	3,38,19,381
Jun-18	90.95	72.85	7,47,95,775	91.2	71.35	30,88,244
Jul-18	80.7	64.35	2,33,89,541	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 re-newal 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	9999999999	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

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 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: 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

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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**
Adjustments to reconcile profit before tax to net cash flows:		
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
Working capital adjustments:		
(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 unclaimed 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

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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			O C I	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
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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, TSIIC 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%
InfovistaTechnologies 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%

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;

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.

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.

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.

- 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.

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.

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.

Notes forming part of the consolidated financial statements

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

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 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

– 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;

– 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.

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.

Notes forming part of the consolidated financial statements

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

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 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.

GSS INFOTECH LIMITED

Notes forming part of the Consolidated 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	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	-	-	-

Notes forming part of the Consolidated Financial Statements

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

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		
Unsecured, considered good		
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		
Unsecured, considered good		
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**

GSS INFOTECH LIMITED

Notes forming part of the Consolidated Financial Statements

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

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)
	8,422,490	5,768,337
Trade receivable, Others	315,935,030	255,612,577
Total Trade receivables	**324,357,520**	**261,380,914**

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	**77,739,939**	**34,892,238**

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	**6,325,883**	**1,693,323**

*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)
	120,968,083	**106,201,981**

13 Share Capital

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

Notes forming part of the Consolidated Financial Statements

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

(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	**2,052,380,129**	**2,052,380,129**
General Reserve		
Opening balance	24,001,603	24,001,603
Add:	-	-
Closing balance	**24,001,603**	**24,001,603**

(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	**(976,556,493)**	**(1,140,452,349)**
Total other equity	**1,099,825,239**	**935,929,384**

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
	1,054,392	**391,374**
Current		
Provision for employee benefits		
- Gratuity (refer note 31)	61,244	62,994
- Compensated absences	1,455,154	1,393,424
	1,516,398	**1,456,418**

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
	76,551,188	**47,414,764**

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	-	-
	6,869,167	(12,706,483)
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	**6,862,231**	**(10,937,005)**

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 onaccount of disallowance of losses for earlier years and the said tax liability may not crystallize in case of favorable Consequentialand 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**

(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:

(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 periadical bais 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**

(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.

(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:

(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	18772,041	-	-	-	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 comparitives

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

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

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 agoing 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

P. Sarath Kumar
Partner
M. No. : 021755

Place : Hyderabad
Date : 29.05.2019

"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 physicalinventories. 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: 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 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

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 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**
Adjustments to reconcile profit before tax to net cash flows:		
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
Working capital adjustments:		
(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

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

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 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, TSIIC 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:

a) it is expected to be realized in, or is intended for sale or consumption in, the Company'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 Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within twelve months after the reporting date; or

d) 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.

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 uncertaintyOperating cycle

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.

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.

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.
- 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 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.

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.

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 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.

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.

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 lossesFinancial 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 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.

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 is 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 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.

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

	31 March 2019	31 March 2018
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**

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
Provison for Leave Encashment	1,455,153	1393424
Provison 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		
Unsecured, considered good		
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		
Unsecured, considered good		
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**

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)
	35,907,459	32,007,610
Trade receivable, Others	73,183,477	60,836,812
Total Trade receivables	**109,090,936**	**92,844,422**

*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	**12,923,367**	**10,308,010**

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	**6,325,883**	**1,693,323**

*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)
	120,968,083	**106,201,981**

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	500,000,000	500,000,000
Issued, subscribed and fully paid-up		
169,368,43 (March 31, 2018: 169,368,43)		
equity shares of Rs.10/- each fully paid-up	169,368,430	169,368,430
	169,368,430	169,368,430

(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**

(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 Reconcilation	**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 onaccount of disallowance of losses for earlier years and the said tax liability may not crystallize in case of favorable Consequentialand 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
InfovistaTechnologies 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	-

(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 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.

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

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 periadical bais 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**

(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.

(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 throughthe 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 comparitives

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

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

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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, TSIIC 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, TSIIC 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.

Signiture 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, TSIIC Software Units Layout, Madhapur, Serilingampally Mandal, Rangareddy District, Hyderabad – 500081, Telangana, India
Ph: +914044556600 Fax:+914040028703
Website: www.gssinfotech.com

OSSV - 9133324212

Integrating People, Process and Technology

Date: 07.09.2020

To Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai – 400051	To The of Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400001
Scrip Symbol: GSS	Scrip Code – 532951/GSS

Dear Sir,

Sub: Notice of 17th Annual General Meeting and Annual Report for the financial year 2019·20.

Further to our letter dated September 4th, 2020 intimating the date of 17th Annual General Meeting (AGM) of the Company and pursuant to Regulation 34 of the SEBII (Listing Obligation and Disclosure Requirements) Regulations 2015, Please find enclosed Annual Report for the financial year 2019-20 along with Notice convening the 17th AGM of the Company to be held on Wednesday, the 30th September 2020 at 10.00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") which is being sent to the shareholders of the Company through electronic mode.

The Annual Report containing the Notice is also uploaded on the Company's website www.gssinfotech.com. Further, e-voting facility for the AGM will be made available to all the members of the Company.

The date and time of remote e-voting facility are as under:

Date and time of commencement of remote e-voting - Sunday, September 27, 2020 at 9.00 a.m.

Date and time of end of remote e-voting -Tuesday, September 29, 2020 at 5.00 p.m.

Cut-off date for determining the eligibility to vote by electronic means or in the AGM -Wednesday, September 23rd, 2020.

Please take the information on record.

Thanking you

For GSS Infotech Ltd.

Amrita Singh

GSS Infotech Ltd. Hyderabad

Amrita Singh
Company Secretary

GSS Infotech Limited
Wing-B, Ground Floor, N Heights, Plot No. 12, TSIIC Software Units Layout,Madhapur,
Serilingampally Mandal, Rangareddy District, Hyderabad – 500081, Telangana, India
Tel: 91 40 4455 6600 | E-mail: india@gssinfotech.com | www.gssinfotech.com CIN No:
L72200TG2003PLC041860


gss
Infotech
Annual Report
17th Edition
2019-2020

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 Centre (GOCC) and remote delivery centres in Hyderabad, India

❖ Best-in-class top tier technology alliances and domain intensive "Centre of Excellence"

❖ Highly capable global team

Contents

Corporate Information

Board of Directors

Mr. Bhargav Marepally
CEO & Managing Director

Mrs. Nagajayanthi Das Juttur Raghavendra
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

Ms. Amrita Singh
Company Secretary & Compliance Officer
(w.e.f. 21st April,2020)

Axis Bank Limited
Branch Name : Secunderabad
Address : 5 / 4 / 0186, Mahatma Gandhi Road, Ranigunj, Hyderabad, Telangana -500 003

Bank of India
Branch Name : Khairatabad
Address : Khairatabad, PTI Building,
AC Guards, Hyderabad, Telangana

Committees of Board of Directors

Audit Committee
Mr. Prabhakara Rao Alokam
Mrs. Nagajayanthi Das Juttur Raghavendra
Mr. Bhargav Marepally

Nomination and Remuneration Committee
Mrs. Nagajayanthi Das Juttur Raghavendra
Mr. Prabhakara Rao Alokam
Mr. Gowrisankara Padma Rao Lakkaraju

Stakeholders Relationship Committee Mrs. Nagajayanthi Das Juttur Raghavendra
Mr. Bhargav Marepally
Mr. Gowrisankara Padma Rao Lakkaraju

Statutory Auditors
M/s. Rambabu & Co.,
Chartered Accountants, Pancom Chambers,
6-3-1090/1/A, Raj Bhavan Rd,
Somajiguda Hyderabad, Telangana 500082

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

CHAIRMAN'S LETTER

Dear Stakeholders,

The industry is passing through some unprecedented times leaving many experts guessing the future direction and trends. These times have forced us to modify our way of life which not only spun a rather hazy web of uncertainties but also took life back in time.

The effect of this are seen far, wide and deep in all spheres be it industry, government, public life, society etc. As for the business almost, all sectors have experienced a slump in growth, drop in investments, contraction in workforce and erosion of opportunities. Most of the sectors have resorted to a recessionary mindset while watching carefully and planning meticulously their path to recovery. Amidst these uncertainties a few sectors have shown a great promise for the future and there are burgeoning opportunities to reinvent and flourish in an unknown yet rapidly changing scenario.

The focus now needs to be not just on opportunities that would transform and help us survive but also help us sustain growth and flourish in the long term.

It is no surprise that "Digital Transformation" is championing the change by touching all the sectors in more than one way. Being a part of this transformation and adopting new trends will enables businesses to make better decision, innovate processes and along the way create new revenue avenues, save costs and expand markets. In what we call "Digital Technological Planes" we see 5G, Reach of web with WIFI speeds, AI & ML, Blockchain & Crypto, Communication & Interaction devices take over everything from Retailing e-commerce, Payments, Education, Transportation, Services, Banking & Insurance, Healthcare etc.

Some of the globally emerged trends that I would like to highlight that GSS would see itself engage in a big way are

- Online commerce, (security), digital and contact less payments,
- Online health, supply chain 4.0, 3D Printing, Robotics and Drones etc.
- Infrastructure Management - Cloud and 5G
- IoT and AI

Our focus on distributed Technology models mitigates risks, while our deep knowledge of emerging technologies, spurs Sales Channel reinvention. And our strong partnerships bridge gaps in the new Tech ecosystem.

While tremendously profitable opportunities are being lassoed in by high tech, we believe that global tech hubs accelerate innovation.

We are keeping a close watch on the emerging new trends and are poised to adapt and reimagine our plans in away that will add 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.

As we continue to adapt, learn, grow and change during the current scenario, we are confident that our expertise combined with our agility will translate into the numbers that are a true reflection of our potential to flourish.

Very Sincerely,

Sd/-
Chairman

Notice of Annual General Meeting (AGM)

Notice is hereby given that the 17th Annual General Meeting (AGM) of the members of GSS Infotech Limited will be held on Wednesday, the 30th Day of September, 2020, at 10.00 A.M through video conference 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 2020 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 2020 and the report of the Auditors thereon.
2. To appoint a Director in the place of Mr. Saikiran Satya Surya Raghavendra Gundu (DIN 02224296) who retires by rotation, and being eligible, offers himself for Re-appointment;

Special Business:

3. **Raising of funds upto USD 10 Million through Issue of equity shares and/or equity shares through depository receipts and/or convertible securities and/or Preference Shares or warrants and/or Debt or any alternative investment structure and/or a combination of all in any Proportion**

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

   "RESOLVED THAT pursuant to the provisions of Sections 23, 41, 42, 62(1)(c), 179 and other applicable provisions, if any, of the Companies Act, 2013, ("Companies Act"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Issue of Global Depository Receipts) Rules, 2014, and other applicable rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof), the provisions of the Foreign Exchange Management Act, 1999 and rules and regulations framed there under as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, the Foreign Exchange Management (Transfer or Issue of Foreign Security) Regulations, 2004, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, as amended, the current Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("GOI") and amended from time to time, the rules, regulations, guidelines, notifications and circulars, if any, prescribed by the GOI, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the listing agreement entered into by the Company with the stock exchanges on which the equity shares of the Company ("Equity Shares") are listed, and subject to other applicable rules, regulations and guidelines issued by Ministry of Corporate Affairs ("MCA"), the Registrar of Companies, Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), GOI, BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges") and / or any other competent authorities, whether in India or abroad (herein referred to as "Applicable Regulatory Authorities"), from time to time and to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary or required from the Applicable Regulatory Authorities in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors ("Board", which term shall include any committee thereof which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution) and in accordance with and subject to the provisions of the Memorandum of Association and the Articles of Association of the Company, consent, authority and approval of the members of the Company be and is hereby accorded to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), with or without green shoe option, such number of Equity Shares, and/ or Equity Shares through depository receipts, and/ or securities convertible into Equity Shares at the option of the Company and/ or the holders of such securities, and/ or securities linked to Equity Shares, and/ or any instrument or securities representing Equity Shares and/ or convertible securities linked to Equity Shares (all of which are hereinafter collectively referred to as "Securities") and/or Preference Shares or any combination of Securities in one or more tranches, whether Rupee denominated or denominated in one or more foreign currency(ies), in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, of private offerings and/or a preferential issue and/or qualified institutions placement or any combination thereof, through issue of placement document or other permissible/requisite offer document to any eligible person, including qualified institutional buyers in accordance with Chapter VIII of the SEBI ICDR Regulations, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the "Investors") as may be decided by the Board in its discretion and permitted under applicable laws and regulations, of an aggregate amount not exceeding upto USD 10 Million convertible at prevailing market price or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) by offering the Securities at such time or times, at such price or prices, premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) as the Board in its absolute discretion may deem fit and appropriate.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a qualified institutions placement ("QIP") in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations),

(a) the Equity Shares issued shall rank pari passu in all respects including entitlement to dividend with the existing Equity Shares of the Company as may be provided under the terms of issue and in accordance with the placement document(s);

(b) the Eligible Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations;

(c) the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the issue of Equity Shares and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations;

(d) in the event the convertible securities are issued to qualified institutional buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations;

RESOLVED FURTHER THAT the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

(a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event the Company is making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, if and as required, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and

(d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolution the Equity Shares that may be issued by the Company (including issuance of the Equity Shares pursuant to conversion of any Securities, as the case may be in accordance with the terms of the offering) shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as American Depository Receipts ("ADRs") or Global Depository Receipts ("GDRs"), the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Depository Receipt Scheme, 2014, and such other notifications, clarifications, circulars, guidelines, rules and regulations issued by relevant authorities (in each case including any statutory modifications, amendments or re-enactments thereof).

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize all the terms and conditions and the structure of the proposed Securities, take such steps and to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings and accept any alterations or modification(s) as it may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities (including in relation to the issue of such Securities in one or more tranches from time to time) and the utilization of the issue proceeds in such manner as may be determined by the Board, subject however, to applicable laws, and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may deem fit or as the Board may suo moto decide in its absolute discretion in the best interests of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to negotiate, modify, sign, execute, register, deliver including sign any declarations required in connection with the private placement offer letter, information memorandum, draft prospectus, prospectus, the draft offer document, abridged prospectus, offer letter, offer document, offer circular or placement document for issue of the Securities, term sheet, issue agreement, registrar agreement, escrow agreement, underwriting agreement, placement agreement, consortium agreement, trustee agreement, trust deed, subscription agreement, purchase agreement, agency agreement, agreements with the depositories, security documents, and other necessary agreements, memorandum of understanding, deeds, general undertaking/ indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any) (the "Transaction Documents") (whether before or after execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the "Ancillary Documents") as may be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/or dispatched by it under or in connection with the documents to which it is a party as well as to accept and execute any amendments to the Transaction Documents and the Ancillary Documents and further to do all such other acts, deeds mentioned herein as they may deem necessary in connection with the issue of the Securities in one or more tranches from time to time and matters connected therewith.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint lead managers, underwriters, depositories, custodians, registrars, bankers, lawyers, advisors and all such agencies as are or may be required to be appointed, involved or concerned in the issue and allotment of securities and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Director(s) or Officer(s) of the Company in such manner as it may deem fit in its absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purpose of the issue and allotment of securities and settle any questions or difficulties that may arise in connection with the aforesaid resolutions."

By Order of the Board of Directors

Sd/-

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

Date : 4th September, 2020

Place : Hyderabad

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

ITEM No 3:

In Continuation to the resolution passed at the 15th AGM held on 5th Day of September, 2018, the company would like to raise funds of USD 10 million (Ten Million Dollar). The Company has not raised the funds so far, thus the company is seeking the fresh approval of the shareholders for the fund raising. It is important that the Company has adequate capital to support its growth plans through both Organic (Internal) and Inorganic (Mergers & Acquisitions) routes or ways.

The proposed issue of capital is subject to the approvals of the Reserve Bank of India and the applicable regulations issued by the Securities and Exchange Board of India and any other government / regulatory approvals as may be required in this regard. Pursuant to Section 62 of the Companies Act, 2013 and the listing requirements of the stock exchanges, whenever it is proposed to increase the subscribed capital of a company by a further issue and allotment of shares, such shares need to be offered to the existing shareholders in the manner prescribed in the said section unless the shareholders decide otherwise in a general meeting by way of a special resolution.

In order to enable the Company to access the capital market through a public issue or on a private placement basis, the approval of the Members is hereby sought for the proposal to create, offer, issue and allot, with or without a green shoe option, such number of equity shares of the Company of face value of Rs. 10/- (Rupees ten) each (the "Equity Shares"), Global Depository Receipts, American Depository Receipts, any other financial instruments convertible into Equity Shares (including warrants, or otherwise) and/or any security convertible into Equity Shares and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as "Securities") or any combination of Securities to any categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the "Investors") as may be decided by the board of directors of the Company (the "Board", including its duly authorized committee thereof) in its discretion and permitted under applicable laws and regulations, of an aggregate amount not exceeding USD 10 Million Convertible at prevailing market rate or equivalent thereof, in one or more foreign currency(ies).

Additional Information in relation to Item No. 3:

In case of a Qualified Institutions Placement ("QIP"), the price at which Securities shall be allotted to Qualified Institutional Buyers ("QIB") shall not be less than the price determined in accordance with the pricing formula in terms of the SEBI ICDR Regulations. In case of issuance of ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities in accordance with the Depository Receipt Scheme, 2014 and other applicable pricing provisions issued by the Ministry of Finance.

Subject to applicable laws, the purpose and objects for issuance of Securities is as follows: Given the market opportunity, in the light of continued economic growth and it is important that the Company has adequate capital to support its growth plans. The proposed issue of additional capital will strengthen the Company's capital adequacy ratio.

The proceeds of the proposed issue shall be utilized for any of the aforesaid purposes to the extent permitted by law. The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue, allotment and conversion would be subject to the availability of regulatory approvals, if any.

The promoters will not subscribe to the offer, if made under Chapter VIII of SEBI ICDR Regulations. The above proposal is in the interest of the Company and the Board of the Company thus recommends resolution at Item No. 3 for approval of the Members of the Company as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice. The Board passed the resolution at the board meeting held on 4th September 2020 and recommended the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

Details of Directors seeking appointment / re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings)

Name of the Director	Mr. Saikiran Satya Surya Raghavendra Gundu
Terms and conditions of Appointment/Re-appointment	As per the resolution at Item No. 2 of the Notice convening Annual General Meeting on 30th September, 2020 Mr. Saikiran Satya Surya Raghavendra Gundu is proposed to be re-appointed as a Director on retirement by rotation. He is non-executive non-independent director. The Board recommend the re-appointment of Mr. Sai Kiran who is being retire by rotation at the ensuing AGM in the board meeting held on 4th September, 2020.
Date of first appointment on the Board	13th February, 2019
Date of Birth	14 / 08 / 1976
Expertise in Specific Functional areas and Experience	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.
Educational Qualification	A post-graduate in computer applications
Directorships in other Companies	NIL
Membership / Chairmanships of committees of Other Boards (other than the Company)	NIL
Details of Remuneration sought to be paid and the remuneration last drawn by such person	Being a Non-Executive Director, he is entitled to sitting fee for each Meeting of Board / Committee attended by him. For last drawn remuneration, please refer remuneration details provided in the Report on Corporate Governance. Currently, proposed for reappointment by virtue of retirement by rotation.
Shareholding in the Company as on 31.03.2020	NIL
Relationship between Directors inter-se/ Manager and KMPs	NIL
Number of Meetings of the Board attended during the year	2 out of 5

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.
3. Institutional/Corporate Members (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or Governing Body Resolution/ Authorization etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and cast their votes through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to company.secretary@gssinfotech.com with a copy marked to helpdesk.evoting@cdslindia.com.
4. A Statement as required under section 102 of the Companies Act, 2013, in respect of items of special business is annexed hereto and forms part of the Notice.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to company.secretary@gssinfotech.com.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September 2020 to 30th September, 2020 (both days inclusive).
7. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate etc. In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Bigshare Services Pvt. Ltd, E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(E), Mumbai–400072 by enclosing a photocopy of blank cancelled cheque of your bank account.
8. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Bigshare Services Pvt. Ltd, E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(E), Mumbai–400072 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
9. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.

10. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
11. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
12. 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.
13. 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.
14. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, from 26th September, 2020 to 28th September, 2020. Replies will be provided in respect of such written queries accordingly.
15. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir-05/ 2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
16. Members may also note that the Notice of the 17th Annual General Meeting is available on the Company's website: www.gssinfotech.com. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at company.secretary@gssinfotech.com.

    In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2019-20 will also be available on the Company's website at www.gssinfotech.com, on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com. To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.
17. Members, Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
19. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect 8 Annual Report 2019-20 of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
20. Retirement of Directors by rotation: Mr. Saikiran Satya Surya Raghavendra Gundu, Non- Executive Directors of the Company, retire by rotation at the ensuing AGM and, being eligible, offer himself for re-appointment.

    The Board of Directors recommend the re-appointment of Mr. Saikiran Satya Surya Raghavendra Gundu, Directors, whose office is liable to retire by rotation.

22. The Company has an agreement with the CDSL to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the AGM.
23. Pursuant to the provisions of the circulars of MCA on the VC/OVAM, Members can attend the AGM through Video conference by following the same procedure as mentioned for e-voting. Physical attendance of the Members at the Meeting venue is not required.
24. The Members can join the AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
25. Up to 1000 members will be able to join on a first come first serviced basis to the AGM.
26. No restriction is applicable for joining into the AGM in respect of large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc

E-Voting:

CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM is being uploaded on the website of the Company at www.gssinfotech.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also hosted on the website of CDSL (agency for providing the e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING:

(i) The voting period begins on 27th September 2020 at 09.00 hrs and ends on 29th September, 2020 at 17.00 hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Board of Directors have appointed Ms. Manjula Aleti, Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

(iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

(iv) Log on to the e-voting website www.evotingindia.com

(v) Click on “Shareholders” tab.

(vi) 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.

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

(viii) 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.

(ix) 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.

(x) After entering these details appropriately, click on “SUBMIT” tab.

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

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

(xiii) Click on the EVSN for the relevant Company, i.e., GSS Infotech Limited on which you choose to vote.

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

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

(xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed.

If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

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

(xx) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING ON THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to the Company Secretary at company.secreatry@gssinfotech.com. and **or to the RTA Bigshare Services Pvt. Ltd.**
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to the Company Secretary at company.secreatry@gssinfotech.com. **or to the RTA Bigshare Services Pvt. Ltd.**
3. The Company Secretary shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholder.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM:

1. Shareholder will be provided facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are advised to join the Meeting through Laptops / IPads for better experience.
3. Further, shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.

4. Please note that participants connecting from mobile devices or Tablets or through Laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network.

   It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance, i.e., from 26th September, 2020 (9.00 a.m. IST) to 28th September, 2020 (5.00 p.m. IST), mentioning their name, demat account number/folio number, email id, mobile number at company.secretary@gssinfotech.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance, i.e., from 26th September, 2020 (9.00 a.m. IST) to 28th September, 2020 2020 (5.00 p.m. IST), mentioning their name, demat account number/folio number, email id, mobile number at company.secretary@gssinfotech.com. These queries will be replied suitably by the Company vide email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.

7. Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis.

8. Members who need assistance before or during the AGM, can contact company.secretary@gssinfotech.com or helpdesk.evoting@cdslindia.com. Kindly quote your name, DP ID-Client ID / Folio no. and e-voting Event Number in all your communications.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:

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

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

3. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

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

- Alternatively, non-individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; company.secretary@gssinotech.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

  In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 180022553.

  All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

By Order of the Board of Directors

Sd/

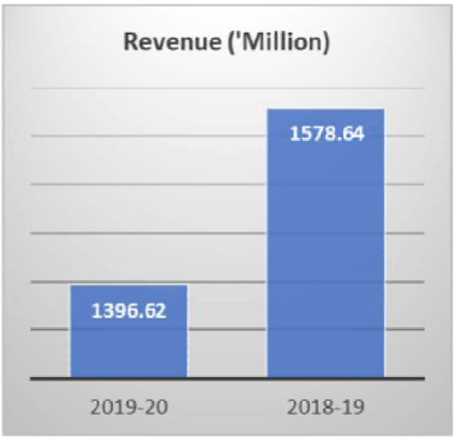
Bhargav Marepally

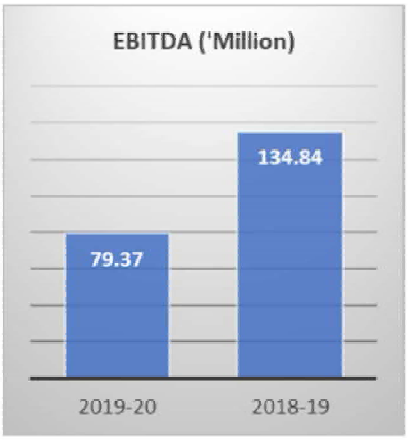
Date : 4th September, 2020 **CEO & Managing Director**

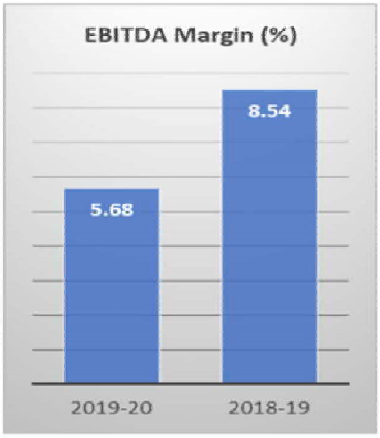
Place : Hyderabad **DIN: 00505098**

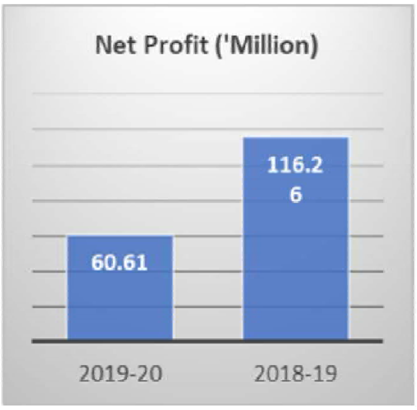
KEY PERFORMANCE INDICATORS

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 2020.

FINANCIAL RESULTS

The Company's Financial results (standalone & consolidated) for the year ended 31 March 2020 is provided in the Annual Report.

(Rs in Lakhs)

Particulars	Consolidated		Standalone	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Net sales/income from operations	13966.22	15,786.42	2,698.58	3,086.14
Less: Direct cost	780.05	1,513.51	342.67	417.78
Indirect Cost	12437.28	13,044.11	2110.95	1,867.33
Profit / (Loss) from operations before other income, finance costs and exceptional items	***748.89***	***1,228.80***	***244.97***	***801.03***
Other income	15.36	100.56	14.08	100.56
Profit / (Loss) from ordinary activities before finance costs and exceptional items	***764.25***	***1,329.36***	***259.05***	***901.59***
Finance costs	80.96	98.14	4.25	8.12
Profit / (Loss) from ordinary activities after finance costs but before exceptional items	683.29	1231.22	254.80	893.47
Exceptional items*	-	-	-	-
Profit / (Loss) from ordinary activities before tax	*683.29*	*1231.22*	*254.80*	*893.47*
Tax expense	77.21	68.62	69.04	60.13
Net Profit / (Loss) from ordinary activities after tax	***606.09***	***1,162.60***	***185.75***	***833.34***
Net Profit / (Loss) for the period	***606.09***	***1,162.60***	***185.75***	***833.34***

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 2019-20 and the date of this report.

I. COVID & ITS IMPACT

The company during the lockdown ensured compliance with all requirement of the statutory authorities. All our employees have worked from home and our clients have accommodated the difficulties of working from home and the company has ensured that deliveries have been made despite a few delays. The business has largely been stable in terms of contracts, but other aspects of the business have been mildly affected. Onsite presence of employees has been affected by lockdown and cancellation of International air travel due to which a small portion of the revenues has been affected. While deliveries are being made Collections from clients are affected, due to which the cashflow situation has a direct impact.

As of now though it is difficult to assess the future impact of Covid, the contracts that were in proximity of being awarded to us have either been put on hold or being cancelled. The projects that have been awarded and in progress, have either been postponed or cancelled and our resources are being shifted to be on bench, and the ones that are continuing, are forcing down rate cuts on the ongoing projects. We feel this would adversely impact the growth of the company in the current year and would reflect in the overall financial performance. The overall effect of this would be adverse going forward.

We shall be monitoring the situation from time to time and take appropriate steps to uphold the business and shall report of material developments and subsequent decisions.

II. 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.

III. CONSOLIDATED ACCOUNTS

The consolidated financial statements of your Company for the financial year 2019-20, 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.

IV. 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

V. 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, 2020, is enclosed as Annexure [F] to this report.

VI. 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.

VII. DIVIDEND

The Board of Directors did not recommend dividend for the financial year ended 31 March 2020.

VIII. PUBLIC DEPOSITS

During the financial year 2019-20, 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.

IX. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Saikiran Satya Surya Raghavendra Gundu, Non-Executive 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 has offered himself for re-appointment. Appropriate resolution for their re-appointment is being placed for your approval at the ensuing AGM. Your Directors recommend the re-appointment of Mr. Saikiran Satya Surya Raghavendra Gundu), as Non-Executive Director of your Company.

Mr. Mohammad Anwar ul haq Abdul Mannan has resigned w.e.f. 12th November, 2019 from the position of the Company Secretary and Compliance Officer of the Company. Ms. Amrita Singh has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 21st April, 2020.

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.
- Ms. Amrita Singh 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 Ms. Amrita Singh, 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 2019-20.

X. 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).

XI. 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.

XII. 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.

XIII. 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 2020, 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 2020 and of the profit and loss of the Company for the financial year ended 31 March 2020;

(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.

XIV. AUDITORS AND AUDITOR'S REPORT

The Statutory Auditors of the Company, M/s. Rambabu & Co., Chartered Accountants (Firm Registration No. 002976S) were appointed by the members at the 16th AGM held on 30th September, 2019, for a term of five (5) years till the conclusion of the 21st Annual General Meeting of your company to be held in 2024, 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 2020 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).

XV. 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 2020 forms part of this report and does not contain any Audit Qualifications, for which the reply of the Directors is required.

However, following observations were made by the secretarial auditor which are self-explanatory and does not require further explanation from directors:

(i) The company has not submitted annual report for FY 2018-19 within prescribed period prescribed under Regulation 34 of SEBI(LODR) Regulations,2015.(Due to the bad health of the Company Secretary, hence the company was delayed in the submission of the Annual Report for the 2018-19.)

Due to that BSE has levied fine of Rs.34,000+ Taxes & NSE has levied fine of Rs.36000+ taxes.

The prescribed fines were paid by the Company to BSE & NSE. Further, BSE & NSE have waived the fine and initiated refund of the same.

(ii) NSE has issued letter for non-disclosures regarding Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015).

The Company has complied with the said requirement by sending above disclosures to the shareholders as annexures to the annual report for the FY 2018-19 dated July 30th, 2020.

XVI. 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.It is available on the company's website www.gssinfotech.com and can be accessed through the link: https://www.gssinfotech.com/wp-content/uploads/2020/09/MGT-9.pdf

XVII. RELATED PARTY TRANSACTIONS

During the financial year 2019-20, 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 2019-20, 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.

XVIII. 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 2020:

(In Indian ₹)

Particulars	31 March 2020	31 March 2019
GSS Infotech Inc (Delaware) 1,500 (31 March 2019: 1,500) equity shares of $ 1 each fully paid up in GSS Infotech Inc (Delaware)	890,940,578	890,940,578
GSS Healthcare IT Solutions Private Limited 9,990 (31 March 2019: 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 2019: 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 2020: Nil

B. Details of Amounts advanced to Subsidiary Companies by the Company pursuant to clause 32 of the Listing Agreement as at 31 March 2020:

(In Indian ₹)

Name of Subsidiary	Balance as at 31.03.2020	Balance as at 31.03.2019
GSS Infotech Inc (Delaware)	0.00	0.00
GSS IT Solutions Pvt. Ltd	0.00	0.00
GSS Healthcare IT Solutions Pvt. Ltd	600.00	600.00

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.

XIX. 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 2020.

XX. 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.

XXI. 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.

XXII. 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.

XXIII. 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.

XXIV. 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 Raghavendra	Non-Executive - Independent Director	Member
3	Mr. Prabhakara Rao Alokam	Non-Executive - Independent Director	Member

NOTE: The company does not fall into the limit as prescribed under the section 135 of the Companies Act, 2013. Hence the company has not spent on the CSR Activities.

XXV. 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.

XXVI. 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	2019-20 (₹)	2018-19 (₹)
Foreign Exchange expenditure (on Accrual basis)	67,38,572	64,148,284
Foreign Exchange earned (on Accrual basis)	213,294,644	19,26,23,691

XXVII. 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.

	Sd/-	Sd/-
Place: Hyderabad	**Bhargav Marepally**	**Prabhakara Rao Alokam**
Date: 4th September , 2020	**CEO & Managing Director** **DIN: 00505098**	**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)	12279.20	13,686.72	428.78	335.99	420.61	327.50
2	GSS IT Solutions Private Limited	1.28	-	1.28	-	1.28	-
3	GSS Healthcare IT Solutions Private Limited	-	-	(0.05)	(0.04)	(0.05)	(0.04)

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 2019-20 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 Raghavendra	1,05,000	0.19
Mr. A Prabhakara Rao	1,05,000	0.19
Mr. L.G.S.Padma Rao	85,000	0.15
Mr. Rambabu Sampangi Kaipa	60,000	0.11
Mr. Saikiran Surya Satya Raghavendra Gundu	20,000	0.04

Notes:

1. The information provided above is on standalone basis.
2. The aforesaid details are calculated on the basis of remuneration for the financial year 2019-20.
3. The remuneration to Directors is only the sitting fees paid to them for the financial year 2019-20. The sitting fees for attending each of the Board and other Committee meetings is Rs. 20,000/- and Rs. 5,000/- respectively.
4. Median remuneration of the Company for all its employees is Rs.6,60,900/- for the financial year 2019-20.

B. Details of percentage increase/(decrease) in the remuneration of each Director, CFO & Company Secretary in the financial year 2019-20:

(Amount in ₹)

Name of the Director/ Chief Financial Officer/ Company Secretary	Designation	Remuneration		Increase/ (Decrease) (%)
		2019-20	2018-19	
Mr. Bhargav Marepally	Managing Director	Nil	Nil	Nil
Mrs. Nagajayanthi Das Juttur Raghavendra	Director	1,05,000	120,000	-13%
Mr. A Prabhakara Rao	Director	1,05,000	110,000	-5%
Mr.L.G.S.Padma Rao	Director	85,000	100,000	-15%
Mr. Rambabu Sampangi Kaipa	Director	60,000	20,000	*
Mr. Saikiran Surya Satya Raghavendra Gundu	Director	20,000	20,000	*
Mr. Ravi Kumar Jatavallabha V	CFO	47,64,562	4,921,963	*
Mr. Anwar (Resigned on 12.11.2019)	CS	360525	495,168	*

The information provided above is on Standalone basis.

1. *Percentage increase/(decrease) in remuneration not reported as they were holding the office of Directorship for part of the financial year 2018-19 or 2019-20.
2. The remuneration to Directors is only the sitting fees paid to them for the financial year 2019-20.

C. Percentage increase/ (Decrease) in the median remuneration of all employees in the financial year 2019-20:

(Amount in ₹)

Particulars	2019-20	2018-19	Increase/ (Decrease) (%)
Median remuneration of all employees per annum	6,60,900	6,65,000	(0.60)

D. Number of permanent employees on the rolls of the Company as on 31 March 2020:

Executive/Manager cadre	20
Staff	112
Operators/Workmen	5
Total	**137**

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 ₹)

Particulars	2019-20	2018-19	Increase/ (Decrease) (%)
Average Salary of all employees other than Key Managerial Personnel	6,34,808	8,37,006	(24.16)
Salary of CEO & MD (Key Managerial Personnel)	Nil	Nil	Nil
Salary of CFO & CS* (Key Managerial Personnel)	51,25,087	60,74,077	*

The above information is being provided on Standalone Basis.

* Percentage increase / (Decrease) in remunaration not reported as they were holding the office of Directorship for part of the financial youar 2018-19 or 2019-20.

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

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

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

To
The Members,
GSS Infotech Limited,
Ground Floor, Wing-B, N heights,
Plot No. 12,TSIIC Software Units Layout,
Madhapur, Serilingampally
Hyderabad, Ranga Reddy TG 500081 IN.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S. GSS INFOTECH LIMITED (L72200TG2003PLC041860) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by GSS Infotech Limited and also declarations received from the Management for the financial year ended on 31st March, 2020 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

iv. The 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) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:

   d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

e) 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;

f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

v. Other applicable laws like-

(i) Software Technology Park of India (STPI) and the Rules made thereunder;

(ii) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

(iii) Income-tax Act, 1961;

(iv) The Payment of Bonus Act, 1965;

(v) CGST, SGST, IGST Rules;

(vi) The Payment of Gratuity Act, 1972;

(vii) The Payment of Wages Act, 1936 ;

(viii) The Maternity Benefit Act, 1961 ;

(ix) The Child Labour (Prohibition and Regulation) Act, 1986

(x) The Minimum Wages Act, 1948;

(xi) The Contract Labour (Regulation & Abolition) Act, 1970;

(xii) The Employees' State Insurance Act, 1948;

(xiii) Environment Protection Act, 1986;

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

a. Secretarial Standards issued by The Institute of Company Secretaries of India.

b. The Listing Agreements entered into by the Company with NSE and BSE Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. The company has not submitted annual report for FY 2018-19 within prescribed period prescribed under Regulation 34 of SEBI(LODR) Regulations,2015 to which company has complied later on the Company has paid fine of Rs.34,000+ Taxes to BSE and Rs.36000+ taxes to NSE. Further, NSE & BSE have waived the fine paid by the Company and initiated refund of the same.

   Further, both NSE & BSE have waived the fine paid by the Company basing on the valid reasons provided by the company and initiated refund of the same.

2. The Company has not provided the disclosure under Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015) in the Annual Report for the financial year 2018-19; later the Management has informed that on receipt of letter from NSE regarding Non-disclosure of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, has sent annexure to shareholders of the Company through email on 30th July,2020.

3. The Company has not provided the disclosure under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the Annual Report for the financial year 2018-19; later The Management has informed that on receipt of letter from NSE regarding Non-disclosure of a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. has sent annexure to shareholders of the Company through email on 30th July,2020.

I further report that

- ❖ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ❖ Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- ❖ All the decision of the Board and Committees thereof were carried out by the requisite majority

  I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- ❖ As informed the company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

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

For **Sunil Kacham and Associates**
Company Secretaries

Date: 2nd September, 2020
Place: Hyderabad

Sd/-
Sunil Kumar Kacham
Company Secretary in Practice
M. No. : 46155, C.P. No : 16820
UDIN: A046155B000652244

This report is to be read with our letter of even date which is annexed as **Annexure C1** and forms an integral part of this report.

'Annexure C1' to the Secretarial Audit Report

To,
The Members,
GSS Infotech Limited,
Hyderabad.

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 these 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. Where ever 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 and Associates**
Company Secretaries

Date: 2nd September,2020
Place: Hyderabad

Sd/-
Sunil Kumar Kacham
Company Secretary in Practice
M. No. : 46155, C.P. No : 16820
UDIN: A046155B000652244

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	
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	Nil
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	

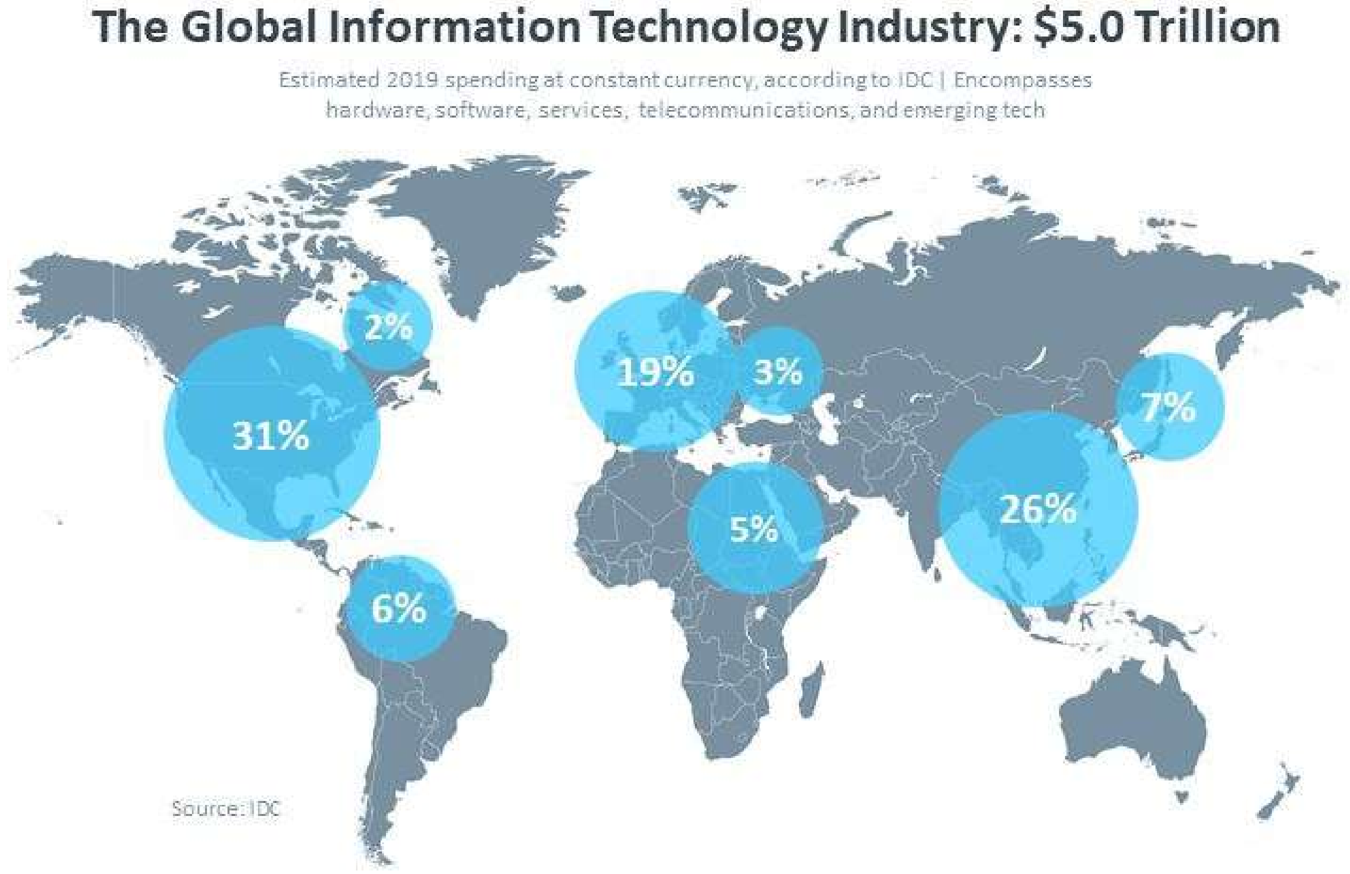
***All the transactions are in the ordinary course of business as per under section 188(2) of the Companies Act, 2013 and hence not mentioned above.**

Annexure [F] to Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

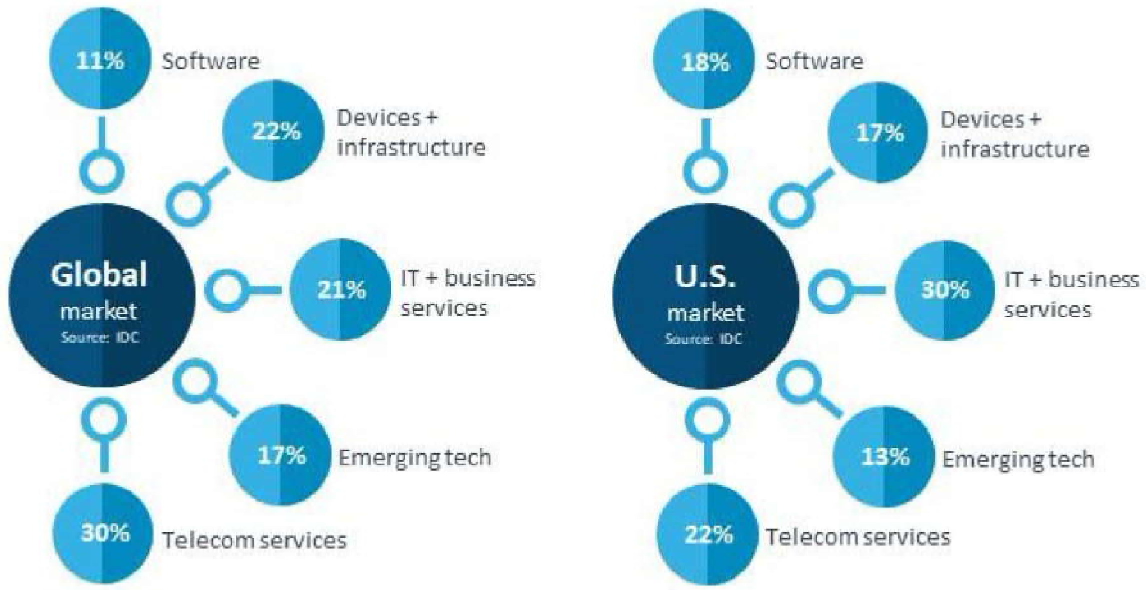
GSS Infotech is stronger and our prospects are as promising as at any time in our 20-year history. In 2019, GSS Infotech's technology solutions and services helped many business, government, education and healthcare customers throughout the Globe navigate an increasingly complex IT landscape and optimize the return on their technology investment.

The global information technology industry is on pace to reach $5 trillion in 2020, 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.



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



Source: IDC

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 centre 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

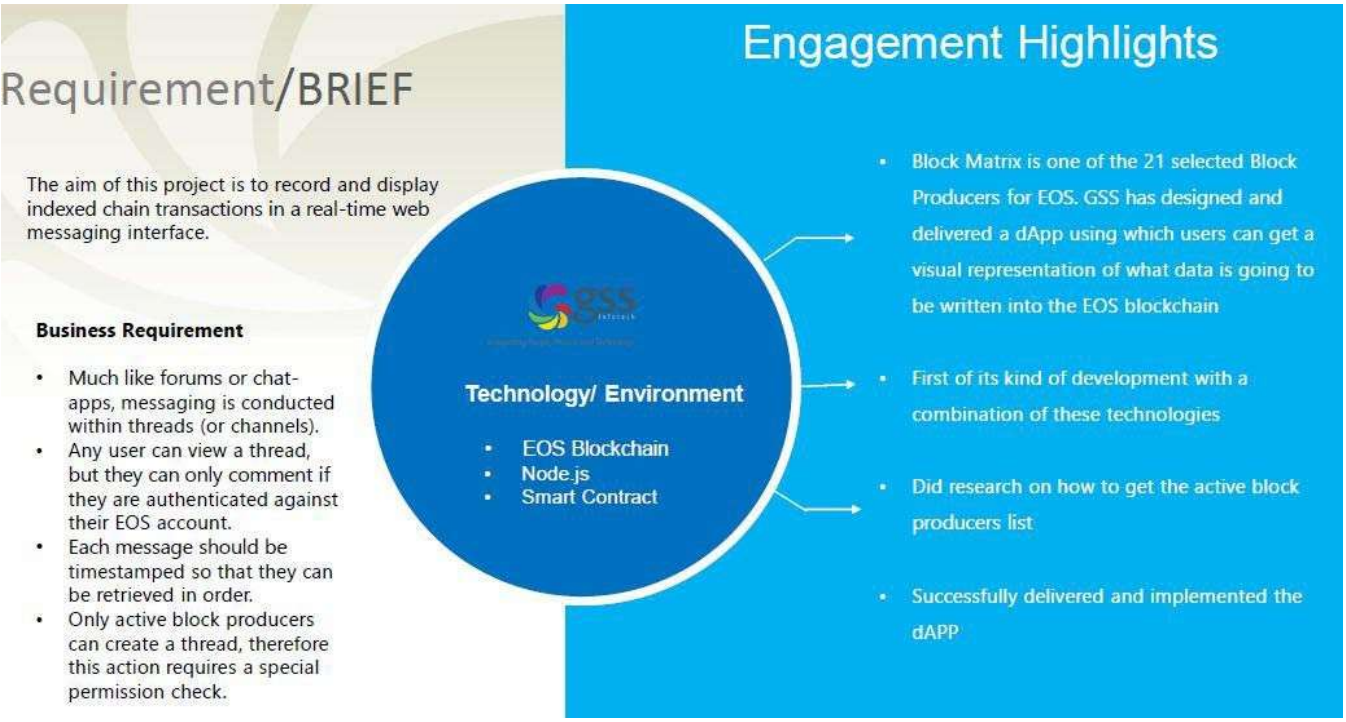
Exciting times in Blockchain right now! While other service providers are researching and speculating about the potential uses of Blockchains, we have already moved squarely into the era of implementation. Blockchain is a system that eliminates the need of a middleman while protecting information through 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.

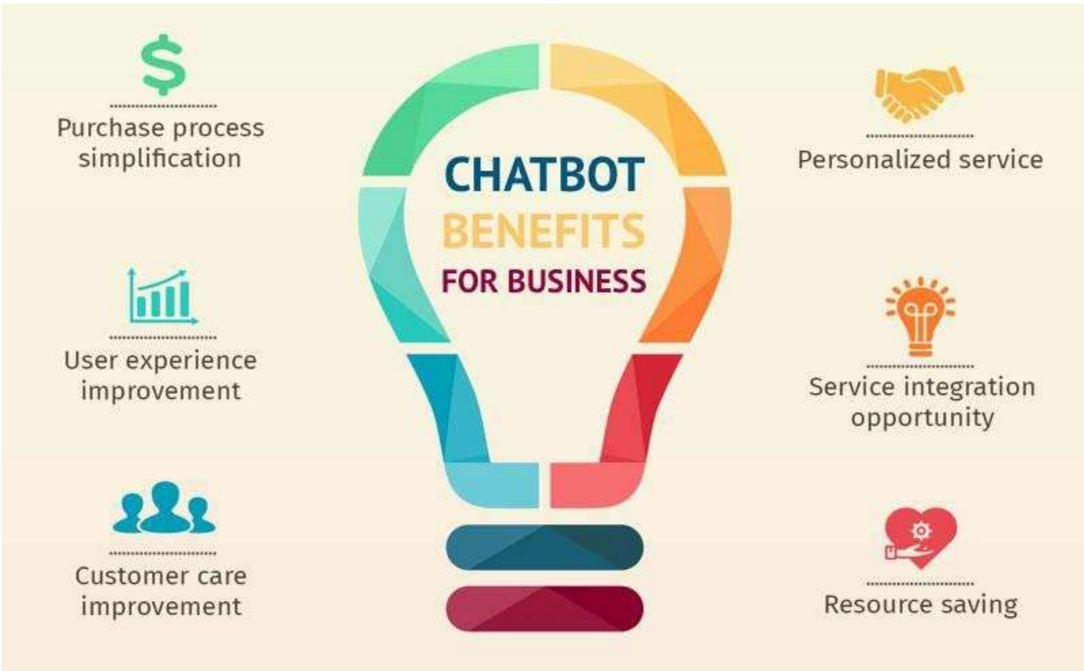
Banking and Financial services: AI is used for AML, Fraud detection, algorithmic trading, credit, customer services, loan and deposit processing and all banking processes that can be subjected to intelligent automation.

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 centres 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, telco's 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

The new vision for healthcare for 2020 and beyond will not just focus on access, quality, and affordability but also on predictive, preventive, and outcome-based care models promoting social and financial inclusion. The future of healthcare is about creating cures for the chronic, degenerative diseases that are responsible for the majority of human suffering and death, as opposed to focusing on treatments that deal with the symptoms of such conditions. Some of the changing trends in healthcare, medical devices and life sciences business offerings to leads to an opportunity for integrators like GSS Infotech are as follows :

***Continued focus on deliver home-based healthcare*:** An underappreciated driver of costs in US healthcare is the price of hospitalization. The hospital bed costs more than $2000 a day, and in many areas of the country more than $3000. This big price tag, combined with enabling technologies and evolving patient preferences, is creating pressure to healthcare delivery organizations and health plans to think differently about how and where care is delivered. Home based primary-care, urgent care, palliative care and hospital-at-home care will continue to grow in popularity for patients and also due to recent pandemic reasons with Covid-19.

Power shift from hospital systems back to physician groups: All around the country, physician groups who face acquisition by Integrated delivery health organizations are looking for an alternative. One of the most promising is being offered by Aledade, the venture-backed company that organizes private physician groups into accountable care organizations (ACOs). Likewise, within specific specialties, such as oncology and cardiology, private equity companies are beginning to roll up provider groups to drive performance, negotiate more favourable contracts, and leverage purchasing power. Companies like One Oncology—an emerging oncology roll-up—will grow in number as physicians seek ways to remain independent of hospital systems. Of course, as markets evolve, it remains a distinct possibility that even equity-backed physician groups will eventually end up acquired by large hospital systems.

Drug pricing will continue to be a front-page issue; at the same time, pharmaceutical innovation will also dominate headlines. We are entering a phase where drug prices will continue to draw negative attention, but that attention will be balanced by the breath-taking innovation coming from biotechnology and pharmaceutical companies. As these breakthroughs like these multiply, expect the national dialog to shift focus from the high cost of drugs to finding new and different ways to pay for them in order to expand access to the most innovative products.

Medicare-for-All will quickly morph into "Medicare Advantage-for-All." Medicare Advantage has grown in popularity during the last ten years. Many Medicare beneficiaries believe that the quality and value of the care delivered in Medicare Advantage programs is superior to fee-for-service alternatives. Likewise, Medicare Advantage continues to get good reviews from clinicians and health care delivery organizations who feel appropriately compensated for delivering quality care to their patients. In the upcoming election year, look for candidates who want to expand access while promoting competition and remaining friendly to the private sector to discover "Medicare Advantage for All" as a compelling strategy/alternative to the more controversial "Medicare for All."

Big Tech and Silicon Valley will continue to play in health care, but they won't upend the system anytime soon. There's a lot of talk about tech companies entering the care delivery space and having a transformative impact on it. We should expect these companies primarily to enable care models that make extensive use of artificial intelligence, machine learning and blockchain technologies — which are currently ill-supported by existing payment and business models. On a related note, big box retailers and other atypical organizations will attempt to enter the health care market with a big splash. Walmart and Best Buy are just two of the national retailers that have taken steps recently to enter the health care market. There will be more. Many of them will rush headlong into an industry they know little about – and they won't take the time to learn their way around. As a result, many will roll out ill-conceived products and services, and make a predictable set of mistakes: overestimating customers' willingness to pay, overestimating returns/clinical savings from new programs, and assuming patients want to be more engaged in their health than they actually do. And then, just as quickly as they entered the market, expect many of these companies to turn tail and leave, replaying a movie that we've seen over and over again for the last 20 years.

Data Privacy is the key, companies that are transparent and ethical will come out ahead. Recent disclosures about biased algorithms and data privacy are just the first of many such revelations we can expect in the coming year. Potentially questionable uses and ownership of data will raise eyebrows and blood pressures—particularly as Americans who have used services for DNA testing come to terms with the fact that they may not have fully understood the privacy implications when they handed their genetic data over for analysis.

Social determinants of health expect more talk than action. Lots of companies are talking about social determinants of health (or "drivers of health," as many are beginning to refer to them), but a close examination reveals that only a few companies are designing substantial interventions and making innovative breakthroughs in the space. Don't expect that to change in the near future.

Mental health conditions and substance abuse disorders will take the main-stage. New start-up's that increase access to care for mental health conditions and substance use disorders have been growing in number. That's a good sign. Perhaps even more important, stigma around behavioural health conditions is slowly diminishing as prominent public figures come forward to disclose their personal challenges with depression, addiction, anxiety, bipolar disorder, and other common yet debilitating mental health conditions. In the future, expect talking about and receiving treatment for behavioural health conditions to become de-stigmatized — and we will be a better society for it.

The public will begin to examine the behaviours and practices of "non-profit" health systems. Too many non-profit hospitals and health systems have operated for too long like for-profits—and people and communities are beginning to take notice. Unsustainable rate increases; surprise billing; medical collections leading to bankruptcy, expect regulators to begin a robust conversation about what requirements need to be met in order to maintain non-profit status. In some cases, non-profit board members with a clear focus on the public good will question whether the for-profit management style is the best way to provide health care to their communities.

Health care sector stakeholders around the globe are looking for innovative, cost-effective ways to deliver patient-centred, 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.

Digital Transformation

The concept of digital transformation is fuzzy and not well defined. When some examined consumer packaged-goods and found at least 33 digital initiatives, including digital marketing, optimization of trade spending, optimization of sales force coverage, predictive maintenance, and robotic process automation in the back office. Its critical to companies is to go back to fundamentals when evaluating digital opportunities: evaluate digital projects based on the cash flow they are expected to generate. All investment decisions should be analyzed against an alternative course of action. For digital projects, the alternative may be to do nothing. But the do-nothing case doesn't mean zero cash flows. In fact, the do-nothing case is often the key to evaluating digital projects.

Banks have faced this challenge several times. In the 1970s and 1980s, banks introduced automated teller machines. In the 2000s, banks set up online banking. In the 2010s, banks developed mobile-banking apps. It seems obvious that banks needed to introduce all these innovations. But these innovations probably didn't generate new revenues, because customers expected them. Here's where the importance of the base case comes in. If the bank doesn't build a mobile app, it will likely lose market share and revenues over time. In this case, the cash inflows are the avoidance of lost revenues, which could be substantial.

To **analyse the potential impact of digital**, we typically examine two categories of digital changes. The first is the application of digital to fundamentally disrupt an industry, requiring a major revamp of a company's business model. The second kind of impact, less dramatic, occurs when companies use digital to simply do the things they already do, only better.

An example of where digital disruption upended entire business models and created entirely new businesses is the way the Internet changed the way consumers research and purchase airline tickets and hotel rooms, disintermediating many traditional travel agents. To value these new businesses, use the standard discounted cash flow approach. The fact that these businesses are often growing fast and don't earn profits early on does not affect the valuation approach. With high-growth companies, you must start in the future to estimate revenues when the market begins to stabilize. You also have to estimate ROIC based on an assessment of the fundamental economics. Once you've developed a profile of the company as it gets closer to maturity, you can estimate the cash flows between now and then.

Using digital to simply do what you already do, but just better, falls into four types: cost reduction, improved customer service, new revenue sources, and better decision making.

Let's break them down.

Cost reduction: One mining company saved over $360 million per year from process automation in the field that gave managers more insight into what exactly was happening, enabling managers to make adjustments and anticipate needed ones. Understanding the economics of cost reduction is not as straightforward as it may seem. You also must examine the second-order effects. Are your competitors pursuing the same initiatives? If so, the present value of cost reduction efforts appears to be zero because the savings are passed on to customers. Here's where the alternative case becomes important. If you don't pursue initiatives to reduce costs, you'll still have to reduce your prices in line with your competitors'. The alternative to the digital initiative would be a decline in cash flows. So the present value of the initiative may turn positive again.

Improved customer service: Consumers have benefited tremendously from digital. One leading manufacturer of agricultural products created a seamless online process for ordering, tracking, and query management. This increased the company's customer satisfaction score by 24 percentage points and improved throughput by 20 percent. As is the case with reducing costs, it's critical to think through the competitive effects. Does the improved customer service lead to higher market share because your customer service is better than that of your competitors? Or does it maintain your market share or avoid losing market share because your competitors are doing the same thing?

New revenue sources: Some companies have been able to create new revenue sources through digital initiatives. Imagine you are sitting at home with an urge for some ice cream but don't want to go out to the local convenience store. Ben & Jerry's in the United Kingdom has set up centralized ice-cream freezers where a delivery company picks up the ice cream and delivers it to the customer within a short time period. These centralized freezers generate ten times the volume of convenience store freezers

Better decision making: Finally, some executives are using new advanced analytics techniques to make better decisions. A maker of high-tech hardware implemented an automated solution to improve pricing for thousands of product configurations, with weekly updates of up to 200,000 price points for up to 20,000 products.

Over the last few years, most discussions about the next year's Digital Transformation trends had begun to feel a bit repetitive. Cloud, Edge Compute, the IoT, AR... It always seemed like the same chairs being rearranged around the same old room. 2021 will be a departure from that. While the same core technologies that dominated these discussions will continue to be foundational to our collective digital transformation journey, 2021 will be defined by a fresh new class of technologies ready to graduate from the side lines to centre stage. Among them: 5G, AI, advanced data analytics, but also some that may surprise you. Without further ado, here are the 10 among them that I believe will be the most significant in 2020.

5G for You and Me: 2021 and beyond will be the year of 5G. With some of the biggest names in telecommunications, like Qualcomm, AT&T, Verizon, Nokia, Ericsson and Huawei making sure that global 5G deployments stay on pace, and the world's best Android handset makers already releasing 5G phones, 5G will hit the ground running in 2020. In addition to bringing us all faster broadband speeds and more reliable mobile networks, the proliferation of 5G will also accelerate advancements in smart city, smart vehicle, smart manufacturing, and scores of IoT-intensive technologies hungry for 5G. In other words, the true value of 5G won't be limited to phones. Just about every industry that touches our daily lives will be transformed – for the better – by the technology evolution that will define 2021.

A faster Wi-Fi for a faster world: Although Wi-Fi 6 and 5G are completely different technologies, both will be bringing us much faster processing and wireless connection speeds in 2021. 5G and Wi-Fi 6 working in concert will create the perfect end-to-end combination of ultra-fast connectivity for home and office. Expect download speeds up to 3x faster than were achievable with Wi-Fi 5, but that isn't the best measure of the new standard's value. The real value of Wi-Fi 6 will be its ability to extend faster data speeds to far more devices than Wi-Fi 5 was able to manage. This is important for two main reasons: the first is that the number of connected devices on the average Wi-Fi network is expected to grow from roughly 10 now to 50 over the next few years, and that increase will require a faster, more efficient, and smarter Wi-Fi capabilities. The second reason is that the quality and volume of data consumed through Wi-Fi networks are both increasing as well, and Wi-Fi 5 can't handle the load all that well. Wi-Fi 6 will eliminate these pain points beginning in 2021.

Analytics are the Competitive Advantage: Companies that still aren't investing heavily in analytics by 2021 probably won't be in business in beyond 2021. There is simply far too much valuable *customer data to be collected, processed and turned into insights* for any company to remain competitive without making full use of modern analytics tools. Flying blind and following your gut are no longer viable options when every other business is leveraging sophisticated analytics tools to identify problems, opportunities, and solutions. That's why we are seeing a consolidation of analytics capabilities across the tech world, from Salesforce acquiring Tableau, to Microsoft creating its own Power Platform. Every major tech company has already figured out that the future is in data—most specifically, the real-time processing of it – and so, regardless of what industry you're in, analytics will again be one of the most dominant focal points of digital transformation in 2021 and beyond.

AI and Machine Learning become force multipliers for data analytics: If you are going to invest in analytics, you also need to invest in AI and machine learning to be able to navigate the vast, churning seas of information and data you aim to put to good use. The value of AI and machine learning to data analytics can be distilled into three separate value propositions: speed, scale, and convenience. Speed and scale speak to the advantage of automating the analysis of massive data sets as opposed to assigning human data analysts to the task. Thanks to AI and machine learning, complex data sets can now be analysed in a fraction of the time it used to take just two years ago. This is not because computers have become faster or better, but rather because AI and machine learning algorithms have gotten extremely good at data analysis, and because that analysis can easily be scaled in the cloud. On the convenience side, unlike data analysis tools of yore, the addition of AI and machine learning to analytics tools has made them intuitive, easy to use, and much more reliable. As good as they are already getting in 2020, their speed and accuracy is expected to improve considerably in 2021.

Blockchain moves beyond Crypto: I called it last year: Blockchain was overhyped and thus always going to be a bust in 2019. But coming into 2021 and beyond, I believe that we will finally start to see scale for some meaningful use cases for blockchain beyond cryptocurrency. We know that Amazon Web Services democratizing blockchain technology with their subscription based blockchain-as-a-service platform. And they are not alone on this effort. Many other global leaders are also playing in this space, including Samsung, Microsoft, IBM and China's Alibaba. What's more, we are beginning to see real use cases for the technology beyond payments and cryptocurrencies. Look to how blockchain will be used in food safety, intellectual property and royalties, and real estate/asset management for instance. 2021 could be the start of the true rise of Blockchain.

RPA catches a second wind: Robotic Process Automation isn't new, and is widely considered to be the lowest hanging fruit on the AI tree, but it is nevertheless a *very* hot topic at every tech and manufacturing conference I have attended in the last eight months. Attended RPA leads the way but as interest and investments continue to grow, and RPA proves itself trustworthy, I believe that 2021 will be a very big year for RPA investments, just as 2019 was with money being poured into companies like Automation Anywhere, UiPath and Blue Prism. Also, enterprise companies like Cisco are already using RPA to help create wiggle room to upskill and augment the value of their existing workforce, and that model is certain to quickly grow into a winning formula. (Smart companies: take note.)

Conversational AI becomes a legitimate interface: I know, Siri is still cannot compete in the voice assistance space, and it's still near-impossible to use voice-to-text to craft a decent chat message. However, I do believe we'll see at least some form of conversational AI become useful in 2021. On the software side, projects like Microsoft Conversational AI are working incredibly hard to build platforms that cannot just hear correctly, but follow complex conversations and understand the nuances of emotion, all while continuing to improve over time. On the silicon side, chipsets and SOCs developed specifically for smart devices are becoming exceptionally good at isolating human voices from noisy backgrounds, and accurately processing natural language in real time. Will we see radical improvements in everyday consumer tech in 2021? Likely no—but I think that the foundations for the next generation of reliable conversational AI will be solidified in the coming year.

ACPCs transform the laptop market forever: We're always connected, so we need PCs that are always connected as well. We'll see an expansion of ACPCs this year with embedded 5G and LTE connectivity, and of course we'll see some smart business partnerships follow suit (Lenovo and Qualcomm comes to mind, but I anticipate more will come out of the woodwork as ARM based technology makes it possible.)

Connected vehicles, autonomous drones and Smart Cities become our new reality**:** We've been talking about them for years, and we are still not quite there yet, but I think that the combination of edge compute and 5G will bring us significantly closer to truly autonomous cars, drones, and smart cities in 2021. Tesla clearly is the first name on the board in terms of bringing this to market, but this isn't something only Elon Musk is trying to tackle. This is happening through close strategic alignment between automotive manufacturers and technology makers. Companies like Intel/Nvidia/Qualcomm and BMW/Volvo/Ford are partnering up while Uber is building their autonomous fleet and Amazon is looking to ship your every need to your door via an autonomous drone. To finally bring these long-promised technologies to the market.

XaaS, UX/CX, and privacy: How technology-adjacent Digital Transformation trends will take to centre stage in 2021: I have focused a lot on technologies, but let's face it: Digital Transformation is about more than just the sum of its technological parts. Change itself is a core driver of Digital Transformation and change almost always transcends the tools that enable it. Because of this, I need to highlight the technology-adjacent trends that I believe will dominate Digital Transformation discussions in 2021: Top of my list are XaaS (everything as a service), UX/CX (User/Customer Experience), and digital privacy.

XaaS**:** Everything-as-a-Service will gain even more momentum in 2020 than it did in 2019, in even the most hardware-driven industries/sectors of technology. Hewlett Packard Enterprise announced they would offer everything in their portfolio as a service by 2022. This is just one big example, but all of the on-prem providers are moving in this direction. As we continue to see the evolution of onsite, off-side, cloud, hybrid, etc., "big IT" will move on-premises as-a-Service, right alongside big data, analytics, blockchain and more. Everything as a Service has been building up to this for a few years now, but 2020 will be the year it goes completely mainstream.

User and Customer Experience: As digital transformation success is intimately tied to user and customer experience(UX/CX), that emphasis will continue to drive business investments in digital transformation. On the one hand, this is especially true as organizations increasingly transition from building internal competencies and improving efficiency to executing on their vision. On the other, improvements in connectivity (5G, Wi-Fi 6), compute capabilities (cloud, edge, machine learning), smart automation (RPA, AI), and intuitive user interfaces (conversational AI, gesture analysis, AR) will combine to make 2020 an inflection point for UX and CX across a breadth of industries ranging from retail and hospitality to transportation and healthcare.

Digital Privacy: Thanks in part to scores of privacy failures from technology companies in recent years, the establishment of the EU's General Data Protection Regulation, and growing calls in the U.S. to impose controls on technology companies, we will be seeing more companies finally get serious about privacy and data security issues in 2020. I expect that many will adopt privacy and transparency as a brand differentiator, allowing users to opt in or out of data collection schemes with greater ease and awareness than in the past. The real question will be whether companies like Amazon (via Alexa) and Facebook will join in or continue to quietly gather all the data they can from users. Beyond that, the opportunity for legacy high-tech companies like including but not limited to Dell, Cisco, IBM and HPE to create some real and meaningful structure around data security and privacy could lead the way to a digital privacy renaissance starting in 2020. It will be interesting to see what companies step up to drive privacy, which companies stay status quo, and what companies continue to raid data like it's the "Lost Ark."

E-Commerce – Transforming future of Commerce...

Technology has played a pivotal role for the businesses as it has transformed the way audiences interact with brands and companies. Not only that, but it has also improved the shopping experiences of the audiences. E-commerce is blessed with the inconvenience of delivering the order to the consumer doorstep. This has made e-commerce popular among all age groups.

A strategic plan and clear goals are the elements to be successful with eCommerce. But with all these elements, e-commerce also needs to be updated with the latest technologies that come around. It has been these advanced technologies that had made the customers with the purchase. Day by day, e-commerce is increasing its technological database to give their audiences the best customer experience. GSS Infotech has extensive experience with some the key e-commerce business trends in 2021 as follows:

Omni-channel

The customer's habit has changed during the past few years. Now the customers surf cross-platform before making their buying decision. That means, to attract your potential audiences, you also need to have presence on the cross channels. In a study, it has been found out that more than 90% of sales come after a smooth interaction across multiple platforms. Using the right technology means that you are not only providing then the relevant product but also providing them where they want. With the right technology, you can solve any queries within a few minutes, you can also actively engage with them. Having Omni-channel for your businesses means that you are creating a smooth network for your audience to complete the purchase cycle.

Extensive Personalization

The buyer's persona is changing at a rapid rate. They need the right thing and that too, immediately. To make that possible, the only way out is the extensive use of technology. Personalization has been the biggest trend in the eCommerce industry. Without pinpointing the needs of your audiences, you will not be able to make any sales. A study shows that more than 78% of the audiences ignore the offers that are not relevant to their needs, preferences, and relevant to their past searches. This proves that personalization is very important for eCommerce industries.

Mobile-friendly site

Today, more than 60% of the world's population surf the internet with their smartphone. This percentage is so huge that the concept of the eCommerce surfaced on its own. If you are eCommerce business owner and do not have a presence on the mobile-friendly platform then there are chances that you are missing out on your potential customers. In addition, integrating your eCommerce with Augmented reality and virtual reality, you can improve users' experiences. This can boost your sales.

Integration of AI

The concept of artificial intelligence in the technology is not new. But integrating it in the eCommerce technology certainly seen quite advance. With the help of artificial technology, eCommerce businesses are engaging with their audiences in real-time. People are now using more voice searches than the traditional way of searches. This has made the eCommerce businesses adapt themselves to AI technology.

Implementation of blockchain

The new technological trend that recently hit the market, blockchain is now ruling every field of work. With the public ledger network, it shares information with every member of the network. Implementation of the blockchain technology will improve the transparency with eCommerce businesses will be able to restrict the fraudulent activity.

Case study review between Amazon and Shopify on how the dynamics are changing future of commerce.

In North America, Shopify and a broadening coalition of companies known as the anti-Amazon alliance are shaping the competitive dynamics of e-commerce and transforming the future of commerce. The past decade has seen a Cambrian explosion in both the power and scale of Amazon, and also in the number of independent stores competing as pure-play e-commerce brands, omnichannel retailers, drop shippers, digital goods merchants and on and on. As of late 2019, Amazon commanded approximately 37% of U.S. e-commerce sales, while Shopify was in second place with just under 6% market share — ahead of eBay, Walmart and Apple. Shopify achieved an incredible 50% CAGR, and its meteoric rise has been positively impacted by the acceleration of e-commerce trends by Covid-19. To understand the future of e-commerce competition, let's look at the differences between Amazon, the dominant aggregator, and Shopify, the platform with the mission to arm the rebels.

Amazon's Power: Grounded In The Aggregation Theory

To understand Amazon, it's first helpful to understand Ben Thompson's Aggregation Theory, which has been perhaps his most important contribution to date to our collective understanding of technology and media strategy. Aggregation Theory is premised around the idea that "value has shifted away from companies that control the distribution of scarce resources to those that control demand for abundant ones." For example, newspapers were once very strong businesses because they controlled the distribution of news, which in the pre-internet era was a scarce resource only available via newspapers. In contrast, Facebook now controls demand for not only news (which post-internet is no longer scarce) but also gossip broadly, making it more valuable by orders of magnitude than any newspaper.

There are three characteristics of aggregators:

1. They possess a direct relationship with consumers.
2. They incur zero marginal costs for serving more users as they scale.
3. Network effects decrease their acquisition costs.

In the case of Amazon, Aggregation Theory shows merchants how to frame the core sources of Amazon's power, allowing them to more thoughtfully consider their own go-to-market strategies and approach to differentiation.

Amazon's power lies in the following characteristics:

- Direct-to-consumer relationship has allowed Amazon to make the online shopping experience easier than any shopping experience on Earth. Consider that Amazon Prime membership has surpassed 112 million users, and Amazon is now the second biggest search engine in the world.
- There are zero marginal costs to serve consumers from around the world in numerous categories (for example, the everything store) but also businesses through AWS and now advertisers.
- Powerful network effects have allowed Amazon to scale inventory without incurring the costs, verticalize distribution and reduce delivery time to a day in most major cities.

Shopify's Power: The Power Of Platform

Bill Gates is often quoted saying, "A platform is when the economic value of everybody that uses it exceeds the value of the company that creates it. Then it's a platform." An aggregator intermediates supply and demand, whereas a platform provides a stage on which other businesses can shine or infrastructure on top of which other applications and businesses are developed. Apple is a platform. Microsoft is a platform. And Shopify is very much a platform. Shopify's revenue in 2019 was approximately $1.5 billion. Consider for a moment that, in the same year, Shopify's Gross Merchandise Value (GMV is the revenue processed by all stores built on Shopify) was $61 billion. Shopify in 2020, in its mission to "arm the rebels," is capturing 2.45% of the value it's facilitating by providing the infrastructure on top of which nearly 1 million e-commerce merchants sell directly to consumers.

There are several characteristics of platforms:

- They enable the creation of more value than they capture.
- They serve as infrastructure layers or foundations on top of which applications or businesses are developed.
- As the applications or businesses built on top of them grow in volume, ecosystems of third-party tools develop that serve to strengthen the platform's moat by complementing and augmenting its core functionality.

What should be clear about platforms is that they empower innovation in often expansive ways because they do not seek to capture the majority of the value in the ecosystem that develops around them.

How To Compete With Amazon

As an aggregator, Amazon internalizes networks and commoditizes suppliers, and as a third-party merchant selling on Amazon, the primary way to compete is generally price. In contrast, Shopify as a platform seeks to externalize its network effects by enabling merchants to differentiate their brands and products. Merchants compete, not on price but on how compelling their products and brands are, and also on how skilfully they can collect and utilize first-party customer data (as Amazon does) to constantly improve customer experiences.

Ultimately, there are two ways Shopify can compete with Amazon:

1. Head-on: This would imply that Shopify would play Amazon's game and seek to acquire consumers on behalf of its merchants.
2. Indirectly: This would imply that Shopify would seek to avoid head-on competition with Amazon by investing in tools and services that help Shopify merchants acquire consumers more effectively.

Shopify has so far mostly taken the latter approach, with investments in Shopify Fulfilment serving as an example of Shopify exercising platform power to help merchants improve the customer experience in a way that no single merchant could do on their own.

In my opinion, competing indirectly is the more winning strategy for Shopify to pursue because it sees them avoid competing with Amazon for the customer and instead empowers their individual merchants to constantly get better at differentiating through brand and product strength. The alternative is competing with Amazon at their own game, a field of competition the aggregator is positioned to dominate, given their network effects.

Business Opportunities during Pandemic Covid-19

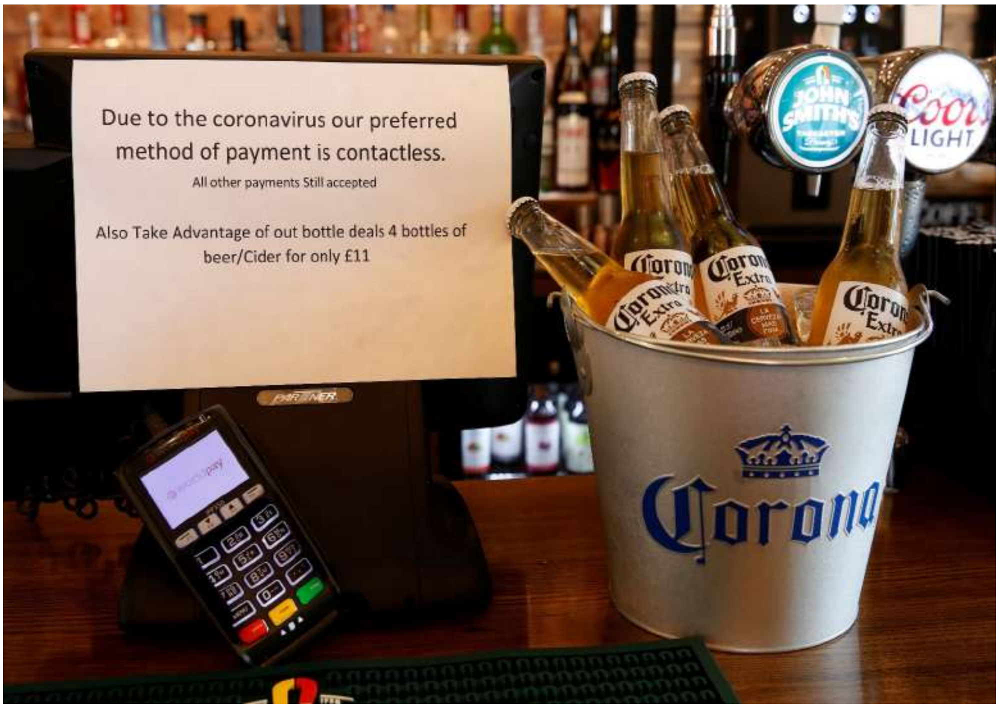
During the COVID-19 pandemic, technologies are playing a crucial role in keeping our society functional in a time of lockdowns and quarantines. And these technologies may have a long-lasting impact beyond COVID-19. Here are 10 technology trends that can help build a resilient society, as well as considerations about their effects on how we do business, how we trade, how we work, how we produce goods, how we learn, how we seek medical services and how we entertain ourselves.

1. Online Shopping and Robot Deliveries

In late 2002, the SARS outbreak led to a tremendous growth of both business-to-business and business-to consumer online marketplace platforms in China. Similarly, COVID-19 has transformed online shopping from a nice-to-have to a must-have around the world. Some bars in Beijing have even continued to offer happy hours through online orders and delivery. Online shopping needs to be supported by a robust logistics system. In-person delivery is not virus-proof. Many delivery companies and restaurants in the US and China are launching contactless delivery services where goods are picked up and dropped off at a designated location instead of from or into the hands of a person. Chinese e-commerce giants are also ramping up their development of robot deliveries. However, before robot delivery services become prevalent, delivery companies need to establish clear protocols to safeguard the sanitary condition of delivered goods.

2. Digital and Contactless Payments

Cash might carry the virus, so central banks in China, US and South Korea have implemented various measures to ensure banknotes are clean before they go into circulation. Now, contactless digital payments, either in the form of cards or e-wallets, are the recommended payment method to avoid the spread of COVID-19. Digital payments enable people to make online purchases and payments of goods, services and even utility payments, as well as to receive stimulus funds faster.



However, according to the World Bank, there are more than 1.7 billion unbanked people, who may not have easy access to digital payments. The availability of digital payments also relies on internet availability, devices and a network to convert cash into a digitalized format

3. Remote Work

Many companies have asked employees to work from home. Remote work is enabled by technologies including virtual private networks (VPNs), voice over internet protocols (VoIPs), virtual meetings, cloud technology, work collaboration tools and even facial recognition technologies that enable a person to appear before a virtual background to preserve the privacy of the home. In addition to preventing the spread of viruses, remote work also saves commute time and provides more flexibility. Yet remote work also imposes challenges to employers and employees. Information security, privacy and timely tech support can be big issues, as revealed by recent class actions filed against Zoom. Remote work can also complicate labour law issues, such as those associated with providing a safe work environment and income tax issues. Employees may experience loneliness and lack of work-life balance. If remote work becomes more common after the COVID-19 pandemic, employers may decide to reduce lease costs and hire people from regions with cheaper labour costs.

Laws and regulations must be updated to accommodate remote work - and further psychological studies need to be conducted to understand the effect of remote work on people.

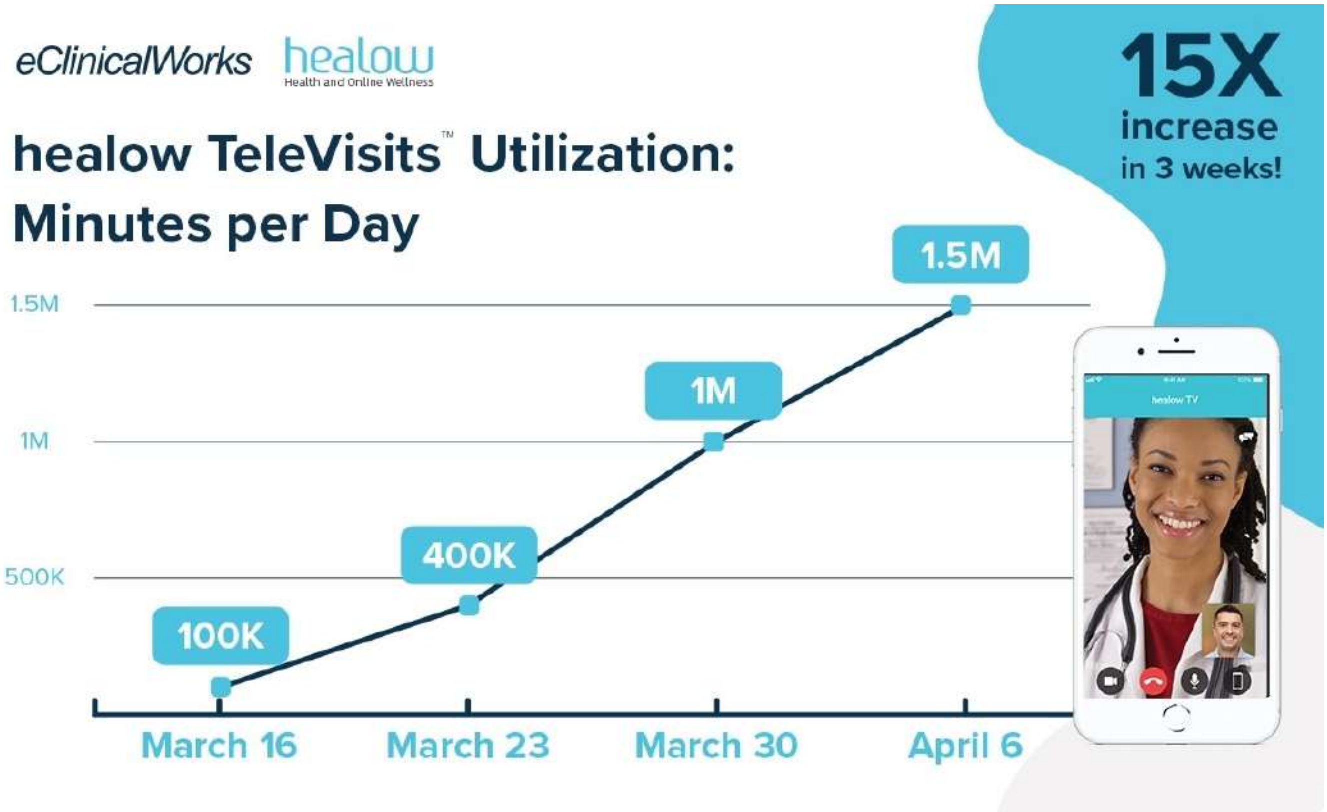
4. Distance Learning

As of mid-April, 191 countries announced or implemented school or university closures, impacting 1.57 billion students. Many educational institutions started offering courses online to ensure education was not disrupted by quarantine measures. Technologies involved in distant learning are similar to those for remote work and also include virtual reality, augmented reality, 3D printing and artificial-intelligence-enabled robot teachers.

Concerns about distance learning include the possibility the technologies could create a wider divide in terms of digital readiness and income level. Distance learning could also create economic pressure on parents - more often women - who need to stay home to watch their children and may face decreased productivity at work.

5. Telehealth

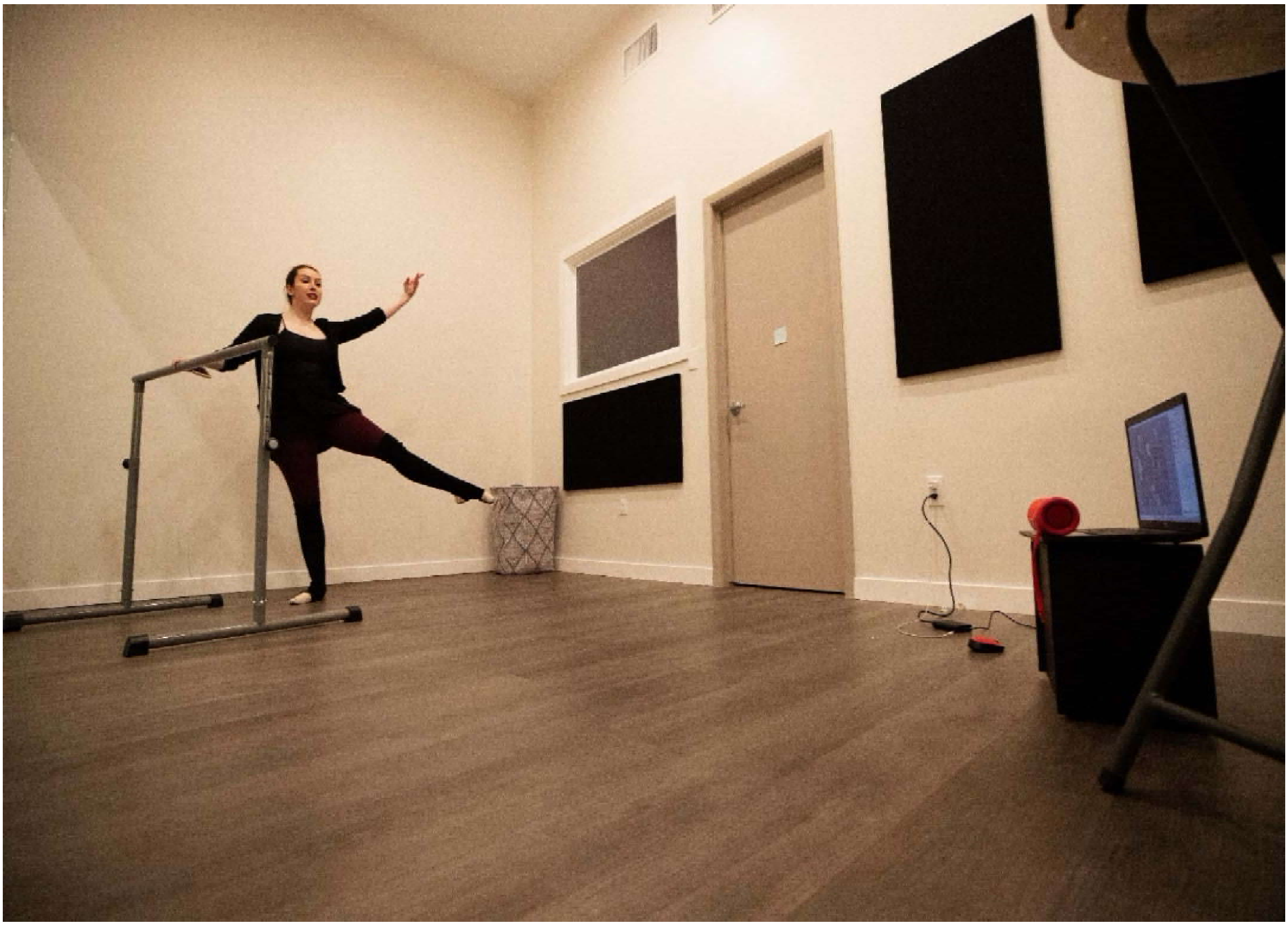
Telehealth can be an effective way to contain the spread of COVID-19 while still providing essential primary care. Wearable personal IoT devices can track vital signs. Chatbots can make initial diagnoses based on symptoms identified by patients.



However, in countries where medical costs are high, it's important to ensure telehealth will be covered by insurance. Telehealth also requires a certain level of tech literacy to operate, as well as a good internet connection. And as medical services are one of the most heavily regulated businesses, doctors typically can only provide medical care to patients who live in the same jurisdiction. Regulations, at the time they were written, may not have envisioned a world where telehealth would be available.

6. Online Entertainment

Although quarantine measures have reduced in-person interactions significantly, human creativity has brought the party online. Cloud raves and online streaming of concerts have gain traction around the world. Chinese film production companies also released films online. Museums and international heritage sites offer virtual tours. There has also been a surge of online gaming traffic since the outbreak.



7. Supply Chain 4.0

The COVID-19 pandemic has created disruptions to the global supply chain. With distancing and quarantine orders, some factories are completely shut down. While demand for food and personal protective equipment soar, some countries have implemented different levels of export bans on those items. Heavy reliance on paper-based records, a lack of visibility on data and lack of diversity and flexibility have made existing supply chain system vulnerable to any pandemic.

Core technologies of the Fourth Industrial Revolution, such as Big Data, cloud computing, Internet-of-Things ("IoT") and blockchain are building a more resilient supply chain management system for the future by enhancing the accuracy of data and encouraging data sharing.

8. 3D Printing

3D printing technology has been deployed to mitigate shocks to the supply chain and export bans on personal protective equipment. 3D printing offers flexibility in production: the same printer can produce different products based on different design files and materials, and simple parts can be made onsite quickly without requiring a lengthy procurement process and a long wait for the shipment to arrive.

However, massive production using 3D printing faces a few obstacles. First, there may be intellectual property issues involved in producing parts that are protected by patent. Second, production of certain goods, such as surgical masks, is subject to regulatory approvals, which can take a long time to obtain. Other unsolved issues include how design files should be protected under patent regimes, the place of origin and impact on trade volumes and product liability associated with 3D printed products.

9. Robotics and Drones

COVID-19 makes the world realize how heavily we rely on human interactions to make things work. Labour intensive businesses, such as retail, food, manufacturing and logistics are the worst hit. COVID-19 provided a strong push to rollout the usage of robots and research on robotics. In recent weeks, robots have been used to disinfect areas and to deliver food to those in quarantine. Drones have walked dogs and delivered items.

While there are some reports that predict many manufacturing jobs will be replaced by robots in the future, at the same time, new jobs will be created in the process. Policies must be in place to provide sufficient training and social welfare to the labour force to embrace the change.

10. 5G and Information and Communications Technology (ICT)

All the aforementioned technology trends rely on a stable, high-speed and affordable internet. While 5G has demonstrated its importance in remote monitoring and healthcare consultation, the rollout of 5G is delayed in Europe at the time when the technology may be needed the most. The adoption of 5G will increase the cost of compatible devices and the cost of data plans. Addressing these issues to ensure inclusive access to internet will continue to be a challenge as the 5G network expands globally.

The importance of digital readiness

COVID-19 has demonstrated the importance of digital readiness, which allows business and life to continue as usual - as much as possible - during pandemics. Building the necessary infrastructure to support a digitized world and stay current in the latest technology will be essential for any business or country to remain competitive in a post-COVID-19 world, as well as take a human-centred and inclusive approach to technology governance.

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 centred 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 labour 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. Parallelly, 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 2019. 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).

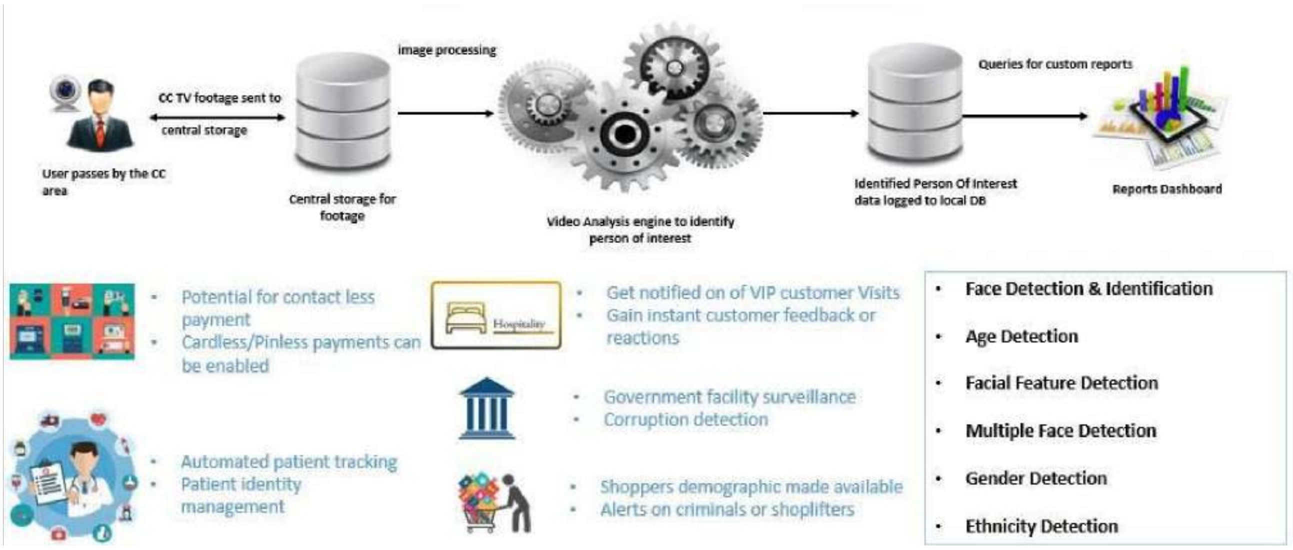
Market trends

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, 59 Annual Report 2019-20 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

<table>
<tr><th rowspan="3">APAC -India

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</th><th colspan="2">North America</th></tr>
<tr><td rowspan="2">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</td><td>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</td></tr>
<tr><td>15 New England Executive
Park, Burlington,
Massachusetts 01803</td></tr>
</table>

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 endeavours 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 stream-line 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 Raghavendra	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 directors on the Board of Directors of the Company with effect from 30th September, 2019, at the AGM for the 2018-19.

- The Company have one-half of the composition of the Board as Independent Directors.
- As on March 31, 2020, 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, 2019 for Mrs. Nagajayanthi Das Juttur Raghavendra 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: https://www.gssinfotech.com/wp-content/uploads/2020/01/Sample-Letter-of-Appointment-to-Independent-Directors.pdf

Independent Director's Meeting:

During the year under review, the Independent Directors met on 14th Feb 2020, 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.

Details of skills / expertise / competence of the Board of Directors:

Name of the Director	Category	Skills/ Expertise/ Competence
Mr. Bhargav Marepally	CEO and Managing Director	He is the founder of GSS Infotech comes with over 20 years of experience in the IT Services Industry. He holds a double Master's degree from BITS, Pilani. He is a member of many technology and management associations worldwide. He was also nominated for "The Entrepreneur of the Year" contest by Ernst & Young in 2005.
Mrs. NagajayanthiDas Juttur Raghavendra	Non-Executive and Independent Director	She is a Fellow Member of Institute of Company Secretaries of India, and a Post-Graduate in Financial management with rich experience in Corporate Finance, Secretarial and corporate compliance. After a brief stint as a 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, bioinformatics and economics and the pharmaceutical industry.
Mr. A Prabhakara Rao	Non-Executive and Independent Director	He is a Chartered Accountant by profession and entrepreneur by choice. He is a seasoned financial professional who brings in 20 years of financial and industrial expertise to the business. He has varied industry experience in IT/ITES, Agro-based seed industry, bulk drug industry and large- scale dairy industry. He is the promoter of Hyderabad based IT/ITES Company engaged in IT infrastructure management, security solutions and IOT Solutions. Also serving board of start-up company engaged in development of online platform for logistics and transport management.
Mr. Padmarao G. S. Lakkaraju	Non-Executive and Independent Director	He has enriched law experience of more than a decade and has made an immense impact with his expertise and is known for his pioneering work in his field. He is practicing as an Advocate in the Hon'ble Supreme Court of India and High Court of Judicature at Hyderabad for the state of Telangana & A.P from February 2017 till date. He was privileged to be the second Indian to address the 21st International Association of Prosecutors Annual Conference at Dublin, Ireland in September 2016, participated by about 560 legal attorneys from 90 different countries. He has served as National Vice President, All India Prosecutors Association from August 2015 to February 2017. He was the State Convener for Association of Public Prosecutors from March 2011 to October 2012. He is also an Academic Mentor for aspirants completing Law School.

Name of the Director	Category	Skills/ Expertise/ Competence
Mr. Rambabu Sampangi Kaipa	Non-Executive and Non-Independent Director	A post-graduate in Computer Science from NIT, Warangal, he has spent 25 years with Infosys Limited, building their global delivery model working from the Chairman's office and spearheading their CSR initiatives "The Akshaya Patra Foundation. He has over 25 years of global experience in delivering IT services globally for large clients managing in excess of USD 150 Million in revenues.
Mr. Saikiran Surya Satya Gundu	Non-Executive and Non-Independent Director	A post-graduate in computer applications, he is passionate about solving business problems through automation. He combines business acumen with technical knowledge to create innovative solutions to address industry challenges. He has strong global experience in IT infrastructure and Automation and has rolled out many products and services to address key problems through automation.

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 31st March, 2020	
Mr. Bhargav Marepally	CEO and Managing Director	***	-	Mr. Bhargav Marepally	CEO and Managing Director
Mrs. Nagajayanthi Das Juttur Raghavendra	Non-Executive and Independent Director	***	-	Mrs. Nagajayanthi Das Juttur Raghavendra	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 2020, 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
29th May, 2019	Results
13th August, 2019	Results
12th November, 2019	Results
30th January, 2020	Review
14th February, 2020	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 2020 are as follows:

Name of the Director	Board Meeting details		Attendance
	Held	Attended	
Mr. Bhargav Marepally	5	1	Mr. Bhargav Marepally
Mrs. Nagajayanthi Das Juttur Raghavendra	5	4	Mrs. Nagajayanthi Das Juttur Raghavendra
Mr. A Prabhakara Rao	5	4	Mr. A Prabhakara Rao
Mr. Padmarao G.S. Lakkaraju	5	4	Mr. Padmarao G.S. Lakkaraju
Mr. Rambabu Sampangi Kaipa	5	3	Mr. Rambabu Sampangi Kaipa
Mr. Saikiran Surya Satya Raghavendra Gundu	5	2	Mr. Saikiran Surya Satya Raghavendra Gundu

Shareholding of the Non-Executive Directors of the Company in GSS Infotech Limited as on 31 March 2020 is as follows:

Name of the Director	Nature of Directorship	No. of shares held	% to the paidup share capital
Mrs. Nagajayanthi Das Juttur Raghavendra	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 2020.

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 videoconferencing. 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: https://www.gssinfotech.com/wp-content/uploads/2020/01/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 2020. 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 via-a-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 2020, 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	1
Mrs. Nagajayanthi Das Juttur Raghavendra	Member	4	4

Date(s) on which Audit Committee meeting(s) were held.	Purpose
29th May, 2019	Results
13th August, 2019	Results
12th November, 2019	Results
14th February, 2020	Results

1. The Chairman of the Audit Committee was present at the last AGM held on 30th September, 2019:

   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 2019-20. 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 2020 is detailed below:

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

Date(s) on which NRC meeting(s) were held.
13th August, 2019, 14th February, 2020

The Nomination and Remuneration Committee was reconstituted on 29th May 2018 with the following Composition:

Name of the Member	**Membership**
Mrs. Nagajayanthi Das Juttur Raghavendra	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 2019-20:

During the financial year ended 31 March 2020, Mr. Bhargav Marepally, Managing Director, did not draw any remuneration from the Company.

Details of remuneration paid to Directors during the year 2019-20:

During the financial year ended 31 March 2020, 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 2020 are as follows*:

(Amount in ₹)

Name of the Director	Salary	Perquisites	Sitting fees	Commission	Total
Mr. Bhargav Marepally	-	-	-	-	-
Mrs. Nagajayanthi Das Juttur Raghavendra	-	-	1,05,000	-	1,05,000
Mr. Prabhakara Rao Alokam	-	-	1,05,000	-	1,05,000
Mr. LGS Padmarao	-	-	85,000	-	85,000
Mr. Rambabu Sampangi Kaipa	-	-	60,000	-	60,000
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 14th February, 2020. 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 2020 is as follows:

Name of the Member	Nature of Membership
Mrs. Nagajayanthi Das Juttur Raghavendra	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 Raghavendra	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 2020, is given below:

Details of Investor Complaints during FY 2019-20	Number
No. of complaints received during the year 2019-20	Nil
No. of complaints resolved during the year 2019-20	Nil
No. of complaints pending at the end of the year 2019-20	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:

https://www.gssinfotech.com/wp-content/uploads/2020/01/policy-for-determining-material-subsidiary.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:

https://www.gssinfotech.com/wp-content/uploads/2020/01/related-party-transanctions.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 2020, 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 2020, 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 2020:

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 2020, signed by Mr. Bhargav Marepally, CEO & Managing Director and Mr. Ravikumar Jatavallabha V., CFO is annexed as "H" 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
2018-19	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad – 500032.	30th September, 2019	10:00 a.m.	3
2017-18	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad – 500032.	5th September, 2018	10:00 a.m.	3
2016-17	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad – 500032.	30th September, 2017	10:30 a.m.	1

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.

Statement on Declaration by Independent Directors

Mr. LGS Padmarao, Mr. Prabhakara Rao Alokam and Mrs. Nagajayanthi Das Juttur Raghavendra are the Independent Directors on the Board of the Company as on 31 March 2020. All the Independent Directors have given their respective declarations under Section 149 (6) and (7) of the Companies Act, 2013 and the Rules made thereunder. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfil the conditions of independence specified in the Listing Regulations.

As required by SEBI (LODR) Regulations, 2015, a certificate from Practicing Company Secretary that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is attached to this Report as Annexure-I.

Further, Annual Secretarial Compliance Report issued by the Practicing Company Secretary pursuant to Circular dated 08 February 2019 issued by SEBI is also attached to this Report as Annexure-J.

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. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;
   (i) The company has not submitted annual report for FY 2018-19 within prescribed period prescribed under Regulation 34 of SEBI(LODR) Regulations,2015.

Due to that BSE has levied fine of Rs.34,000+ Taxes & NSE has levied fine of Rs.36000+ taxes.

The prescribed fines were paid by the Company to BSE & NSE. Further, BSE & NSE have waived the fine and initiated refund of the same.

(ii) NSE has issued letter for non-disclosures regarding Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015).

The Company has complied with the said requirement by sending above disclosures to the shareholders as annexures to the annual report for the FY 2018-19 dated July 30th, 2020.

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 behaviour.

- 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. **Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:**

There were no instances during the financial year 2019-20 wherein the Board had not accepted the recommendations made by any Committee of the Board.

5. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013:

a. Number of complaints filed during the financial year: Nil

b. Number of complaints disposed of during the financial year: Nil

c. Number of complaints pending as on end of the financial year: Nil

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 2020. 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: https://www.gssinfotech.com/wp-content/uploads/2020/01/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: https://www.gssinfotech.com/wp-content/uploads/2020/01/sebi-insider-trading-and-code-for-upsi-30052015.pdf

6. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule-V

The Company has complied with the requirements of corporate governance report of sub-paras (2) to (10) of clause C of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.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.

5. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)- Not Applicable.

6. A certificate from a company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed as separately to this report.

7. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year- There are no such instances during the year and the Board considered and accepted the recommendations of all the Committees.

8. **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**- Rs. 12,14,701/.

(Amount ₹)

Particulars	**31 March 2020**
Statutory audit fee	1,200,000
Other services	-
Out of pocket expenses	14,701
Total	**12,14,701**

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	-	30th September, 2020
Time	-	10.00 A.M
Venue	-	Through Video Conference

(ii) Financial Calendar

Financial year	-	1st April 2020 to 31st March 2021
Tentative Schedule for declaration of results during the financial year 2020-21		
First Quarter	-	First week of Aug 2020
Second Quarter and Half Yearly	-	Second week of Nov 2020
Third Quarter and Nine Months	-	Second week of Feb 2021
Fourth Quarter and Annual	-	Fourth week of May 2021

(iii) Date of Book closure - **26th September 2020 to 30th September 2020(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 2019-20.

(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 2020 are as under:

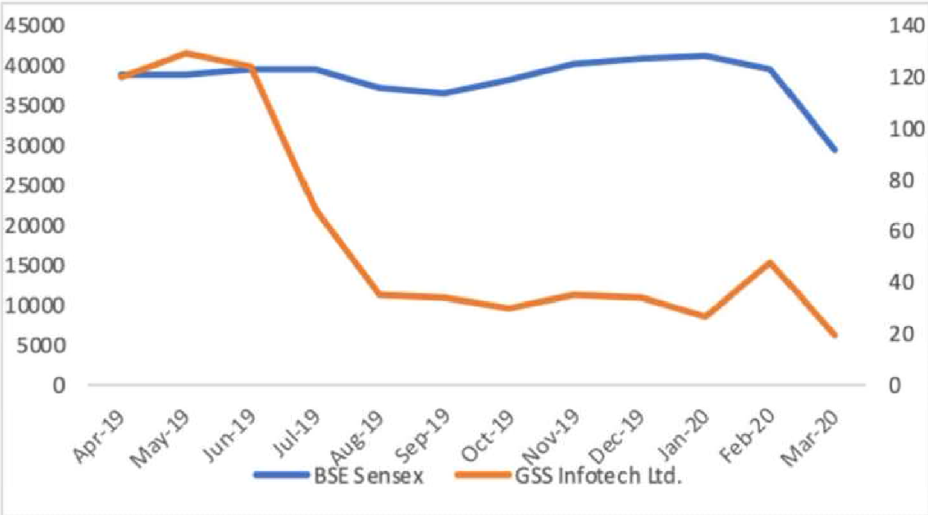
Month	BSE			NSE		
	High (in Rs.)	Low (in Rs.)	Volume	High (in Rs.)	Low (In Rs.)	Volume
Apr-19	137	114.55	636812	137	114.75	4103789
May-19	140	110.1	1448805	135	107.75	5265813
Jun-19	145	62.1	1165721	144.8	60.1	7405594
Jul-19	71.7	35.1	657534	72	35.1	2857225
Aug-19	41.05	31.1	626520	42.4	31.1	996316
Sep-19	39.35	31.5	468568	37.5	31.25	524980
Oct-19	34.05	20.06	113588	33.75	20.6	527479
Nov-19	37.75	30.01	109203	37.95	31.1	516105
Dec-19	37	25.55	52464	38.9	25.4	544118
Jan-20	50.15	24.25	367814	50.95	23.5	997619
Feb-20	50.35	32.3	25032	50.65	32.1	424523
Mar-20	32.05	19	205375	33.3	18.9	195304

Source: BSE and NSE website

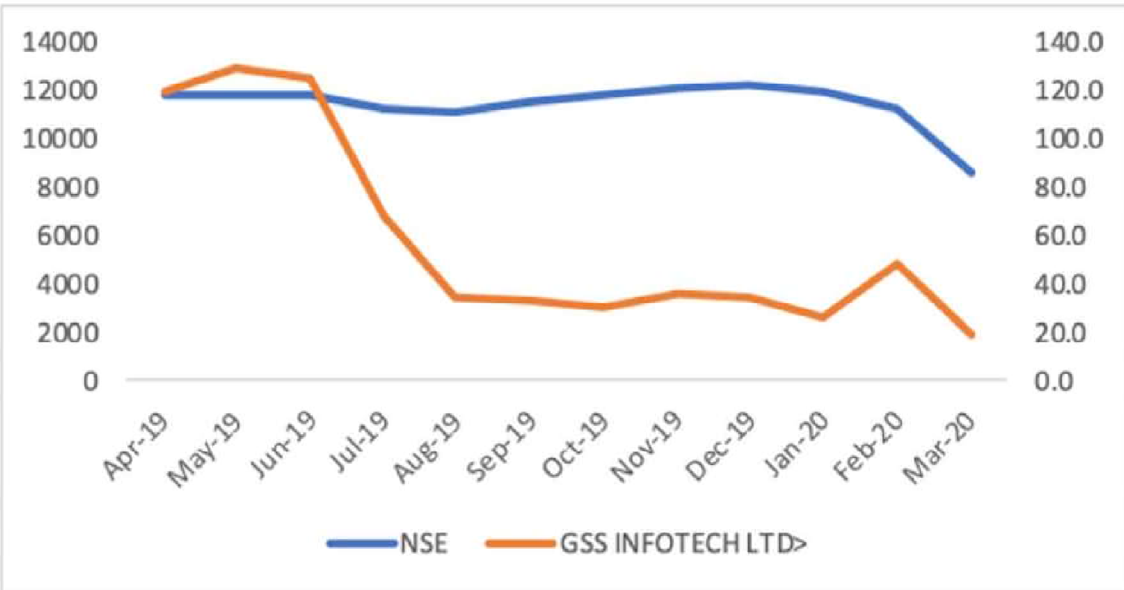
Note: High and low are in per traded share. Volume is the total monthly volume of trade (in numbers) in GSS Infotech Limited shares on BSE and NSE.

(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 2020 (based on month end closing):



The Chart below shows the comparison of your Company's share price movement on NSE vis-à-vis the movement of the NSE for the financial year ended 31 March 2020 (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, re-materialisation, 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 2020 is as follows:

No. of Equity Shares		Shareholders		Value of Shareholding	
		Number	% to total	Amount	% to total
1	5000	9043	90.2585	7005440	4.1362
5001	10000	390	4.6130	3074480	1.8153
10001	20000	199	1.9862	3023630	1.7852
20001	30000	89	0.8883	2312410	1.3653
30001	40000	43	0.4292	1573170	0.9288
40001	50000	52	0.5190	2424400	1.4314
50001	100000	82	0.8184	5960540	3.5193
100001	9999999999	121	1.2077	143994360	85.0184
	Total	**10019**	**100**	**169368430**	**100**

Shareholding Pattern as on 31 March 2020:

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 Nil			Nil	
		(a)	Mutual Funds/ UTI		801613	4.73
		(b)	Financial Institutions/Banks		Nil	Nil
		(c)	Venture Capital Funds		3271186	19.31
		(d)	Foreign Institutional Investors/FPI's		4072799	24.05
		Sub-Total (B)(1)				
	(2)	Non-Institutions				
		(a)	Bodies Corporate		1425227	8.41
		(b)	Individuals			
			(i)	Individual shareholders holding nominal share capital up to Rs. 1 lakh	2212296	13.06
			(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3321202	19.61
		(c)	Individual (Non-Resident individuals)		971105	5.74
		(d)	Trust		0	0
		(e)	Clearing Member		1694465	10.00
		(f)	NBFCs registered with RBI		2500	0.01
		(g)	Overseas Corporate Bodies		0	0
		(h)	IEPF		23,823	0.14
		(i)	HUF		691234	4.08
		Sub-Total(B)(2)			10341852	61.06
		Total Public Shareholding (B)=(B)(1)+(B)(2)			14414651	85.11
(C)	**Non-Promoter- Non-Public Shareholding**				350200	2.07
	-					
	Total (A)+(B)				**1,69,36,843**	**100.00**

Details of the Company's dematerialized shares as on 31 March 2020:

Number of shares	% of total shares	Number of shareholders	% of total shareholders
16936843	97.93	10019	99.98

Break up of shares in physical and Demat form as on 31 March 2020:

Physical/Demat	No. of Shares	% of Shares
Physical segment	3,50,001	2.07
Demat segment		
a) NSDL	76,06,090	51.32
b) CDSL	89,80,752	43/46
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 2020.

(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

(xv) The Company does not have obtained any credit ratings.

Secretarial Audit:

a) M/s Sunil Kacham & Associates, Practising Company Secretaries have conducted a Secretarial Audit of the Company for the year 2019-20. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company.
The Secretarial Audit Report forms part of the Directors' Report.
Except the following:
1. The company has not submitted annual report for FY 2018-19 within prescribed period prescribed under Regulation 34 of SEBI(LODR) Regulations,2015
Explanation: As discussed and informed by the management, due to the bad health of the Company Secretary, the company was delayed. The Company has paid fine of Rs.34,000+ Taxes to BSE and Rs.36000+ taxes to NSE. Further, NSE & BSE have waived the fine paid by the Company and initiated refund of the same.
2. On receipt of letter from NSE The Company has not provided the said disclosure in the Annual Report for the financial year 2018-19 Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015): -the Listed entity should disclose total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.
Explanation: The Management has informed that on receipt of letter from NSE regarding Non- disclosure of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, has sent annexure to shareholders of the Company through email on 30th July,2020.

b) Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half-yearly basis, by M/s Sunil Kacham & Associates, Practising Company Secretaries, certifying due compliance of share transfer formalities by the Company.

c) M/s Sunil Kacham &, Practising Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Annexure to Report on Corporate Governance for the financial year ended 31 March 2020

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 2020.

Sd/-

Place: Hyderabad — **Bhargav Marepally**

Date: 4th September. 2020 — **CEO & Managing Director**

DIN: 00505098

Annexure "H"

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 2020, 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 2019-20, 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 2019-20; and

b) There have been no significant changes in accounting policies during the year 2019-20; 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.

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
Ravikumar Jatavallabha V.
Chief Financial Officer

Place: Hyderabad
Date:4th September,2020

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 2020, 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, 2019 to 31 March 2020.

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 2020.

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 and Associates**
Company Secretaries

Date: 2nd September, 2020
Place: Hyderabad

Sd/-
Sunil Kumar Kacham
M. No. : 46155, C.P. No : 16820
UDIN: A046155B000652411

Annual Secretarial Compliance Report of GSS INFOTECH LIMITED for the year ended 31.03.2020

I, have examined:

(a) all the documents and records made available to me and explanation provided by GSS Infotech Limited ("the listed entity"),

(b) the filings/submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/filing, as may be relevant, which has relied upon to make this certification for the year ended 31.03.2020 ("Review Period") in respect of compliance with the provisions of:

   (i) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

   (ii) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013;

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and the circulars/ guidelines issued thereunder; and based on the above examination, I hereby report that, during the Review Period:

(i) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

S. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Deviations Observations/Remarks of the Practicing Company Secretary
1	Regulation 34 of SEBI(LODR) Regulations,2015- Submission of the Annual Report within the period prescribed under this regulation	The company has not submitted annual report for FY 2018-19 within prescribed period prescribed under Regulation 34 of SEBI(LODR) Regulations,2015	As discussed and informed by the management, due to ill health of the Company Secretary, there was delay in the submission of the Annual Report. The Company has paid fine of Rs.34,000+ Taxes to BSE and Rs.36000+ taxes to NSE. Further, NSE & BSE have waived the fine paid by the Company and initiated refund of the same. Further, both NSE & BSE have waived the fine paid by the Company basing on the valid reasons provided by the company and initiated refund of the same.
2	Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015): –the Listed entity should disclose total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part	The Company has not provided the said disclosure in the Annual Report for the financial year 2018-19	The Management has informed that on receipt of letter from NSE regarding Non- disclosure of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, has sent annexure to shareholders of the Company through email on 30th July,2020.
3	Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015- the listed entity should disclose in the annual Report , a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	The Company has not provided the said disclosure in the Annual Report for the financial year 2018-19	The Management has informed that on receipt of letter from NSE regarding Non-disclosure of a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. has sent annexure to shareholders of the Company through email on 30th July,2020

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of Violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE & NSE	Regulation 34 of SEBI(LODR)Regulations,2015- Non- Submission of the Annual Report within the period prescribed under this regulation	Notice of Non-compliance was served requiring the company to pay following fines • BSE has levied fine of Rs.34,000+ Taxes & • NSE has levied fine of Rs.36000+ taxes	The prescribed fines were paid by the Company to BSE & NSE. Further, BSE & NSE have waived the fine and initiated refund of the same.
2	NSE	Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015): Non - disclosure in the annual report, total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part	Notice of Non-compliance was served to comply with Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015), by sending annexure to shareholders and send confirmation of annexures sent to NSE	The Management has informed that on receipt of letter from NSE regarding Non-disclosure of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, has sent annexure to shareholders of the Company through email on 30th July,2020 and confirmation is yet to be sent to NSE regarding compliance.
		Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015- Non-disclosure in the annual Report , a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	Notice of Non-compliance was served to comply with Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015), by sending annexure to shareholders and send confirmation of annexures sent to NSE	The Management has informed that on receipt of letter from NSE regarding Non-disclosure in the annual Report, a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, has sent annexure to shareholders of the Company through email on 30th July,2020 and confirmation is yet to be sent to NSE regarding compliance.
		NIL		

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended.	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NIL				

For Sunil Kacham and Associates
Company Secretaries

Date : 31st July, 2020
Place: Hyderabad

Sd/-
Sunil Kumar Kacham
M.No.A46155;
CP No.16820;
UDIN: A046155B000539219

Annexure-J

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GSS Infotech Limited having CIN - L72200TG2003PLC041860 and having registered office at Ground Floor, Wing-B, N heights, Plot No. 12,TSIIC Software Units Layout, Madhapur, Serilingampally Hyderabad, Ranga reddy 500081 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Bhargav Marepally	00505098	13/10/2003
2	Mr. Saikiran Satya Surya Raghavendra Gundu	02224296	13/02/2019
3	Mr. Prabhakara Rao Alokam	02263908	08/08/2017
4	Mrs. Nagajayanthi Raghavendra Das Juttur	05107482	30/09/2015
5	Mr. Gowrisankara Padma Rao Lakkaraju	07926264	08/08/2017
6	Mr. Rambabu Kaipa Sampangi	08238968	13/02/2019

Annexure-J

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

For Sunil Kacham and Associates
Company Secretaries

Sd/-
Sunil Kumar Kacham
M. No. A46155; CP No.16820;
UDIN: A046155B000652288

Place: Hyderabad
Date : 2nd September, 2020

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 Ind AS financial statements of **GSS Infotech Limited**(***"the Company")*** and its Subsidiary Companies **M/s.GSS Healthcare IT Solutions Private Limited, M/s.GSS IT Solutions Private Limited** which are audited by us **& M/s. GSS Infotech Inc** which is audited by other auditors (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss, consolidated the statement of changes in equity and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (here in referred as "the consolidated Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its consolidated Profit(including other comprehensive income),consolidated changes in equity and its consolidated Cash Flow for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility for the Audit of 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 scepticism 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 financial 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 and its subsidiary companies which are companies incorporated in India, 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

  We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extreme are 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 section 143 (3) of the Act, we report that:
    a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, consolidated the statement of changes in equity and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
    d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
    e. On the basis of written representations received from the directors of the Company and its associates as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
    f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company the operating effectiveness of such controls, refer to our separate Report in **"Annexure A**".
    g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

       In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
    h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and 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 31st March 2020 on its consolidated financial position in its financial statements as referred to in note 28 to the financial statements.
        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
        iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund for the year ending 31^{st}March, 2020.

Place: Hyderabad
Date: 21-04-2020

For Rambabu &Co.,
Chartered Accountants
Reg. No.002976S

Sd/-
GVL Prasad
Partner
M. No. 026548

UDIN: 20026548AAAAAU4691

"Annexure A" to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **GSS Infotech Limited** ("the Holding Company") in respect of Consolidated Financial Statements as at March 31, 2020 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 21-04-2020

For Rambabu &Co.,
Chartered Accountants
Reg. No.002976S

Sd/-
GVL Prasad
Partner
M. No. 026548

UDIN: 20026548AAAAAU4691

GSS INFOTECH LIMITED

Consolidated Balance Sheet as at 31st March, 2020

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

Particulars	Note	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	4	2,514,541	4,032,665
Goodwill		1,179,993,723	1,058,429,656
Other intangible assets	5	452,469	1,191,592
Financial assets			
Loans	6	1,041,476	964,640
Deferred tax assets (net)	7	1,318,664	997,026
Other non-current assets	8	3,500,000	35,000,000
		1,188,820,873	**1,100,615,579**
Current assets			
Financial assets			
Trade receivables	9	305,169,586	324,357,520
Cash and cash equivalents	10	20,469,160	77,739,939
Other bank balances	11	12,420,507	6,325,883
Loans	6	4,481,968	3,716,762
Current Tax Assets (Net)	12	126,716,121	120,968,083
Other current assets	8	73,723,754	65,655,176
		542,981,096	**598,763,363**
Total assets		**1,731,801,969**	**1,699,378,942**
Equity and Liabilities			
Equity share capital	13	169,368,630	169,368,630
Other equity	14	1,253,777,277	1,099,825,239
Total equity		**1,423,145,907**	**1,269,193,869**
Non-current liabilities			
Financial Liabilities			
Borrowings	15	-	-
Provisions	16	1,273,169	1,054,392
		1,273,169	**1,054,392**
Current liabilities			
Financial Liabilities			
Trade payables	17	54,742,662	76,551,188
Other financial liabilities	18	249,525,328	348,018,615
Provisions	16	1,521,736	1,516,398
Other current liabilities	19	1,593,167	3,044,480
Total liabilities		**307,382,893**	**429,130,681**
Total equity and liabilities		**1,731,801,969**	**1,699,378,942**

Summary of significant accounting policies 3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

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

Particulars	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations	20	1,396,622,329	1,578,641,700
Other income	21	1,535,532	10,056,471
Total income		**1,398,157,861**	**1,588,698,171**
Expenses			
Materials consumed	22	78,005,258	151,350,994
Employee benefits expense	23	1,113,977,998	1,220,559,163
Depreciation and amortisation expense	24	2,946,625	1,905,765
Finance costs	25	8,095,616	9,814,320
Other expenses	26	126,803,014	81,945,588
Total expense		**1,329,828,511**	**1,465,575,830**
Profit before exceptional items and tax		**68,329,350**	**123,122,341**
Exceptional Item		-	-
Profit before tax		**68,329,350**	**123,122,341**
Tax expenses			
Current tax	27	8,042,229	6,869,167
Deferred tax charge	27	(321,638)	(6,936)
Total tax expense		7,720,591	6,862,231
Profit after tax		**60,608,759**	**116,260,110**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan		84,136	314,640
Exchange differences on translation of foreign operations		93,259,143	47,321,107
Income-tax effect		-	-
Other comprehensive income for the year, net of tax		93,343,279	47,635,747
Total comprehensive income for the year		**153,952,038**	**163,895,857**
Earnings per equity share (nominal value of INR 10) in INR			
Basic		3.58	6.86
Diluted		3.58	6.86

Summary of significant accounting policies 3

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

As Per Our Report of Even Date

For RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Statemetent of Cash Flows for the year ended 31st March, 2020

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Operating activities		
Profit/ (loss) before tax	**68,329,350**	**123,122,340**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	2,946,625	1,905,766
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(1,535,532)	(10,056,471)
Finance costs (including fair value change in financial instruments)	8,095,616	9,814,319
Advance/Bad Debt Written off	-	-
Written of Investments	-	-
Unrealized foreign exchange loss/gain	(1,933,406)	(16,406,570)
Re-measurement gains/ (losses) on defined benefit plan	84,136	314,640
Working capital adjustments:		
(Increase)/ decrease in trade receivables	19,187,933	(62,976,606)
(Increase)/ decrease in loans	(765,206)	(1,669,673)
(Increase)/ decrease in other assets	23,431,422	415,201
Increase/ (decrease) in trade payables	(21,808,526)	29,136,424
Increase/ (decrease) in provisions	224,118	722,997
Increase/ (decrease) in current tax asset	(5,748,039)	(14,766,101)
Increase/ (decrease) in other financial liabilities	(98,493,287)	87,439,579
Increase/ (decrease) in other current liabilities	(1,451,313)	1,056,040
	(9,436,109)	**148,051,885**
Income tax paid	(8,042,229)	(6,869,167)
Net cash flows from operating activities	**(17,478,338)**	**141,182,718**
Investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(689,378)	(5,083,950)
Proceeds from sale of fixed assets	-	-
Other bank balances	(6,094,624)	(4,632,560)
Increase in Goodwill on Consolidation due to difference in exchange rate	(121,564,069)	(152,537,317)
Interest received (finance income)	1,535,532	10,056,471
Net cash flows used in investing activities	**(126,812,539)**	**(152,197,357)**
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	(76,836)	(51,018)
Interest paid	(8,095,616)	(9,814,319)
Unrealized foreign exchange loss/gain	95,192,549	63,727,677
inflow of excess deposit in dividend unclaim account		
Net cash flows from/ (used in) financing activities	**87,020,098**	**53,862,340**
Net increase / (decrease) in cash and cash equivalents	(57,270,779)	42,847,701
Cash and cash equivalents at the beginning of the year (refer note 10)	77,739,939	34,892,238
Cash and cash equivalents at the end of the year (refer note 10)	**20,469,160**	**77,739,939**

Summary of significant accounting policies 3

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

As Per Our Report of Even Date
For RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

(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, 2019	16,936,863	169,368,630
Balance as at March 31, 2020	16,936,863	169,368,630

b. Other equity

Particulars	Reserves and Surplus			OCI	
	Share Premium	General Reserve	Retained Earnings	Exchange differences on translation of foreign operations	Total
At March 31, 2019	2,052,380,129	24,001,603	(1,746,054,049)	769,497,557	1,099,825,239
Profit for the year			60,608,759		60,608,759
Other comprehensive income					-
Re-measurement gains/ (losses) on defined benefit plans, net of tax				84,136	84,136
Exchange differences on translation of foreign operations				93,259,143	93,259,143
Income-tax effect					-
Balance as of 31 March 2020	**2,052,380,129**	**24,001,603**	**(1,685,445,290)**	**862,840,836**	**1,253,777,277**

Summary of significant accounting policies 3

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

As Per Our Report of Even Date
For RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

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, TSIIC 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.

The financial statements were authorised for issue by the Group's Board of Directors on April 21, 2020. 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 2020	31 March 2019
GSS Infotech Inc (A DelawareCompany)	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%

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;

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.

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

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

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.

  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.
- 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

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

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.

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.

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.

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 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 recognized 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 recognize 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 of 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 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 reorganize 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;

– 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 recognised 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 recognised 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 recognized 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 Group 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 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 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 Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also recognise 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 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.

e. Impairment

The Group recognise 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 reorganisation; 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.

3.17 Recent amendments in Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Notes forming part of the consolidated 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, 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
Additions	25,115	270,927	393,336	-	689,378
Deletions	-	-	-	-	-
At March 31, 2020	2,303,078	1,502,093	5,589,722	1,027,152	**10,422,045**
Accumulated depreciation					
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
Charge for the year	316,606	394,097	1,430,653	66,145	2,207,502
Less: Adjustments	-	-	-	-	-
At March 31, 2020	1,849,735	992,280	4,236,355	829,134	**7,907,504**
Carrying amount					
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
At March 31, 2020	**453,343**	**509,813**	**1,353,367**	**198,018**	**2,514,541**

5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
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
Additions	-	-	-
Deletions	-	-	-
At March 31, 2020	-	1,903,198	**1,903,198**
			-
Accumulated depreciation			-
At March 31, 2018	-	340,455	340,455
Depreciation expense	-	371,152	371,152
Deletions	-	-	-
At March 31, 2019	-	711,607	711,607
Depreciation expense	-	739,123	739,123
Deletions	-	-	-
At March 31, 2020	-	1,450,730	**1,450,730**

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

Carrying amount			
At March 31, 2018	-	-	-
At March 31, 2019	-	1,191,592	1,191,592
At March 31, 2020	-	452,469	**452,469**

6 Loans (Unsecured, considered good unless otherwise stated)

	31 March 2020	31 March 2019
Non-current		
Security deposits	1,041,476	964,640
	1,041,476	**964,640**

Note: These financial assets are carried at amortised cost

	31 March 2020	31 March 2019
Current		
Security deposits	4,481,968	3,716,762
	4,481,968	**3,716,762**

7 Deferred Tax Assets (net)

	31 March 2020	31 March 2019
Deferred Tax Assets (net)	1,318,664	997,026
	1,318,664	**997,026**

8 Other assets

	31 March 2020	31 March 2019
Non-current assets		
Unsecured, considered good		
Advances other than capital advances		
Advance to ESOP Trust	3,500,000	3,500,000
Advance to vendors	-	31,500,000
	3,500,000	**35,000,000**
Current assets		
Unsecured, considered good		
Balance with Govt authorities	15,734,703	20,853,440
Advances other than capital advances		
Staff advances	-	111,087
Other advances	25,201,720	1,640
Prepaid expenses	29,459,310	41,655,340
Unbilled revenue	3,328,021	3,033,669
	73,723,754	**65,655,176**

Notes forming part of the consolidated financial statements

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

9	**Trade receivables**	**31 March 2020**	**31 March 2019**
	Unsecured, considered good	307,013,523	326,201,457
		307,013,523	**326,201,457**
	Less Provision for doubtful debts	(1,843,937)	(1,843,937)
	Total Trade receivables	**305,169,586**	**324,357,520**

10	**Cash and cash equivalents**	**31 March 2020**	**31 March 2019**
	Balances with banks:		
	- On current accounts	20,458,320	77,730,846
	Cash on hand	10,840	9,093
	Total Cash and cash equivalents	**20,469,160**	**77,739,939**

11	**Other bank balancesOther bank balances**	**31 March 2020**	**31 March 2019**
	Term deposits with Banks with original maturities of less than 1 year*	12,420,507	6,325,883
	Total Other bank balances	**12,420,507**	**6,325,883**

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

12	**Current Tax Assets (Net)**	**31 March 2020**	**31 March 2019**
	TDS Receivable	62,115,209	56,367,170
	Advance Tax	-	-
	MAT entitlement	64,600,912	64,600,913
	Less: Provision for Income tax	-	-
		126,716,121	**120,968,083**

13	**Share Capital**	**31 March 2020**	**31 March 2019**
	Authorised Share Capital		
	50,000,000 Equity shares of Rs.10/- each.	500,000,000	500,000,000
	Issued, subscribed and fully paid-up		
	1,69,36,843 (March 31, 2019: 1,69,36,843) Equity Shares, of Rs. 10/- each	169,368,630	169,368,630
		169,368,630	**169,368,630**

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

Particulars	31 March 2020		31 March 2019	
	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 2020		31 March 2019	
	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	952,486	5.62%	1,249,275	7.37%
3. Shriram Insight Share Brokers Ltd.	-	-	1,649,202	9.73%
	3,090,279	**18.24%**	**5,036,270**	**29.74%**

14 Other equity	**31 March 2020**	**31 March 2019**
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:	-	-
Closing balance	**24,001,603**	**24,001,603**
Retained earnings	**31 March 2020**	**31 March 2019**
Opening balance	(976,556,493)	(1,140,452,349)
Profit/(loss) for the year	60,608,760	116,260,108
Other comprehensive income	93,343,279	47,635,747
Less: Transfers to general reserve	-	-
Closing balance	**(822,604,456)**	**(976,556,493)**
Total other equity	**1,253,777,277**	**1,099,825,239**

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 2020**	**31 March 2019**
Non-current Borrowings Secured loans		
Term loans	-	-
- From banks	-	-
Total non-current borrowings	-	-

Notes forming part of the consolidated financial statements

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

		31 March 2020	31 March 2019
16	**Provisions**		
	Non-Current		
	Provision for employee benefits		
	- Gratuity (refer note 31)	1,273,169	1,054,392
		1,273,169	**1,054,392**
	Current		
	Provision for employee benefits		
	- Gratuity (refer note 31)	113,673	61,244
	- Compensated absences	1,408,063	1,455,154
		1,521,736	**1,516,398**

		31 March 2020	31 March 2019
17	**Trade payables**		
	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	54,742,662	76,551,188
		54,742,662	**76,551,188**

		31 March 2020	31 March 2019
18	**Other financial liabilities**		
	Current maturities of long-term debts	147,312,060	156,272,876
	Capital creditors	-	-
	Employee payables	382,987	151,439
	Provision for expenses	85,750,138	158,929,409
	Other liabilities	16,080,143	32,664,891
		249,525,328	**348,018,615**

		31 March 2020	31 March 2019
19	**Other current liabilities**		
	Statutory Dues	1,593,167	3,044,480
		1,593,167	**3,044,480**

		31 March 2020	31 March 2019
20	**Revenue from operations**		
	Revenue from Operations	1,396,622,329	1,578,641,700
		1,396,622,329	**1,578,641,700**

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

		31 March 2020	31 March 2019
21	**Other income**		
	Interest income	766,651	861,331
	Miscellaneous income	768,881	9,195,140
		1,535,532	**10,056,471**

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 2020	31 March 2019
22	**Direct Cost**	**31 March 2020**	**31 March 2019**
	Software Expenses	86,685	9,915
	Subcontractor ExpensesHardware Expenses	77,918,573	151,341,079
		78,005,258	**151,350,994**
23	**Employee benefits expense**	**31 March 2020**	**31 March 2019**
	Salaries, wages and bonus	1,050,760,581	1,169,210,392
	Contribution to provident and other funds	3,811,508	3,452,978
	Staff welfare expenses	59,405,909	47,895,793
		1,113,977,998	**1,220,559,163**
24	**Depreciation and amortisation expense**	**31 March 2020**	**31 March 2019**
	Depreciation of tangible assets	2,207,502	1,534,613
	Amortization of intangible assets	739,123	371,152
		2,946,625	**1,905,765**
25	**Finance costs**	**31 March 2020**	**31 March 2019**
	Interest on term loans	6,231,982	7,683,306
	Bank Charges	1,863,634	2,131,014
		8,095,616	**9,814,320**
26	**Other expenses**	**31 March 2020**	**31 March 2019**
	Directors' Sitting Fees	375,000	370,000
	Power and fuel	6,830,241	4,358,683
	Auditor's Remuneration	1,214,701	1,213,880
	Repairs and maintenance		
	- Plant and equipments	143,520	465,681
	- Others	477,653	2,009,554
	Meeting Expenses	281,621	294,232
	License, Immigration and Permits	600,412	243,273
	Rent	29,385,085	22,371,789
	Business promotion and advertisement expenses	1,361,420	1,521,491
	Service Tax Expenses	8,638,507	-
	Travelling and conveyance	14,802,253	18,680,611
	Rates and taxes	2,113,522	2,861,036
	Legal and professional charges	26,063,839	21,577,421
	Printing and stationary	669,138	93,506
	Communication expenses	5,237,324	5,067,509
	Insurance	10,428,846	9,997,032
	General Office Expenses	3,955,286	4,015,887
	Profit / Loss on sale on Assets	-	-
	Advances /Bad debts written off	16,158,051	3,210,573
	Loss on Exchange Rate Fluctuation	(1,933,405)	(16,406,570)
		126,803,014	**81,945,588**

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 2020	31 March 2019
Current income tax:		
Current income tax charge	8,042,229	6,869,167
MAT Credit Entitlement	-	-
Deferred tax:	8,042,229	6,869,167
Relating to originating and reversal of temporary differences	(321,638)	(6,936)
Income tax expense recognised in the statement of profit or loss	**7,720,591**	**6,862,231**

28 Contingent liabilities and commitments

	Particulars	As at 31 March 2020	As at 31 March 2019
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	67,960,990*	28,226,934*
iii)	Against bank guarantees issued by banks towards financial & performance guarantees outstanding	1,420,000	1,420,000
iv)	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, treating of business support, against which company filed appeal before CESTAT, Bangalore	8,519,526	8,519,526
v)	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.		
*	These demands are however offset against brought forward losses and MAT Credit Entitlement of earlier years. In case of favorable orders the said losses and MAT Credit will be restored.		

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**

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

Particulars	31 March 2020	31 March 2019
Mangerial remuneration to Key Management personnel	26,386,500	24,458,000
Repayment of loan taken	-	-

*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.

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

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

	Particulars	As at 31 March 2020	As at 31 March 2019
i)	**Repayment of Loan Received**	-	-

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	2019-2020	2018-2019
Revenue from United States of America	1,283,367,395	1,413,943,615
Revenue from Bangladesh	56,691,668	48,707,508
Revenue from India	56,563,266	115,990,577
TOTAL:	**1,396,622,329**	**1,578,641,700**

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:

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

Particulars	31 March 2020	31 March 2019
Opening balance	**2,855,291**	**2,696,332**
Service cost	861,686	940,694
Past Service cost	-	-
Interest cost	182,025	208,966
Benefits paid	(205,771)	(604,202)
Actuarial gain	(248,580)	(386,499)

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

Particulars	31 March 2020	31 March 2019
Closing balance	**3,444,651**	**2,855,291**
Present value of projected benefit obligation at the end of the year	3,444,651	2,855,291
Fair value of plan assets at the end of the year	2,057,809	1,739,655
Net liability recognised in the balance sheet	1,386,842	1,115,636
Long term provision	3,330,978	2,794,047
Short term provision	113,673	61,244
Expenses recognised in statement of profit and loss	**31 March 2020**	**31 March 2019**
Service cost	861,686	940,694
Interest cost	71,122	35,214
Gratuity cost	**932,808**	**975,908**
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to financial assumption changes	(248,580)	(386,499)
Return on plan assets greater (less) than discount rate	164,444	71,859
Total expenses routed through OCI	**(84,136)**	**(314,640)**

Assumptions	31 March 2020	31 March 2019
Discount rate	6.80% p.a.	7.65% 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 2020	31 March 2019
Effect of + 1% change in rate of discounting	3,153,718	2,618,462
Effect of - 1% change in rate of discounting	3,785,998	3,131,801
Effect of + 1% change in rate of salary increase	4,105,821	3,415,981
Effect of - 1% change in rate of salary increase	2,907,427	2,398,526
Effect of + 1% change in rate of employee turnover	3,711,606	3,108,329
Effect of - 1% change in rate of employee turnover	3,145,822	2,573,115

The sensitivity analysis 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.

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, 2020 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.

Notes forming part of the consolidated financial statements

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

Particulars		31 March 2020	31 March 2019
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 2020	31 March 2019
Not later than 1 year	3,522,645	4,442,693
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	31 March 2020	31 March 2019
Cancellable lease expense	18,850,879	17,465,049
Non - cancellable lease expense	10,534,206	4,906,740
Total	**29,385,085**	**22,371,789**

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:

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

Particulars	31 March 2020	31 March 2019
Profit/ (Loss) for the year	60,608,759	116,260,110
Profit / (Loss) attributable to equity share holders	**60,608,759**	**116,260,110**
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	**3.58**	**6.86**
Earnings per share of par value 10 - diluted	**3.58**	**6.86**

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, 2020 and March 31, 2019. The sensitivity analysis 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, 2020 and March 31, 2019.

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.

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 2020		
INR	+1%	(1,473,121)
INR	–1%	1,473,121
31 March 2019		
INR	+1%	(1,562,729)
INR	–1%	1,562,729

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

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. 307,013,523 (March 31, 2019 : 326,201,457). 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 2020	31 March 2019
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, 2020, March 31, 2019. 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:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2020						
Borrowings	147,312,060	-	-	-	-	147,312,060
Trade payables	20,235,142	34,507,520	-	-	-	54,742,662
Year ended March 31, 2019						
Borrowings	156,272,876	-	-	-	-	156,272,876
Trade payables	57,779,147	18,772,041	-	-	-	76,551,188

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.

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

The capital structure as of March 31, 2020, March 31, 2019 was as follows:

Particulars	31 March 2020	31 March 2019
Total equity attributable to the equity shareholders of the Company	1,423,145,907	1,269,193,869
As a percentage of total capital	**90.62%**	**89.04%**
Long term borrowings including current maturities	147,312,060	156,272,876
Short term borrowings	-	-
Total borrowings	**147,312,060**	**156,272,876**
As a percentage of total capital	**9.38%**	**10.96%**
Total capital (equity and borrowings)	**1,570,457,967**	**1,425,466,745**

37 Prior year comparitives

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

As Per Our Report of Even Date
For RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
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 financial statements of GSS Infotech Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, 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 financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 2020, and profit and 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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 are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2020 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31st March 2020 on its financial position in its standalone financial statements – as referred to in note 29 financial statements;
- ii. The Company does not have material foreseeable losses, if any, on long-term contracts including derivative contracts.
- 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.

Place: Hyderabad
Date: 21-04-2020

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S

Sd/-
GVL Prasad
Partner
M. No. 026548

UDIN: 20026548AAAAAT2764

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

   (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

   (c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

2) In respect of Inventories:

   a) As explained to us the inventories have been physically verified during the year by the management at reasonable intervals.

   b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.

   c) In our opinion and according to the information and explanations given to us the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) 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 Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government of India under Section 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

   b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

   c) In our opinion there are no amounts required to be transferred to Investor Education and Protection Fund by the company.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institution or banks. The Company has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Hyderabad
Date: 21-04-2020

For Rambabu & Co.,
CharteredAccountants
Reg. No.002976S

Sd/-
GVL Prasad
Partner
M. No. 026548

UDIN: 20026548AAAAAT2764

"Annexure B" to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of GSS Infotech Limited ("the Company") as of March 31, 2020 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 responsible for establishing and maintaining internal financial controls base on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasona ble 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 over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 21-04-2020

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S

Sd/-
GVL Prasad
Partner
M. No. 026548

UDIN: 20026548AAAAAT2764

GSS INFOTECH LIMITED

Balance Sheet as at 31st March, 2020

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

Particulars	Note	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	4	1,865,332	3,157,115
Intangible assets	5	452,469	1,191,592
Financial assets			
Investments	6	891,140,378	891,140,378
Loans	7	110,183	110,183
Deferred Tax Assets (net)	8	1,318,664	997,026
Other non-current assets	9	3,500,000	35,000,000
		898,387,026	**931,596,294**
Current assets			
Financial assets			
Trade receivables	10	110,656,751	109,090,936
Cash and cash equivalents	11	11,982,197	12,923,367
Other bank balances	12	12,420,507	6,325,883
Loans	7	4,482,568	3,717,362
Current Tax Assets (Net)	13	126,716,121	120,968,083
Other current assets	9	43,857,855	24,965,577
		310,115,999	277,991,208
Total assets		**1,208,503,025**	**1,209,587,502**
Equity and Liabilities			
Equity			
Equity share capital	14	169,368,430	169,368,430
Other equity	15	1,001,498,214	982,839,014
Total equity		**1,170,866,644**	**1,152,207,444**
Non-current liabilities			
Financial Liabilities			
Borrowings	16	-	-
Provisions	17	1,273,169	1,054,392
		1,273,169	1,054,392
Current liabilities			
Financial Liabilities			
Trade payables	18	10,501,801	12,057,707
Other financial liabilities	19	22,746,508	39,707,082
Provisions	17	1,521,736	1,516,397
Other current liabilities	20	1,593,167	3,044,480
Total liabilities		**36,363,212**	**56,325,666**
Total equity and liabilities		**1,208,503,025**	**1,209,587,502**

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 RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Statement of Profit and Loss for the year ended 31st March, 2020

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

Particulars	Note	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations	21	269,857,910	308,614,268
Other income	22	1,407,890	10,056,471
Total income		**271,265,800**	**318,670,739**
Expenses			
Direct Cost	23	34,266,527	41,777,687
Employee benefits expense	24	150,855,526	154,152,168
Depreciation and amortisation expense	25	2,530,277	1,750,502
Finance costs	26	424,983	811,669
Other expenses	27	57,709,015	30,831,787
Total expense		**245,786,328**	**229,323,813**
Profit before exceptional items and tax		**25,479,472**	**89,346,926**
Exceptional Item		-	-
Profit before tax		**25,479,472**	**89,346,926**
Tax expenses			
Current tax	28	7,226,046	6,020,195
Deferred tax charge	28	(321,638)	(6,936)
Total tax expense		6,904,408	6,013,259
Profit for the year		**18,575,064**	**83,333,667**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan		84,136	314,640
Income-tax effect		-	-
Other comprehensive income for the year, net of tax		**84,136**	**314,640**
Total comprehensive income for the year		**18,659,200**	**83,648,307**
Earnings per equity share (nominal value of INR 10) in INR			
Basic		1.10	4.92
Diluted		1.10	4.92

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 RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Statemetent of Cash Flows for the year ended 31st March, 2020

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Operating activities		
Profit before tax	**25,479,472**	**89,346,924**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	2,530,277	1,750,502
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(766,651)	(861,331)
Finance costs (including fair value change in financial instruments)	-	-
Advance/Bad Debt Written off	111,670	826,267
Written of Investments	-	-
Unrealized foreign exchange loss/gain	(3,580,077)	123,915
Re-measurement gains/ (losses) on defined benefit plan	84,136	314,640
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(1,565,816)	(16,246,514)
(Increase)/ decrease in loans	(876,876)	(13,029,357)
(Increase)/ decrease in other assets	12,607,722	(37,451,878)
Increase/ (decrease) in trade payables and other financial liabilities	(1,555,906)	1,679,617
Increase/ (decrease) in provisions	224,116	722,997
Increase/ (decrease) in current tax asset	(5,748,039)	(14,766,101)
Increase/ (decrease) in other financial liabilities	(16,960,574)	4,076,050
Increase/ (decrease) in other current liabilities	(1,451,313)	1,056,116
	8,532,141	**17,541,848**
Income tax paid	(7,226,046)	(6,020,195)
Net cash flows from operating activities	**1,306,095**	**11,521,653**
Investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(499,371)	(5,011,151)
Proceeds from sale of fixed assets	-	-
Other bank balances	(6,094,624)	(4,632,560)
Interest received (finance income)	766,651	861,331
Investment in Subsidiary	-	-
Net cash flows used in investing activities	**(5,827,344)**	**(8,782,380)**
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	-	-
Interest paid	-	-
Unrealized foreign exchange loss/gain	3,580,079	(123,915)
inflow of excess deposit in dividend unclaim account	-	-
Net cash flows from/ (used in) financing activities	**3,580,079**	**(123,915)**
Net increase / (decrease) in cash and cash equivalents	(941,170)	2,615,357
Cash and cash equivalents at the beginning of the year (refer note 11)	12,923,367	10,308,010
Cash and cash equivalents at the end of the year (refer note 11)	**11,982,197**	**12,923,367**

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 RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Statement of Changes in Equity for the year ended 31st March, 2020

(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, 2019	16,936,843	169,368,430
	Balance as at March 31, 2020	16,936,843	169,368,430

b. Other equity

Particulars	Reserves and Surplus				
	Share Premium	General Reserve	Retained Earnings	OCI	Total
At March 31, 2019	2,052,380,129	24,001,603	(1,093,542,719)		982,839,014
Profit for the year			18,575,064		18,575,064
Other comprehensive income					
Re-measurement gains/ (losses) on defined benefit plans, net of tax				84,136	84,136
Exchange differences on translation of foreign operations					
Income-tax effect			-	-	
Balance as of 31 March 2020	**2,052,380,129**	**24,001,603**	**(1,074,883,519)**	**84,136**	**1,001,498,214**

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 RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

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, TSIIC 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 April 21, 2020. 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:

a) it is expected to be realized in, or is intended for sale or consumption in, the Company'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 Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within twelve months after the reporting date; or

d) 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.

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

Notes forming part of the standalone financial statements

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

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

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, 2020 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.

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.

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.

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.
- 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

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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 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.

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.

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 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. 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.

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 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.

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 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 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 is 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") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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, 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
Additions	25,115	270,927	203,329	-	499,371
Deletions	-	-	-	-	-
At March 31, 2020	2,041,615	969,206	3,799,330	147,815	**6,957,966**
Accumulated depreciation					
At March 31, 2018	831,817	-	1,027,616	62,696	1,922,567
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
Charge for the year	316,606	319,517	1,155,031	-	1,791,154
Less: Adjustments	-	-	-	-	-
At March 31, 2020	1,588,267	668,667	2,773,004	62,696	**5,092,633**
Carrying amount					
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
At March 31, 2020	453,348	300,539	1,026,326	85,119	**1,865,332**

5 Intangible assets

Particulars Cost	Copy rights	Computer softwares	Total
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
Additions	-	-	-
Deletions	-	-	-
At March 31, 2020	2,069,832	1,870,661	**3,940,493**

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

Accumulated depreciation			
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
Depreciation expense	-	739,123	739,123
Deletions	-	-	-
At March 31, 2020	2,069,832	1,418,193	**3,488,025**
Carrying amount			
At March 31, 2018	-	-	-
At March 31, 2019	-	1,191,592	1,191,592
At March 31, 2020	-	452,469	**452,469**

6	**Investments**	**31 March 2020**	**31 March 2019**
	Non-current investments		
	Investments carried at cost		
	Unquoted equity shares		
	Investments in subsidiaries		
	1,500 (31-March-2019: 1,500) Equity Shares of $1 each fully paid up in GSS Infotech Inc (Delaware)	890,940,578	890,940,578
	9,990 (31-March-2019: 9,990) Equity Shares of Rs. 10/- each fully paid up in GSS Healthcare IT Solutions Private Ltd	99,900	99,900
	9,990 (31-March-2019: 9,990) Equity Shares 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**	**891,140,378**

7 Loans (Unsecured, considered good unless otherwise stated)

	31 March 2020	**31 March 2019**
Non-current		
Security deposits	110,183	110,183
	110,183	**110,183**

Note: These financial assets are carried at amortised cost

Current		
Security deposits	4,481,968	3,716,762
Loans and advances to related parties	600	600
	4,482,568	**3,717,362**

Notes forming part of the standalone financial statements

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

		31 March 2020	31 March 2019
8	**Deferred Tax Assets (net)**		
	Deferred Tax Assets (net)	1,318,664	997,026
		1,318,664	**997,026**

Significant items of Deferred Tax Asset		
Particulars	**31 March 2020**	**31 March 2019**
WDV as per Income Tax Act	4,262,879	5,361,762
WDV as per Companies Act	2,317,797	4,348,703
Timing Difference		
Difference in WDV as per IT and Books	1,945,082	1,013,059
Provison for Leave Encashment	1,408,063	1,455,153
Provison for Gratuity	1,386,842	1,115,636
Total Timing Defference (Deferred Tax Asset)	**4,739,987**	**3,583,848**
Tax rate	**27.82%**	**27.82%**
Deferred Income Tax @ 27.82%	**1,318,664**	**997,026**

		31 March 2020	31 March 2019
9	**Other assets**		
	Non-current assets		
	Unsecured, considered good		
	Advances other than capital advances		
	Advance to ESOP Trust	3,500,000	3,500,000
	Advance to vendors	-	31,500,000
		3,500,000	**35,000,000**
	Current assets		
	Unsecured, considered good		
	Balance with Govt authorities		
	Advances other than capital advances	15,734,703	20,853,440
	Staff advances	-	111,087
	Other advances	25,201,720	1,640
	Prepaid expenses	2,158,480	2,050,328
	Unbilled revenue	762,952	1,949,082
		43,857,855	**24,965,577**

		31 March 2020	31 March 2019
10	**Trade receivables**		
	Unsecured, considered good	112,500,688	110,934,873
	Less Provision for doubtful debts	(1,843,937)	(1,843,937)
	Total Trade receivables	**110,656,751**	**109,090,936**

*Above trade receivable are inclusive of related party trade receivables for Rs.60,535,380/- & Rs. 47,877,123/- for 31 March, 2020 & 31 March, 2019 respectively

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 2020	31 March 2019
11	**Cash and cash equivalents**		
	Balances with banks:-		
	On current accounts	11,971,399	12,914,380
	Cash on hand	10,798	8,987
	Total Cash and cash equivalents	**11,982,197**	**12,923,367**

		31 March 2020	31 March 2019
12	**Other bank balances**		
	Term deposits with Banks with original maturities of less than 1 year*	12,420,507	6,325,883
	Total Other bank balances	**12,420,507**	**6,325,883**

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

		31 March 2020	31 March 2019
13	**Current Tax Assets (Net)**		
	TDS Receivable	62,115,209	56,367,170
	Advance Tax	-	-
	MAT entitlement	64,600,912	64,600,913
	Less: Provision for Income tax	**126,716,121**	**120,968,083**

		31 March 2020	31 March 2019
14	**Share Capital**		
	Authorised Share Capital		
	50,000,000 (March 31, 2019: 50,000,000)		
	equity shares of Rs.10 each	500,000,000	500,000,000
	Issued, subscribed and fully paid-up		
	16,936,843 (March 31, 2019: 16,936,843)		
	equity shares of Rs.10/- each fully paid-up	169,368,430	169,368,430
		169,368,430	169,368,430

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

Particulars	31 March 2020		31 March 2019	
	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) (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.

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

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

Particulars	31 March 2020		31 March 2019	
	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	952,486	7.37%	1,249,275	7.37%
3. Shriram Insight Share Brokers Ltd.	-	-	1,649,202	9.73%
	3,090,279	**18.24%**	**5,036,270**	**29.72%**

15 Other equity

	31 March 2020	31 March 2019
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	(1,093,542,718)	(1,177,191,025)
Profit/(loss) for the year	18,575,064	83,333,667
Excess dividend of prior years reversed	-	-
Other comprehensive income	84,136	314,640
Closing balance	**(1,074,883,518)**	**(1,093,542,718)**
Total other equity	**1,001,498,214**	**982,839,014**

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 2020	31 March 2019
Non-current Borrowings		
Secured loans		
Term loans	-	-
- From banks	-	-
Total non-current borrowings	-	-

Notes forming part of the standalone financial statements

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

		31 March 2020	31 March 2019
17	**Provisions**		
	Non-Current		
	Provision for employee benefits		
	- Gratuity (refer note 33)	1,273,169	1,054,392
	- Compensated absences	-	-
		1,273,169	**1,054,392**
	Current		
	Provision for employee benefits		
	- Gratuity (refer note 33)	113,673	61,244
	- Compensated absences	1,408,063	1,455,153
		1,521,736	**1,516,397**

		31 March 2020	31 March 2019
18	**Trade payables**		
	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	10,501,801	12,057,707
		10,501,801	**12,057,707**

		31 March 2020	31 March 2019
19	**Other financial liabilities**		
	Current maturities of long-term debts	-	-
	Employee payables	382,987	151,439
	Provision for expenses	6,283,378	6,890,152
	Other liabilities	16,080,143	32,665,491
		22,746,508	**39,707,082**

		31 March 2020	31 March 2019
20	**Other current liabilities**		
	Statutory Dues	1,593,167	3,044,480
		1,593,167	**3,044,480**

		31 March 2020	31 March 2019
21	**Revenue from operations**		
	Revenue from Export services	213,294,644	192,623,691
	Revenue from Domestic services	56,563,266	115,990,577
		269,857,910	**308,614,268**

**There are three customers contributing 10% or more of revenue from operations which comes to ₹ 163,721,706 for the FY 2019-20.*
**There are four customers contributing 10% or more of revenue from operations which comes to ₹ 236,859,794 for the FY 2018-19.*

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

22	Other income	31 March 2020	31 March 2019
	Interest income from Banks	766,651	861,331
	Miscellaneous income	641,239	9,195,140
		1,407,890	**10,056,471**

23	Direct Cost	31 March 2020	31 March 2019
	Software Expenses	86,685	9,915
	Subcontractor Expenses	34,179,842	41,767,772
		34,266,527	**41,777,687**

24	Employee benefits expense	31 March 2020	31 March 2019
	Salaries, wages and bonus	144,886,467	149,308,368
	Contribution to provident and other funds	3,811,508	3,452,378
	Staff welfare expenses	2,157,551	1,391,422
		150,855,526	**154,152,168**

25	Depreciation and amortisation expense	31 March 2020	31 March 2019
	Depreciation of tangible assets	1,791,154	1,379,350
	Amortization of intangible assets	739,123	371,152
		2,530,277	**1,750,502**

26	Finance costs	31 March 2020	31 March 2019
	Interest on term loans	-	-
	Bank Charges	424,983	811,669
		424,983	**811,669**

27	Other expenses	31 March 2020	31 March 2019
	Directors' Sitting Fees	375,000	370,000
	Power and fuel	6,036,243	3,721,028
	Auditor's Remuneration	1,214,701	1,213,880
	Repairs and maintenance		
	- Plant and equipments	143,520	465,681
	- Others	373,601	1,915,915
	Meeting Expenses	281,621	294,232
	License, Immigration And Permits	541,511	185,342
	Rent	21,034,854	13,991,919
	Business promotion and advertisement expenses	423,961	500,614
	Service Tax Expenses	8,638,507	-
	Travelling and conveyance	8,623,218	9,745,545
	Rates and taxes	1,216,165	1,854,334

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

Other expenses	**31 March 2020**	**31 March 2019**
Legal and professional charges	8,276,189	5,971,765
Printing and stationary	185,098	93,506
Communication expenses	2,079,904	2,030,035
Insurance	1,478,545	1,479,289
General Office Expenses	2,629,546	1,962,673
Profit / Loss on sale on Assets	-	-
Advances written off	111,670	826,267
Loss on Exchange Rate Fluctuation	(5,954,839)	(15,790,238)
	57,709,015	**30,831,787**

28	**Tax expenses (reconciliation between tax profit and book profit)**	**31 March 2020**	**31 March 2019**
	Current income tax:		
	Current income tax charge	7,226,046	15,253,007
	MAT Credit Entitlement	-	(9,232,812)
	Deferred tax:	7,226,046	6,020,195
	Relating to originating and reversal of temporary differences (Refer Note No. 8)	(321,638)	(6,936)
	Income tax expense recognised in the statement of profit or loss	**6,904,408**	**6,013,259**

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 Reconcilation	**31 March 2020**	**31 March 2019**
Profit before tax as per Profit & Loss A/c	25,479,472	89,346,924
Indian statutory income tax rate	27.82%	27.82%
Expected income tax expense	**7,088,389**	**24,856,314**
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	25,479,472	89,346,924
Loss or unabsorbed depreciation, which ever is less	15,255,726	15,255,726
Adjusted Book Profit (MAT) U/s 115JB	10,223,746	74,091,198
Income Tax	**7,226,046**	**15,253,007**
of Which MAT credit entitlement	0	(9,232,812)
Deferred Tax asset (Refer Note No.8)	(321,638)	(6,936)
Tax relating to previous years	-	-
Total Income Tax expenses	**6,904,408**	**6,013,259**
***The company is having Carry-forward losses of Rs. 1,161,935,298/- as on 31.03.2020, hence income tax paid as perMAT Provisions applicable U/s 115JB**		

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 2020	As at 31 March 2019
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	67,960,990*	28,226,934*
iii)	Against bank guarantees issued by banks towards financial & performance guarantees outstanding	1,420,000	1,420,000
iv)	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
v)	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.		
*	These demands are however offset against brought forward losses and MAT Credit Entitlement of earlier years. In case of favorable orders the said losses and MAT Credit will be restored.		

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 2020	31 March 2019
i			
	Managerial Remuneration to Key Management Personnel	-	-
ii			
	Investment in Capital of Subsidiaries		
	GSS Infotech INC (a Delaware Company)	-	154,754,789
iii			
	Advances to Subsidiaries		
	GSS IT Solutions Pvt Ltd	-	-
	GSS Healthcare IT Solutions Pvt Ltd	-	600
iv			
	Payment received from Subsidiaries against Advances		
	GSS Healthcare IT Solutions Pvt Ltd	-	-
v			
	Sales to Subsidiaries		
	Gss Infotech CT Inc	20,873,344	39,377,477
	Nexii Labs Inc	60,873,000	51,300,478
vi			
	Loan Received	-	-
vii			
	Repayment against Loans		
		-	-
		-	-
viii			
	Amounts Writtenoff		
	GSS IT Solutions Pvt Ltd	-	-
	GSS Healthcare IT Solutions Pvt Ltd	-	-

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

Particulars		As at 31 March 2020	As at 31 March 2019
i)	Investment in Capital of Subsidiaries		
	GSS Infotech INC (a Delaware Company)	890,940,578	890,940,578
	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)	-	-
	GSS IT Solutions Pvt Ltd	-	-
	GSS Healthcare IT Solutions Pvt Ltd	-	600

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.

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

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	2019-20	2018-19
Business from United States of America	156,602,976	143,916,183
Business from Bangladesh	56,691,668	48,707,508
Domestic	56,563,266	115,990,577
TOTAL:	**269,857,910**	**308,614,268**

32 Auditors' remuneration includes

Particulars	31 March 2020	31 March 2019
Statutory audit fee	1,200,000	1,200,000
Other services	-	-
Out of pocket expenses	14,701	13,880
Total	**1,214,701**	**1,213,880**

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 2020	31 March 2019
Opening balance	**2,855,291**	**2,696,332**
Service cost	861,686	940,694
Past Service cost	-	-
Interest cost	182,025	208,966
Benefits paid	(205,771)	(604,202)
Actuarial gain	(248,580)	(386,499)

Particulars	31 March 2020	31 March 2019
Closing balance	**3,444,651**	**2,855,291**
Present value of projected benefit obligation at the end of the year	3,444,651	2,855,291
Fair value of plan assets at the end of the year	2,057,809	1,739,655
Net liability recognised in the balance sheet	1,386,842	1,115,636
Long term provision	3,330,978	2,794,047
Short term provision	113,673	61,244
Expenses recognised in statement of profit and loss	**31 March 2020**	**31 March 2019**
Service cost	861,686	940,694
Interest cost	71,122	35,214
Gratuity cost	**932,808**	**975,908**
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to financial assumption changes	(248,580)	(386,499)
Return on plan assets greater (less) than discount rate	164,444	71,859
Total expenses routed through OCI	**(84,136)**	**(314,640)**

Assumptions	31 March 2020	31 March 2019
Discount rate	6.80% p.a.	7.65% 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 2020	31 March 2019
Effect of + 1% change in rate of discounting	3,153,718	2,618,462
Effect of - 1% change in rate of discounting	3,785,998	3,131,801
Effect of + 1% change in rate of salary increase	4,105,821	3,415,981
Effect of - 1% change in rate of salary increase	2,907,427	2,398,526
Effect of + 1% change in rate of employee turnover	3,711,606	3,108,329
Effect of - 1% change in rate of employee turnover	3,145,822	2,573,115

The sensitivity analysis 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 payable to such enterprises as at March 31, 2020 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.

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

Particulars		31 March 2020	31 March 2019
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

35 Leases

Where the Company is a lessee:

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

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

Particulars	31 March 2020	31 March 2019
Not later than 1 year	3,522,645	598,291
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	31 March 2020	31 March 2019
Cancellable lease expense	10,500,648	9,085,179
Non - cancellable lease expense	10,534,206	4,906,740
Total	**21,034,854**	**13,991,919**

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 2020	31 March 2019
Profit / (Loss) for the year	18,575,064	83,333,667
Less: Preference dividend for the year	-	-
Less: Tax on preference dividend	-	-
Profit / (Loss) attributable to equity share holders	**18,575,064**	**83,333,667**
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	**1.10**	**4.92**
Earnings per share of par value 10 – diluted	**1.10**	**4.92**

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, 2020 and March 31, 2019. 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, 2020 and March 31, 2019.

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.

(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, 2020		
INR	+1%	-
INR	–1%	-
March 31, 2019		
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. 112,500,689 (March 31,2019 : 110,934,873). 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 2020	31 March 2019
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, 2020 and March 31, 2019. 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:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2020						
Borrowings	-	-	-	-	-	-
Trade payables	7,615,138	2,886,664	-	-	-	10,501,802
Year ended March 31, 2019						
Borrowings	-	-	-	-	-	-
Trade payables	7,733,766	4,323,941	-	-	-	12,057,707

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

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, 2020 and March 31, 2019 was as follows:

Particulars	**31 March 2020**	**31 March 2019**
Total equity attributable to the equity shareholders of the Company	1,170,866,644	1,152,207,444
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)	1,170,866,644	1,152,207,444

39 Prior year comparitives

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 RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number: 002976S

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

Sd/-
GVL Prasad
Partner
Membership No: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A. Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date :21-April-2020

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED
CIN : L72200TG2003PLC041860
Ground Floor, Wing-B, N heights, Plot No. 12,
TSIIC Software Units Layout, Madhapur, Serilingampally,
Hyderabad, Rangareddi, Telangana, 500081, INDIA.

SS Graphics : 8801002501

Integrating People, Process and Technology

Date: 07.09.2021

To Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai – 400051	To The of Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400001
Scrip Symbol: GSS	Scrip Code – 532951/GSS

Dear Sir,

Sub: Notice of 18th Annual General Meeting and Annual Report for the financial year 2020-21.

Further to our letter dated August 13th, 2021 intimating the date of 18th Annual General Meeting (AGM) of the Company and pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, Please find enclosed Annual Report for the financial year 2020-21 along with Notice convening the 18th AGM of the Company to be held on Thursday, the 30th September 2021 at 10.00 a.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") which is being sent to the shareholders of the Company through electronic mode.

The Annual Report containing the Notice is also uploaded on the Company's website www.gssinfotech.com. Further, e-voting facility for the AGM will be made available to all the members of the Company.

The date and time of remote e-voting facility are as under:

Date and time of commencement of remote e-voting - Monday, September 27, 2021 at 9.00 a.m.

Date and time of end of remote e-voting - Wednesday, September 29, 2021 at 5.00 p.m.

Cut-off date for determining the eligibility to vote by electronic means or in the AGM - Thursday, September 23rd, 2021.

Please take the information on record.

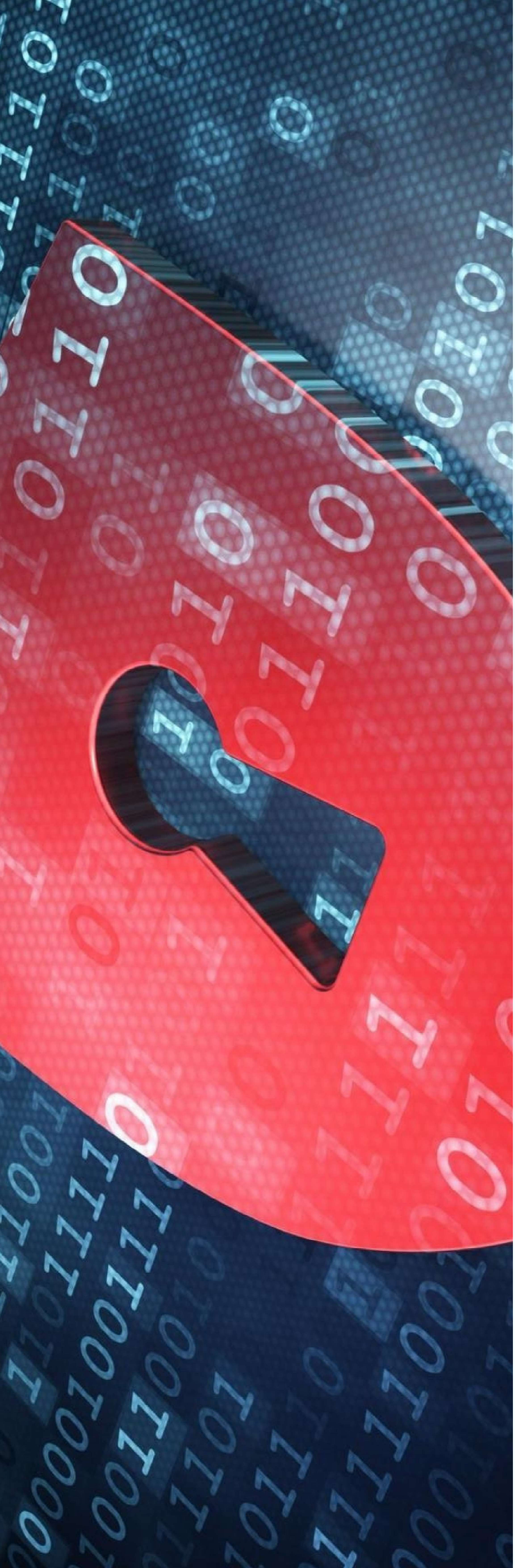
Thanking you

For GSS Infotech Ltd.

Amrita Singh

GSS Infotech Ltd. Hyderabad

Amrita Singh
Company Secretary



gss Infotech

ANNUAL REPORT

2020-2021

18th Edition

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 Centre (GOCC) and remote delivery centers in Hyderabad, India
- Best-in-class top tier technology alliances and domain intensive "Centre 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 Raghavendra
(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. Ravikumar Jatavallabha V.
(Chief Financial Officer)

Ms. Amrita Singh
(Company Secretary & Compliance Officer)

Registered Office

Ground Floor, Wing-B, N heights, Plot No. 12,
TSIIC software units lay out, Madhapur,
Serilingampally Mandal,
Ranga Reddy District Hyderabad -500 081
CIN: L72200TG2003PLC041860

Statutory Auditors
M/s. Rambabu & Co.,
Chartered Accountants, Pancom Chambers,
6-3-1090/1/A, Raj Bhavan Rd,
Somajiguda Hyderabad, Telangana 500082

Bankers

Axis Bank Limited
ICICI Bank

Registrars & Share Transfer Agent

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

Board Committees

Audit Committee
Mr. Prabhakara Rao Alokam -Chairman
Mrs. Nagajayanthi Das Juttur Raghavendra - Member
Mr. Bhargav Marepally - Member

Stakeholders Relationship Committee
Mrs. Nagajayanthi Das Juttur Raghavendra -Chairman
Mr. Bhargav Marepally - Member
Mr. Gowrisankara Padma Rao Lakkaraju - Member

Nomination and Remuneration Committee
Mrs. Nagajayanthi Das Juttur Raghavendra - Chairman
Mr. Prabhakara Rao Alokam - Member
Mr. Gowrisankara Padma Rao Lakkaraju - Member

Corporate Social Responsibility Committee
Mr. Rambabu Sampangi Kaipa - Chairman
Mr. Prabhakara Rao Alokam - Member
Mrs. Nagajayanthi Das Juttur Raghavendra - Member

CHAIRMAN'S LETTER

Dear Stakeholders,

The industry has seen some unprecedented times leaving many experts guessing the future direction and trends. These times have forced us to modify our way of life which not only spun a rather hazy web of uncertainties but also took life back in time.

The effects of this are seen far, wide, and deep in all spheres be it industry, government, public life, society etc. Now that the effects of the pandemic are starting to slowly wade off and organizations looking at a way back to normal, a great opportunity lies ahead of us to reinvent and flourish in an unknown yet rapidly changing scenario.

The focus now needs to be not just on opportunities that would transform and help us survive but also help us sustain growth and flourish in the long term.

It is no surprise that "Digital Transformation" is championing the change by touching all the sectors in more than one way. Being a part of this transformation and adopting new trends will enables businesses to make better decision, innovate processes and along the way create new revenue avenues, save costs, and expand markets. In what we call "Digital Technological Planes" we see AI & ML, Communication & Interaction devices take over everything from Retailing e-commerce, Payments, Education, Transportation, Services, Banking & Insurance, Healthcare etc.

Some of the globally emerged trends that I would like to highlight that GSS would see itself engage in a big way are

- Digital and contactless payments
- Online health, supply chain 4.0
- Quantum computing
- Adoption of cost-conscious cloud via edge computing
- AI and Deep learning via digital persons
- AI driven Asset governance for global organizations

Our focus on distributed Technology models mitigates risks, while our deep knowledge of emerging technologies, spurs Sales Channel reinvention. And our strong partnerships bridge gaps in the new Tech ecosystem.

While tremendously profitable opportunities are being lassoed in by high tech, we believe that global tech hubs accelerate innovation. We are keeping a close watch on the emerging new trends and are poised to adapt and reimagine our plans in a way that will add 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.

As we continue to adapt, learn, grow and change during the current scenario, we are confident that our expertise combined with our agility will translate into the numbers that are a true reflection of our potential to flourish.

Very Sincerely,

Sd/-
Chairman

NOTICE OF 18TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 18th Annual General Meeting (AGM) of the members of GSS Infotech Limited will be held on Thursday, the 30th Day of September 2021, at 10.00 A.M through video conference 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 2021 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 2021 and the report of the Auditors thereon.
2. To appoint a Director in the place of Mr. Rambabu Sampangi Kaipa (DIN:08238968) who retires by rotation, and being eligible, offers himself for Re-appointment.

Special Business:

3. **To appoint Mr. Bhargav Marepally as Managing Director for a period of five (5) years and in this regard to consider and if thought fit to pass the following resolution with or without modification(s) as an Ordinary resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with provisions of Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other approvals, permissions and sanctions, as may be required, consent of the members of the Company be and is hereby accorded for the appointment of Mr. Bhargav Marepally (DIN: 00505098) as Managing Director of the Company for a period of five (5) years with effect from 14th July, 2021 to 13th July, 2026, without remuneration and he shall have the right to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company, on the terms and conditions asset out in the Explanatory Statement annexed to the Notice convening this 18th AGM, with liberty to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee of the Board) to alter and vary the terms and conditions of the said appointment as it may deem fit and as may be acceptable to Mr. Bhargav Marepally, subject to the provisions of the companies act, 2013 or any statutory modification(s) or re- enactment thereto."

"RESOLVED FURTHER THAT Mr. Bhargav Marepally shall have the right to exercise such powers of Management of the Company as may be delegated to him by the Board of Directors, from time to time".

"RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Company Secretary of the Company be and are hereby authorized severally to take such steps as it may consider necessary, proper or expedient to give effect to the aforesaid resolution."

By Order of the Board of Directors
For GSS Infotech Limited

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Date 13th August 2021
Place : Hyderabad

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

ITEM No 3:

On recommendation and approval of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 14th July 2021, appointed Mr. Bhargav Marepally as Managing Director of the Company without any remuneration for a period of Five (5) years effective from 14th July 2021 to 13th July 2026, and the terms of his appointment, subject to approval of the Members of the company and also the company is in the process of obtaining the approval from Central Government of India for his appointment as Managing Director since he is not a resident of India in accordance with schedule V of the Companies Act, 2013. He has been associated with the GSS since inception. He is also the CEO of GSS Infotech Inc, US based wholly owned subsidiary of the GSS Infotech Ltd and drawing the remuneration from the subsidiary. He has been continuously working for the growth of the Company. The approval of the Members of the Company is now sought for the appointment and terms of his appointment, details of which are set out hereunder:

a) The Appointment of Mr. Bhargav Marepally shall be governed by containing the terms and conditions of appointment which can be amended from time to time by the Board of Directors.

b) The period of appointment is for five (5) years with effect from 14th July 2021.

c) There shall be no remuneration to be drawn by Mr. Bhargav Marepally in terms of the Companies Act, 2013 from the company and its subsidiaries in India.

d) Mr. Bhargav Marepally is entitled to do all the activities and acts, as may be delegated to him from time to time apart from the general functions, which is a Managing Director of the Company is entitled to under law in India for the day-to-day running and functioning of the Company.

e) The appointment of Managing Director may be terminated by the Company at any time by providing a two-year prior written notice to the Managing Director or by following prescribed procedure under section 169 of the Companies Act, 2013.

f) He shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages, and expenses which he may incur or sustain by or by reason of any bona fide and good faith act done, concurred in, or omitted in the execution of his duty.

g) It is explicitly provided that for matters not provided in the appointment letter and for any matters containing ambiguity in interpretation with regard to appointment of Mr. Bhargav Marepally, the same shall be referred to the Board of Directors for necessary directions.

Details of Directors seeking appointment / re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings)

Name of the Director	Mr. Bhargav Marepally
Date of first appointment on the Board	13th October, 2003
Date of Birth	27th August, 1971
Expertise in Specific Functional areas and Experience	Mr. Bhargav Marepally has been successfully leading GSS Infotech Ltd. and its subsidiaries for over a decade and has played a key role in GSS's position today. Under his leadership, GSS has consistently delivered value to its customers and all stakeholders. Bhargav Marepally, founder of GSS Infotech comes with more than 20 years of experience in the IT Services Industry. He is a member of many technology and management associations worldwide. He was also nominated for "The Entrepreneur of the Year" contest by Ernst & Young in 2005. He has been awarded the "Udyog Rattan Award" on April 11, 2008, in recognition of his significant contribution to the country's IT industry. This award also recognizes his outstanding performance as the Best Manager for putting GSS on the express elevator to growth.
Educational Qualification	M.sc and Master's in Management Studies from BITS Pilani
Names of the listed entities in which the person also holds the directorship and the membership/ chairmanships of committees of the Board	He does not hold directorship in any other listed company.
Details of Remuneration sought to be paid and the remuneration last drawn by such person	He has been appointed as Managing Director without remuneration. Currently, proposed for appointment without remuneration.
Shareholding in the Company as on 31.03.2021	Mr. Bhargav Marepally holds 4992 shares of the Company
Relationship between Directors inter-se/ Manager and KMPs	Mr. Bhargav Marepally does not have any relationship directly or indirectly with managerial personnel. He is not related to any Director of the Company.
Number of Meetings of the Board attended during the year	5 out of 5
For other details in respect of number of Board Meetings attended during the year, Chairmanship(s)/ Membership(s) of Committees of other Companies as on March 31, 2021, and remuneration, refer the Report on Corporate Governance.	

Details of Directors seeking appointment / re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings)

Name of the Director	Mr. Rambabu Sampangi Kaipa
Date of first appointment on the Board	13th February, 2019
Date of Birth	31/12/1968
Expertise in Specific Functional areas and Experience	Mr. Rambabu Sampangi Kaipa, 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 spearheading their CSR initiatives "The Akshaya Patra Foundation
Educational Qualification	A post-graduate in Computer Science from NIT, Warangal
Directorships in other Listed Companies	NIL
Membership/Chairmanships of committees of Other Boards (other than the Company)	NIL
Details of Remuneration sought to be paid and the remuneration last drawn by such person	Being a Non-Executive Director, he is entitled to sitting fee for each Meeting of Board / Committee attended by him. For last drawn remuneration, please refer remuneration details provided in the Report on Corporate Governance. Currently, proposed for reappointment by virtue of retirement by rotation.
Shareholding in the Company as on 31.03.2021	NIL
Relationship between Directors inter-se/ Manager and KMPs	NIL
Number of Meetings of the Board attended during the year	5 out of 5
For other details in respect of number of Board Meetings attended during the year, Chairmanship(s)/ Membership(s) of Committees of other Companies as on March 31, 2021, and remuneration, refer the Report on Corporate Governance.	

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 and May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") and Circular No. SEBI/H/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by Securities and Exchange Board of India ('SEBI Circular') permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

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

3. Institutional/Corporate Members (i.e., other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or Governing Body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and cast their votes through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to company.secretary@gssinfotech.com with a copy marked to helpdesk.evoting@cdslindia.com.

4. A Statement as required under section 102 of the Companies Act, 2013, in respect of items of special business is annexed hereto and forms part of the Notice.

5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to company.secretary@gssinfotech.com.

6. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September 2021 to 30th September 2021 (both days inclusive).

7. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate etc. In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Bigshare Services Pvt. Ltd, E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(E), Mumbai-400072 by enclosing a photocopy of blank cancelled cheque of your bank account.

8. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Bigshare Services Pvt. Ltd, E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(E), Mumbai-400072 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.

9. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.

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

11. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

12. 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.

13. 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.

14. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, from 26th September 2021 to 28th September 2021. Replies will be provided in respect of such written queries accordingly.

15. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir-05/2009 dated May 20, 2009, made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.

16. Members may also note that the Notice of the 18th Annual General Meeting is available on the Company's website: www.gssinfotech.com. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at company.secretary@gssinfotech.com.

    In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2020-21 will also be available on the Company's website at www.gssinfotech.com, on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com. To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.

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

18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.

19. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect 18th Annual Report 2020-21 of the Directors seeking appointment/re-appointment at the Annual General Meeting

is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.

20. Retirement of Directors by rotation: Mr. Rambabu Sampangi Kaipa, Non- Executive Director of the Company, retire by rotation at the ensuing AGM and, being eligible, offer himself for re-appointment. The Board of Directors recommend the re-appointment of Mr. Rambabu Sampangi Kaipa, Director, whose office is liable to retire by rotation.

22. The Company has an agreement with the CDSL to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the AGM.

23. Pursuant to the provisions of the circulars of MCA on the VC/OVAM, Members can attend the AGM through Video conference by following the same procedure as mentioned for e-voting. Physical attendance of the Members at the Meeting venue is not required.

24. The Members can join the AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

25. Up to 1000 members will be able to join on a first come first serviced basis to the AGM.

26. No restriction is applicable for joining into the AGM in respect of large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc

E-Voting:

CDSL e-Voting System - For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

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

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

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote

for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM is being uploaded on the website of the Company at www.gssinfotech.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also hosted on the website of CDSL (agency for providing the e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.

7. The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on 27th September 2021 at 09.00 hrs and ends on 29th September, 2021 at 17.00 hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 23rd September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The Board of Directors have appointed Ms. Manjula Aleti, Practicing Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

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

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

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

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

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

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

	3)	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**		You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

(1) Log on to the e-voting website www.evotingindia.com

Click on "Shareholders" tab.

(2) 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.

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

(4) 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.

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

	For Shareholders holding shares in Demat Form other than individual 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) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

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

(ix) Click on the EVSN for the relevant Company, i.e., GSS Infotech Limited on which you choose to vote.

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

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

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed.

If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

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

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to the Company Secretary at company.secretary@gssinfotech.com. and **or to the RTA Bigshare Services Pvt. Ltd.**
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository

   For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to the Company Secretary at company.secretary@gssinfotech.com. **or to the RTA Bigshare Services Pvt. Ltd.**
4. The Company Secretary shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholder.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM:

1. The procedure for attending meeting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholder will be provided facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
4. Shareholders are advised to join the Meeting through Laptops / IPads for better experience.
5. Further, shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from mobile devices or Tablets or through Laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network.

   It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance, i.e., from 26th September, 2021 (9.00 a.m. IST) to 28th September, 2021 (5.00 p.m. IST), mentioning their name, demat account number/folio number, email id, mobile number at company.secretary@gssinfotech.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance, i.e., from 26th September, 2021 (9.00 a.m. IST) to 28th September, 2021 (5.00 p.m. IST), mentioning their name, demat account number/folio number, email id, mobile number at company.secretary@gssinfotech.com. These queries will be replied suitably by the Company vide email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.
9. Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis.
10. Members who need assistance before or during the AGM, can contact company.secretary@gssinfotech.com or helpdesk.evoting@cdslindia.com. Kindly quote your name, DP ID-Client ID / Folio no. and e-voting Event Number in all your communications.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:

1. The procedure for e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
3. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

NOTE FOR NON-INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, non-individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; company.secretary@gssinotech.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

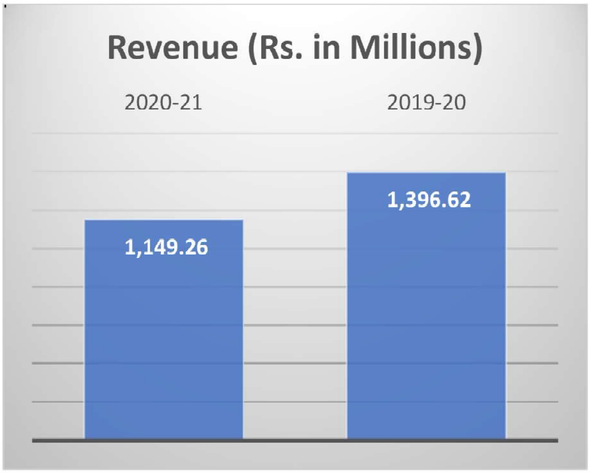
By Order of the Board of Directors
For GSS Infotech Limited

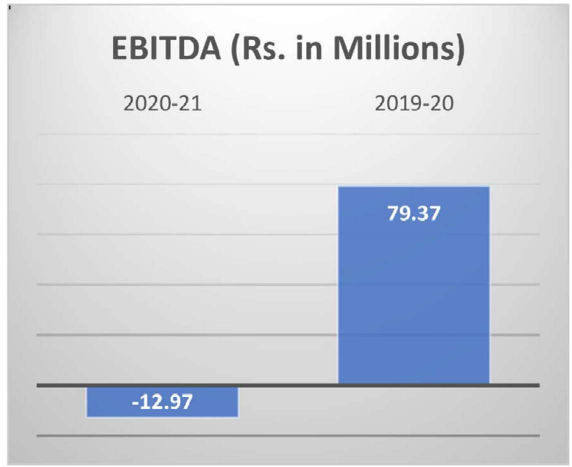
Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

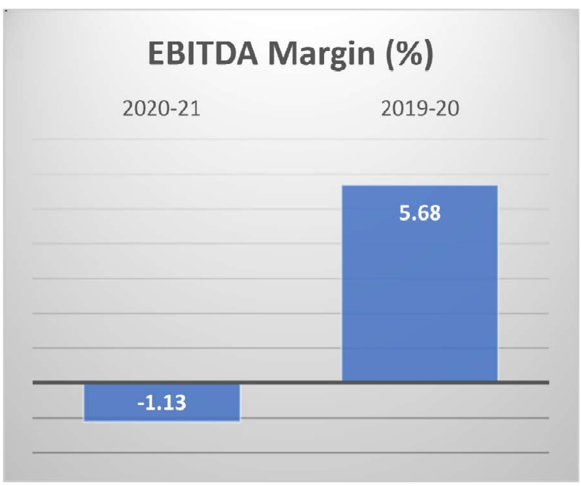
Date : 13th August 2021
Place : Hyderabad

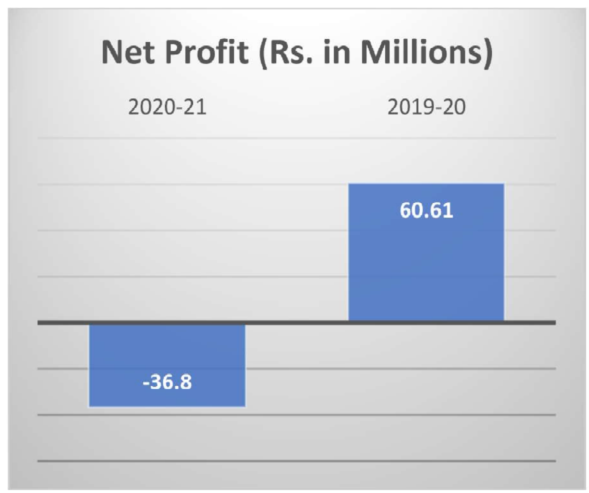
KEY PERFORMANCE INDICATORS

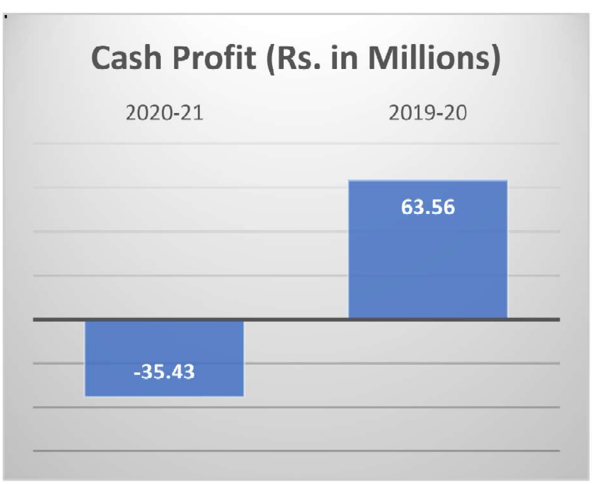
Consolidated Numbers

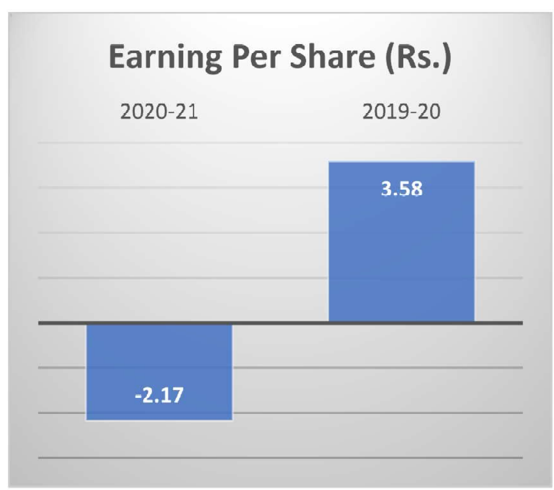












BOARD'S REPORT

Dear Members,

We are delighted to present the report on our business and operations for the financial year ended 31 March 2021.

FINANCIAL RESULTS

The Company's Financial results (standalone & consolidated) for the year ended 31 March 2021 is provided in the Annual Report.

(Rs in Lakhs)

Particulars	Consolidated		Standalone	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Net sales/income from operations	11,492.62	13,966.22	1,667.43	2,698.58
Less: Direct cost	1,140.67	780.05	648.27	342.67
Indirect Cost	10,678.50	12,437.28	1,389.98	2,110.95
Profit / (Loss) from operations before other income, finance costs and exceptional items	***(326.55)***	***748.89***	***(370.82)***	***244.97***
Other income	183.13	15.36	153.79	14.08
Profit / (Loss) from ordinary activities before finance costs and exceptional items	***(143.42)***	***764.25***	***(217.03)***	***259.05***
Finance costs	62.66	80.96	5.47	4.25
Profit / (Loss) from ordinary activities after finance costs but before exceptional items	(206.08)	683.29	(222.50)	254.80
Exceptional items*	-	-	-	-
Profit / (Loss) from ordinary activities before tax	*(206.08)*	*683.29*	*(222.50)*	*254.80*
Tax expense	161.92	77.21	153.51	69.04
Net Profit / (Loss) from ordinary activities after tax	**(368.00)**	**606.08**	**(376.01)**	**185.75**
Net Profit / (Loss) for the period	**(368.00)**	**606.08**	**(376.01)**	**185.75**

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 2020-21 and the date of this report.

I. COVID & ITS IMPACT

The Covid-19 pandemic has led to an unprecedented health crisis and has disrupted human life and economic activities. The Govt. of India imposed stringent nationwide lockdown w.e.f. March 24, 2020, which has severally impacted the regular operations of the Company. Placing the emotional and physical well-being of employees as prime importance, the company adapted to the "new norm" of allowing all its employees to work from home and has transformed itself to create a new work order.

The company has responded in a manner to manage the continuity of operations trying to adapt to the new normal and put in place alternate strategies to navigate through the crisis and go forward. As it is said, when the going gets tough, the tough get going, the company also took certain essential tough steps, geared up core strength and tried focusing on productivity, quality, ramping up minimum essential infrastructure and adapting to new ways of working are some long-term priorities to be met within clinched budgets. It is worth mentioning that the company tried to adhere to all delivery timelines.

The company adapted various cost-cutting measures as the deliveries got delayed, revenues dip, receivable collections were staggered leading to strained cash flow situation and to mention specifically, the professional services business is manpower intensive that received a strong blow due to the international travel restrictions imposed due to pandemic. This is expected to ease up as the business environment in general improves and travel restrictions gradually begin to ease up.

The Company, post all these effects has evaluated both internal and external sources of information up to date of approval of these financial statements, the possible effects that may result from the pandemic relating to Covid-19 on the carrying amounts of trade and unbilled receivables, investments, goodwill, and intangible assets and are appropriately disclosed.

We shall be monitoring the situation from time to time and take appropriate steps to uphold the business and shall report of material developments and subsequent decisions.

II. 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.

III. CONSOLIDATED ACCOUNTS

The consolidated financial statements of your Company for the financial year 2020-21, 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.

IV. 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 i.e. www.gssinfotech.com

V. 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 2021, is enclosed as Annexure [F] to this report.

VI. 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.

VII. DIVIDEND

The Board of Directors did not recommend dividend for the financial year ended 31 March 2021.

VIII. PUBLIC DEPOSITS

During the financial year 2020-21, 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.

IX. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Bhargav Marepally has been appointed as the Managing Director of the Company with effect from 14th July 2021 by the board of directors in its meeting held on 14th July 2021 as his tenure has been expired on 31st May 2021, subject to the approval of the shareholders of the company and to the approval of the Central Government.

Mr. Rambabu Sampangi Kaipa, Non-Executive 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 has offered himself for re- appointment. Appropriate resolution for their re-appointment is being placed for your approval at the ensuing AGM. Your Directors recommend the re-appointment of Mr. Rambabu Sampangi Kaipa), as Non-Executive Director of your Company.

Key Managerial Personnel:

- Mr. Bhargav Marepally is the Chief Executive Officer and Managing Director of the Company.
- Mr. Ravi kumar Jatavallabha V. is the Chief Financial Officer of the Company.
- Ms. Amrita Singh 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. Ravi kumar Jatavallabha V., CFO and Ms. Amrita Singh, 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 BOD for the financial year 2020-21.

X. 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).

XI. 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.

XII. 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.

XIII. 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 2021, 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 2021 and of the profit and loss of the Company for the financial year ended 31 March 2021;

(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.

XIV. AUDITORS AND AUDITOR'S REPORT

The Statutory Auditors of the Company, M/s. Rambabu & Co., Chartered Accountants (Firm Registration No. 002976S) were appointed by the members at the 16th AGM held on 30th September 2019, for a term of five (5) years till the conclusion of the 21st Annual General Meeting of your company to be held in 2024, 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 2021 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).

XV. 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 2021 forms part of this report and does not contain any Audit Qualifications, for which the reply of the Directors is required.

However, following observations were made by the secretarial auditor which are self-explanatory and does not require further explanation from directors:

The company has not submitted Results as per the prescribed format of the Regulation 33 of SEBI(LODR) Regulations, 2015 for the quarter and half year ended 30th September, 2020. Later on submitted the results in the specified format though BSE has levied fine of Rs.5,900 towards the same. The prescribed fines were paid by the Company to BSE.

XVI. 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. It is available on the company's website www.gssinfotech.com and can be accessed through the link:

https://www.gssinfotech.com/wp-content/uploads/2021/09/MGT-9_20-21.pdf

XVII. RELATED PARTY TRANSACTIONS

During the financial year 2020-21, 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 2020-21, 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.

XVIII. 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 2021:

(In Indian ₹)

Particulars	31 March 2021	31 March 2020
GSS Infotech Inc (Delaware) 1,500 (31 March 2021: 1,500) equity shares of $ 1 each fully paid up in GSS Infotech Inc (Delaware)	890,940,578	890,940,578
GSS Healthcare IT Solutions Private Limited 9,990 (31 March 2021: 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 2021: 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 2021: Nil

B. **Details of Amounts advanced to Subsidiary Companies by the Company pursuant to clause 32 of the Listing Agreement as at 31 March 2021:**

(In Indian ₹)

Name of Subsidiary	Balance as at 31.03.2021	Balance as at 31.03.2020
GSS Infotech Inc (Delaware)	0.00	0.00
GSS IT Solutions Pvt. Ltd	0.00	0.00
GSS Healthcare IT Solutions Pvt. Ltd	600.00	600.00

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.**

XIX. 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 2021.

XX. 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.

XXI. 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.

XXII. 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.

XXIII. 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.

XXIV. 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 Raghavendra	Non-Executive - Independent Director	Member
3	Mr. Prabhakara Rao Alokam	Non-Executive - Independent Director	Member

NOTE: The company does not fall into the limit as prescribed under the section 135 of the Companies Act, 2013. Hence the company has not spent on the CSR Activities.

XXV. 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.

XXVI. 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	2020-21 (₹)	2019-20 (₹)
Foreign Exchange expenditure (on Accrual basis)	5,976,600	6,738,572
Foreign Exchange earned (on Accrual basis)	146,167,322	213,294,644

XXVII. 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.

For GSS Infotech Limited

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
Prabhakara Rao Alokam
Director
DIN: 02263908

Place: Hyderabad
Date: 13th August, 2021

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)	10,369.16	12,279.20	16.46	427.27	8.06	419.11
2	GSS IT Solutions Private Limited	-	1.28	-0.05	1.28	-0.05	1.28
3	GSS Healthcare IT Solutions Private Limited	-	-	0	-0.05	0	-0.05

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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 2020-21 is as follows:

Name of Director	Total Remuneration	Ratio of remuneration of director to the Median remuneration
Mr. Bhargav Marepally	Nil	Nil
Mrs. Nagajayanthi Das Juttur Raghavendra	1,05,000	0.19
Mr. A Prabhakara Rao	1,05,000	0.19
Mr. L.G.S. Padma Rao	85,000	0.15
Mr. Rambabu Sampangi Kaipa	80,000	0.14
Mr. Saikiran Surya Satya Raghavendra Gundu	20,000	0.04

Notes:

1. The information provided above is on standalone basis.
2. The aforesaid details are calculated on the basis of remuneration for the financial year 2020-21.
3. The remuneration to Directors is only the sitting fees paid to them for the financial year 2020-21. The sitting fees for attending each of the Board and other Committee meetings is Rs. 20,000/- and Rs. 5,000/- respectively.
4. Median remuneration of the Company for all its employees is Rs.5,40,800/- for the financial year 2020-21.

B. Details of percentage increase/(decrease) in the remuneration of each Director, CFO & Company Secretary in the financial year 2020-21:

(Amount in ₹)

Name of the Director/ Chief Financial Officer/ Company Secretary	Designation	Remuneration		Increase/ (Decrease) (%)
		2020-21	2019-20	
Mr. Bhargav Marepally	Managing Director	Nil	Nil	Nil
Mrs. Nagajayanthi Das Juttur Raghavendra	Director	1,05,000	1,05,000	0%
Mr. A Prabhakara Rao	Director	1,05,000	1,05,000	0%
Mr. L.G.S. Padma Rao	Director	85,000	85,000	0%
Mr. Rambabu Sampangi Kaipa	Director	80,000	60,000	33%
Mr. Saikiran Surya Satya Raghavendra Gundu	Director	20,000	20,000	0%
Mr. Ravi Kumar Jatavallabha V.	CFO	35,58,600	47,64,562	-25%
Mr. Anwar (Resigned on 15.11.2019)	CS	0	360,525	*
Mr. Amrita Singh (joined on 16.04.2020)	CS	619,352	-	*

The information provided above is on Standalone basis.

1. *Percentage increase/(decrease) in remuneration not reported as they were holding the office for part of the financial year 2019-20 or 2020-21.
2. The remuneration to Directors is only the sitting fees paid to them for the financial year 2020-21.

C. Percentage increase/ (Decrease) in the median remuneration of all employees in the financial year 2020-21:

(Amount in ₹)

Particulars	**2020-21**	**2019-20**	**Increase/ (Decrease) (%)**
Median remuneration of all employees per annum	5,40,800	6,60,900	(18.17%)

D. Number of permanent employees on the rolls of the Company as on 31 March 2021:

Executive/Manager cadre	16
Staff	83
Operators/Workmen	4
Total	103

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 ₹)

Particulars	2020-21	2019-20	Increase/ (Decrease) (%)
Average Salary of all employees other than Key Managerial Personnel	5,10,979	6,34,808	(19.51)
Salary of CEO & MD (Key Managerial Personnel)	Nil	Nil	Nil
Salary of CFO & CS (Key Managerial Personnel)	41,77,952	51,25,087	(18.49)

The above information is being provided on Standalone Basis.

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

FORM MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2021

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

To
The Members,
GSS Infotech Limited,
Ground Floor, Wing-B, N heights,
Plot No. 12,TSIIC Software Units Layout, Madhapur, Serilingampally
Hyderabad, Ranga Reddy TG 500081 IN.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S. GSS INFOTECH LIMITED (L72200TG2003PLC041860) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by GSS Infotech Limited and also declarations received from the Management for the financial year ended on 31st March, 2021 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The 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) The 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, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company 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 to the Company during the audit period)

vi. Other applicable laws:

a) Information Technology Act, 2000 and the rules made thereunder;

b) Software Technology Park of India (STPI);

c) The Indian Copy Rights Act, 1957;

d) The Patents Act, 1970;

e) The Trademarks Act, 1999;

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

a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings,

b. The Listing Agreements entered into by the Company with NSE and BSE read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. As per Regulation 33 of SEBI (LODR) Regulations, 2015, the Quarter and Half year ended 30th September 2020, Financial Results which were submitted to stock exchanges were not in the prescribed format and later on it has been rectified and complied. Further, the Company has paid an amount of Rs. 5,900/- to BSE for the Notice issued by them about this Compliance.

I further report that

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

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

♦ All the decisions of the Board Meetings were taken unanimously.

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

♦ As informed the company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

  I further report that during the audit period there were no specific events/actions were taken place which were having a major bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For S**unil Kacham and Associates**
Company Secretaries

Date: 12.08.2021
Place: Hyderabad

Sd/-
Sunil Kumar Kacham
Company Secretary in Practice
M. No. : 46155, C.P. No : 16820
UDIN: A046155C000776478

This report is to be read with our letter of even date which is annexed as **Annexure C1** and forms an integral part of this report.

'Annexure C1' to the Secretarial Audit Report

To,

The Members,

GSS Infotech Limited,

Hyderabad

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 these 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 S**unil Kacham and Associates**
Company Secretaries

Date: 12.08.2021
Place: Hyderabad

Sd/-
Sunil Kumar Kacham
Company Secretary in Practice
M. No. : 46155, C.P. No : 16820
UDIN: A046155C000776478

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:

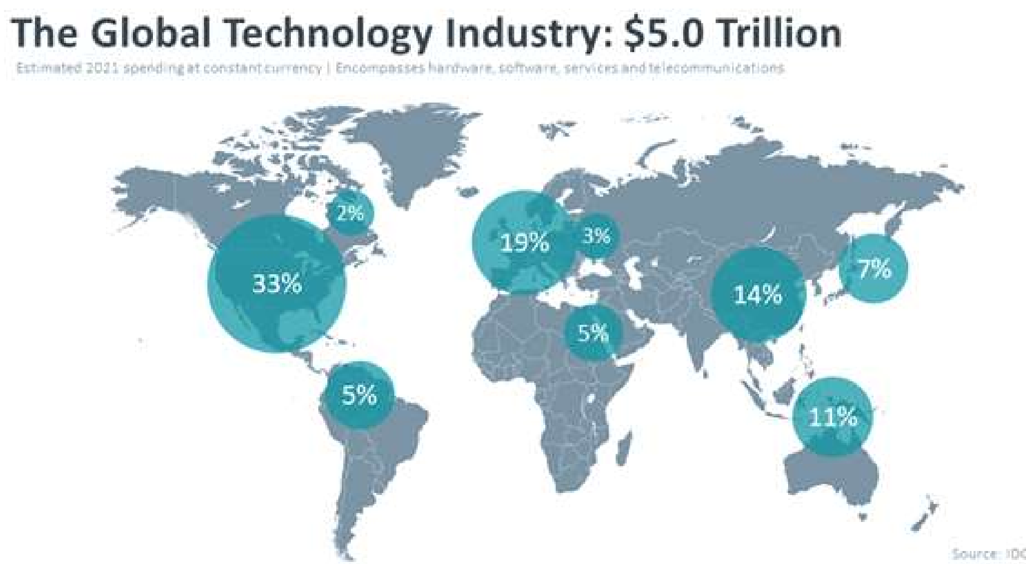
a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value if any	
(e)	Date(s) of approval by the Board if any	
(f)	Amount paid as advances if any	

***All the transactions are in the ordinary course of business as per under section 188(2) of the Companies Act, 2013 and hence not mentioned above.**

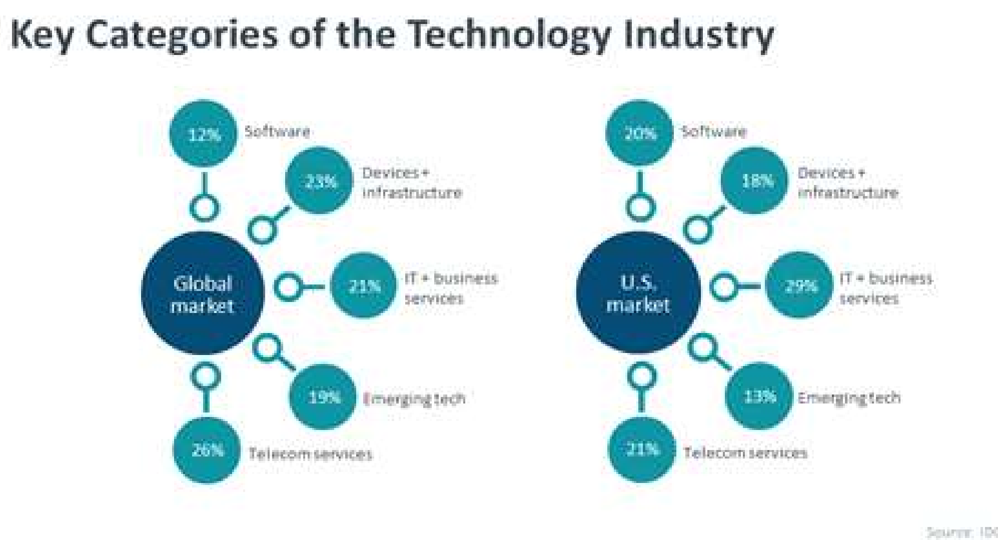
Annexure [F] to Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GSS Infotech is stronger, and our prospects are as promising as at any time in our 21-year history. In 2020-21, GSS Infotech's technology solutions and services helped many businesses, 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 2021-22, 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.



Given below is categorical breakdown of the 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 to 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.

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 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 programs
- 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

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 Cloud Forms 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. as per Gartner RPA software revenues reached $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, 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% currently. "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, telco's 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

The new vision for healthcare for 2021 and beyond will not just focus on access, quality, and affordability but also on predictive, preventive, and outcome-based care models promoting social and financial inclusion. The future of healthcare is about creating cures for the chronic, degenerative diseases that are responsible for the majority of human suffering and death, as opposed to focusing on treatments that deal with the symptoms of such conditions. Some of the changing trends in healthcare, medical devices and life sciences business offerings to leads to an opportunity for integrators like GSS Infotech are as follows :

Continued focus on deliver home-based healthcare: An underappreciated driver of costs in US healthcare is the price of hospitalization. The hospital bed costs more than $2000 a day, and in many areas of the country more than $3000. This big price tag, combined with enabling technologies and evolving patient preferences, is creating pressure to healthcare delivery organizations and health plans to think differently about how and where care is delivered. Home based primary-care, urgent care, palliative care and hospital-at-home care will continue to grow in popularity for patients and also due to recent pandemic reasons with Covid-19.

Power shift from hospital systems back to physician groups: All around the country, physician groups who face acquisition by Integrated delivery health organizations are looking for an alternative. One of the most promising is being offered by Aledade, the venture-backed company that organizes private physician groups into accountable care organizations (ACOs). Likewise, within specific specialties, such as oncology and cardiology, private equity companies are beginning to roll up provider groups to drive performance, negotiate more favorable contracts, and leverage purchasing power. Companies like One Oncology-an emerging oncology roll-up-will grow in number as physicians seek ways to remain independent of hospital systems. Of course, as markets evolve, it remains a distinct possibility that even equity-backed physician groups will eventually end up acquired by large hospital systems.

Drug pricing will continue to be a front-page issue; at the same time, pharmaceutical innovation will also dominate headlines. We are entering a phase where drug prices will continue to draw negative attention, but that attention will be balanced by the breath-taking innovation coming from biotechnology and pharmaceutical companies. As these breakthroughs like these multiply, expect the national dialog to shift focus from the high cost of drugs to finding new and different ways to pay for them in order to expand access to the most innovative products.

Medicare-for-All will quickly morph into "Medicare Advantage-for-All." Medicare Advantage has grown in popularity during the last ten years. Many Medicare beneficiaries believe that the quality and value of the care delivered in Medicare Advantage programs is superior to fee-for-service alternatives. Likewise, Medicare Advantage continues to get good reviews from clinicians and health care delivery organizations who feel appropriately compensated for delivering quality care to their patients. In the upcoming election year, look for candidates who want to expand access while promoting competition and remaining friendly to the private sector to discover "Medicare Advantage for All" as a compelling strategy/alternative to the more controversial "Medicare for All."

Big Tech and Silicon Valley will continue to play in health care, but they won't upend the system anytime soon. There's a lot of talk about tech companies entering the care delivery space and having a transformative impact on it. We should expect these companies primarily to enable care models that make extensive use of artificial intelligence, machine learning and blockchain technologies - which are currently ill-supported by existing payment and business models. On a related note, big box retailers and other atypical organizations will attempt to enter the health care market with a big splash. Walmart and Best Buy are just two of the national retailers that have taken steps recently to enter the health care market. There will be more. Many of them will rush headlong into an industry they know little about - and they won't take the time to learn their way around. As a result, many will roll out ill-conceived products and services, and make a predictable set of mistakes: overestimating customers' willingness to pay, overestimating returns/clinical savings from new programs, and assuming patients want to be more engaged in their health than they actually do. And then, just as quickly as they entered the market, expect many of these companies to turn tail and leave, replaying a movie that we've seen over and over again for the last 20 years.

Data Privacy is the key, companies that are transparent and ethical will come out ahead. Recent disclosures about biased algorithms and data privacy are just the first of many such revelations we can expect in the coming year. Potentially questionable uses and ownership of data will raise eyebrows and blood pressures-particularly as Americans who have used services for DNA testing come to terms with the fact that they may not have fully understood the privacy implications when they handed their genetic data over for analysis.

Social determinants of health expect more talk than action. Lots of companies are talking about social determinants of health (or "drivers of health," as many are beginning to refer to them), but a close examination reveals that only a few companies are designing substantial interventions and making innovative breakthroughs in the space. Don't expect that to change soon.

Mental health conditions and substance abuse disorders will take the main stage. New start-up's that increase access to care for mental health conditions and substance use disorders have been growing in number. That is a good sign. Perhaps even more important, stigma around behavioral health conditions is slowly diminishing as prominent public figures come forward to disclose their personal challenges with depression, addiction, anxiety, bipolar disorder, and other common yet debilitating mental health conditions. In the future, expect talking about and receiving treatment for behavioral health conditions to become de-stigmatized - and we will be a better society for it.

The public will begin to examine the behaviors and practices of "non-profit" health systems. Too many non-profit hospitals and health systems have operated for too long like for-profits-and people and communities are beginning to take notice. Unsustainable rate increases; surprise billing; medical collections leading to bankruptcy, expect regulators to begin a robust conversation about what requirements need to be met in order to maintain non-profit status. In some cases, non-profit board members with a clear focus on the public good will question whether the for-profit management style is the best way to provide health care to their communities.

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 reached USD 100 Billion in 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.

Digital Transformation

The concept of digital transformation is fuzzy and not well defined. When some examined consumer packaged-goods and found at least 33 digital initiatives, including digital marketing, optimization of trade spending, optimization of sales force coverage, predictive maintenance, and robotic process automation in the back office. Its critical to companies is to go back to fundamentals when evaluating digital opportunities: evaluate digital projects based on the cash flow they are expected to generate. All investment decisions should be analyzed against an alternative course of action. For digital projects, the alternative may be to do nothing. But the do-nothing case doesn't mean zero cash flows. In fact, the do-nothing case is often the key to evaluating digital projects.

Banks have faced this challenge several times. In the 1970s and 1980s, banks introduced automated teller machines. In the 2000s, banks set up online banking. In the 2010s, banks developed mobile-banking apps. It seems obvious that banks needed to introduce all these innovations. But these innovations probably didn't generate new revenues, because customers expected them. Here's where the importance of the base case comes in. If the bank doesn't build a mobile app, it will likely lose market share and revenues over time. In this case, the cash inflows are the avoidance of lost revenues, which could be substantial.

To **analyze the potential impact of digital,** we typically examine two categories of digital changes. The first is the application of digital to fundamentally disrupt an industry, requiring a major revamp of a company's business model. The second kind of impact, less dramatic, occurs when companies use digital to simply do the things they already do, only better.

An example of where digital disruption upended entire business models and created entirely new businesses is the way the Internet changed the way consumers research and purchase airline tickets and hotel rooms, disintermediating many traditional travel agents. To value these new businesses, use the standard discounted cash flow approach. The fact that these businesses are often growing fast and don't earn profits early on does not affect the valuation approach. With high-growth companies, you must start in the future to estimate revenues when the market begins to stabilize. You also have to estimate ROIC based on an assessment of the fundamental economics. Once you've developed a profile of the company as it gets closer to maturity, you can estimate the cash flows between now and then.

Using digital to simply do what you already do, but just better, falls into four types: cost reduction, improved customer service, new revenue sources, and better decision making.

Cost reduction: One mining company saved over $360 million per year from process automation in the field that gave managers more insight into what exactly was happening, enabling managers to make adjustments and anticipate needed ones. Understanding the economics of cost reduction is not as straightforward as it may seem. You also must examine the second-order effects. Are your competitors pursuing the same initiatives? If so, the present value of cost reduction efforts appears to be zero because the savings are passed on to customers. Here's where the alternative case becomes important. If you don't pursue initiatives to reduce costs, you'll still have to reduce your prices in line with your competitors'. The alternative to the digital initiative would be a decline in cash flows. So the present value of the initiative may turn positive again.

Improved customer service: Consumers have benefited tremendously from digital. One leading manufacturer of agricultural products created a seamless online process for ordering, tracking, and query management. This increased the company's customer satisfaction score by 24 percentage points and improved throughput by 20 percent. As is the case with reducing costs, it's critical to think through the competitive effects. Does the improved customer service lead to higher market share because your customer service is better than that of your competitors? Or does it maintain your market share or avoid losing market share because your competitors are doing the same thing?

New revenue sources: Some companies have been able to create new revenue sources through digital initiatives. Imagine you are sitting at home with an urge for some ice cream but don't want to go out to the local convenience store. Ben & Jerry's in the United Kingdom has set up centralized ice-cream freezers where a delivery company picks up the ice cream and delivers it to the customer within a short time period. These centralized freezers generate ten times the volume of convenience store freezers.

Analytics are the Competitive Advantage: Companies that still aren't investing heavily in analytics by 2021 probably won't be in business in beyond 2021. There is simply far too much valuable customer data to be collected, processed and turned into insights for any company to remain competitive without making full use of modern analytics tools. Flying blind and following your gut are no longer viable options when every other business is leveraging sophisticated analytics tools to identify problems, opportunities, and solutions. That's why we are seeing a consolidation of analytics capabilities across the tech world, from Salesforce acquiring Tableau, to Microsoft creating its own Power Platform. Every major tech company has already figured out that the future is in data-most specifically, the real-time processing of it - and so, regardless of what industry you're in, analytics will again be one of the most dominant focal points of digital transformation in 2021 and beyond.

AI and Machine Learning become force multipliers for data analytics: If you are going to invest in analytics, you also need to invest in AI and machine learning to be able to navigate the vast, churning seas of information and data you aim to put to good use. The value of AI and machine learning to data analytics can be distilled into three separate value propositions: speed, scale, and convenience. Speed and scale speak to the advantage of automating the analysis of massive data sets as opposed to assigning human data analysts to the task. Thanks to AI and machine learning, complex data sets can now be analyzed in a fraction of the time it used to take just two years ago. This is not because computers have become faster or better, but rather because AI and machine learning algorithms have gotten extremely good at data analysis, and because that analysis can easily be scaled in the cloud. On the convenience side, unlike data analysis tools of yore, the addition of AI and machine learning to analytics tools has made them intuitive, easy to use, and much more reliable. As good as they are already getting in 2020-21, their speed and accuracy is expected to improve considerably in 2021-22.

RPA catches a second wind: Robotic Process Automation isn't new and is widely considered to be the lowest hanging fruit on the AI tree, but it is nevertheless a very hot topic at every tech and manufacturing conference I have attended in the last eight months. Attended RPA leads the way but as interest and investments continue to grow, and RPA proves itself trustworthy, I believe that 2021-22 will be a very big year for RPA investments, just as 2020 was with money being poured into companies like Automation Anywhere, UiPath and Blue Prism. Also, enterprise companies like Cisco are already using RPA to help create wiggle room to upskill and augment the value of their existing workforce, and that model is certain to quickly grow into a winning formula. (Smart companies: take note.)

Conversational AI becomes a legitimate interface: I know, Siri is still cannot compete in the voice assistance space, and it's still near-impossible to use voice-to-text to craft a decent chat message. However, I do believe we'll see at least some form of conversational AI become useful in 2021-22. On the software side, projects like Microsoft Conversational AI are working incredibly hard to build platforms that cannot just hear correctly but follow complex conversations and understand the nuances of emotion, all while continuing to improve over time. On the silicon side, chipsets and SOCs developed specifically for smart devices are becoming exceptionally good at isolating human voices from noisy backgrounds, and accurately processing natural language in real time. Will we see radical improvements in everyday consumer tech in 2022. Likely no-but I think that the foundations for the next generation of reliable conversational AI will be solidified in the coming year.

Connected vehicles, autonomous drones and Smart Cities become our new reality: We've been talking about them for years, and we are still not quite there yet, but I think that the combination of edge compute and 5G will bring us significantly closer to truly autonomous cars, drones, and smart cities in 2021-22. Tesla clearly is the first name on the board in terms of bringing this to market, but this isn't something only Elon Musk is trying to tackle. This is happening through close strategic alignment between automotive manufacturers and technology makers. Companies like Intel/ Nvidia/Qualcomm and BMW/ Volvo/Ford are partnering up while Uber is building their autonomous fleet and Amazon is looking to ship your every need to your door via an autonomous drone. To finally bring these long-promised technologies to the market.

XaaS, UX/CX, and privacy: How technology-adjacent Digital Transformation trends will take to center stage in 2022: I have focused a lot on technologies, but let's face it: Digital Transformation is about more than just the sum of its technological parts. Change itself is a core driver of Digital Transformation and change almost always transcends the tools that enable it. Because of this, I need to highlight the technology-adjacent trends that I believe will dominate Digital Transformation discussions in 2021-22: Top of my list are XaaS (everything as a service), UX/CX (User/Customer Experience), and digital privacy.

XaaS: Everything-as-a-Service will gain even more momentum in 2021-22 than it did in 2020-21, in even the most hardware-driven industries/sectors of technology. Hewlett Packard Enterprise announced they would offer everything in their portfolio as a service by 2022. This is just one big example, but all of the on-prem providers are moving in this direction. As we continue to see the evolution of onsite, off-side, cloud, hybrid, etc., "big IT" will move on-premises as-a-Service, right alongside big data, analytics, blockchain and more. Everything as a Service has been building up to this for a few years now, but 2021-22 will be the year it goes completely mainstream.

User and Customer Experience: As digital transformation success is intimately tied to user and customer experience (UX/CX), that emphasis will continue to drive business investments in digital transformation. On the one hand, this is especially true as organizations increasingly transition from building internal competencies and improving efficiency to executing on their vision. On the other, improvements in connectivity (5G, Wi-Fi 6), compute capabilities (cloud, edge, machine learning), smart automation (RPA, AI), and intuitive user interfaces (conversational AI, gesture analysis, AR) will combine to make 2021-22 an inflection point for UX and CX across a breadth of industries ranging from retail and hospitality to transportation and healthcare.

Digital Privacy: Thanks in part to scores of privacy failures from technology companies in recent years, the establishment of the EU's General Data Protection Regulation, and growing calls in the U.S. to impose controls on technology companies, we will be seeing more companies finally get serious about privacy and data security issues in 2021-22. I expect that many will adopt privacy and transparency as a brand differentiator, allowing users to opt in or out of data collection schemes with greater ease and awareness than in the past. The real question will be whether companies like Amazon (via Alexa) and Facebook will join in or continue to quietly gather all the data they can from users. Beyond that, the opportunity for legacy high-tech companies like including but not limited to Dell, Cisco, IBM and HPE to create some real and meaningful structure around data security and privacy could lead the way to a digital privacy renaissance starting in 2020-21. It will be interesting to see what companies step up to drive privacy, which companies stay status quo, and what companies continue to raid data like it's the "Lost Ark." the best customer experience.

GSS Infotech has extensive experience with some of the key e-commerce business trends in 2021-22 as follows:

Omni-channel

The customer's habit has changed during the past few years. Now the customers surf cross-platform before making their buying decision. That means, to attract your potential audiences, you also need to have presence on the cross channels. In a study, it has been found out that more than 90% of sales come after a smooth interaction across multiple platforms. Using the right technology means that you are not only providing then the relevant product but also providing them where they want. With the right technology, you can solve any queries within a few minutes, you can also actively engage with them. Having Omni-channel for your businesses means that you are creating a smooth network for your audience to complete the purchase cycle.

Extensive Personalization

The buyer's persona is changing at a rapid rate. They need the right thing and that too, immediately. To make that possible, the only way out is the extensive use of technology. Personalization has been the biggest trend in the eCommerce industry. Without pinpointing the needs of your audiences, you will not be able to make any sales. A study shows that more than 78% of the audiences ignore the offers that are not relevant to their needs, preferences, and relevant to their past searches. This proves that personalization is very important for eCommerce industries.

Mobile-friendly site

Today, more than 60% of the world's population surf the internet with their smartphone. This percentage is so huge that the concept of the eCommerce surfaced on its own. If you are eCommerce business owner and do not have a presence on the mobile-friendly platform then there are chances that you are missing out on your potential customers. In addition, integrating your eCommerce with Augmented reality and virtual reality, you can improve user's experiences. This can boost your sales.

Integration of AI

The concept of artificial intelligence in the technology is not new. But integrating it in the eCommerce technology certainly seen quite advance. With the help of artificial technology, eCommerce businesses are engaging with their audiences in real- time. People are now using more voice searches than the traditional way of searches. This has made the eCommerce businesses adapt themselves to AI technology.

Business Opportunities during Pandemic Covid-19

During the COVID-19 pandemic, technologies are playing a crucial role in keeping our society functional in a time of lockdowns and quarantines. And these technologies may have a long-lasting impact beyond COVID-19. Here are 6 technology trends that can help build a resilient society, as well as considerations about their effects on how we do business, how we trade, how we work, how we produce goods, how we learn, how we seek medical services and how we entertain ourselves.

1. Digital and Contactless Payments

Cash might carry the virus, so central banks in China, US and South Korea have implemented various measures to ensure banknotes are clean before they go into circulation. Now, contactless digital payments, either in the form of cards or e-wallets, are the recommended payment method to avoid the spread of COVID-19. Digital payments enable people to make online purchases and payments of goods, services and even utility payments, as well as to receive stimulus funds faster. However, according to the World Bank, there are more than 1.7 billion unbanked people, who may not have easy access to digital payments. The availability of digital payments also relies on internet availability, devices, and a network to convert cash into a digitalized format.

2. Remote Work

Many companies have asked employees to work from home. Remote work is enabled by technologies including virtual private networks (VPNs), voice over internet protocols (VoIP's), virtual meetings, cloud technology, work collaboration tools and even facial recognition technologies that enable a person to appear before a virtual background to preserve the privacy of the home. In addition to preventing the spread of viruses, remote work also saves commute time and provides more flexibility. Yet remote work also imposes challenges to employers and employees. Information security, privacy and timely tech support can be big issues, as revealed by recent class actions filed against Zoom. Remote work can also complicate labour law issues, such as those associated with providing a safe work environment and income tax issues. Employees may experience loneliness and lack of work-life balance. If remote work becomes more common after the COVID-19 pandemic, employers may decide to reduce lease costs and hire people from regions with cheaper labour costs.

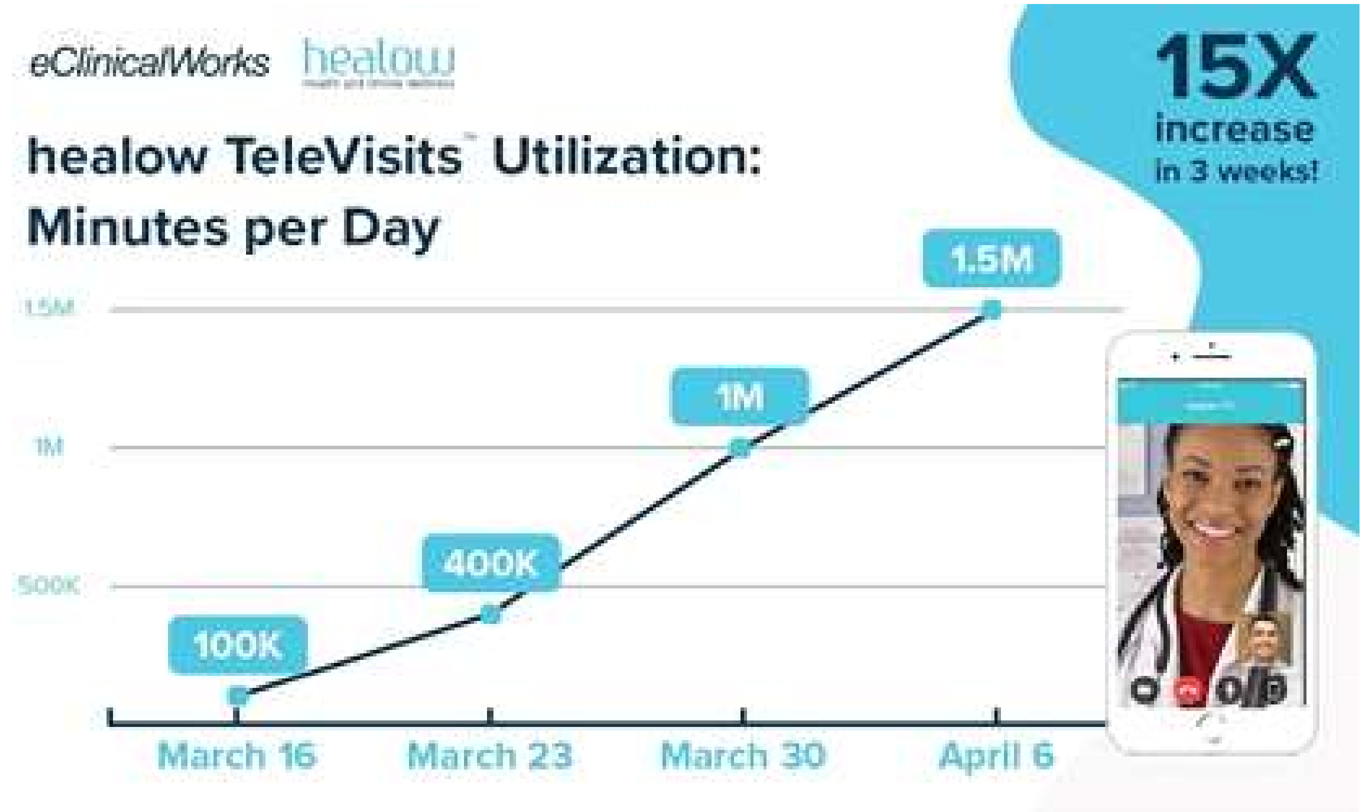
Laws and regulations must be updated to accommodate remote work - and further psychological studies need to be conducted to understand the effect of remote work on people.

3. Distance Learning

As of mid-April, 191 countries announced or implemented school or university closures, impacting 1.57 billion students. Many educational institutions started offering courses online to ensure education was not disrupted by quarantine measures. Technologies involved in distant learning are similar to those for remote work and also include virtual reality, augmented reality, 3D printing and artificial-intelligence-enabled robot teachers Concerns about distance learning include the possibility the technologies could create a wider divide in terms of digital readiness and income level. Distance learning could also create economic pressure on parents - more often women - who need to stay home to watch their children and may face decreased productivity at work.

4. *Telehealth*

Telehealth can be an effective way to contain the spread of COVID-19 while still providing essential primary care.

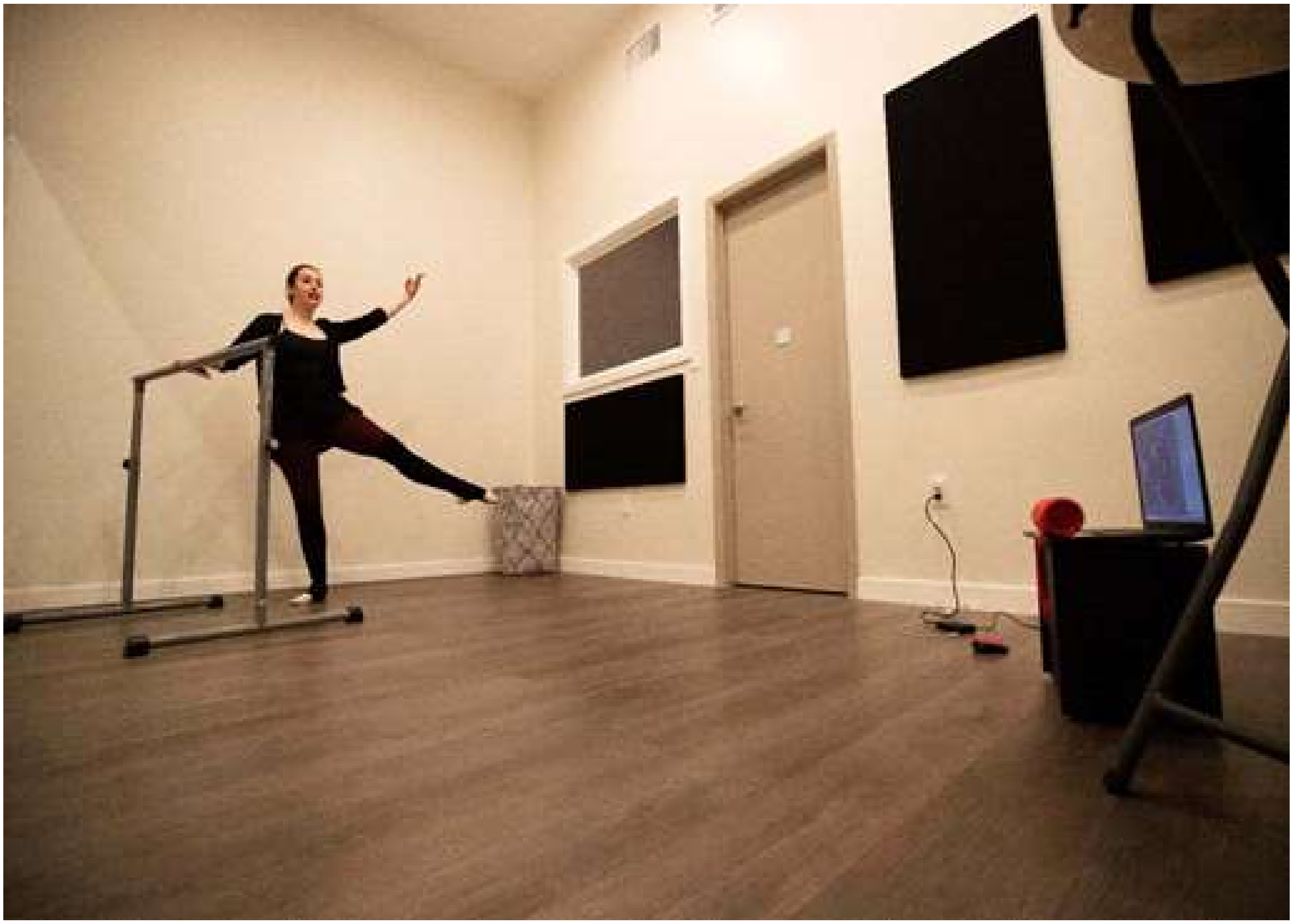


Wearable personal IoT devices can track vital signs. Chatbots can make initial diagnoses based on symptoms identified by patients.

However, in countries where medical costs are high, it's important to ensure telehealth will be covered by insurance. Telehealth also requires a certain level of tech literacy to operate, as well as a good internet connection. And as medical services are one of the most heavily regulated businesses, doctors typically can only provide medical care to patients who live in the same jurisdiction. Regulations, at the time they were written, may not have envisioned a world where telehealth would be available.

5. *Online Entertainment*

Although quarantine measures have reduced in-person interactions significantly, human creativity has brought the party online. Cloud raves and online streaming of concerts have gain traction around the world. Chinese film production companies also released films online. Museums and international heritage sites offer virtual tours. There has also been a surge of online gaming traffic since the outbreak.



6. Supply Chain 4.0

The COVID-19 pandemic has created disruptions to the global supply chain. With distancing and quarantine orders, some factories are completely shut down. While demand for food and personal protective equipment soar, some countries have implemented different levels of export bans on those items. Heavy reliance on paper-based records, a lack of visibility on data and lack of diversity and flexibility have made existing supply chain system vulnerable to any pandemic.

Core technologies of the Fourth Industrial Revolution, such as Big Data, cloud computing, Internet-of-Things ("IoT") and blockchain are building a more resilient supply chain management system for the future by enhancing the accuracy of data and encouraging data sharing.

The importance of digital readiness

COVID-19 has demonstrated the importance of digital readiness, which allows business and life to continue as usual - as much as possible - during pandemics. Building the necessary infrastructure to support a digitized world and stay current in the latest technology will be essential for any business or country to remain competitive in a post-COVID-19 world, as well as take a human-centered and inclusive approach to technology governance.

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 labour 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. Parallelly, 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 2019. 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

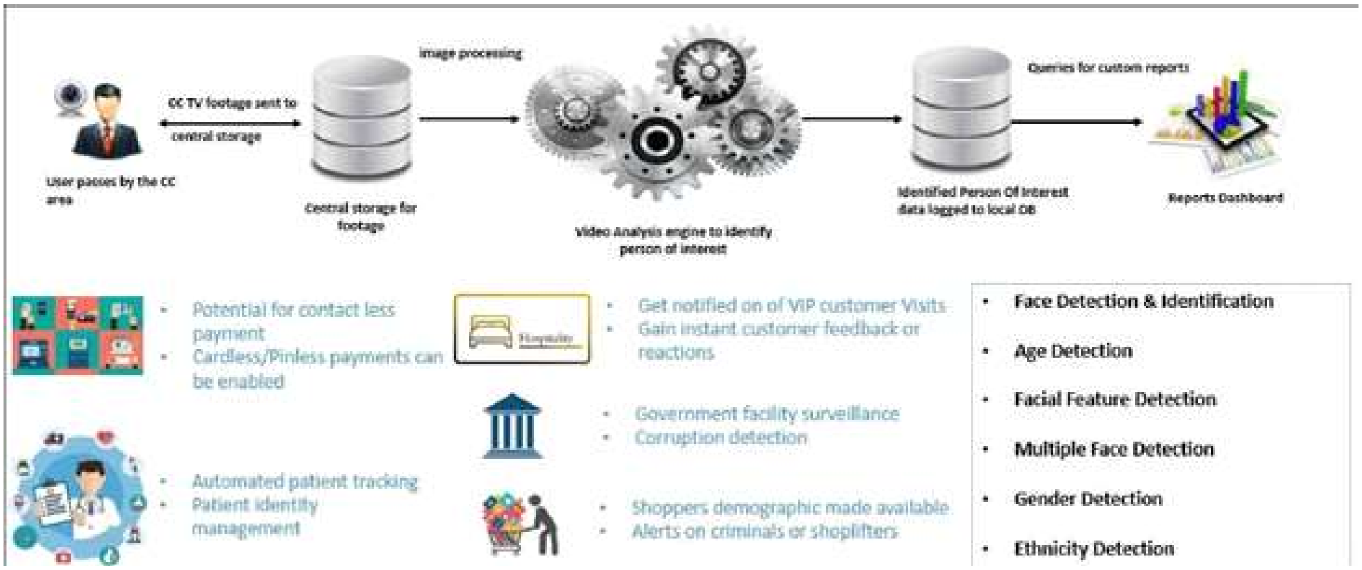
Facial recognition technology is gaining popularity owing to the benefits it offers over traditional verification and monitoring methods. It is a non-intrusive, contactless and convenient verification system. It has piqued the interest of governments world over for the high level of safety it offers 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 surveil- lance purposes
- Rising deployment in diverse industry sectors for purposes other than security.
- Retail: Footfall capturing, floor planning, customer demographics, building loyalty programs, VIP customer alert
- Enterprises: Attendance monitoring, detection and verification of authorized access systems
- Healthcare: Patient medication tracking, pain management, identity verification

- Public spaces: Airports, stadiums, auditoriums, malls etc Monitoring for security purposes with alerts on match with blacklisted persons.
- 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 algorithm



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:

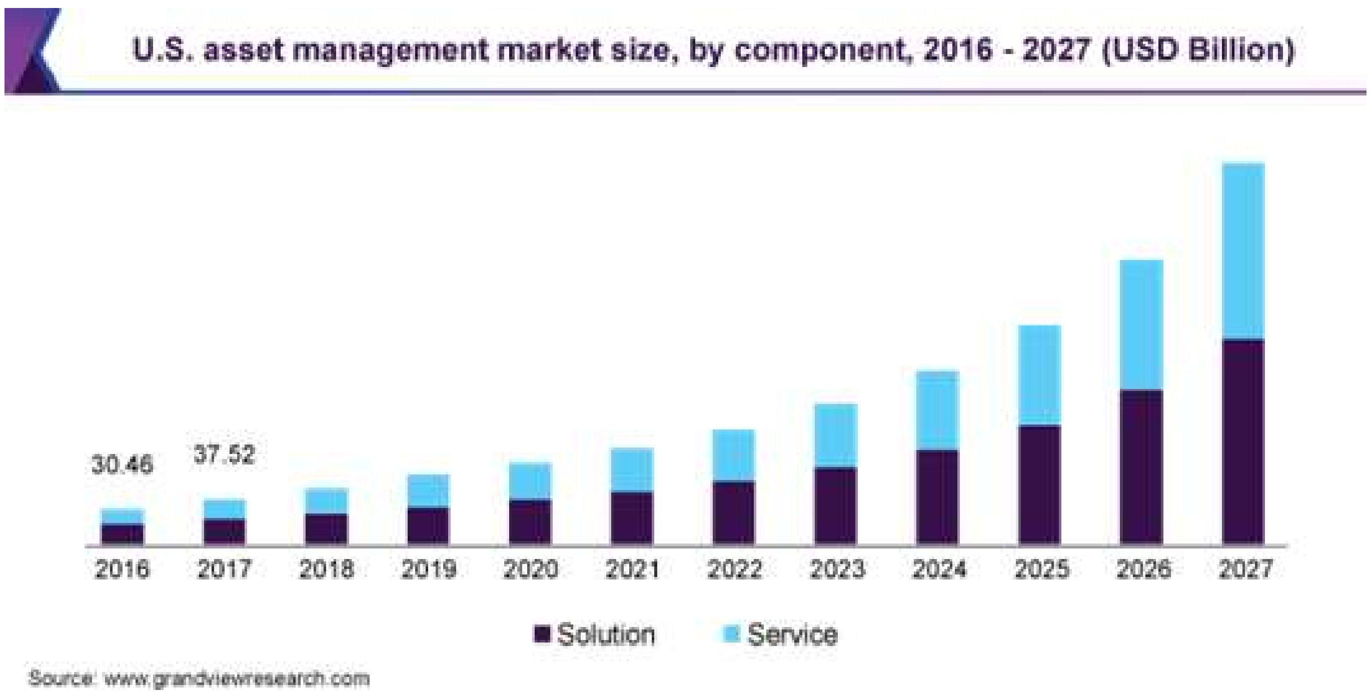
- Easy deployed on any device with just a mic and/or camera
- Flexible. Can be cloud hosted or on-prem
- Provides actionable Imposter data. ESMP captures specific data on actors behind unauthorized access attempts to help enforcement agencies zero in on the hackers.
- Kill Switch. An advanced feature 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.

Physical Asset Management

Physical assets are the tangible items your business holds that gets its worth from the ability to sell, use or barter them in a business transaction. The physical asset can be anything from your company's production equipment, product stock, property, office furniture, and even liquid funds. If it can be used in the business, sold by the business, or bartered for other assets, then it is considered a physical asset. Inventory needs to be observed to ensure it doesn't run its shelf life before being sold. Equipment needs to be maintained and serviced so it doesn't cause downtime when it breaks.

Physical asset management employs techniques and processes that focuses on preventing all these possibilities while still helping organizations lower the total cost of ownership. It is a very sophisticated process that needs to be overseen by professionals who will always look for ways to improve it. When properly deployed, it will provide long-term advantage that not only impacts the bottom line but also the safety and reliability of all physical assets.

The global asset management market size was valued at USD 216.98 billion in 2019. It is expected to expand at a compound annual growth rate (CAGR) of 25.9% from 2020 to 2027. The capabilities of asset management solutions to streamline the operations, optimize the utilization of existing resources, and subsequently help enterprises in saving costs, enhancing profits, and improving the Return on Investment (RoI) are expected to drive the market growth. These solutions and services help organizations in reducing inventory and stock management costs. They also help enterprises in utilizing their existing assets efficiently by tracking and managing them in real-time. Personnel tracking solutions can help organizations in ensuring workforce safety and enhancing workforce efficiency.



What are Some Key Issues in Physical Asset Management?

1. Physical asset management starts at the asset's conceptual design or purchase through usage to disposal. Within that lifecycle approach, maintenance is part of the physical asset management definition and needs to be included to ensure asset value.
2. Physical asset management must provide you with accurate data so that the right decisions are made regarding the assets. Common sense and experience combined with data quality can prevent flawed decisions that could hurt the company.
3. The right physical asset management software will help you collect and analyze data on your assets so you can make informed decisions. By tracking every detail of your asset from procurement to disposal, you can review the cost benefits of buying different brands compared with buying the same brand when replacement is needed.
4. You also want to make sure that your physical asset management system can be utilized across the company in different departments, locations and facilities. Everyone uses the same program with access to the same, real-time data. This can help reduce your capital and operating expenditures.

Good physical asset management software can help by:

- Allowing you to track and monitor every asset in your company in one central location
- Letting you manage your assets from any location, especially if the package has a mobile component

- Identifying and managing any risk to your assets so that you can minimize them immediately
- Providing information on an asset's lifecycle
- Helping identify ghost assets that can be removed from the system
- Planning maintenance schedules for each asset so that there are no disruptions of service
- Giving you accurate, in-depth reports and audits that do not take hours to compile
- Freeing up resources that assets needing a lot of attention are currently using
- Allowing you to focus on the reliability of current resources
- Boosting your assets productivity

Some of the key features of physical Asset Management are

GSS has partnered with leading asset management OEM to introduce physical asset management solutions to existing and new customers across the globe. The primary focus at this point is to reach out to industries that involve high volumes of asset inventory like in the case of Restaurants, Retail outlets, Hospitals etc.

Digital Asset Governance

Today, enterprises are continuously adopting digital transformation to meet increasing customer demands. Consumers are demanding easier, modern mechanisms to access services and products. If these do not meet expectations, enterprises realize that the shift will take place in no time. How does digital transformation translate to reality within the enterprise? Certainly, there will be significant efforts that need to be put into making older, mundane techniques more efficient and modern. This involves organizing consumer and business data correctly and using them in meaningful ways. Enterprises must take on small, medium, and large projects to bring light to the raw data they have collected over the years. This means they must use various technologies to accomplish the project tasks. This includes, but is not limited to, technologies such as databases, integration frameworks, microservices, and more importantly, application programming interfaces (APIs), which are the digital vehicles of the modern digital transformation era. These individual technologies and their constituents are what we call 'digital assets'. They are the building blocks that enable broader digital transformation.

The Need for Digital Asset Governance

Over time, digital assets of different types can grow extensively. In a typical organization, engineering teams could be split into sub-teams and units to better manage individual pieces of work. When teams work parallelly to speed go-to-market strategies, each team would take measures to deliver their tasks by implementing applications and complex internal technology modules.

These could comprise APIs, services, microservices, events, policies, and many more. These assets will often have dependencies and other forms of relationships. Multiple teams in the enterprise could be using the same technology platform for each of their products, their own installations on infrastructures of choice, or even different multi-vendor platforms. The latter could well be the case especially in medium- and large-scale enterprises, where there are multiple teams, business units, and other types of team segregations that span across different countries and regions. In such instances with wider distribution, it becomes challenging to keep track of what is being developed, what has already been developed, as well as the dependencies and associations of various artifacts. Enterprise architects and development managers should be aware of these details to make prudent decisions on new developments.

A governance solution thereby helps execute key business drivers, including speeding go to market by reducing repetitive work and enhancing the quality of work via the governance mechanism in the development process. Development managers and enterprise architects-who want to make decisions based on statuses of currently built digital assets and who want to know how to leverage existing assets-would greatly benefit from such a powerful tool to make quick decisions compared with scrolling through lengthy documents and sheets. The governance solution should have capabilities to maintain dependency details, association views, and categorize assets for easy filtering. It should also be extensible to define new asset types that can be used as data models and business objects. The solution should also allow operational extensibility to add, modify, read, or delete assets. When an asset's state changes, taking additional steps would give pragmatic agility to the solution. Thus, a good asset governance solution should provide means to architect this extensibility to open up programmability.

GSS is working with leading digital asset management OEM to introduce digital asset management solutions to existing and new customers across the globe. The primary focus at this point is to reach out to industries that have high number of employees working remotely and the need to centrally manage the digital assets is of higher significance. This typically includes technology companies, product development companies, leading universities etc.

Asset-intensive organizations have realized that amid the intensifying competition, the success or failure of their business depends on addressing the complexities involved in their management. Hence, several asset-intensive organizations are aggressively investing in advanced and innovative solutions to transform and upgrade their operational processes significantly. They are adopting advanced technologies, such as Artificial Intelligence (AI), predictive maintenance, Augmented Reality (AR), Internet of Things (IoT), digital twin, and telematics, for accurately assessing the performance of their physical properties. They are readily deploying modern management solutions to improve the longevity of their assets.

On-premises solutions typically tend to consume more time, capital, and space. Moreover, skilled professionals are required for the maintenance and operations of on-premises solutions. On the contrary, cloud-based solutions and services eliminate the need for installing additional hardware as they can be accessed on all sorts of basic devices, such as smartphones, tablets, laptops, and personal computers. Cloud-based solutions also ensure reliability and easy availability of data as they store the data in various data centers located across the globe. Additionally, cloud-based solutions also make it easier for organizations to secure business intelligence and optimize the use and value of the assets available. Hence, cloud-based solutions and services are gaining popularity among enterprises across various geographies. Asset-intensive organizations and businesses are managing to gain access to the latest hardware, software, and service features available in the market by implementing cloud-based solutions.

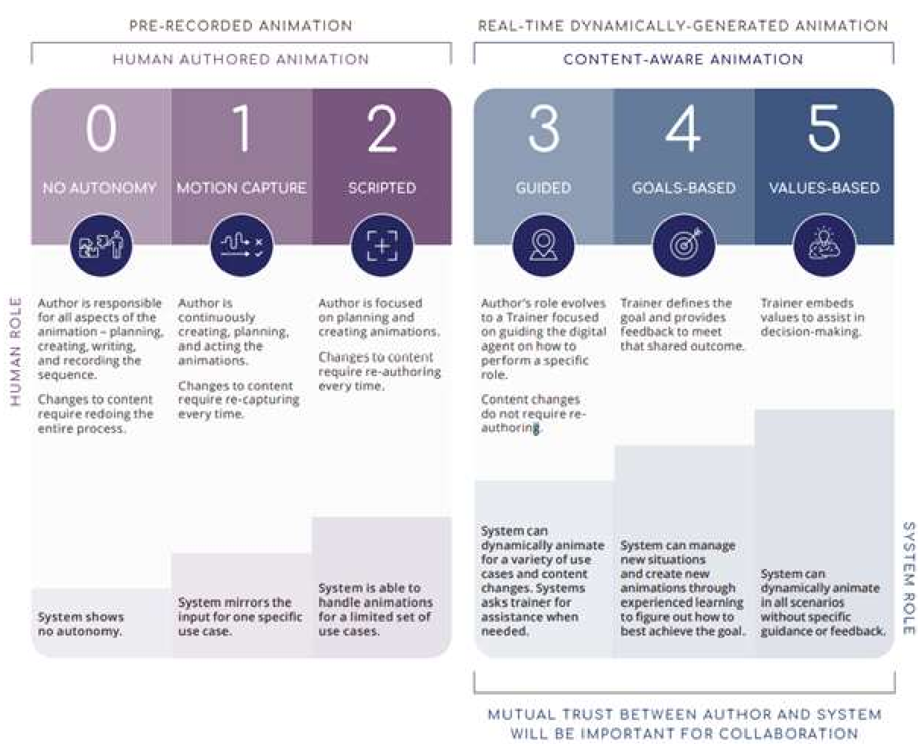
AI Driven Digital Person - The Digital Brain

Human cooperation is one of the most important forces in history. As the world becomes more virtual, human cooperation with machines will undoubtedly unlock new innovations and milestones for humanity. In order to unlock that potential, machines need to upskill and have more natural interactions with humans at scale. The paradigm needs to flip so humans are no longer forced to do unnatural activities in order to work with machines. The system needs to be able to create 1:1 personalized interactions with humans at scale. This is the promise of Artificial Intelligence (AI). The current AI iteration has been impressive in its ability to showcase specific outcomes. There is a lot of promise that these advancements will further society in its pursuits. Machine learning algorithms have enabled computers to understand spoken language and recognize visually presented objects at near-human levels. Other models are demonstrating some idea of creativity and imagination by creating new content based on other works of art, literature, and music. However, what is happening with all this activity is that the original promise of AI is being diluted or misconstrued to focus on specific tasks rather than the more ambitious goals of creating a collaborative system that co-creates with humans.

GSS has partnered with Soul Machines which is focused on unlocking the human potential by evolving the relationship between machines and humans from transactional to interactional. Soul Machines has created a system that allows for hyper-real face-to-face communication and interaction, making the machine feel alive and personal. Soul Machines' technology is rooted in neuroscience and is inspired by how humans naturally process information, learn, interact, and create memories. The human brain is naturally able to process multiple inputs (light, sound, touch, etc.), prioritize its attention, learn through experience, create and store memories, and coordinate actions and behaviors based on rewards and intricate emotional systems.

Soul Machines has created hyper-real technologies around Facial Animation & Body Movements to engender a natural interaction between people and Digital People. A face is central to life-like interactions because it provides context and feedback interactions through emotions and expression and is a basis of trust. Soul Machines has created facial animation technology that establishes a core relationship between people and Digital People. In addition, Soul Machines has pioneered real-time collaborative user experiences (CUE) through the use of body language and gestures to provide additional context to the content and drive mutual understanding. Soul Machines' unique combination of biologically inspired R&D, architecture, and animation position it as the leader in the pursuit of Autonomous Animation and its human-machine collaborative approach to AGI. This system will drive higher customer engagement, understanding, and connection between machines and humans.

Levels of Automation



Digital persons are the future of banking

- 80% of consumers want omnichannel banking - a blend of physical and digital services
- 72% of financial institutions that offer video banking services are perceived as innovative
- 90% of all client banking transactions will be automated by Automated Banking Assistants by 2022
- 77% of financial institutions expect that AI will be essential to their business
- The digital assistant at a leading bank went from being able to answer 30 questions to now over 800 demonstrating it's the way of the future.
- Traditional financial institutions will be able to save up to 22 percent on their costs using AI.
- 83% of Finance executives' top business goal is improving customer experience.

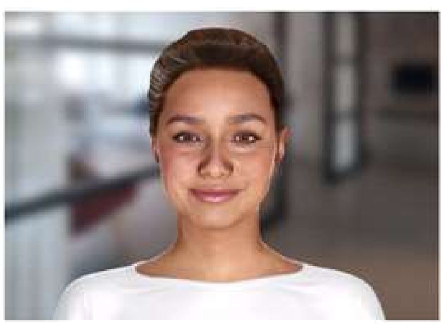
Digital persons in Healthcare

In addition to providing assistance with questions or other aspects of physical health, Digital People are also an excellent solution to the growing mental health crisis, thanks to their Accessibility & responsiveness, Multilingual - 12 languages, Responsive and engaging, Up to date with the latest information, Privacy & Anonymity, Sensitive and impartial, Minimizing risk by reducing physical interaction, Available on any device anywhere, Convenience, Immediate care available 24/7 , Infinitely scalable , Lower cost , Connection , Empathic and understanding , Enhanced cognitive experience , Customized care.

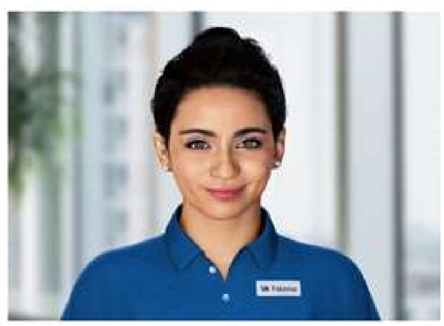
In an industry which has traditionally relied heavily on person-to-person relationships, the use of Digital People to replace doctors or other healthcare professionals may not be intuitive. However, studies have shown that:

- Digital People can improve customers' willingness to disclose more sensitive information
- Digital People can increase feelings of comfort during negative self-admissions
- Digital People reduce fear of human judgment and increase perceptions of information anonymity, privacy, and protection
- Digital People can bridge a generational gap between staff and patients which can make them uncomfortable

In summary, Healthcare is under a fast-paced and much needed transformation. Providers have less and less time to devote to their patients while at the same time patients are expecting more from their providers - more time, more information, easier and faster access. AI can provide a solution to this paradox. Digital People who serve at the first level of interaction can provide an engaging and empathetic support to patients, often allowing those who might not otherwise receive healthcare to access the support that they need. Digital People can be used to fulfill a wide range of support services, from administrative tasks to recruitment. But their ability to contextualize interactions and learn from and respond to subtle nuances such as tone of voice and cadence of speech make them the ideal tool for healthcare providers to reach more people with high-quality care.



Sam, a Digital Call Center Agent for a Fortune 500 Financial Services company, manages inquiries relating to lost, stolen and compromised cards, blocking or reissuing credit cards, and providing next steps to resolve financial inquiries 24/7. Our Fortune 500 customer has seen an increase in Sam's resolution and NPS scores by 145% and 122% respectively.



Fatema is helping Bank ABC grow their digital-only bank, ILA, by connecting with clients and potential customers on her social media accounts where she has thousands of followers. She then helps customers to sign up and engage with the bank online. Thanks to Fatema, Bank ABC won the Gartner Eye on Innovation Award.

GSS is the official implementation partner for Soul Machines to deploy digital person solutions at leading hospitals, universities, Retail businesses, Law firms etc.. GSS immense experience in AI and related technologies in conjunction with the core technology available with Soul Machines makes it a perfect partnership for customer success.

Healthcare analytics

Healthcare analytics refers to the use of vast amounts of collected data to provide organizations with actionable insights. These insights are developed through analytical disciplines to drive fact-based decision making. In turn, these decisions improve planning, management, measurement and learning.

As healthcare organizations around the world are challenged to reduce costs, improve coordination with care teams, provide more with less, and focus on improving patient care, analytics will be especially important. Primary care physician and nursing shortages are requiring overworked professionals to be even more productive. Plus, new businesses entering the market and new approaches to healthcare delivery will increase competition in the industry. Building analytics competencies can help healthcare organizations harness big data to create actionable insights that can be used by healthcare providers, hospital and health system leaders, and those in government health and human services to improve outcomes deliver value for the people they serve. As tumultuous as the current healthcare environment is, it's expected to become even more complex over the next several years. Challenges such as evolving market dynamics, increasing governmental regulation and more demanding consumers will require smarter, more informed decisions from organizations so they can remain competitive and deliver value in their communities.

Healthcare organizations around the world have long been challenged to reduce costs, improve coordination and provide more with less. But these pressures are now being supplied by a more sophisticated population, insistent on higher value and better-quality care. The first step towards smarter health is to seek out smart tools. Solutions like cloud and healthcare analytics are invaluable for health data management, process automation and data-backed decision making in healthcare. Artificial intelligence (AI) solutions and machine learning platforms go one step further. These tools are capable of absorbing tremendous amounts of data - both structured and unstructured - and can learn from many types of data including audio, video, images and more. They weigh information and ideas from a vast number of different sources, then offer hypotheses and predictive analytics for the user to consider. Along with each response, the platform assigns a confidence level for every insight. Armed with the results of those analyses, healthcare providers, researchers and leaders can more easily identify connections, correlations and patterns connected to the challenges they're working to solve and see potential ways to address.

GSS TruVu Data visualization platform is designed for CXO's/Senior Management of hospitals, to get insights about acute care, emergency care, extended care, community health in addition to specific diagnosis cases like COVID-19 and operational, financial, supply chain measures. Our Platform is capable of using data from various sources/formats across healthcare provider organizations functions and draw correlations to drive strategic decisions, powered by our Active Insights.

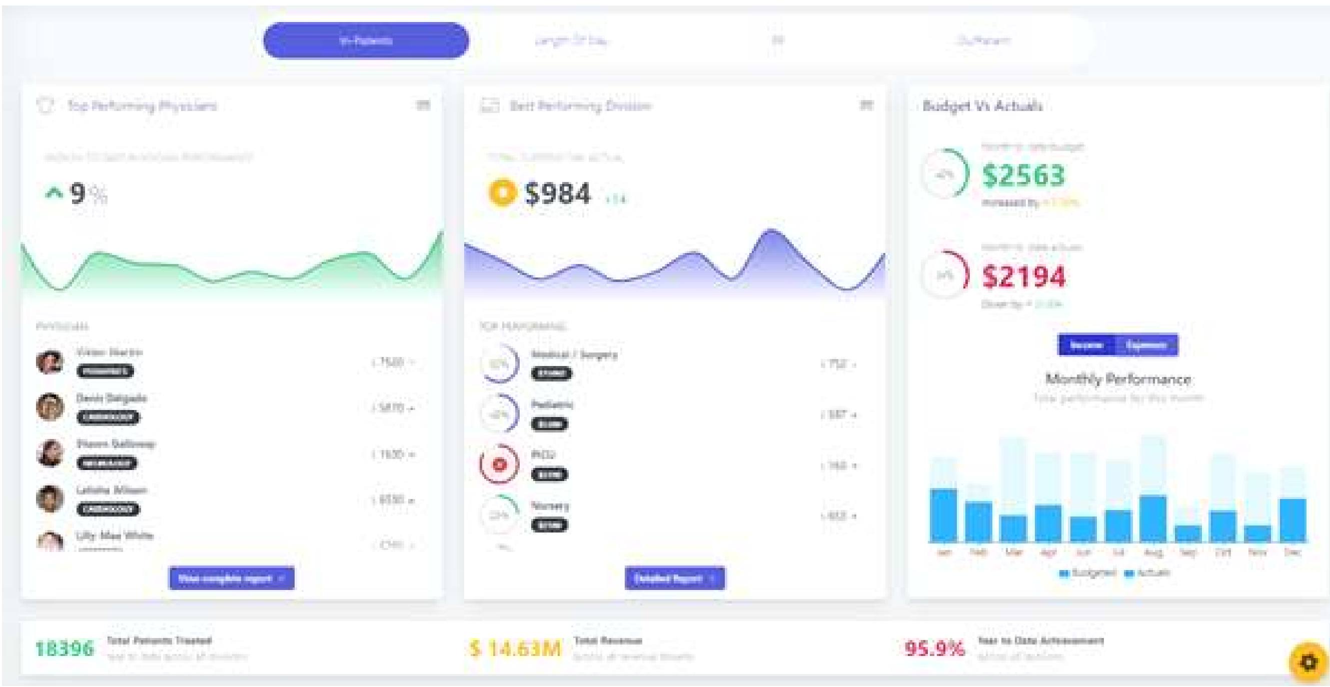
The Information Overload Problem

There are lot of insights into the organizational performance hidden in this data which hold the key to unlock operational potential of healthcare provider. The right presentation of data to provide the leadership team a single pane of glass to see all reconciled data in one place, understand the co-relation between data points from various divisions to effectively plan and track progress is more crucial than ever for faster, effective and data driven decision making.

The TruVu Solution

GSS's TruVu is a one of its kind data visualization and simplification platform to consolidate data and cut through complexity. Leveraging the latest in technology, the platform empowers leaders at all levels to visualize, monitor, share, and report Key Performance Indicators without having to enter data in a new application or providing access to their applications.

TruVu is platform that runs on 95% automation leveraging RPA and leading Machine Learning techniques to analyze, summarize, predict and present complex data as simple Pivots, Table, Bar, Line, Area, Gauges, Pie, etc. for point-in-time and historic data. The platform is built for rapid deployment thus allowing users to start tracking KPIs and get alerted on thresholds immediately for proactive action and laser focused decisions.



Key Insights

Average Admissions	Discharge rate	Average bed occupancy rate	Average length of stay	Covid testing	Result rate	Average ER response time
Average ICU turn around time	Physician to patient ratio	Average inventory usage	Critical device utilization	CFO data by division	Surgeries by division	Average revenue per division

Key Features

95% Automation Through RPA	1 Week rapid deployment	100% Customizable	Cloud / On Premise Deployment	Data Sharing via JSon / iFrame	Zero Data Entry / User Training
SSO and Role based access control	Real time KPI alerting	Optimized Data Streaming	Build-in Predictive Analysis	Leading data security framework	Single pane of glass for all data

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

<table>
<tr><th>APAC -India</th><th colspan="2">North America</th></tr>
<tr><td rowspan="2">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</td><td rowspan="2">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</td><td>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</td></tr>
<tr><td>15 New England Executive
Park, Burlington,
Massachusetts 01803</td></tr>
</table>

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 stream- line 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 Raghavendra	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

- The Company have one-half of the composition of the Board as Independent Directors.
- As on March 31, 2021, 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 2019 for Mrs. Nagajayanthi Das Juttur Raghavendra and 30th September 2017 for Mr. Padmarao G.S. Lakkaraju and Mr. 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: https://www.gssinfotech.com/wp-content/uploads/2020/01/Sample-Letter-of-Appointment-to-Independent-Directors.pdf

Independent Director's Meeting:

During the year under review, the Independent Directors met on 13th Feb 2021, 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 perform the duties effectively and reasonably.

Details of skills / expertise / competence of the Board of Directors:

Name of the Director	Category	Skills/ Expertise/ Competence
Mr. Bhargav Marepally	CEO and Managing Director	He is the founder of GSS Infotech comes with over 20 years of experience in the IT Services Industry. He holds a double Master's degree from BITS, Pilani. He is a member of many technology and management associations worldwide. He was also nominated for "The Entrepreneur of the Year" contest by Ernst & Young in 2005.
Mrs. Nagajayanthi Das Juttur Raghavendra	Non-Executive and Independent Director	She is a Fellow Member of Institute of Company Secretaries of India, and a Post-Graduate in Financial management with rich experience in Corporate Finance, Secretarial and corporate compliance. After a brief stint as a 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, bioinformatics and economics and the pharmaceutical industry.
Mr. A Prabhakara Rao	Non-Executive and Independent Director	He is a Chartered Accountant by profession and entrepreneur by choice. He is a seasoned financial professional who brings in 20 years of financial and industrial expertise to the business. He has varied industry experience in IT/ITES, Agro-based seed industry, bulk drug industry and large- scale dairy industry. He is the promoter of Hyderabad based IT/ITES Company engaged in IT infrastructure management, security solutions and IOT Solutions. Also serving board of start-up company engaged in development of online platform for logistics and transport management.
Mr. Padma Rao G. S. Lakkaraju	Non-Executive and Independent Director	He has enriched law experience of more than a decade and has made an immense impact with his expertise and is known for his pioneering work in his field. He is practicing as an Advocate in the Hon'ble Supreme Court of India and High Court of Judicature at Hyderabad for the state of Telangana & A.P from February 2017 till date. He was privileged to be the second Indian to address the 21st International Association of Prosecutors Annual Conference at Dublin, Ireland in September 2016, participated by about 560 legal attorneys from 90 different countries. He has served as National Vice President, All India Prosecutors Association from August 2015 to February 2017. He was the State Convener for Association of Public Prosecutors from March 2011 to October 2012. He is also an Academic Mentor for aspirants completing Law School.

Name of the Director	Category	Skills/ Expertise/ Competence
Mr. Rambabu Sampangi Kaipa	Non-Executive and Non-Independent Director	A post-graduate in Computer Science from NIT, Warangal, he has spent 25 years with Infosys Limited, building their global delivery model working from the Chairman's office and spearheading their CSR initiatives "The Akshaya Patra Foundation. He has over 25 years of global experience in delivering IT services globally for large clients managing in excess of USD 150 Million in revenues.
Mr. Saikiran Surya Satya Gundu	Non-Executive and Non-Independent Director	A post-graduate in computer applications, he is passionate about solving business problems through automation. He combines business acumen with technical knowledge to create innovative solutions to address industry challenges. He has strong global experience in IT infrastructure and Automation and has rolled out many products and services to address key problems through automation.

Directorship and Membership on Committees:

The details of nature of Directorships, relationship inter-se, number of directorships and committee chairmanships/ member- ships 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 (*)
Mr. Bhargav Marepally	CEO and Managing Director	***	-
Mrs. Nagajayanthi Das Juttur Raghavendra	Non-Executive and Independent Director	***	-
Mr. A Prabhakara Rao	Non-Executive and Independent Director	***	**ACS Technologies Limited
Mr. Padma Rao G.S. Lakkaraju	Non-Executive and Independent Director	***	-
Mr. Rambabu Sampangi Kaipa	Non-Executive and Non-Independent Director	***	-
Mr. Saikiran Surya Satya Gundu	Non-Executive and Non-Independent Director	***	-

As on 31st March 2021, there is no changes in the nature of the Directorship of the Company during the FY 2020-21.

* 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 2021, five (5) 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
21st April, 2020	Results
1st August, 2020	Results
4th September, 2020	Review
13th November, 2020	Results
12th February, 2021	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 2021 are as follows:

Name of the Director	Board Meeting details		Attendance at the Annual General Meeting held on 30th, Sep. 2020
	Held	Attended	
Mr. Bhargav Marepally	5	5	Attended
Mrs. Nagajayanthi Das Juttur Raghavendra	5	5	Not Attended due to ill health
Mr. A Prabhakara Rao	5	5	Not Attended due to ill health
Mr. Padmarao G.S. Lakkaraju	5	5	Attended
Mr. Rambabu Sampangi Kaipa	5	5	Attended
Mr. Saikiran Surya Satya Raghavendra Gundu	5	1	Not Attended due to ill health

Shareholding of the Non-Executive Directors of the Company in GSS Infotech Limited as on 31 March 2021 is as follows:

Name of the Director	Nature of Directorship	No. of shares held	% to the paid-up share capital
Mrs. Nagajayanthi Das Juttur Raghavendra	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 2021.

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 videoconferencing. 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 videoconferencing.

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: https://www.gssinfotech.com/wp-content/uploads/2020/01/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 2021. 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 via-a-vis their responsibilities.

The Board of Directors at its meeting held on 4th September 2020, 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 2021, 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 Raghavendra	Member	4	4

Date(s) on which Audit Committee meeting(s) were held.	Purpose
21st April, 2020	Results
1st August, 2020	Results
13th November, 2020	Results
12th February, 2021	Results

1. The Chairman of the Audit Committee was not present at the last AGM held on 30th September 2020 as he could not attend the AGM due to sudden ill health on that day.:

   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 once during the financial year 2020-21. 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 as on 31 March 2021 is as follows:

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

Date(s) on which NRC meeting(s) were held.
15th April, 2020

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. **The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.**

Regulation	Particulars of Regulations	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholder Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	NA
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

9. **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 2020-21:

During the financial year ended 31 March 2021, Mr. Bhargav Marepally, Managing Director, did not draw any remuneration from the Company.

Details of remuneration/sitting fees paid to Directors during the year 2020-21:

During the financial year ended 31 March 2021, the Company paid Rs. 20,000/- (Rupees Twenty thousand only) as remuneration/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/sitting fees paid to the Directors of the Company for the financial year ended 31 March 2021 are as follows*:

(Amount in ₹)

Name of the Director	Salary	Perquisites	Sitting fees	Commission	Total
Mr. Bhargav Marepally	-	-	-	-	-
Mrs. Nagajayanthi Das Juttur Raghavendra	-	-	1,05,000	-	1,05,000
Mr. Prabhakara Rao Alokam	-	-	1,05,000	-	1,05,000
Mr. LGS Padma Rao	-	-	85,000	-	85,000
Mr. Rambabu Sampangi Kaipa	-	-	80,000	-	80,000
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 11th January 2021. 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 2021 is as follows:

Name of the Member	Nature of Membership
Mrs. Nagajayanthi Das Juttur Raghavendra	Chairperson
Mr. Bhargav Marepally	Member
Mr. LGS Padma Rao	Member

Details pertaining to the number of complaints received and responded and status thereof during the financial year ended 31 March 2021, is given below:

Details of Investor Complaints during FY 2020-21	Number
No. of complaints received during the year 2020-21	Nil
No. of complaints resolved during the year 2020-21	Nil
No. of complaints pending at the end of the year 2020-21	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:

https://www.gssinfotech.com/wp-content/uploads/2020/01/policy-for-determining-material-subsidiary.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:

https://www.gssinfotech.com/wp-content/uploads/2020/01/related-party-transanctions.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 2021, 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 2021, 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 2021:

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 2021, signed by Mr. Bhargav Marepally, CEO & Managing Director and Mr. Ravikumar Jatavallabha V., CFO is annexed as "H" 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
2019-20	Through Videoconferencing	30th September, 2020	10:00 a.m.	1
2018-19	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad - 500032.	5th September, 2019	10:00 a.m.	1
2017-18	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad - 500032.	30th September, 2018	10:30 a.m.	3

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.

Statement on Declaration by Independent Directors

Mr. LGS Padma Rao, Mr. Prabhakara Rao Alokam and Mrs. Nagajayanthi Das Juttur Raghavendra are the Independent Directors on the Board of the Company as on 31 March 2021. All the Independent Directors have given their respective declarations under Section 149 (6) and (7) of the Companies Act, 2013 and the Rules made thereunder. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures, and confirm that the Independent Directors fulfil the conditions of independence specified in the Listing Regulations.

As required by SEBI (LODR) Regulations, 2015, a certificate from Practicing Company Secretary that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is attached to this Report as Annexure-I.

Further, Annual Secretarial Compliance Report issued by the Practicing Company Secretary pursuant to Circular dated 08 February 2019 issued by SEBI is also attached to this Report as Annexure-J.

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. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.
    (i) The following observations were made by the secretarial auditor for FY 20-21 which are self-explanatory and does not require further explanation from directors: The company has not submitted Results as per the prescribed format of the Regulation 33 of SEBI(LODR) Regulations,2015 for the quarter and half year ended on 30th September 2020 and later on complied & rectified though BSE has levied fine of Rs.5,900 towards the same. The prescribed fines were paid by the Company to BSE.

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. **Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:**

There were no instances during the financial year 2020-21 wherein the Board had not accepted the recommendations made by any Committee of the Board.

5. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition, and redressal) Act, 2013:**

a. Number of complaints filed during the financial year: Nil

b. Number of complaints disposed of during the financial year: Nil

c. Number of complaints pending as on end of the financial year: Nil

6. **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 2021. 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:https://www.gssinfotech.com/wp-content/uploads/2020/01/code-of-conduct.pdf

7. **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: https://www.gssinfotech.com/wp-content/uploads/2020/01/sebi-insider-trading-and-code-for-upsi-30052015.pdf

8. **Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule-V**

The Company has complied with the requirements of corporate governance report of sub-paras (2) to (10) of clause C of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015. 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:**

   All the quarterly financial results are placed on the Company's Website: www.gssinfotech.com, apart from publishing the same in the Newspapers along with BSE and NSE.

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. Nalini & Murali Associates, Chartered Accountants, Hyderabad is 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.

5. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)- Not Applicable.

6. A certificate from a company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed as separately to this report.

7. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year. There are no such instances during the year and the Board considered and accepted the recommendations of all the Committees.

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

(Amount ₹)

Particulars	**31 March 2021**
Statutory audit fee	1,200,000
Other services	-
Out of pocket expenses	-
Total	**12,00,000**

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

The 18th Annual General Meeting of the company will be held on 30th September 2021 at 10.00 A.M. through Video Conferencing ("VC")/ Other Audio-visual Means ("OAVM") details, please refer to the Notice of this AGM.

• Financial Calendar		
Financial year	-	1st April 2021 to 31st March 2022
Tentative Schedule for declaration of results during the financial year 2021-22		
First Quarter	-	13th August 2021
Half Yearly	-	First/Second week of November 2021
Third Quarter and Nine Months	-	First/Second week of February 2022
Annual	-	Third/Fourth week of May 2022
Date of Book closure	-	26th September 2021 to 30th September 2021(both day inclusive)
• **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 2020-21.		

- **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 2021 are as under:

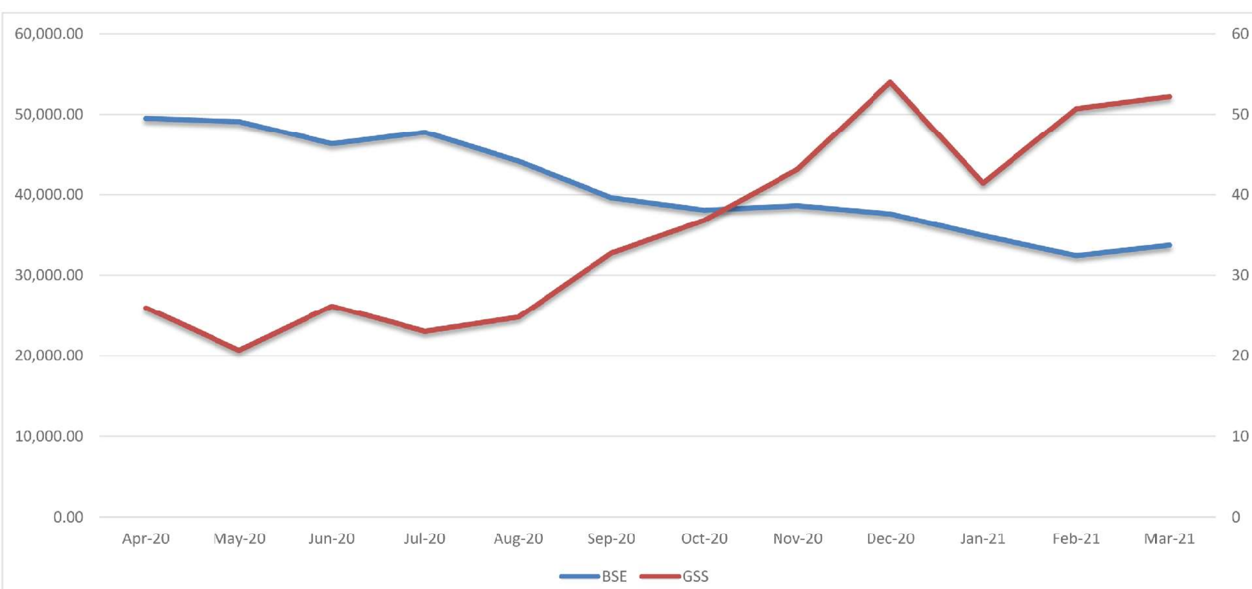
Month	BSE			NSE		
	High (in Rs.)	Low (in Rs.)	Volume	High (in Rs.)	Low (In Rs.)	Volume
Apr-20	27.75	19.00	54,758	28.20	18.50	40,684
May-20	25.90	19.30	29,295	26.00	19.40	20,937
Jun-20	29.75	21.00	95,143	29.55	20.05	155,841
Jul-20	28.00	21.10	101,944	28.00	21.15	87,889
Aug-20	29.30	20.90	1,256,588	29.40	20.85	5,528,572
Sep-20	35.05	24.50	410,830	35.00	24.15	305,480
Oct-20	42.60	31.50	261,180	42.60	32.10	998,785
Nov-20	45.00	34.00	218,531	45.25	33.80	1,776,858
Dec-20	58.95	43.35	354,270	58.85	43.20	948,180
Jan-21	69.40	38.00	923,667	69.65	39.90	2,105,963
Feb-21	55.95	42.35	1,526,879	56.00	42.25	1,259,070
Mar-21	60.55	50.15	2,198,198	60.50	48.00	627,293

Source: BSE and NSE website

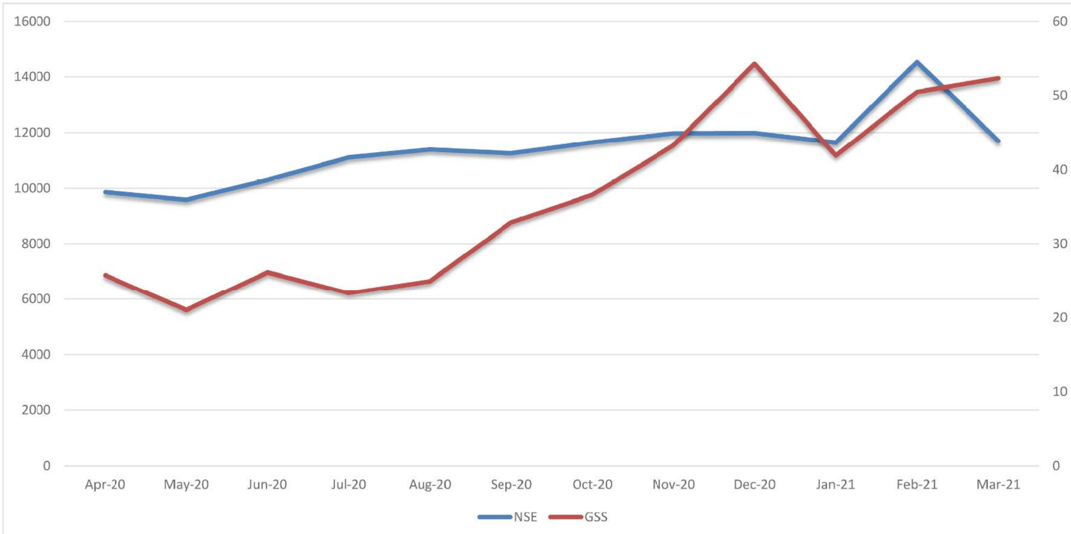
Note: High and low are in per traded share. Volume is the total monthly volume of trade (in numbers) in GSS Infotech Limited shares on BSE and NSE.

- 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 2021 (based on month end closing):



The Chart below shows the comparison of your Company's share price movement on NSE vis-à-vis the movement of the NSE for the financial year ended 31 March 2021 (based on month end closing):



- **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

- **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, re- materialization, 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.

- **Distribution of Shareholding**

  Distribution of shareholding of shares of the Company as on 31 March 2021 is as follows:

No. of Equity Shares		Shareholders		Value of Shareholding	
From	TO	Number	% to total	Amount	% to total
1	5000	10198	87.7247	9,201,000	5.4325
5001	10000	611	5.2559	4,981,900	2.9415
10001	20000	305	2.6237	4,625,560	2.7311
20001	30000	127	1.0925	3,273,380	1.9327
30001	40000	63	0.5419	2,306,710	1.3619
40001	50000	72	0.6194	3,402,000	2.0086
50001	100000	110	0.9462	8,298,750	4.8998
100001	9999999999	139	1.1957	133,279,130	78.6918
	Total	**11625**	**100**	**169,368,430**	**100**

Shareholding Pattern as on 31 March 2021:

	Category of Shareholder				Total Number of Shares	% of total no. of shares
(A)	Shareholding of Promoter and Promoter Group					
	(a)	Individuals/Hindu Undivided Family			3,040,328	17.95
	(b)	Bodies Corporate			Nil	Nil
	(c)	Trust			Nil	Nil
	Total Shareholding of Promoter and Promoter Group				(A) 3,040,328	17.95
(B)	Public shareholding					
	(1)	Institutions				
		(a)	Mutual Funds/ UTI		Nil	Nil
		(b)	Financial Institutions/Banks		801,595	4.73
		(c)	Venture Capital Funds		Nil	Nil
		(d)	Foreign Institutional Investors/FPI's		1,434,038	8.47
		Sub-Total (B)(1)			2,235,633	13.20
	(2)	Non-Institutions				
		(a)	Bodies Corporate		1,175,022	6.94
		(b)	Individuals			
			(i)	Individual shareholders holding nominal share capital up to Rs. 1 lakh	31,50,410	18.60
			(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	53,87,197	31.81
		(c)	Individual (Non-Resident individuals)		83,928	0.50
		(d)	Trust		0	0
		(e)	Clearing Member		789,255	4.66
		(f)	NBFCs registered with RBI		2,500	0.01
		(g)	Overseas Corporate Bodies		0	0
		(h)	IEPF		23,823	0.14
		(i)	HUF		698,747	4.13
		Sub-Total(B)(2)			11,660,882	68.85
		Total Public Shareholding (B)=(B)(1)+(B)(2)			13,896,515	82.05
(C)		**Non-Promoter- Non-Public Shareholding**			350,000	2.07
	Total (A)+(B) +(C)				**16,936,843**	**100.00**

Details of the Company's dematerialized shares as on 31 March 2021:

Number of shares	% of total shares	Number of shareholders	% of total shareholders
16936843	100	11625	97.93

Break up of shares in physical and Demat form as on 31 March 2021:

Physical/Demat	No. of Shares	% of Shares
Physical segment	3,50,001	2.07
Demat segment		
a) NSDL	53,57,951	31.63
b) CDSL	11,22,88,91	66.30
TOTAL	**1,69,36,843**	**100**

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.

- **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 2021.

- **The Company does not have any plant locations.**

- 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.

- **There are no Equity Shares in the Unclaimed Suspense Account of the Company.**

- **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

- The Company didn’t obtain any credit ratings.

- **Secretarial Audit:**

a) M/s Sunil Kacham & Associates, Practising Company Secretaries have conducted a Secretarial Audit of the Company for the year 2020-21. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company.

The Secretarial Audit Report forms part of the Directors' Report. Except the following:

1. The observations were made by the secretarial auditor which are self-explanatory and does not require further explanation from directors:

   The company has not submitted Results as per the prescribed format of the Regulation 33 of SEBI(LODR) Regulations,2015 for quarter and half year ended on 30th September 2020 and later on complied & rectified though BSE has levied fine of Rs.5,900 towards the same. The prescribed fines were paid by the Company to BSE.

b) Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half-yearly basis, by M/s Sunil Kacham & Associates, Practising Company Secretaries, certifying due compliance of share transfer formalities by the Company.

c) M/s Sunil Kacham & Associates, Practising Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Annexure to Report on Corporate Governance for the financial year ended 31 March 2021

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 2021.

For GSS Infotech Limited

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Place: Hyderabad
Date: 13th August, 2021

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 2021, 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 2020-21, 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 2020-21; and
b) There have been no significant changes in accounting policies during the year 2020-21; 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.

For GSS Infotech Limited

Sd/-	**Sd/-**
Bhargav Marepally	**Ravikumar Jatavallabha V.**
CEO & Managing Director	**Chief Financial Officer**
DIN: 00505098	

Place: Hyderabad
Date: 13th August,2021

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 (CIN: L72200TG2003PLC041860) ('the Company'), for the year ended 31st March 2021, 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, 2020 to 31st March 2021.

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 31st March 2021.

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 and Associates**
Company Secretaries

Date: 12.08.2021
Place: Hyderabad

Sd/-
Sunil Kumar Kacham
M. No. : 46155, C.P. No : 16820
UDIN: A046155C000776467

Annexure-I

Annual Secretarial Compliance Report
of
M/S. GSS INFOTECH LIMITED
(CIN: L72200TG2003PLC041860)
for the year ended March 31, 2021
(Pursuant to SEBI Circular dated 08th February,2019)

I, Sunil Kumar Kacham, Practicing Company Secretary, Hyderabad have examined:

(a) all the documents and records made available to me, and explanation provided by M/s. GSS Infotech Limited, CIN: L72200TG2003PLC041860 ("the listed entity"), having its registered office situated at Grd Floor, Wing-B, N heights, Plot No. 12, TSIIC Software Units Layout, Madhapur, Serilingampally, Hyderabad, Rangareddi, Telangana - 500081, India.

(b) the filings/submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/filing, as may be relevant, which has relied upon to make this certification.

for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable during the review period.**

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the review period.**

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable during the review period.**

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the review period.**

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable during the review period.**

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and the circulars/ guidelines issued thereunder.

(i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, and circulars/ guidelines issued thereunder, and based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

S. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Deviations Observations/Remarks of the Practicing Company Secretary
1	Regulation 33 of SEBI(LODR) Regulations, 2015 – September 2020 Revision of submitted Financial Results for the Quarter and Half Year ended September 30, 2020.	BSE informed to the Company the Submitted results does not contain Complete Financial Results and enclosed Limited Review Report (LRR) is not as per the specified format by the SEBI (LODR) Regulations, 2015.	As discussed and informed by the management, the company secretary out of her busy schedule of her work missed this inadvertently the Company has paid fine of Rs.5,900/- to BSE.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S. No	Action taken by	Details of Violation	Details of action taken e. g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE	Regulation 33 of SEBI(LODR) Regulations,2015-Submiited Results and report was not as per the prescribed format of the regulations	Notice of Non-compliance was served by BSE.BSE has levied fine of Rs.5,900 towards the non-compliance	The prescribed fines were paid by the Company to BSE

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations made in the secretarial compliance report for the year ended...	Actions taken by the listed entity if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	The company has not submitted annual report for FY 2018-19 within prescribed period prescribed under Regulation 34 of SEBI(LODR) Regulations,2015	The Company has paid fine of Rs. 34,000+ Taxes to BSE and Rs. 36000+ taxes to NSE. Further, NSE & BSE have waived the fine paid by the Company and initiated refund of the same	**NA**
2	The Company has not provided the Disclosure Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations andDisclosure Requirements) Regulations, 2015): –the Listed entity should disclose total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the networkfirm/network entity of which the statutory auditor is a part	On receipt of letter from NSE regarding Non- disclosure of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the networkfirm/network entity of which the statutory auditor is a part, has sent annexure to shareholders of the Company through email on 30th July,2020.	**NA**
3	The Company has not provided the disclosure in the Annual Report for the financial year 2018-19 under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015- the listed entity should disclose in the annual Report , a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from beingappointed or continuing as directors of companies by the Board/Ministry ofCorporate Affairs or any such statutory authority	On receipt of letter from NSE regarding Non-disclosure of a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from beingappointed or continuing as directors of companies by the Board/Ministry ofCorporate Affairs or any such statutory authority. has sent annexure to shareholders of the Company through email on 30th July,2020	**NA**

For Sunil Kacham and Associates
Company Secretaries

Date: 29.06.2021
Place: Hyderabad

Sunil Kumar Kacham
Company Secretary in Practice
M.No.: 46155, C.P. No: 16820
UDIN: A046155C000543091

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
GSS Infotech Limited,
Ground Floor, Wing-B, N heights,
Plot No. 12,TSIIC Software Units Layout,
Madhapur, Serilingampally,
Rangareddi, Hyderabad, Telangana-500081, India.

I have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of GSS Infotech Limited having CIN - L72200TG2003PLC041860 and having registered office at Ground Floor, Wing-B, N heights, Plot No. 12, TSIIC Software Units Layout, Madhapur, Serilingampally, Rangareddi, Hyderabad, Telangana-500081, India. (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Bhargav Marepally	00505098	13/10/2003
2	Mr. Saikiran Satya Surya Raghavendra Gundu	02224296	13/02/2019
3	Mr. Prabhakara Rao Alokam	02263908	08/08/2017
4	Mrs. Nagajayanthi Raghavendra Das Juttur	05107482	30/09/2015
5	Mr. Gowrisankara Padma Rao Lakkaraju	07926264	08/08/2017
6	Mr. Rambabu Sampangi Kaipa	08238968	13/02/2019

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

For **Sunil Kacham and Associates**
Company Secretaries

Sd/-
Sunil Kumar Kacham
M. No. A46155; CP No.16820;
UDIN: A046155C000776445

Place: Hyderabad
Date: 12.08.2021

CONSOLIDATED FINANCIAL STATEMENTS & NOTES

INDEPENDENT AUDITOR'S REPORT

To

The Board of Directors of
GSS Infotech Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **GSS Infotech Limited** (***"the Company")*** and its Subsidiary Companies **M/s. GSS Healthcare IT Solutions Private Limited, M/s. GSS IT Solutions Private Limited** which are audited by us **& M/s. GSS Infotech Inc** which is audited by other auditors (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, consolidated the statement of changes in equity and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (here in referred as "the consolidated Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its consolidated loss (including other comprehensive income),consolidated changes in equity and its consolidated Cash Flow for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our 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 scepticism 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 financial 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 and its subsidiary companies which are companies incorporated in India, 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely are 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 section 143 (3) of the Act, we report that:

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

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

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

    d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e. On the basis of written representations received from the directors of the Company and its associates as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company the operating effectiveness of such controls, refer to our separate Report in **"Annexure A**".

    g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

        In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and 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 31st March 2021 on its consolidated financial position in its financial statements as referred to in note 28to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund for the year ending 31stMarch, 2021.

Place: Hyderabad
Date: 09.06.2021

For Rambabu &Co.,
Chartered Accountants

Reg. No.002976S
GVL Prasad
Partner
M. No. 026548

UDIN: 21026548AAAAFM3533

"Annexure A" to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **GSS Infotech Limited** ("the Holding Company") in respect of Consolidated Financial Statements as at March 31, 2021 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management responsible for establishing and maintaining internal financial controls base on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 09-06-2021

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S

GVL Prasad
Partner
M. No. 026548

UDIN: 21026548AAAAFM3533

GSS INFOTECH LIMITED

Consolidated Balance Sheet as at 31st March, 2021

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

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	4	1,856,278	2,514,541
Goodwill		1,148,206,709	1,179,993,723
Other intangible assets	5	217,302	452,469
Financial assets			
Other Financial Assets	6	1,051,418	1,041,476
Deferred tax assets (net)	7	2,960,644	1,318,664
Other non-current assets	8	3,500,000	3,500,000
		1,157,792,351	**1,188,820,873**
Current assets			
Financial assets			
Trade receivables	9	271,035,163	305,169,586
Cash and cash equivalents	10	152,141,672	20,469,160
Other bank balances	11	32,090,855	12,420,507
Other Financial Assets	6	2,363,728	4,481,968
Current Tax Assets (Net)	12	51,209,508	126,716,121
Other current assets	8	75,917,845	73,723,754
		584,758,771	**542,981,096**
Total assets		**1,742,551,122**	**1,731,801,969**
Equity and Liabilities			
Equity share capital	13	169,368,630	169,368,630
Other equity	14	1,188,033,920	1,253,777,277
Total equity		**1,357,402,550**	**1,423,145,907**
Non-current liabilities			
Financial Liabilities	18	10,883,219	-
Borrowings	15	-	-
Provisions	16	599,925	1,273,169
		11,483,144	**1,273,169**
Current liabilities			
Financial Liabilities			
Trade payables	17	28,925,403	54,742,662
Other financial liabilities	18	342,098,088	249,525,328
Provisions	16	1,598,894	1,521,736
Other current liabilities	19	1,043,043	1,593,167
Total liabilities		**373,665,428**	**307,382,893**
Total equity and liabilities		**1,742,551,122**	**1,731,801,969**

Summary of significant accounting policies 3

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

As Per Our Report of Even Date

For RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 09-June-2021

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

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

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations	20	1,149,261,904	1,396,622,329
Other income	21	18,312,517	1,535,532
Total income		**1,167,574,421**	**1,398,157,861**
Expenses			
Materials consumed	22	114,066,813	78,005,258
Employee benefits expense	23	965,637,049	1,113,977,998
Depreciation and amortisation expense	24	1,367,611	2,946,625
Finance costs	25	6,266,367	8,095,616
Other expenses	26	100,845,394	126,803,014
Total expense		**1,188,183,234**	**1,329,828,511**
Profit before exceptional items and tax		**(20,608,813)**	**68,329,350**
Exceptional Item		-	-
Profit before tax		**(20,608,813)**	**68,329,350**
Tax expenses			
Current tax	27	17,833,902	8,042,229
Deferred tax charge	27	(1,641,980)	(321,638)
Total tax expense		16,191,922	7,720,591
Profit after tax		**(36,800,735)**	**60,608,759**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan		456,720	84,136
Exchange differences on translation of foreign operations		(29,399,341)	93,259,143
Income-tax effect		-	-
Other comprehensive income for the year, net of tax		(28,942,621)	93,343,279
Total comprehensive income for the year		**(65,743,356)**	**153,952,038**
Earnings per equity share (nominal value of INR 10) in INR			
Basic		(2.17)	3.58
Diluted		(2.17)	3.58

Summary of significant accounting policies 3

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

As Per Our Report of Even Date

For RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 09-June-2021

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Statemetent of Cash Flows for the year ended 31st March, 2021

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Operating activities		
Profit/ (loss) before tax	**(20,608,815)**	**68,329,350**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	1,367,613	2,946,625
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(18,312,517)	(1,535,532)
Finance costs (including fair value change in financial instruments)	6,266,367	8,095,616
Advance/Bad Debt Written off	-	-
Written of Investments	-	-
Unrealized foreign exchange loss/gain	8,717,523	(1,933,406)
Re-measurement gains/ (losses) on defined benefit plan	456,720	84,136
Working capital adjustments:		
(Increase)/ decrease in trade receivables	34,134,424	19,187,933
(Increase)/ decrease in loans	2,118,240	(765,206)
(Increase)/ decrease in other assets	(2,194,091)	23,431,422
Increase/ (decrease) in trade payables	(25,817,260)	(21,808,526)
Increase/ (decrease) in provisions	(596,086)	224,118
Increase/ (decrease) in current tax asset	75,506,613	(5,748,039)
Increase/ (decrease) in other financial liabilities	103,455,978	(98,493,287)
Increase/ (decrease) in other current liabilities	(550,124)	(1,451,313)
	163,944,587	**(9,436,109)**
Income tax paid	(17,833,902)	(8,042,229)
Net cash flows from operating activities	**146,110,684**	**(17,478,339)**
Investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(474,181)	(689,378)
Proceeds from sale of fixed assets	-	-
Other bank balances	(19,670,348)	(6,094,624)
Increase in Goodwill on Consolidation due to difference in exchange rate	31,787,015	(121,564,069)
Interest received (finance income)	18,312,517	1,535,532
Net cash flows used in investing activities	**29,955,003**	**(126,812,538)**
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	(9,942)	(76,836)
Interest paid	(6,266,367)	(8,095,616)
Unrealized foreign exchange loss/gain	(38,116,864)	95,192,549
inflow of excess deposit in dividend unclaim account		
Net cash flows from/ (used in) financing activities	**(44,393,173)**	**87,020,098**
Net increase / (decrease) in cash and cash equivalents	131,672,512	(57,270,779)
Cash and cash equivalents at the beginning of the year (refer note 10)	20,469,160	77,739,939
Cash and cash equivalents at the end of the year (refer note 10)	**152,141,672**	**20,469,160**

Summary of significant accounting policies 3

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

As Per Our Report of Even Date

For RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 09-June-2021

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

(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, 2020	16,936,863	169,368,630
Balance as at March 31, 2021	16,936,863	169,368,630

b. Other equity

Particulars	Reserves and Surplus			OCI	
	Share Premium	General Reserve	Retained Earnings	Exchange differences on translation of foreign operations	Total
At March 31, 2020	2,052,380,129	24,001,603	(1,685,445,290)	862,840,836	1,253,777,277
Profit for the year			(36,800,736)		(36,800,736)
Other comprehensive income					-
Re-measurement gains/ (losses) on defined benefit plans, net of tax				456,720	456,720
Exchange differences on translation of foreign operations				(29,399,341)	(29,399,341)
Income-tax effect					-
Balance as of 31 March 2021	**2,052,380,129**	**24,001,603**	**(1,722,246,026)**	**833,898,214**	**1,188,033,920**

Summary of significant accounting policies 3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 09-June-2021

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
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, TSIIC 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.

The financial statements were authorised for issue by the Group's Board of Directors on June 09, 2021. 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 2021	31 March 2020
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%
InfovistaTechnologies 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%

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;

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 uncertaintyOperating 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, 2017 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.

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

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

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.

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.
- 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

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

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.

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.

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.

3.11 Cash flow statement

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 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 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 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 of 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 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 realising 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;

– 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 recognised 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 recognised in profit or loss. Any gain or loss on derecognition is recognised 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 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 Group 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 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 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 Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group 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 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.

e. Impairment

The Group recognises 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 reorganisation;

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.

3.17 Recent amendments in Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

GSS INFOTECH LIMITED

Notes forming part of the consolidated 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, 2019	2,277,963	1,231,166	5,196,386	1,027,152	9,732,667
Additions	25,115	270,927	393,336	-	689,378
Deletions	-	-	-	-	-
At March 31, 2020	2,303,078	1,502,093	5,589,722	1,027,152	10,422,045
Additions	2,000	141,031	331,150	-	474,181
Deletions	-	-	107,616	-	107,616
At March 31, 2021	2,305,078	1,643,124	5,813,256	1,027,152	10,788,610
Accumulated depreciation					
At March 31, 2019	1,533,129	598,183	2,805,701	762,989	5,700,002
Charge for the year	316,606	394,097	1,430,653	66,145	2,207,502
Less: Adjustments	-	-	-	-	-
At March 31, 2020	1,849,735	992,280	4,236,355	829,134	7,907,504
Charge for the year	60,123	240,358	802,734	29,229	1,132,444
Less: Adjustments	-	-	107,616	-	107,616
At March 31, 2021	1,909,858	1,232,638	4,931,473	858,363	8,932,332
Carrying amount					
At March 31, 2019	**744,834**	**632,983**	**2,390,685**	**264,163**	**4,032,665**
At March 31, 2020	453,343	509,813	1,353,367	198,018	2,514,541
At March 31, 2021	**395,220**	**410,486**	**881,783**	**168,789**	**1,856,278**

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

5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
At March 31, 2019	**-**	**1,903,198**	**1,903,198**
Additions	-	-	-
Deletions	-	-	-
At March 31, 2020	-	1,903,198	1,903,198
Additions	-	-	-
Deletions	-	-	-
At March 31, 2021	-	1,903,198	1,903,198
		-	
Accumulated depreciation			**-**
At March 31, 2019	-	711,607	711,607
Depreciation expense	-	739,123	739,123
Deletions	-	-	-
At March 31, 2020	-	1,450,730	1,450,730
Depreciation expense	-	235,167	235,167
Deletions	-	-	-
At March 31, 2021	-	1,685,897	1,685,897
Carrying amount			
At March 31, 2019	-	1,191,592	1,191,592
At March 31, 2020	-	452,469	452,469
At March 31, 2021	**-**	**217,302**	**217,302**

6 Loans (Unsecured, considered good unless otherwise stated)

	31 March 2021	31 arch 2020
Non-current		
Security deposits	1,051,418	1,041,476
	1,051,418	**1,041,476**

Note: These financial assets are carried at amortised cost

Current		
Other Financial Assets	2,363,728	4,481,968
	2,363,728	**4,481,968**

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

7 Deferred Tax Assets (net)

	31 March 2021	31 March 2020
Deferred Tax Assets (net)	2,960,644	1,318,664
	2,960,644	**1,318,664**

8 Other assets

	31 March 2021	31 March 2020
Non-current assets		
Unsecured, considered good		
Advances other than capital advances		
Advance to ESOP Trust	3,500,000	3,500,000
Advance to vendors	-	-
	3,500,000	**3,500,000**
Current assets		
Unsecured, considered good		
Balance with Govt authorities	12,187,736	15,734,703
Advances other than capital advances		
Staff advances	116,970	-
Other advances	20,634,621	25,201,720
Prepaid expenses	23,517,575	29,459,310
Unbilled revenue	19,460,943	3,328,021
	75,917,845	**73,723,754**

9 Trade receivables

	31 March 2021	31 March 2020
Unsecured,considered good	272,879,100	307,013,523
	272,879,100	**307,013,523**
Less: Provision for doubtful receivables	(1,843,937)	(1,843,937)
Total Trade receivables	**271,035,163**	**305,169,586**

10 Cash and cash equivalents

	31 March 2021	31 March 2020
Balances with banks:		
- On current accounts	152,131,282	20,458,320
Cash on hand	10,390	10,840
Total Cash and cash equivalents	**152,141,672**	**20,469,160**

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

11 Other bank balances

	31 March 2021	31 March 2020
Other bank balances		
Term deposits with Banks with original maturities of less than 1 year	32,090,855	12,420,507
Total Other bank balances	**32,090,855**	**12,420,507**

12 Current Tax Assets (Net)

	31 March 2021	31 March 2020
TDS Receivable	7,132,740	62,115,209
Advance Tax	2,550	-
MAT entitlement	44,074,218	64,600,912
Less: Provision for Income tax	-	-
	51,209,508	**126,716,121**

13 Share Capital

	31 March 2021	31 March 2020
Authorised Share Capital		
50,000,000 Equity shares of ₹. 10/- each.	500,000,000	500,000,000
Issued, subscribed and fully paid-up		
1,69,36,843 (March 31, 2020: 1,69,36,843)	169,368,630	169,368,630
Equity Shares, of ₹. 10/- each	169,368,630	169,368,630

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

Particulars	31 March 2021		31 March 2020	
	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.

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

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

Particulars	31 March 2021		31 March 2020	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
1. Marepally Raghunadha Rao	3,006,129	17.75%	2,137,793	12.62%
2. Aspire Emerging Fund	-	0.00%	952,486	5.62%
	3,006,129	**17.75%**	**3,090,279**	**18.24%**

14 Other equity

	31 March 2021	31 March 2020
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:	-	-
Closing balance	**24,001,603**	**24,001,603**
Retained earnings		
Opening balance	(822,604,456)	(976,556,494)
Profit/(loss) for the year	(36,800,735)	60,608,760
Other comprehensive income	(28,942,621)	93,343,277
Less: Transfers to general reserve		
Closing balance	(888,347,812)	(822,604,456)
Total other equity	**1,188,033,920**	**1,253,777,277**

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 2021	31 March 2020
Non-current Borrowings Secured loans		
Term loans	-	-
- From banks	-	-
Total non-current borrowings	-	-

Notes forming part of the consolidated financial statements

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

16 Provisions

	31 March 2021	31 March 2020
Non-Current		
Provision for employee benefits		
- Gratuity (refer note 31)	599,925	1,273,169
	599,925	**1,273,169**
Current		
Provision for employee benefits		
- Gratuity (refer note 31)	-	61,243
- Compensated absences	1,598,894	1,460,493
	1,598,894	**1,521,736**

17 Trade payables

	31 March 2021	31 March 2020
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	28,925,403	54,742,662
	28,925,403	**54,742,662**

18 Other financial liabilities

	31 March 2021	31 March 2020
Non-Current		
Financial liabilities	10,883,219	-
	10,883,219	-
Current		
Current maturities of long-term debts	235,253,582	147,312,060
Capital creditors	-	-
Employee payables	336,615	382,987
Provision for expenses	91,104,706	85,750,138
Other liabilities	15,403,185	16,080,143
	342,098,088	**249,525,328**

19 Other current liabilities

	31 March 2021	31 March 2020
Statutory Dues	1,043,043	1,593,167
	1,043,043	**1,593,167**

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

20 Revenue from operations

	31 March 2021	31 March 2020
Revenue from Operations	1,149,261,904	1,396,622,329
	1,149,261,904	**1,396,622,329**

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

21 Other income

	31 March 2021	31 March 2020
Interest income	8,256,744	766,651
Miscellaneous income	10,055,773	768,881
	18,312,517	**1,535,532**

22 Direct Cost

	31 March 2021	31 March 2020
Software Expenses	1,332	86,685
Subcontractor Expenses	114,065,481	77,918,573
Hardware Expenses	-	-
	114,066,813	**78,005,258**

23 Employee benefits expense

	31 March 2021	31 March 2020
Salaries, wages and bonus	939,167,218	1,050,760,581
Contribution to provident and other funds	2,056,851	3,811,508
Staff welfare expenses	24,412,980	59,405,909
	965,637,049	**1,113,977,998**

24 Depreciation and amortisation expense

	31 March 2021	31 March 2020
Depreciation of tangible assets	1,132,444	2,207,502
Amortization of intangible assets	235,167	739,123
	1,367,611	**2,946,625**

25 Finance costs

	31 March 2021	31 March 2020
Interest on term loans	4,388,703	6,231,982
Bank Charges	1,877,664	1,863,634
	6,266,367	**8,095,616**

Notes forming part of the consolidated financial statements

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

26 Other expenses

	31 March 2021	31 March 2020
Directors' Sitting Fees	395,000	375,000
Power and fuel	2,418,937	6,830,241
Auditor's Remuneration	1,200,000	1,214,701
Repairs and maintenance		
- Plant and equipments	1,148,846	143,520
- Others	580,433	477,653
Meeting Expenses	89,489	281,621
License, Immigration And Permits	330,023	600,412
Rent	26,346,458	29,385,085
Business promotion and advertisement expenses	8,172,131	1,361,420
Service Tax Expenses	-	8,638,507
Travelling and conveyance	7,308,778	14,802,253
Rates and taxes	919,824	2,113,522
Legal and professional charges	12,734,562	26,063,839
Printing and stationary	1,039,782	669,138
Communication expenses	4,290,891	5,237,324
Insurance	8,767,615	10,428,846
General Office Expenses	5,045,952	3,955,286
Profit / Loss on sale on Assets	-	-
Advances /Bad debts written off	11,339,150	16,158,051
Loss on Exchange Rate Fluctuation	8,717,523	(1,933,406)
	100,845,394	**126,803,014**

27 Tax expenses

	31 March 2021	31 March 2020
Current income tax:		
Current income tax charge	17,833,902	8,042,229
Mat Credit entitlement	-	-
Deferred tax:		
Relating to originating and reversal of temporary differences	(1,641,980)	(321,638)
Income tax expense recognised in the statement of profit or loss	**16,191,922**	**7,720,591**

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

28 Contingent liabilities and commitments

Particulars		As at 31 March 2021	As at 31 March 2020
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	67,960,990*	67,960,990*
iii)	Against bank guarantees issued by banks towards financial & performance guarantees outstanding	-	1,420,000
iv)	There was service tax demand (for the years 2010-12, 2012-13 & 2013-14) on the company on account of thee-Procurement contract executed in Bangladeshfor Bangladesh Government, treating of business support, against which company filed appeal before CESTAT, Bangalore	8,519,526	8,519,526
v)	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.		
*	Consequential orders are pending before Assessing officer, pursuant to orders from Honorable Income tax Appellate Tribunal Hyderabad, for Asst Years 2013-14 and Asst Year 2014-15 involving tax amount of Rs 20,929,300/- and 67,960,990/- respectively. These demands are however offset against brought forward losses and MAT Credit Entitlement ofearlier years. In case of favorable orders the said losses and MAT Credits will be restored.		

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

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**

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

	Particulars	31-Mar-21	31-Mar-20
	Mangerial remuneration to Key Management personnel	25,977,000	26,386,500
	Repayment of loan taken	-	-

*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-Mar-21	As at 31-Mar-20
i)	Repayment of Loan Received		
		-	-

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	2020-21	2019-20
Revenue from United States of America	1,083,372,310	1,283,367,395
Revenue from Bangladesh	45,313,581	56,691,668
Revenue from India	20,576,013	56,563,266
TOTOAL	**1,149,261,904**	**1,396,622,329**

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

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:

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

Particulars	**31-Mar-21**	**31-Mar-20**
Opening balance	**3,444,651**	**2,855,291**
Service cost	677,396	861,686
Past Service cost	-	-
Interest cost	234,236	182,025
Benefits paid	(357,253)	(205,771)
Actuarial gain	(469,444)	(248,580)
Closing balance	**3,529,586**	**3,444,651**
Present value of projected benefit obligation at the end of the year	3,529,586	3,444,651
Fair value of plan assets at the end of the year	2,929,661	2,057,809
Net liability recognised in the balance sheet	**599,925**	**1,386,842**
Long term provision	3,431,098	3,330,978
Short term provision	98,488	113,673

Expenses recognised in statement of profit and loss	**31-Mar-21**	**31-Mar-20**
Service cost	677,396	861,686
Interest cost	92,029	71,122
Gratuity cost	**769,425**	**932,808**
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to financial assumption changes	(469,444)	(248,580)
Return on plan assets greater (less) than discount rate	12,724	164,444
Total expenses routed through OCI	**(456,720)**	**(84,136)**

Assumptions	**31-Mar-21**	**31-Mar-20**
Discount rate	6.80% p.a.	6.80% p.a.
Future salary increases	4.00% p.a.	4.00% p.a.
Employee turnover	3.00% p.a.	3.00% p.a.

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

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

	31-Mar-21	31-Mar-20
Effect of + 1% change in rate of discounting	3,248,383	3,153,718
Effect of - 1% change in rate of discounting	3,857,951	3,785,998
Effect of + 1% change in rate of salary increase	4,135,289	4,105,821
Effect of - 1% change in rate of salary increase	3,030,836	2,907,427
Effect of + 1% change in rate of employee turnover	3,771,940	3,711,606
Effect of - 1% change in rate of employee turnover	3,259,806	3,145,822

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.

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, 2017 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-Mar-21	31-Mar-20
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

Notes forming part of the consolidated financial statements

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

33 Leases

Where the Company is a lessee:

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

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

Particulars	31-Mar-21	31-Mar-20
Not later than 1 year	-	3,522,645
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	31-Mar-21	31-Mar-20
Cancellable lease expense	21,122,389	18,850,879
Non - cancellable lease expense	5,224,069	10,534,206
Total	**26,346,458**	**29,385,085**

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-Mar-21	31-Mar-20
Loss for the year	(36,800,735)	60,608,759
Loss attributable to equity share holders	**(36,800,735)**	**60,608,759**
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 (₹.)	**(2.17)**	**3.58**
Earnings per share of par value ₹. 10 – diluted (₹.)	**(2.17)**	**3.58**

Notes forming part of the consolidated financial statements

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

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, 2021 and March 31, 2020. 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, 2021 and March 31, 2020.

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.

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, 2021		
INR	+1%	(2,461,368)
INR	1%	2,461,368
March 31, 2020		
INR	+1%	(1,473,121)
INR	1%	1,473,121

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

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 ₹. 272,879,100 (March 31, 2020 : 307,013,523). 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-Mar-21	31-Mar-20
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, 2021, March 31, 2020 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:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2021						
Borrowings	235,253,582	-	-	-	-	235,253,582
Trade payables	12,262,602	16,662,801	-	-	-	28,925,403
Year ended March 31, 2020						
Borrowings	147,312,060	-	-	-	-	147,312,060
Trade payables	20,235,142	34,507,520	-	-	-	54,742,662

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

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, 2021, March 31, 2020 was as follows:

Particulars	31-Mar-21	31-Mar-20
Total equity attributable to the equity shareholders of the Company	1,357,402,550	1,423,145,907
As a percentage of total capital	85.23%	90.62%
Long term borrowings including current maturities	235,253,582	147,312,060
Short term borrowings	-	-
Total borrowings	235,253,582	147,312,060
As a percentage of total capital	14.77%	9.38%
Total capital (equity and borrowings)	1,592,656,131	1,570,457,967

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 financial statements of GSS Infotech Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, 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 financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 2021, and loss and 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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 are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2021 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

  (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

  (f) With respect to the adequacy of the internal financial controls over financial reporting 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – as referred to in note 29 financial statements;

ii. The Company does not have material foreseeable losses, if any, on long-term contracts including derivative contracts.

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.

Place: Hyderabad
Date: 09-06-2021

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S

GVL Prasad
Partner
M. No. 026548

UDIN: 21026548AAAAFN3959

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

2) In respect of Inventories:

a) As explained to us the inventories have been physically verified during the year by the management at reasonable intervals.

b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.

c) In our opinion and according to the information and explanations given to us the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) 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 Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government of India under Section 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

c) In our opinion there are no amounts required to be transferred to Investor Education and Protection Fund by the company.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institution or banks. The Company has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Hyderabad
Date: 09.06.2021

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S

GVL Prasad
Partner
M. No. 026548

UDIN: 21026548AAAAFN3959

“Annexure B” to the Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of GSS Infotech Limited (“the Company”) as of March 31, 2021 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 responsible for establishing and maintaining internal financial controls base on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 09-06-2021

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S

GVL Prasad
Partner
M. No. 026548

UDIN: 21026548AAAAFN3959

GSS INFOTECH LIMITED

Balance Sheet as at 31st March, 2021

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

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	4	1,203,182	1,865,332
Intangible assets	5	217,302	452,469
Financial assets			
Investments	6	891,140,378	891,140,378
Other Financial Assets	7	-	110,183
Deferred Tax Assets (net)	8	2,960,644	1,318,664
Other non-current assets	9	3,500,000	3,500,000
		899,021,506	**898,387,026**
Current assets			
Financial assets			
Trade receivables	10	142,867,189	110,656,751
Cash and cash equivalents	11	27,410,115	11,982,197
Other bank balances	12	32,090,855	12,420,507
Other Financial Assets	7	2,364,328	4,482,568
Current Tax Assets (Net)	13	51,209,508	126,716,121
Other current assets	9	37,752,383	43,857,855
		293,694,378	310,115,999
Total assets		**1,192,715,884**	**1,208,503,025**
Equity and Liabilities			
Equity			
Equity share capital	14	169,368,430	169,368,430
Other equity	15	964,353,979	1,001,498,214
Total equity		**1,133,722,409**	**1,170,866,644**
Non-current liabilities			
Financial Liabilities			
Borrowings	16	-	-
Provisions	17	599,925	1,273,169
		599,925	**1,273,169**
Current liabilities			
Financial Liabilities			
Trade payables	18	8,363,692	10,501,801
Other financial liabilities	19	47,387,920	22,746,508
Provisions	17	1,598,894	1,521,736
Other current liabilities	20	1,043,044	1,593,167
Total liabilities		**58,393,550**	**36,363,212**
Total equity and liabilities		**1,192,715,884**	**1,208,503,025**

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 RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

Place: Hyderabad
Date: 09-June-2021

GSS INFOTECH LIMITED

Statement of Profit and Loss for the year ended 31st March, 2021

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

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations	21	166,743,335	269,857,910
Other income	22	15,379,416	1,407,890
Total income		**182,122,751**	**271,265,800**
Expenses			
Direct Cost	23	64,827,261	34,266,527
Employee benefits expense	24	85,911,026	150,855,526
Depreciation and amortisation expense	25	1,099,317	2,530,277
Finance costs	26	546,900	424,983
Other expenses	27	51,987,747	57,709,015
Total expense		**204,372,251**	**245,786,328**
Profit before exceptional items and tax		**(22,249,500)**	**25,479,472**
Exceptional Item		-	-
Profit before tax		**(22,249,500)**	**25,479,472**
Tax expenses			
Current tax	28	1,404,102	7,226,046
Prior Year Tax	28	15,589,333	-
Deferred tax charge	28	(1,641,980)	(321,638)
Total tax expense		15,351,455	6,904,408
Profit for the year		**(37,600,955)**	**18,575,064**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan		456,720	84,136
Income-tax effect		-	-
Other comprehensive income for the year, net of tax		**456,720**	**84,136**
Total comprehensive income for the year		**(37,144,235)**	**18,659,200**
Earnings per equity share (nominal value of INR 10) in INR			
Basic		(2.22)	1.10
Diluted		(2.22)	1.10

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 RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 09-June-2021

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

GSS INFOTECH LIMITED

Statemetent of Cash Flows for the year ended 31st March, 2021

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Operating activities		
Profit before tax	**(22,249,500)**	**25,479,472**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	1,099,317	2,530,277
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(8,256,744)	(766,651)
Finance costs (including fair value change in financial instruments)	-	-
Advance/Bad Debt Written off	698,377	111,670
Written of Investments	-	-
Unrealized foreign exchange loss/gain	(1,044,825)	(3,580,077)
Re-measurement gains/ (losses) on defined benefit plan	456,720	84,136
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(32,210,437)	(1,565,816)
(Increase)/ decrease in loans	1,530,046	(876,876)
(Increase)/ decrease in other assets	6,105,470	12,607,722
Increase/ (decrease) in trade payables and other financial liabilities	(2,138,109)	(1,555,906)
Increase/ (decrease) in provisions	(596,086)	224,116
Increase/ (decrease) in current tax asset	75,506,613	(5,748,039)
Increase/ (decrease) in other financial liabilities	24,641,412	(16,960,574)
Increase/ (decrease) in other current liabilities	(550,123)	(1,451,313)
	42,992,131	**8,532,141**
Income tax paid	(16,993,434)	(7,226,046)
Net cash flows from operating activities	**25,998,697**	**1,306,095**
Investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(202,000)	(499,371)
Proceeds from sale of fixed assets	-	-
Other bank balances	(19,670,348)	(6,094,624)
Interest received (finance income)	8,256,744	766,651
Investment in Subsidiary	-	-
Net cash flows used in investing activities	**(11,615,604)**	**(5,827,344)**
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	-	-
Interest paid	-	-
Unrealized foreign exchange loss/gain	1,044,826	3,580,079
inflow of excess deposit in dividend unclaim account	-	-
Net cash flows from/ (used in) financing activities	**1,044,826**	**3,580,079**
Net increase / (decrease) in cash and cash equivalents	15,427,918	(941,170)
Cash and cash equivalents at the beginning of the year (refer note 11)	11,982,197	12,923,367
Cash and cash equivalents at the end of the year (refer note 11)	**27,410,115**	**11,982,197**

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 RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

Place: Hyderabad
Date: 09-June-2021

GSS INFOTECH LIMITED

Statement of Changes in Equity for the year ended 31st March, 2021

(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, 2020	16,936,843	169,368,430
	Balance as at March 31, 2021	16,936,843	169,368,430

b. Other equity

Particulars	**Reserves and Surplus**				
	Share Premium	**General Reserve**	**Retained Earnings**	**OCI**	**Total**
At March 31, 2020	2,052,380,129	24,001,603	(1,074,883,519)		1,001,498,214
Profit for the year			(37,600,955)		(37,600,955)
Other comprehensive income					
Re-measurement gains/ (losses) on defined benefit plans				456,720	456,720
Income-tax effect			-		-
Balance as of 31 March 2021	**2,052,380,129**	**24,001,603**	**(1,112,484,474)**	**456,720**	**964,353,979**

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 RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

Sd/-
GVL Prasad
Partner
Membership No.: 026548

Sd/-
Bhargav Marepally
CEO & Managing Director
DIN: 00505098

Sd/-
A.Prabhakara Rao
Director
DIN: 02263908

Sd/-
Ravi Kumar Jatavallabha V
Chief Financial Officer

Sd/-
Amrita Singh
Company Secretary

Place: Hyderabad
Date: 09-June-2021

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, TSIIC 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 June 09, 2021. 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:

a) it is expected to be realized in, or is intended for sale or consumption in, the Company'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 Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within twelve months after the reporting date; or

d) 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.

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 uncertaintyOperating cycle

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, 2021 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.

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.

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. 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.
- 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 theapplication 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

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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 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.

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.

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 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. 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.

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 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.

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 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 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 is 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") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

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, 2019	2,016,500	698,279	3,596,001	147,815	6,458,594
Additions	25,115	270,927	203,329	-	499,371
Deletions	-	-	-	-	-
At March 31, 2020	2,041,615	969,206	3,799,330	147,815	6,957,965
Additions	2,000	-	200,000	-	202,000
Deletions	-	-	-	-	-
At March 31, 2021	2,043,615	969,206	3,999,330	147,815	7,159,966
Accumulated depreciation					
At March 31, 2019	1,271,661	349,150	1,617,973	62,696.00	3,301,479
Charge for the year	316,606	319,517	1,155,031	-	1,791,154
Less: Adjustments	-	-	-	-	-
At March 31, 2020	1,588,267	668,667	2,773,004	62,696	5,092,633
Charge for the year	60,123	182,688	621,339	-	864,150
Less: Adjustments	-	-	-	-	-
At March 31, 2021	1,648,390	851,355	3,394,343	62,696	5,956,784
Carrying amount					
At March 31, 2019	744,839	349,129	1,978,028	85,119	3,157,115
At March 31, 2020	453,348	300,539	1,026,326	85,119	1,865,332
At March 31, 2021	395,225	117,851	604,987	85,119	1,203,182

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

5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
At March 31, 2019	2,069,832	1,870,661	3,940,493
Additions	-	-	-
Deletions	-	-	-
At March 31, 2020	2,069,832	1,870,661	3,940,493
Additions	-	-	-
Deletions	-	-	-
At March 31, 2021	2,069,832	1,870,661	3,940,493
Accumulated depreciation			
At March 31, 2019	2,069,832	679,070	2,748,902
Depreciation expense	-	739,123	739,123
Deletions	-	-	-
At March 31, 2020	2,069,832	1,418,193	3,488,025
Depreciation expense	-	235,167	235,167
Deletions	-	-	-
At March 31, 2021	2,069,832	1,653,360	3,723,192
Carrying amount			
At March 31, 2019	-	-	1,191,592
At March 31, 2020	-	452,469	452,469
At March 31, 2021	-	217,302	217,302

6 Investments

	31 March 2021	31 March 2020
Non-current investments		
Investments carried at cost		
Unquoted equity shares		
Investments in subsidiaries		
1,500 (31-March-2020: 1,500) Equity Shares of $1 each fully paid up in GSS Infotech Inc (Delaware)	890,940,578	890,940,578
9,990 (31-March-2020: 9,990) Equity Shars of ₹. 10/- each fully paid up in GSS Healthcare IT Solutions Private Ltd	99,900	99,900
9,990(31-March-2020: 9,990) Equity Shars of ₹. 10/- each fully paid up in GSS IT Solutions Private Ltd	99,900	99,900
Total investments carried at cost	**891,140,378**	**891,140,378**

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

7 Loans (Unsecured, considered good unless otherwise stated)

	31 March 2021	31 March 2020
Non-current		
Security deposits	-	110,183
	-	**110,183**

Note: These financial assets are carried at amortised cost

	31 March 2021	31 March 2020
Current		
Other Financial Assets	2,363,728	4,481,968
Loans and advances to related parties	600	600
	2,364,328	**4,482,568**

8 Deferred Tax Assets (net)

	31 March 2021	31 March 2020
Deferred Tax Assets (net)	2,960,644	1,318,664
	2,960,644	**1,318,664**

Significant items of Deferred Tax Asset		
Particulars	**31 March 2021**	**31 March 2020**
WDV as per Income Tax Act	9,863,812	4,262,879
WDV as per Companies Act	1,420,489	2,317,797
Timing Difference		
Difference in WDV as per IT and Books	8,443,323	1,945,082
Provison for Leave Encashment	1,598,894	1,408,063
Provison for Gratuity	599,925,	1,386,842
Total Timing Defference (Deferred Tax Asset)	**10,642,142**	**4,739,987**
Tax rate	**27.82%**	**27.82%**
Deferred Income Tax @ 27.82%	**2,960,644**	**1,318,664**

9 Other assets

	31 March 2021	31 March 2020
Non-current assets		
Unsecured, considered good		
Advances other than capital advances		
Advance to ESOP Trust	3,500,000	3,500,000
Advance to vendors	-	-
	3,500,000	**3,500,000**
Current assets		
Unsecured, considered good		
Balance with Govt authorities	12,187,736	15,734,703
Advances other than capital advances		
Staff advances	116,970	-
Other advances	20,634,620	25,201,720
Prepaid expenses	1,449,643	2,158,480
Unbilled revenue	3,363,414	762,952
	37,752,383	**43,857,855**

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 2021	31 March 2020
Unsecured,considered good	144,711,126	112,500,688
	144,711,126	**112,500,688**
Less Provision for doubtful debts	(1,843,937)	(1,843,937)
Total Trade receivables	**142,867,189**	**110,656,751**

*Above trade receivable are inclusive of related party trade receivables for Rs.54,838,794/- & Rs. 60,535,380/- for 31 March, 2021 & 31 March, 2020 respectively

11 Cash and cash equivalents

	31 March 2021	31 March 2020
Balances with banks:		
- On current accounts	27,399,767	11,971,399
Cash on hand	10,348	10,798
Total Cash and cash equivalents	**27,410,115**	**11,982,197**

12 Other bank balances

	31 March 2021	31 March 2020
Term deposits with Banks with original maturities of less than 1 year	32,090,855	12,420,507
Total Other bank balances	**32,090,855**	**12,420,507**

13 Current Tax Assets (Net)

	31 March 2021	31 March 2020
TDS Receivable	7,132,740	62,115,209
Advance Tax	2,550	-
MAT entitlement	44,074,218	64,600,912
Less: Provision for Income tax	-	-
	51,209,508	**126,716,121**

14 Share Capital

	31 March 2021	31 March 2020
Authorised Share Capital		
50,000,000 (March 31, 2020: 50,000,000) equity shares of ₹. 10 each	500,000,000	500,000,000
Issued, subscribed and fully paid-up		
16,936,843 (March 31, 2020: 16,936,843) equity shares of ₹. 10/- each fully paid-up	169,368,430	169,368,430
	169,368,430	169,368,430

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

Particulars	31 March 2021		31 March 2020	
	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 2021		31 March 2020	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
1. Marepally Raghunadha Rao	3,006,129	17.75%	2,137,793	12.62%
2. Aspire Emerging Fund	-	0.00%	952,486	7.37%
	3,006,129	**17.75%**	**3,090,279**	**18.24%**

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 2021	31 March 2020
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	(1,074,883,518)	(1,093,542,718)
Profit/(loss) for the year	(37,600,955)	18,575,064
Excess dividend of prior years reversed	-	-
Other comprehensive income	456,720	84,136
Closing balance	**(1,112,027,753)**	**(1,074,883,518)**
Total other equity	**964,353,979**	**1,001,498,214**

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 2021	31 March 2020
Non-current Borrowings		
Secured loans		
Term loans		
- From banks		
Total non-current borrowings	**-**	**-**

17 Provisions

	31 March 2021	31 March 2020
Non-Current		
Provision for employee benefits		
- Gratuity (refer note 33)	599,925	1,273,169
- Compensated absences	-	-
	599,925	**1,273,169**
Current		
Provision for employee benefits		
- Gratuity (refer note 33)	-	113,673
- Compensated absences	1,598,894	1,408,063
	1,598,894	**1,521,736**

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 2021	31 March 2020
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	8,363,692	10,501,801
	8,363,692	**10,501,801**

19 Other financial liabilities

	31 March 2021	31 March 2020
Employee payables	336,615	382,987
Provision for expenses	31,648,120	6,283,378
Other liabilities	15,403,185	16,080,143
	47,387,920	**22,746,508**

20 Other current liabilities

	31 March 2021	31 March 2020
Statutory Dues	1,043,044	1,593,167
	1,043,044	**1,593,167**

21 Revenue from operations

	31 March 2021	31 March 2020
Revenue from Export services	146,167,322	213,294,644
Revenue from Domestic services	20,576,013	56,563,266
	166,743,335	**269,857,910**

**There are four customers contributing 10% or more of revenue from operations which comes to ₹ 119,127,020 for the FY 2020-21.*
**There are three customers contributing 10% or more of revenue from operations which comes to ₹ 163,721,706 for the FY 2019-20.*

22 Other income

	31 March 2021	31 March 2020
Interest income	8,256,744	766,651
Miscellaneous income	7,122,672	641,239
	15,379,416	**1,407,890**

23 Direct Cost

	31 March 2021	31 March 2020
Software Expenses	1,332	86,685
Subcontractor Expenses	64,825,929	34,179,842
	64,827,261	**34,266,527**

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 2021	31 March 2020
Salaries, wages and bonus	82,451,102	144,886,467
Contribution to provident and other funds	2,056,851	3,811,508
Staff welfare expenses	1,403,073	2,157,551
	85,911,026	**150,855,526**

25 Depreciation and amortisation expense

	31 March 2021	31 March 2020
Depreciation of tangible assets	864,150	1,791,154
Amortization of intangible assets	235,167	739,123
	1,099,317	**2,530,277**

26 Finance costs

	31 March 2021	31 March 2020
Interest on term loans	-	-
Bank Charges	546,900	424,983
	546,900	**424,983**

27 Other expenses

	31 March 2021	31 March 2020
Directors' Sitting Fees	395,000	375,000
Power and fuel	1,625,896	6,036,243
Auditor's Remuneration	1,200,000	1,214,701
Repairs and maintenance		
- Plant and equipments	1,148,846	143,520
- Others	580,433	373,601
Meeting Expenses	89,489	281,621
License, Immigration And Permits	330,023	541,511
Rent	16,305,160	21,034,854
Business promotion and advertisement expenses	5,573,837	423,961
Service Tax Expenses	-	8,638,507
Travelling and conveyance	3,931,694	8,623,218
Rates and taxes	257,778	1,216,165
Legal and professional charges	6,615,615	8,276,189
Printing and stationary	20,964	185,098
Communication expenses	1,078,724	2,079,904
Insurance	1,345,318	1,478,545
General Office Expenses	2,073,070	2,629,546
Advances written off	698,377	111,670
Loss on Exchange Rate Fluctuation	8,717,523	(5,954,839)
	51,987,747	**57,709,015**

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

28 Tax expenses

	31 March 2021	31 March 2020
Current income tax:	15,589,333	-
Current income tax charge	1,404,102	7,226,046
Mat Credit entitlement	-	-
Deferred tax:		
Relating to originating and reversal of temporary differences	(1,641,980)	(321,638)
Income tax expense recognised in the statement of profit or loss	**15,351,455**	**6,904,408**

Income Tax Reconcilation	**31 March 2021**	**31 March 2020**
Profit/(loss) before tax as per Profit & Loss A/c	(22,249,500)	25,479,472
Indian statutory income tax rate	27.82%	27.82%
Expected income tax expense	**0**	**7,088,389**
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense under U/s 115JB (MAT Provisions)		
Profit/(loss) before tax as per Profit & Loss A/c	(22,249,500)	25,479,472
Loss or unabsorbed depreciation, which ever is less	15,255,726	15,255,726
Adjusted Book Profit (MAT) U/s 115JB	(22,249,500)	10,223,746
Income Tax	**0**	**7,226,046**
of Which MAT credit entitlement	0	0
Deferred Tax asset (Refer Note No.8)	(1,641,980)	(321,638)
Tax relating to previous years	0	-
Total Income Tax expenses	**0**	**6,904,408**

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 2021	As at 31 March 2020
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	67,960,990*	67,960,990*
iii)	Against bank guarantees issued by banks towards financial & performance guarantees outstanding	-	1,420,000
iv)	There was service tax demand (for the years 2010-12, 2012-13 & 2013-14) on the company on account of thee-Procurement contract executed in Bangladeshfor Bangladesh Government, treating of business support, against which company filed appeal before CESTAT, Bangalore	8,519,526	8,519,526
v)	The company had filed application for compounding beforethe RBI for obtaining permissions under the FEMAprovisions relating to the transfer of funds to WOS, company, by thebranch which was returned back onprocedural aspects. The company had compiled the necessary information and is in the process of re-submittingthe same through a subject expert.		
*	Consequential orders are pending before Assessing officer, pursuant to orders from Honorable Income tax Appellate Tribunal Hyderabad, for Asst Years 2013-14 and Asst Year 2014-15 involving tax amount of Rs 20,929,300/- and 67,960,990/- respectively. These demands are however offset against brought forward losses and MAT Credit Entitlement ofearlier years. In case of favorable orders the said losses and MAT Credits will be restored.		

Notes forming part of the standalone financial statements

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

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
InfovistaTechnologies Inc	Step down Subsidiary
Technovant Inc	Step down Subsidiary
Mr. Bhargav Marepally	Chief Executive Officer and Managing Director

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

Particulars		31-March-21	31-March-20
i			
	Managerial Remuneration to Key Management Personnel	-	-
ii	Investment in Capital of Subsidiaries		
	GSS Infotech INC (a Delaware Company)	-	-
iii	Advances to Subsidiaries		
	GSS IT Solutions Pvt Ltd	-	-
	GSS Healthcare IT Solutions Pvt Ltd	-	-
iv	Payment received from Subsidiaries against Advances		
	GSS Healthcare IT Solutions Pvt Ltd	-	-
v	Sales to Subsidiaries		
	Gss Infotech CT Inc	17,292,801	20,873,344
	Nexii Labs Inc	1,492,357	60,873,000
vi	Loan Received	-	-
vii	RePayment against Loans		
	Mr. Ramesh Yerramsetti	-	-
	Mr. Bhargav Marepally	-	-
viii	Amounts Writtenoff		
	GSS IT Solutions Pvt Ltd	-	-
	GSS Healthcare IT Solutions Pvt Ltd	-	-

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

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

Particulars		As at 31 March 2021	As at 31 March 2020
i)	**Investment in Capital of Subsidiaries**		
	GSS Infotech INC (a Delaware Company)	890,940,578	890,940,578
	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)	-	-
	GSS IT Solutions Pvt Ltd	-	-
	GSS Healthcare IT Solutions Pvt Ltd	600	600

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	2020-21	2019-20
Business from United States of America	100,853,741	156,602,976
Business from Bangladesh	45,313,581	56,691,668
Domestic	20,576,013	56,563,266
TOTAL:	**166,743,335**	**269,857,910**

32 Auditors' remuneration includes

Particulars	31-Mar-21	31-Mar-20
Statutory audit fee	1,200,000	1,200,000
Other services	-	-
Out of pocket expenses	-	14,701
Total	**1,200,000**	**1,214,701**

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

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-Mar-21	31-Mar-20
Opening balance	**3,444,651**	**2,855,291**
Service cost	677,396	861,686
Past Service cost	-	-
Interest cost	234,236	182,025
Benefits paid	(357,253)	(205,771)
Actuarial gain	(469,444)	(248,580)
Closing balance	**3,529,586**	**3,444,651**
Present value of projected benefit obligation at the end of the year	3,529,586	3,444,651
Fair value of plan assets at the end of the year	2,929,661	2,057,809
Net liability recognised in the balance sheet	**599,925**	**1,386,842**
Long term provision	3,431,098	3,330,978
Short term provision	98,488	113,673

Expenses recognised in statement of profit and loss	31-Mar-21	31-Mar-20
Service cost	677,396	861,686
Interest cost	92,029	71,122
Gratuity cost	**769,425**	**932,808**
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to financial assumption changes	(469,444)	(248,580)
Return on plan assets greater (less) than discount rate	12,724	164,444
Total expenses routed through OCI	**(456,720)**	**(84,136)**

Assumptions	31-Mar-21	31-Mar-20
Discount rate	6.80% p.a.	6.80% p.a.
Future salary increases	4.00% p.a.	4.00% p.a.
Employee turnover	3.00% p.a.	3.00% p.a.

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

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

	31-Mar-21	31-Mar-20
Effect of + 1% change in rate of discounting	3,248,383	3,153,718
Effect of - 1% change in rate of discounting	3,857,951	3,785,998
Effect of + 1% change in rate of salary increase	4,135,289	4,105,821
Effect of - 1% change in rate of salary increase	3,030,836	2,907,427
Effect of + 1% change in rate of employee turnover	3,771,940	3,711,606
Effect of - 1% change in rate of employee turnover	3,259,806	3,145,822

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 payable to such enterprises as at March 31, 2017 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-Mar-21	31-Mar-20
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.

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

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-Mar-21	31-Mar-20
Not later than 1 year	-	3,522,645
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	31-Mar-21	31-Mar-20
Cancellable lease expense	11,081,091	10,500,648
Non - cancellable lease expense	5,224,069	10,534,206
Total	**16,305,160**	**21,034,854**

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-Mar-21	31-Mar-20
Loss for the year	(37,600,955)	18,575,064
Less: Preference dividend for the year	-	-
Less: Tax on preference dividend	-	-
Loss attributable to equity share holders	**(37,600,955)**	**18,575,064**
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 (₹.)	**(2.22)**	**1.10**
Earnings per share of par value ₹. 10 – diluted (₹.)	**(2.22)**	**1.10**

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

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, 2021 and March 31, 2020. The sensitivity analysis 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, 2021 and March 31, 2020.

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.

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, 2021		
INR	+1%	-
INR	–1%	-
March 31, 2020		
INR	+1%	-
INR	–1%	-

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

b) 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 ₹. 144,711,126 (March 31, 2020 : 112,500,689). 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-Mar-21	31-Mar-20
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, 2021 and March 31, 2020. 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:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2021						
Borrowings	-	-	-	-	-	-
Trade payables	**10,461,274**	**(2,097,582)**	-	-	-	**8,363,692**
Year ended March 31, 2020						
Borrowings	-	-	-	-	-	-
Trade payables	**7,615,318**	**2,886,664**	-	-	-	**10,501,802**

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

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, 2021 and March 31, 2020 was as follows:

Particulars	31-Mar-21	31-Mar-20
Total equity attributable to the equity shareholders of the Company	1,133,722,409	1,170,866,644
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)	**1,133,722,409**	**1,170,866,644**

39 Prior year comparitives

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 attached
for RAMBABU & CO
Chartered Accountants
ICAI Firm Registration Number:002976S

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

GVL Prasad
Partner
Membership No.: 026548

Bhargav Marepally
CEO & Managing Director
DIN: 00505098

A.Prabhakara Rao
Director
DIN: 02263908

Place: Hyderabad
Date: 09-June-2021

Ravi Kumar Jatavallabha V
Chief Financial Officer

Amrita Singh
Company Secretary

GSS INFOTECH LIMITED
CIN : L72200TG2003PLC041860
Ground Floor, Wing-B, N heights, Plot No. 12,
TSIIC Software Units Layout, Madhapur, Serilingampally,
Hyderabad, Rangareddi, Telangana, 500081, INDIA.

SS Graphics : 8801002501

GSS INFOTECH LIMITED

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year ended September 30, 2021

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

	Particulars	Quarter ended Sept 30, 2021 (Unaudited)	Quarter ended June 30, 2021 (Unaudited)	Quarter ended Sept 30, 2020 (Unaudited)	Year to Date Sept 30, 2021 (Unaudited)	Year to Date Corresponding period PY(20-21) (Unaudited)	Year ended March 31, 2021 (Audited)
	Income:						
I	Revenue from operations	49,046,032	41,850,436	36,918,261	90,896,468	78,111,130	166,743,335
II	Other Income	154,586	3,333,670	10,882,137	3,488,256	11,853,633	15,379,416
III	**Total income**	**49,200,618**	**45,184,106**	**47,800,398**	**94,384,724**	**89,964,763**	**182,122,751**
IV	***Expenses:***						
	a) Direct costs	9,708,857	6,904,526	16,162,674	16,613,383	29,309,311	64,827,261
	b) Employee Benefits Expenses	21,441,274	20,253,567	22,228,172	41,694,841	44,773,770	85,911,026
	c) Finance Costs	50,836	20,768	18,508	71,604	51,862	546,900
	d) Depreciation & Amortization expenses	140,866	140,866	262,790	281,732	370,391	1,099,317
	e) Administrative & Other Expenses	8,851,949	12,961,177	15,580,014	21,813,127	25,690,458	51,987,747
	Total expense	**40,193,782**	**40,280,904**	**54,252,159**	**80,474,687**	**100,195,793**	**204,372,251**
V	***Profit before exceptional items and tax***	***9,006,836***	***4,903,202***	***(6,451,761)***	***13,910,037***	***(10,231,030)***	***(22,249,500)***
VI	Exceptional Items	-	-	-	-	-	-
VII	***Profit before tax***	***9,006,836***	***4,903,202***	***(6,451,761)***	***13,910,037***	***(10,231,030)***	***(22,249,500)***
VIII	**Tax expense:**						
	(1) Current tax	4,250,000	1,733,192	(20,508)	5,983,192	1,763,689	1,404,101
	(1a)Income Tax Relating to earlier years	-	-	15,290,444	-	15,290,444	15,589,333
	(2) Deferred tax benefit	-	28,458	(345,223)	28,458	(272,187)	(1,641,980)
	Total Tax Expense	***4,250,000***	***1,761,650***	***14,924,713***	***6,011,650***	***16,781,946***	***15,351,454***
IX	***Profit After Tax***	**4,756,836**	**3,141,552**	**(21,376,474)**	**7,898,387**	**(27,012,976)**	**(37,600,955)**
X	***Other comprehensive income***	-	-	-	-	-	***456,720***
XI	***Total comprehensive income for the year***	**4,756,836**	**3,141,552**	**(21,376,474)**	**7,898,387**	**(27,012,976)**	**(37,144,235)**
XII	Earning per equity share:						
	(1) Basic	0.28	0.19	(1.26)	0.47	(1.59)	(2.22)
	(2) Diluted	0.28	0.19	(1.26)	0.47	(1.59)	(2.22)

Notes:

1 The above Standalone unaudited Financial Results of GSS Infotech Ltd (" the Company") were reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors of the Company held on 5th November, 2021

2 The standalone financial results relates to " software services" as the only reportable single segment of the company

3 The above financial results are also available on Stock Exchange websites "www.bseindia.com" and "www.nseindia.com" and on our website "www.gssinfotech.com".

4 Previous period figures have been regrouped / reclassified whereever necessary to conform to the current period classification.

5 As of now though it is difficult to access the future impact of Covid , the Contracts that were in proximity of being awarded to us have either been put on hold or being cancelled. The projects that have been awarded and in progress , have either been postponed or cancelled and our resources are being shifted to be on bench, and the ones that are continuing , are forcing down rate cuts on the ongoing projects. We feel this would adversely impact the growth of the company in the current year and would reflect in the overall finanial performance .
We shall be monitoring the situation from time to time and take appropriate steps to uphold the business and shall report of material developments and Subsequent decisions.

By order of the Board
for GSS Infotech Limited

Hyderabad
Date: 05-November-2021

A.Prabhakara Rao
DIN: 02263908

GSS Infotech Limited
Standalone Balance Sheet
(All amounts in Indian Rupees, except share data and where otherwise stated)

	Note	As at 30 September 2021	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	999,322	1,203,182
Intangible assets	5	139,430	217,302
Financial assets			
Investments	6	891,140,378	891,140,378
Other Financial Assets	7	-	-
Deferred Tax Assets (net)	8	2,932,186	2,960,644
Other non-current assets	9	3,500,000	3,500,000
		898,711,317	**899,021,506**
Current assets			
Financial assets			
Trade receivables	10	143,968,157	142,867,188
Cash and cash equivalents	11	14,469,750	27,410,115
Other bank balances	12	19,635,719	32,090,855
Other Financial Assets	7	2,363,319	2,364,328
Current Tax Assets (Net)	13	51,601,442	51,209,509
Other current assets	9	50,780,346	37,752,384
		282,818,735	**293,694,378**
Total assets		**1,181,530,052**	**1,192,715,885**
Equity and Liabilities			
Equity			
Equity share capital	14	169,368,430	169,368,430
Other equity	15	972,252,367	964,353,980
Total equity		**1,141,620,797**	**1,133,722,410**
Non-current liabilities			
Financial Liabilities			
Borrowings	16	-	-
Provisions	17	599,925	599,925
		599,925	**599,925**
Current liabilities			
Financial Liabilities			
Trade payables	18	7,324,351	8,363,692
Other financial liabilities	19	29,096,665	47,387,920
Provisions	17	1,819,733	1,598,894
Other current liabilities	20	1,068,580	1,043,044
Total liabilities		**39,309,329**	**58,393,550**
Total equity and liabilities		**1,181,530,050**	**1,192,715,885**
Summary of significant accounting policies	3		

By order of the Board
for GSS Infotech Limited

Place: Hyderabad
Date: 05th-November-2021

A.Prabhakara Rao
DIN: 02263908

GSS Infotech Limited
Standalone Statement of Cash Flows
(All amounts in Indian Rupees, except share data and where otherwise stated)

	For the year ended 30 September 2021	For the year ended 31 March 2021
Operating activities		
Profit before tax	**13,910,037**	**(22,249,500)**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	281,732	1,099,317
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(326,240)	(8,256,744)
Finance costs (including fair value change in financial instruments)	-	-
Advance/Bad Debt Written off	-	698,377
Written of Investments	-	-
Unrealized foreign exchange loss/gain	36,851	(1,044,825)
Re-measurement gains/ (losses) on defined benefit plan	-	456,720
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(1,100,969)	(32,210,437)
(Increase)/ decrease in loans	1,009	1,530,046
(Increase)/ decrease in other assets	(13,027,962)	6,105,470
Increase/ (decrease) in trade payables and other financial liabilities	(1,039,341)	(2,138,109)
Increase/ (decrease) in provisions	220,839	(596,086)
Increase/ (decrease) in current tax asset	(391,934)	75,506,613
Increase/ (decrease) in other financial liabilities	(18,291,255)	24,641,412
Increase/ (decrease) in other current liabilities	25,536	(550,123)
	(19,701,696)	**42,992,131**
Income tax paid	(5,983,192)	(16,993,434)
Net cash flows from operating activities	**(25,684,888)**	**25,998,696**
Investing activities		
Purchase of property, plant and equipment (including capital work in progress)	-	(202,000)
Proceeds from sale of fixed assets	-	-
Other bank balances	12,455,136	(19,670,348)
Interest received (finance income)	326,240	8,256,744
Investment in Subsidiary	-	-
Net cash flows used in investing activities	**12,781,376**	**(11,615,604)**
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	-	-
Interest paid	-	-
Unrealized foreign exchange loss/gain	(36,851)	1,044,826
inflow of excess deposit in dividend unclaim account	-	-
Net cash flows from/ (used in) financing activities	**(36,851)**	**1,044,826**
Net increase / (decrease) in cash and cash equivalents	(12,940,363)	15,427,918
Cash and cash equivalents at the beginning of the year (refer note 11)	27,410,115	11,982,197
Cash and cash equivalents at the end of the year (refer note 11)	**14,469,752**	**27,410,115**

Summary of significant accounting policies 3

By order of the Board
for GSS Infotech Limited

GSS Infotech Ltd. Hyderabad

A. Prabhakara Rao

Place: Hyderabad
Date: 05th-November-2021

A.Prabhakara Rao
DIN: 02263908

RAMBABU & CO.,
CHARTERED ACCOUNTANTS

Phone : 2331 1587
2331 8152
Fax : 2339 7182

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

Review Report to
GSS Infotech Limited
Hyderabad.

We have reviewed the accompanying statement of unaudited financial results of GSS Infotech Limited ("the Company"), for the quarter ended 30th September 2021 ("the statement"), being submitted by the company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No.CIR/CFD/FAC/62/2016 dated 5th July,2016.

This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by Independent Auditor of Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the aforesaid Indian Accounting standards and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No.CIR/CFD/FAC/62/2016 dated 5th July,2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Hyderabad
Date: 05.11.2021

UDIN: 21026548AAAAKN8035

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S

RAMBABU & CO. CHARTERED ACCOUNTANTS HYDERABAD

GVL Prasad
Partner
M. No. 026548

GSS INFOTECH LIMITED
Statement of Consolidated Unaudited Financial Results for the Quarter and Half Year ended September 30, 2021

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

	Particulars	Quarter ended Sept 30, 2021 (Unaudited)	Quarter ended June 30 2021 (Unaudited)	Quarter ended Sept 30, 2020 (Unaudited)	Year to date September 30, 2021 (Unaudited)	Year to date Corresponding period PY 20-21 (Unaudited)		Year ended March 31, 2021 (Audited)
	Income:							
I.	Revenue from operations	311,246,362	294,797,651	298,821,145	606,044,014	591,036,205		1,149,261,904
II.	Other Income	143,193	3,326,557	10,477,796	3,469,750	11,415,684		18,312,517
III	**Total Income**	**311,389,555**	**298,124,208**	**309,298,941**	**609,513,764**	**602,451,889**		**1,167,574,422**
IV	*Expenses:*							
	a) Direct costs	16,619,856	22,469,177	47,673,888	39,089,033	54,130,080		114,066,813
	b) Employee Benefits Expenses	255,402,213	234,464,277	237,162,898	489,866,490	510,981,667		965,637,049
	c) Finance Costs	1,328,784	1,199,256	1,484,778	2,528,040	2,977,341		6,266,367
	d) Depreciation & Amortization expenses	187,584	187,076	332,335	374,659	491,204		1,367,613
	e) Administrative & Other Expenses	19,252,956	24,442,256	26,454,724	43,695,212	45,251,448		100,845,394
	Total Expenses	**292,791,393**	**282,762,043**	**313,108,623**	**575,553,436**	**613,831,740**		**1,188,183,237**
V	***Profit before exceptional items and tax***	**18,598,163**	**15,362,166**	**(3,809,682)**	**33,960,328**	**(11,379,851)**		**(20,608,815)**
VI	Exceptional Items	-	-	-	-	-		-
VII	**Profit before tax**	**18,598,163**	**15,362,166**	**(3,809,682)**	**33,960,328**	**(11,379,851)**		**(20,608,815)**
VIII	**Tax expense:**							
	(1) Current tax	4,258,580	2,220,407	787,856	6,478,987	2,613,782		2,244,568
	(1a)Income Tax Relating to earlier years	-	-	15,290,444	-	15,290,444		15,589,333
	(2) Deferred tax benefit	-	28,458	(345,223)	28,458	(272,187)		(1,641,980)
	Total Tax Expense	***4,258,580***	***2,248,865***	***15,733,077***	***6,507,445***	***17,632,039***		***16,191,922***
IX	*Profit After Tax*	**14,339,584**	**13,113,300**	**(19,542,759)**	**27,452,883**	**(29,011,890)**		**(36,800,736)**
X	***Other comprehensive income***	(1,555,845)	12,867,982	(26,261,156)	11,312,136	(24,249,436)	-	(28,942,621)
XI	***Total comprehensive income for the year***	**12,783,738**	**25,981,282**	**(45,803,915)**	**38,765,020**	**(53,261,326)**		**(65,743,358)**
XII	Earning per equity share:							
	(1) Basic	0.85	0.77	(1.15)	1.62	(1.71)		(2.17)
	(2) Diluted	0.85	0.77	(1.15)	1.62	(1.71)		(2.17)

Notes :

1 The above Consolidated unaudited Financial Results of GSS Infotech Ltd (" he Company") were reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors of the Company held on 05th November, 2021

2 The Consolidated financial results relates to " software services" as the only reportable single segment of the company

3 The above Consolidated financial results are also available on Stock Exchange websites "www.bseindia.com" and "www.nseindia.com" and on our website "www.gssinfotech.com".

4 Previous period figures have been regrouped / reclassified whereever necessary to conform to the current period classification.

5 As of now though it is difficult to access the future impact of Covid , the Contracts that were in proximity of being awarded to us have either been put on hold or being cancelled. The projects that have been awarded and in progress , have either been postponed or cancelled and our resources are being shifted to be on bench, and the ones that are continuing , are forcing down rate cuts on the ongoing projects. We feel this would adversely impact the growth of the company in the current year and would reflect in the overall finanial performance .
We shall be monitoring the situation from time to time and take appropriate steps to uphold the business and shall report of material developments and Subsequent decisions.

By order of the Board
for GSS Infotech Limited

Hyderabad
Date: 05-November-2021

GSS Infotech Ltd. Hyderabad

A.Prabhakara Rao
DIN: 02263908

GSS Infotech Limited

Consolidated Balance Sheet

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

	Note	As at 30 September 2021	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	1,559,490	1,856,278
Goodwill		1,159,923,104	1,148,206,708
Other intangible assets	5	139,430	217,302
Financial assets			
Other Financial Assets	6	1,062,146	1,051,418
Deferred tax assets (net)	7	2,932,186	2,960,644
Other non-current assets	8	3,500,000	3,500,000
		1,169,116,356	**1,157,792,349**
Current assets			
Financial assets			
Trade receivables	9	289,294,398	271,035,163
Cash and cash equivalents	10	305,481,871	152,141,672
Other bank balances	11	19,635,719	32,090,855
Other Financial Assets	6	2,363,319	2,363,728
Current Tax Assets (Net)	12	51,601,443	51,209,509
Other current assets	8	97,341,629	75,917,847
		765,718,380	**584,758,773**
Total assets		**1,934,834,736**	**1,742,551,123**
Equity and Liabilities			
Equity share capital	13	169,368,630	169,368,630
Other equity	14	1,226,798,940	1,188,033,920
Total equity		**1,396,167,570**	**1,357,402,550**
Non-current liabilities			
Financial Liabilities	18	10,994,272	-
Borrowings	15	-	-
Provisions	16	599,925	599,925
		11,594,197	**599,925**
Current liabilities			
Financial Liabilities			
Trade payables	17	27,244,326	28,925,403
Other financial liabilities	18	496,940,331	352,981,306
Provisions	16	1,819,733	1,598,895
Other current liabilities	19	1,068,579	1,043,044
Total liabilities		**527,072,969**	**384,548,647**
Total equity and liabilities		**1,934,834,736**	**1,742,551,121**
		0	(2)

Summary of significant accounting policies 3

By order of the Board
for GSS Infotech Limited

A. Prabhakara Rao

GSS Infotech Ltd. Hyderabad

Place: Hyderabad
Date: 05th-November-2021

A.Prabhakara Rao
DIN: 02263908

GSS Infotech Limited
Consolidated Statement of Cash Flows
(All amounts in Indian Rupees, except share data and where otherwise stated)

	For the year ended 30 September 2021	For the year ended 31 March 2021
Operating activities		
Profit/ (loss) before tax	**33,960,328**	**(20,608,815)**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of tangible assets	374,659	1,367,613
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(3,469,750)	(18,312,517)
Finance costs (including fair value change in financial instruments)	2,528,040	6,266,367
Advance/Bad Debt Written off	-	-
Written of Investments	-	-
Unrealized foreign exchange loss/gain	2,189,302	8,717,523
Re-measurement gains/ (losses) on defined benefit plan	-	456,720
Working capital adjustments:		
(Increase)/ decrease in trade receivables	(18,259,236)	34,134,424
(Increase)/ decrease in loans	409	2,118,240
(Increase)/ decrease in other assets	(21,423,782)	(2,194,092)
Increase/ (decrease) in trade payables	(1,681,077)	(25,817,260)
Increase/ (decrease) in provisions	220,839	(596,086)
Increase/ (decrease) in current tax asset	(391,935)	75,506,613
Increase/ (decrease) in other financial liabilities	154,953,297	103,455,977
Increase/ (decrease) in other current liabilities	25,535	(550,123)
	149,026,630	**163,944,583**
Income tax paid	(6,478,987)	(17,833,902)
Net cash flows from operating activities	**142,547,642**	**146,110,681**
Investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	-	(474,181)
Proceeds from sale of fixed assets	-	-
Other bank balances	12,455,136	(19,670,348)
Increase in Goodwill on Consolidation due to difference in exchange rate	(11,716,395)	31,787,015
Interest received (finance income)	3,469,750	18,312,517
Net cash flows used in investing activities	**4,208,491**	**29,955,002**
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	(10,729)	(9,942)
Interest paid	(2,528,040)	(6,266,367)
Unrealized foreign exchange loss/gain	9,122,835	(38,116,864)
inflow of excess deposit in dividend unclaim account		
Net cash flows from/ (used in) financing activities	**6,584,067**	**(44,393,173)**
Net increase / (decrease) in cash and cash equivalents	153,340,198	131,672,515
Cash and cash equivalents at the beginning of the year (refer note 10)	152,141,672	20,469,160
Cash and cash equivalents at the end of the year (refer note 10)	**305,481,870**	**152,141,674**

Summary of significant accounting policies 3

By order of the Board
for GSS Infotech Limited

GSS Infotech Ltd. Hyderabad

A. Prabhakara Rao

Place: Hyderabad
Date: 05th-November-2021

A.Prabhakara Rao
DIN: 02263908

RAMBABU & CO.,
CHARTERED ACCOUNTANTS

Phone : 2331 1587
2331 8152
Fax : 2339 7182

Independent Auditor's Review Report on review of Interim Consolidated Financial Results

To the Board of Directors of
GSS Infotech Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial results of GSS Infotech Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30th September, 2021 (the "statement"), being submitted by the parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This statement is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial information performed by the Independent Auditor of the Entity*, issued by Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the result of the following subsidiaries

a. M/s. GSS Healthcare IT Solutions Private Limited
b. M/s.GSS IT Solutions Private Limited
c. M/s.GSS Infotech Inc

RAMBABU & CO. CHARTERED ACCOUNTANTS HYDERABAD

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E-mail : rambabuandco@gmail.com
Branch Office : #24A-5-17,E.G. Towers, Tikkana Somayajulu Street, Ashok Nagar, Eluru - 2. Ph. : 08812-224944

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The consolidated unaudited financial results includes the interim financial statements/ financial information of above subsidiaries which have not been reviewed by their auditors, whose interim financial statements / financial information reflect total revenue of Rs.5374.76 lakhs total net profit after tax of Rs.195.54 lakhs and total comprehensive income of Rs.195.54 lakhs for the Quarter ended September 30, 2021, as considered in the Statement. According to the information and explanations given to us by the Management, the interim financial statements / financial information is not material to the Group. Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial statements / financial information certified by the Management.

Place: Hyderabad
Date: 05-11-2021

For Rambabu & Co.,
Chartered Accountants
Reg. No.002976S

RAMBABU & CO. CHARTERED ACCOUNTANTS HYDERABAD

GVL Prasad
Partner
M. No. 026548

UDIN: 21026548AAAAKO6511

P C N & ASSOCIATES
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

To The Partners of
POLIMERAAS AGROS LLP
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **POLIMERAAS AGROS LLP("the LLP")**, which comprise Balance sheet as at November 30, 2021, and the Statement of Profit and loss for the period beginning from 28.10.2021 and ended on 30.11.2021.

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the LLP give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the LLP as at November 30, 2021, and its Profit for the reporting period.

Basis of opinion

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

Management Responsibilities for the preparation of the Financial Statements

The LLP's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the LLP in accordance with the accounting Standards issued by ICAI, as applicable to the LLP and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records for safeguarding the assets of the LLP and for preventing and detecting frauds and other irregularities; selection and application of

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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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the LLP'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 LLP or to cease operations, or has no realistic alternative but to do so. The management is also responsible for overseeing the LLP's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control.

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- 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 LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements:

We Report that,

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

b) In our opinion proper books of account as required and have been kept by firm, so far as appears from our examination of those books;

c) The Statement of Assets and Liabilities, Profit and Loss account dealt with by this Report are in agreement with the books of account;

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In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards as specified by the Institute of Chartered Accountants of India

For PCN & Associates,
Chartered Accountants
Firm's Regn.No: 016016S

P C N & ASSOCIATES
Hyderabad
FRN:016016S
Chartered Accountants

K. Gopala Krishna
Partner
Membership No: 203605
UDIN: 22203605AAAACC4609

Place: Hyderabad
Date: 22-12-2021

POLIMERAAS AGROS LLP

H.No.3-6-611 and 622 Street No.9, Himayat Nagar,
Hyderabad - 500029

Statement of Assets and Liabilities as at 30th November, 2021

CONTRIBUTION AND LIABILITIES	SCHEDULE	AMOUNT Rs.	ASSETS	SCHEDULE	AMOUNT Rs.
PARTNERS CONTRIBUTION	A	1,00,000	STOCK-IN-TRADE Shares in Polimeraas Limited		10,00,00,000
PARTNERS CURRENT ACCOUNT	B	10,52,46,000	(40,00,000 Equity Shares of Rs 10/- each) (60,00,000 Equity Shares of Rs 10/- each)		
PROVISIONS & OUTSTANDING EXPENSES		21,232	ADVANCES & DEPOSITS		50,00,000
			CASH & BANK BALANCES		3,59,732
			UNAMORTISED EXPENSES		7,500
		10,53,67,232			**10,53,67,232**

FOR P C N & ASSOCIATES.,
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 016016S

K GOPALA KRISHNA
PARTNER
MEMBERSHIP NO.: 203605
UDIN : 22203605AAAACC4609

Place : Hyderabad
Date : 22-12-2021

P C N & ASSOCIATES Hyderabad FRN:016016S Chartered Accountants

POLIMERAAS AGROS LLP Hyderabad

For POLIMERAAS AGROS LLP

DESIGNATED PARTNER

DESIGNATED PARTNER

POLIMERAAS AGROS LLP
H.No.3-6-611 and 622 Street No.9, Himayat Nagar,
Hyderabad - 500029

Statement of Profit and Loss For The Period Ended 30-11-2021

PARTICULARS	DETAILS Rs.	AMOUNT Rs.	PARTICULARS	DETAILS Rs.	AMOUNT Rs.
TO PURCHASE/TRANSFER OF SHARES		10,00,00,000	BY OTHER INCOME		50,000
TO OFFICE EXPENSES		4,000	BY CLOSING STOCK		10,00,00,000
TO AUDIT FEE		10,000			
TO PROFIT BEFORE TAX		36,000			
TO PROVISION FOR INCOME TAX		11,232			
TO PROFIT AFTER TAX		24,768			
		10,00,50,000			**10,00,50,000**

FOR P C N & ASSOCIATES.,
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 016016S

K GOPALA KRISHNA
PARTNER
MEMBERSHIP NO.: 203605
UDIN : 22203605AAAACC4609

Place : Hyderabad
Date : 22-12-2021

P C N & ASSOCIATES Hyderabad FRN:016016S Chartered Accountants

POLIMERAAS AGROS LLP Hyderabad

For POLIMERAAS AGROS LLP

DESIGNATED PARTNER

DESIGNATED PARTNER

POLIMERAAS AGROS LLP
HYDERABAD

PARTNERS CONTRIBUTION AS AT 30-11-2021

SCHEDULE - A

S L NO	NAME OF THE PARTNERS	PROFIT RATIO	BALANCE 01-04-2021	ADDITIONS	DELETIONS	BALANCE 30-11-2021
1	HARI KRISHNA REDDY KALLAM	10.50%	-	10,500	-	10,500
2	SRINIVAS RAO MANDAVA	14.00%	-	14,000	-	14,000
3	AMN VENTURES LLP	17.50%	-	17,500	-	17,500
4	PLUTO MINES & MINERALS LLP	30.00%	-	30,000	-	30,000
5	SKANDA AGRO-TECH LLP	28.00%	-	28,000	-	28,000
		100.00%	-	1,00,000	-	1,00,000

SCHEDULE - B

(i) PARTNERS CURRENT ACCOUNT (FIXED) AS AT 30-11-2021

S L NO	NAME OF THE PARTNERS	BALANCE 01-04-2021	ADDITIONS	NET PROFIT/ (LOSS)	DELETIONS	BALANCE 30-11-2021
1	HARI KRISHNA REDDY KALLAM	-	1,04,89,500		-	1,04,89,500
2	SRINIVAS RAO MANDAVA	-	1,39,86,000		-	1,39,86,000
3	AMN VENTURES LLP	-	1,74,82,500		-	1,74,82,500
4	PLUTO MINES & MINERALS LLP	-	2,99,70,000		-	2,99,70,000
5	SKANDA AGRO-TECH LLP	-	2,79,72,000		-	2,79,72,000
		-	9,99,00,000	-	-	9,99,00,000

(ii) PARTNERS CURRENT ACCOUNT (OTHER) AS AT 30-11-2021

S L NO	NAME OF THE PARTNERS	BALANCE 01-04-2021	ADDITIONS	NET PROFIT/ (LOSS)	DELETIONS	BALANCE 30-11-2021
1	HARI KRISHNA REDDY KALLAM	-	(54,89,500)	2,601	-	(54,86,899)
2	SRINIVAS RAO MANDAVA	-	1,10,14,000	3,468	-	1,10,17,468
3	AMN VENTURES LLP	-	1,77,38,732	4,334	-	1,77,43,066
4	PLUTO MINES & MINERALS LLP	-	(2,99,70,000)	7,430	-	(2,99,62,570)
5	SKANDA AGRO-TECH LLP	-	1,20,28,000	6,935	-	1,20,34,935
		-	53,21,232	24,768	-	53,46,000

PCN & ASSOCIATES
Hyderabad
FRN:016016S
Chartered Accountants

POLIMERAAS AGROS LLP

A) BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS:

These financial statements of the LLP are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the Historical Cost convention on the accrual basis except for certain financial instruments which are measured at Fair Values. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B) REVENUE RECOGNITION:

i. The LLP follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

ii. Revenue is not recognized on the grounds of prudence, until realized in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.

C) PROVISIONS:

Provisions are recognized when the LLP has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation

PCN & ASSOCIATES
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POLIMERAAS AGROS LLP

Notes to Accounts:

A) Auditors' Remuneration:

Particulars	30-11-2021 Rupees
Audit Fee	10,000/-

B) Figures have been rounded off to the nearest rupee.

SIGNATURE TO NOTES A To B

As per our report of even date
For P C N&Associates,
Chartered Accountants
FRN: 016016S

P C N & ASSOCIATES Hyderabad FRN:016016S Chartered Accountants

K. Gopala Krishna
Partner
M. No: 203605
UDIN: 22203605AAAACC4609

Place: Hyderabad
Date: 22-12-2021

For and on behalf of the Board
POLIMERAAS AGROS LLP

POLIMERAAS AGROS LLP Hyderabad

Partner **Partner**