The efficiency catalyst

CIN: L72100DL1993PLC179154

FCS/STX/107/2018 **25th September, 2018**

To,

The Bombay Stock Exchange Ltd.,
Corporate Relationship Department,
P J Tower, Dalal Street,
Mumbai- 400001

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400051

Subject: - Annual Report of the 25th Annual General Meeting of the Company as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

Pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting Annual Report of the 25th Annual General Meeting of the Company held today i.e. 25th September, 2018 for the Financial Year 2017-18.

This is for your information and record.

Please take note of the same.

Thanking You,

Yours faithfully,
For **FCS Software Solutions Limited**

FCS SOFTWARE SOLUTIONS DELHI

Harsha Sharma
(Company Secretary)
Membership No.: A33548
Encl: Annual Report 2017-18

enterprise interfaces
collaborative platforms
business processes

The efficiency catalyst



25th ANNUAL REPORT 2017-2018

FCS
The efficiency catalyst

BOARD OF DIRECTORS

Dalip Kumar
(Chairman & Managing Director)

Shayam Sunder Sharma
(Non Executive Independent Director)

Shiv Nandan Sharma
(Non Executive Independent Director)

Shweta Shatsri
(Non-Executive Independent Director)

Sunil Sharma
(Executive Director)

Mahendra Pratap Singh
(Additional Director)

CHIEF FINANCIAL OFFICER
Anil Kumar Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER
Harsha Sharma

Auditors
M/S. Aadit Sanyam & Associates
Chartered Accountants
New Delhi - 110005

Registered Office
205, 2nd Floor, Agrawal Chamber IV,
27, Veer Sawarker Block, Vikas Marg,
Shakarpur, Delhi – 110 092

Corporate office
Plot No. 83, NSEZ, Noida Dadri Road,
Phase –II, Noida -201 305 [U.P.]

Website
www.fcsltd.com

CIN No:
L72100DL1993PLC179154

Bankers
Canara Bank
HDFC Bank
ICICI Bank
Wells Fargo Bank

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Development Centers

I. FCS House, Plot No. 83, NSEZ, Noida Dadri Road, Phase-II, Noida, Gautam Budha Nagar-201305 (U.P)

II. Plot-J-7, Rajiv Gandhi Technology Park, Chandigarh – 160101

III. FCS House, A-86, Sector – 57, Noida – 201301[U.P.]

IV. Plot No. 1A, Sector-73, Noida-201301

V. Plot No. 54, EHTP, Sector-34, Gurugram-122004

VI. Plot No.-11, HSIIDC Park, Sector-22, Panchkula, Haryana-134109

VII. I.T. Park, Plot No.24, Sahastradhara, Road, Dehradun-248001

Subsidiaries

(a) Foreign Subsidiaries:-

I. M/s. FCS Software Solutions GmbH Goethestra Be740237, Dusseldorf, Germany

II. M/s. F.C.S. Software Solutions Middle East FZE, P.O. Box 16111, Ras Ai Khaimah, U.A.E.

III. M/s. FCS Software (Shanghai) Co. Limitd Room B43, Floor 3 Building 6, No. 4299 Jindu Road, Minhang District, Shanghai, China

IV. M/s. FCS Software Solutions America Limited, 2375 Zanker Road, Suit 250 San Jose, CA 95131,U.S.A.

(b) Indian Subsidiaries:-

V. M/s.Insync Business Solutions Limited

VI. M/s.Innova E Services Private Limited

VII. M/s.Stablesecure Infraservices Private Limited

VIII. M/s.cGain Analytics Private Limited

IX. M/s.Zero Time Constructions Private Limited

FROM THE CHAIRMAN

My Dear fellow Stakeholders,

I welcome all of you to the 25th Annual General Meeting of your Company. It is my privilege to write you on this occasion as we celebrate 25 years of our journey of being the efficiency catalyst in the field of providing IT & IT Enabled services. As we all know that past few years has been difficult as the market witnesses many changes, the impact of which could also be seen on the IT sector. What has helped your company survive its journey has been strong value system, its ability to always put the customer at the center of its strategy and a never ending desire to collaborate and grow. What also stands out are the employees who have made this possible with strong customer focus, agile mindset and a strong performance ethics.

Our Company's performance in the last fiscal illustrates the opportunities and challenges facing our industry. The phenomenal impact that digital technology is having on businesses around the world is creating viable and new technology to partner with our clients. With all these positive factors, we will continue to do our best to grow our revenues and gross margins. The technology space continually shifts and with this shift, new opportunities always show up.

We assure everyone that we will continue to stay abreast of all new developments and as and when circumstances are favorable, we will be able to capitalize the same. I believe that longevity is not an end in itself but an opportunity for your company to make a sustainable impact on society by aligning the interest of the organization with those of all our stakeholders.

The whole industry is undergoing rapid changes and it has become essential to continuously refine and sharpen our capabilities. While responding to these changes is imperative response capability alone will not be sufficient. Anticipation of the future position of the industry and taking steps to rightly position the company in the future is extremely important. In today's world, one needs to be strong in social media. We are going to build a strong social media presence to address our all stakeholders – employees, customers, shareholders, and professionals. We are evaluating mobile applications, digital workforce, and many other new initiatives and will leverage our existing strengths whenever we find a feasible opportunity.

Before I conclude, on behalf of the board of directors of your Company, I wish to convey earnest thanks to our valued shareholders for their continuous support and trust in us.

I would like to cordially invite to all the shareholders of the Company to attend the 25th Annual General Meeting (AGM) of the Company on Tuesday, 25th day of September, 2018 at 9:00 A.M. at The Executive Club, 439, Village, Sahoorpur, Fatehpur Beri, and New Delhi-110074.

Thank you all

Sd/-
Dalip Kumar
(Chairman & Managing Director)

Date: August 24, 2018

NOTICE

NOTICE is hereby given that the 25th ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S. FCS SOFTWARE SOLUTIONS LIMITED will be held at The Executive Club, 439, Village Sahoorpur, Fatehpur Beri, New Delhi- 110074 on Tuesday, 25th September, 2018 at 9:00 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the year ended as on 31st March, 2018 together with the reports of the Directors and Auditors thereon.
2. To consider re-appointment of Mr. Sunil Sharma (DIN-05359128), Executive Director of the Company, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment as an Executive Director of the Company.

SPECIAL BUSINESS:

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

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

4. **Regularisation of Mr. Mahendra Pratap Singh, as an Additional Director**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013, Mr. Mahendra Pratap Singh, holding (DIN 08201381), who was appointed as an Additional Director in the board meeting that was held on August 14, 2018 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, and in respect of whom a recommendation has been received from nomination and remuneration committee under Section 160 of the Companies Act, 2013, proposing his candidature, be and is hereby appointed as a Director of the Company.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dalip Kumar, Chairman & Managing Director or Mr. Sunil Sharma, Director or Ms. Harsha Sharma, Company Secretary of the Company be and are hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-forms with the Registrar of Companies.

   RESOLVED FURTHER THAT Ms. Harsha Sharma, the Company Secretary of the Company, be and is hereby authorised to issue/ provide certified true copies of this resolution, as may be required."

5. **Alteration of Objects Clause in the Memorandum of Association of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Section 4 & 13 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force and the Rules framed thereunder, as amended from time to time, and subject to the approval of the Registrar of Companies, and/or of any other statutory or regulatory authority, as may be necessary, Clause III (Objects Clause) of the Memorandum of Association of the Company, be and is

hereby altered by inserting the following sub-clause under Part- A of Clause III, after the existing sub-clause 2 and the remaining sub-clauses be re-numbered accordingly:

3. To deal in any or all types of Computer Hardware, Electronic and Communication Equipment, mini and micro computers, personal computers, computer peripherals, microprocessor based system, floppy diskettes, winchester hard disc drives, terminals, monitors, daisy wheel printers, digitizers, plotters, scanners, electronic sketch pads, process control equipment, cards, magnetic tapes, cartridge disk dispacks, computer stationary, printer ribbons, computer files stores, spare parts, components and assemblies including computer memory chips or any associated products and their accessories to attain the objectives.
4. To advise or render services like staff and management recruitment, training and placements, technical analysis of data, electronic data processing, preparation of project reports, surveys and analysis for implementation of projects and review of their progress, critical path analysis, organization and method studies, and other modern management techniques and to establish and render consultancy and other services of professional and technical nature to industries, firms, associations, enterprises, institutions, bodies corporate offices and all types of concerns and to undertake assignments, jobs and appointments and to enter into any contracts relating thereto.
5. To carry on the business as a Data Center Company for carrying out internet infrastructure related businesses including Call Centers, Knowledge Process Outsourcing, Business Process Outsourcing, Online Market Surveys, Online Marketing, Business Processing Outsourcing, Information Technology Enabled Services (ITES), E-Business, E-Commerce Services, Payment Gateways, Data Integration, format conversion and integration, digital data publishing and to carry out internet based mass electronic storage related activities such as storage on demand service, backup on demand service and provide infrastructure for the same.
6. To carry on business support services, back office and agency work in the fields of financial services including insurance, retail solutions, education services, solutions for telecom and services industry, sales and services, data processing, system analysis and design, programming, data storage, software documentation, computer based systems, and to deal in other office automation softwares or hardwares and all related activities to provide end to end solutions for all industries.
7. To carry on the business of leasing or letting out all kind of immovable property including IT Infrastructural property whether freehold , leasehold to any person, firm, company, body corporate or association of persons in India or abroad and to accept payment for any property or rights sold, rented, leased, hired out or otherwise disposed off or dealt with by the company, either in cash, by installments or otherwise, or on the basis of a commission, remuneration or a fee etc. and to carry on any other business that is customarily, usually and conveniently carried on therewith in or outside India.

"RESOLVED FURTHER THAT Clause III (Objects Clause) of the Memorandum of Association of the company, be and is hereby altered by substituting the existing following sub-clauses under Part-B of Clause III, in the following manner:

(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-

1. To buy, exchange, alter, improve, manipulate, prepare for market, import deal in all kinds of plants, machinery, apparatus, tools, utensils, substances materials and things necessary or convenient in carrying on all or any of the above main businesses of the Company.
2. To create any depreciation fund, reserve fund, sinking fund, insurance fund or any other fund, for any purpose whatsoever conducive to the interest of the Company.
3. To promote, carry on, maintain and develop, trade of all kinds, and trade, industrial, commercial and financial relations of every kind and description in all matters connected with the objects of the Company.
4. To adopt such means of making known the business activities and products of the Companies as may seem expedient and particularly advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations and holding exhibitions, demonstrations and displays.

5. To buy, sell, manufacture, repair, alter and exchange, let on hire, export, import and deal in all kinds of articles and things which may be required for the purposes of any of the said businesses, or commonly supplied or dealt in by persons engaged in any such businesses, or which may seem capable of being profitably dealt with in connection with any of the said businesses.
6. To apply for purchase or otherwise acquire and protect and renew in India or any other part of the world any patent, rights, brevets, inventions, trademarks, designs, licenses, concessions, and the like and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired and to expend the money in experimenting upon, testing or improving any such patents, inventions or rights.
7. To apply for, tender, purchase or otherwise acquire any contracts, subcontracts, licenses, leases, grants and concessions for or in relation to the objects or business herein mentioned or any of them, and to undertake, execute, carry out, dispose off or otherwise turn to account the same.
8. To act as technical consultants and to suggest ways and means for improving efficiency in the factories and plants and in this connection to advise on and assist in operation of new improved techniques of production, administration and sales for obtaining optimum utilization of resources, men, material, machines and money and to float, promote form subsidiary and assist company, body, corporate, firm, association, society or any other organization for the execution of undertakings, works, projects to prepare computer schemes, plans, designs, drawings and estimates for factories, plants and services and to take jobs for design, manufacture, supply, erection, and commissioning of plants and equipment's on a turnkey basis.
9. To act as advertising agents, advertisement contractors and designers of advertisements, for the purpose of business of company.
10. To open, establish, run schools, colleges or institutions for instruction and training of people in the fields of management, administration, commerce, information processing or any other field for the benefit and business of the company.
11. To amalgamate, enter into partnership, or enter into collaboration, agreement or arrangement or understanding or association with any Indian or foreign, company or body corporate or film of individuals for sharing profits, union of interest, co-operation, joint venture, reciprocal concessions or for limiting competition with any person or company carrying on or engaged in, or about to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the Company.
12. To open and operate current, fixed or overdraft accounts with any bank, bankers or institutions and to pay into and draw money from such accounts.
13. To create and issue equity, preference and guaranteed shares or stock or debentures and to redeem, buy back, cancel and accept surrenders of any such shares or stocks.
14. To establish or promote or concur in establishing or promoting any company or companies for the purposes of acquiring all or any of the property rights and liabilities of the Company or for any other purposes which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such other Company.
15. To enter into contracts, agreements and arrangements with any other company for the carrying out, by such other company on behalf of the Company, of any of the objects for which the company is formed.
16. To purchase, take on lease or in exchange, hire or otherwise acquire, any real and personal property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business or which may enhance the value of any other property of the company and in particular any land, buildings, easements, machinery, plant, vehicles and stock-in trade and to make advance of such sums or money in order to acquire the above mentioned assets upon such terms with or without security as the Company may deem expedient.
17. To undertake, acquire, subscribe for, buy, sell, take up, hold or otherwise deal in shares, stocks, debentures, bonds, obligations and securities and to hold the same as investment or stock-in-trade and realize or sell the same.

18. To lend or advance money or to give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of or by any such persons or Companies.
19. To give guarantees and to carry on and transact every kind of guarantee and counter-guarantee business and in particular to guarantee the payment of any principal moneys, interests or other moneys secured or payable by the Company.
20. To sell, mortgage, exchange, grant leases, licenses, easements and other rights in respect of improve, manage, develop and turn to account or deal with in any manner the whole of the property, assets, investments, undertakings, rights and effects of the Company or any part thereof for such consideration as may be thought fit, including by way of shares, debentures, or securities of any other Company, whether partly paid up or fully paid up.
21. To receive money on deposit or loan and borrow or raise in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture-stock, (perpetual or otherwise) and to secure the repayment of and, money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or any other person or Company as the case may be but shall not carry on the business of banking as defined in the Banking Regulation Act, 1949, subject to Section 73 to 76 of the Companies Act, 2013, and RBI directives.
22. Subject to the provisions of the Act, to lend, advance, invest and deal with money and funds of the Company in such manner as may from time to time be determined or deemed fit by the Board of Directors.
23. In connection with the business of the Company to advance or lend money to the customers who fulfill certain obligations as may be laid down by the Company.
24. To insure the whole or any part of the property of the Company either fully or partially to protect and indemnify the Company from liability or loss in any respect either fully or partially and also to protect and indemnify whole or part or portion thereof either on mutual principle or otherwise.
25. To acquire and undertake the whole or any part of the business, property and liabilities of any person, firm or company carrying on business which this Company is authorized to carry on or possessed of or property suitable for the purposes of the Company.
26. To let out on hire all or any of the property of the Company whether real or personal, immovable or moveable.
27. To draw accept, endorse, discount execute, and issue hundies promissory notes, bills of exchanges drafts, warrants debentures and such other negotiable instruments and securities of all descriptions in connection with the main business of the Company.
28. To remunerate any person including any director any firm or corporation rendering services to the Company, whether by cash payment or by giving him or them a commission on the profits of any particular transaction or a share in the general profits of the Company, or by allotment to him or them of shares or securities of the Company credited or paid up in full or in part or otherwise.
29. Subject to the provisions of Companies Act, 2013, to amalgamate with any person or company whose objects in whole or in part are similar to the objects of this Company whether by sale or purchase (for fully or partly paid shares or otherwise) of all the shares or stock of any company, or in any other such manner of all types.
30. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in India or abroad.
31. To dispose of the undertaking of the Company or any part thereto for such consideration as the Company may think fit and in particular or shares, debentures or securities of any other such Company having objects similar to or analogous with the objects of this Company.

32. To pay for any rights or property acquired by the Company and to pay commission or remunerate any person or company for services rendered or to be rendered whether by cash payment or by allotment of shares, debenture or other securities of the Company, credited as paid up in full or in part or otherwise.
33. To sell, or let on lease or on hire purchase, land, grants, licenses, easements and other rights over and in any other manner whatsoever to transfer, deal with dispose off the undertaking, property, assets, rights and effects of the Company or any part thereof or any articles or goods whether made by the Company or not for such consideration as the Company may think fit and in particular, for shares, stocks, debentures, debenture bonds or other securities of any other Company.
34. To enter into any arrangement with any government or authority, Central, State, Municipal, Local or Foreign or Public body or otherwise any person or company that may seem conducive to the Company's objects or any of them and to carry out, exercise and comply with any such arrangements.
35. To establish, provide, maintain and conduct or otherwise subsidies and assist research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical researches, experiments, tests and inventions that may be considered likely to assist any of the business which the Company is authorised to carry on.
36. To establish, maintain and procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or services of the Company or any Company which is subsidiary of the Company or who are or were at any time the directors or officers of the Company or of any such other company as aforesaid and their wives, widows, families and dependants of any such persons and also to establish and subsidies and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit or to advance the interest and well being of the Company, or its employees and make payments to or towards the insurance of such person (s) as aforesaid and or any of the matters aforesaid either alone or in conjunction with such other company as aforesaid.
37. To appoint attorneys and agents whether on commission or otherwise. Constitute agencies and sub-agencies of the Company in India or elsewhere, in connection with the business of the Company.
38. To appoint Directors or Managers of any subsidiary company or any other company in which this Company is or may be interested.
39. To take part in the management, supervision and conduct of the business or operations of any company or undertaking and for that purpose to appoint and remunerate the Directors, trustees, accountants or other experts or agents.
40. To transact and carry on all kinds of agency business and to be appointed and act as agents to any company, convened and to do and perform all and singular the several duties and authorities pertaining to such offices respectively and to comply with and to become bound by all restrictions, limitations and conditions pertaining to such offices respectively or imposed by the terms of any agreement or arrangement entered into for any of the purposes aforesaid.
41. To alienate, transfer, gift, sell, donate, settle or dispose of any property of the Company with or without consideration and upon such terms and conditions as the Board of Directors may deem fit.
42. To carry out in any part of the world all or any part of the foregoing objects as principals, agents, factors, trustees, contractors or otherwise and either by or through agents, sub-contractors or otherwise and either alone or in conjunction with others.
43. To Make donation either of cash or any other asset or property, to subscribe, contribute or grant money for any charitable, scientific, religious, benevolent, national, public or other institutions, funds, persons, associations, subjects or for any other useful objects.

    RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dalip Kumar, Chairman & Managing Director or Mr. Sunil Sharma, Director or Ms. Harsha Sharma, Company Secretary or Mr. Anil Kumar Sharma, Chief Financial Officer of the Company be and are hereby authorised to file, sign, verify and execute all such e-forms, papers or documents, as may be required

and do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to this resolution, as may be required by the ROC and/or any statutory/regulatory authority."

6. Alteration in the Memorandum of Association as per Companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the consent of the members of the Company be and is hereby accorded to the Alteration of existing Memorandum of Association of the Company ("Memorandum") in the manner herein below provided.

A. The Word (The Companies Act, 1956), in the heading of the Memorandum be substituted with the word (The Companies Act, 2013).

B. To replace the Word "The Companies Act, 1956" wherever appear in Memorandum with the word "The Companies Act, 2013" and further, the relevant sections of Companies Act, 1956 shall be replaced accordingly with the corresponding sections of Companies Act, 2013.

C. The word 'Main' be deleted in the heading of Clause III A of the Memorandum of the Company.

D. The title to Part (B) of Clause III of the Memorandum of Association of the Company i.e. "The objects incidental or ancillary to the attainment of the main objects are:- be and is hereby altered by replacing the existing title with the following new title and clauses starting from Clause 1 to Clause 43 be inserted after Clause III(B) and renumbered as:

"III(B) Matters which are necessary for furtherance of the objects specified in Clause III (A) are:"

E. The Clause IV of the Memorandum of the Company, be substituted as under:

IV. "The liability of members is limited and this liability is limited to the amount unpaid, if any, on shares held by them."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Dalip Kumar, Chairman & Managing Director or Mr. Sunil Sharma, Director or Ms. Harsha Sharma, Company Secretary of the Company be and are hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-forms with the Registrar of Companies.

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

Sd/-
Harsha Sharma
(Company Secretary)

Place: Noida
Date: 24/08/2018

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts relating to the business stated under Item No. 3, 4, 5, & 6 are annexed hereto.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.**
3. Pursuant to Section 105 of Companies Act, 2013 and rules made there under, a person shall not act as a proxy for more than 50 members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.
7. The Register of Members and Shares Transfer Books of the Company will remain closed from September 19, 2018 to September 20, 2018 (both days inclusive) for the purpose of Annual General Meeting.
8. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/Depositories.

Voting through electronic means

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

   The instructions for shareholders voting electronically are as under:

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 22nd September, 2018 at 9:00 A.M. and ends on 24th, September, 2018 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(iii) Click on Shareholders/ Members

(iv) 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.

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

(vi) 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.

(vii) 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) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

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

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

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

(xi) Click on the EVSN of FCS Software Solutions Limited on which you choose to vote.

(xii) 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.

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

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

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed 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.

(xviii)Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts 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.

(xx) 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.

General

(A) The voting period begins on 22nd September, 2018 (9:00 am) and ends on 24th September, 2018 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date of 18th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(B) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 18th September, 2018 may follow the same instructions as mentioned above for e-voting.

(C) Mr. Shashi Shekhar, Practicing Company Secretary (Membership No. 37987) has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(D) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 18th September, 2018.

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

Sd/-
Harsha Sharma
(Company Secretary)

Place: Noida
Date: 24/08/2018

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

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

Name Of Directors	**Mr. Mahendra Pratap Singh**
Date of Birth	15th December, 1961
Category/Designation	Director
Nationality	Indian
Date of Appointment on the Board	14/08/2018
Expertise in specific functional area	More than 32 years of experience in the field of legal consultancy
Other Directorship in the Other Listed Companies	NIL
Committee position in other Listed entities	NIL

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

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

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

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the business mentioned under Item No. 3,4,5 & 6 of the accompanying Notice dated August 24, 2018.

Item no.3

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

None of the Directors and Key Managerial Personnel of the Company or any of their relatives except Mr. Sunil Sharma have any particular interest or concern, financial or otherwise in this item of business.

The Board recommends resolutions under Item No. 3 to be passed as a ordinary resolution.

Item No. 4

Mr. Mahendra Pratap Singh was appointed as an Additional Director w.e.f. August 14, 2018 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 he holds office up to the date of the ensuing Annual General Meeting. In this regard the nomination and remuneration committee has recommended the appointment of Mr. Mahendra Pratap Singh as Non-Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mahendra Pratap Singh on the Board is desirable and would be beneficial to the company and hence recommend Item No. 4 for approval.

None of the Directors and Key Managerial Personnel of the Company or any of their relatives except Mr. Mahendra Pratap Singh have any particular interest or concern, financial or otherwise in this item of business.

Item No. 5

Your company has decided to amend its main objects by inserting more possible scope of operations which will expand its possible scope of operations The Board of Directors, at their meeting held on 24.08.2018 has approved the alteration of Memorandum of Association of the Company.

To enable the Company to commence the business as inserted in Object clause, it is proposed to amend the Main Objects under the Objects Clause of the Memorandum of Association of the Company, by the insertion of sub-clause 3 to 7 after the existing sub-clause 2 as stated in the Resolution in the annexed notice. The above amendment would be subject to the approval of the Registrar of Companies and any other Statutory or Regulatory Authority, as may be necessary.

In terms of Section 13 of the Companies Act, 2013 approval of members in general meeting by way of special resolution is required to alter Memorandum of Association of the Company.

The Members are therefore requested to approve, by passing a special resolution, alteration in the Object Clause of the Memorandum of Association as proposed in accompanying resolution. The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

Copy of Memorandum of Association of the company and other documents referred in the notice shall remain open for inspection by the members at the registered office of the Company during normal business hours on any working day and shall also be placed on the website of the Company at www.fcsltd.com.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 6

The members are informed that the existing Objects clause III of the Memorandum of Association of the Company is divided into (A) Main Objects; (B) Objects incidental or ancillary to attain main objects and (C)

Other objects.

In terms of Section 4 of the Companies Act, 2013, Objects clause III of the Memorandum of Association of the Company shall state the objects for which the company is incorporated and any matter considered necessary in furtherance of the objects thereof. Also the liability clause IV is required to be modified in terms of the requirement of the aforementioned section.

Hence, in view of the notification of Companies Act, 2013 and rules there under and partial repeal of Companies Act, 1956 and it is proposed to amend the existing Memorandum of Association of the company to align the same with the Companies Act, 2013.

In terms of Section 13 of the Companies Act, 2013 approval of members in general meeting by way of special resolution is required to alter Memorandum of Association of the Company.

The Members are therefore requested to approve, by passing a special resolution, alteration in the Object Clause of the Memorandum of Association as proposed in accompanying resolution. The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

Copy of Memorandum of Association of the company and other documents referred in the notice shall remain open for inspection by the members at the registered office of the Company during normal business hours on any working day and shall also be placed on the website of the Company at www.fcsltd.com.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

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

Sd/-
Harsha Sharma
(Company Secretary)

Place: Noida
Date: 24/08/2018

Years at a Glance (Rs. In Lakhs)

For the year	**2018**	**2017**
Revenue from operations	3250.39	3660.14
Operating profit (EBITDA)	528.12	263.00
Other Income	835.56	1021.29
Profit before tax (PBT)	(5730.99)	(4495.82)
Profit after tax (PAT)	(5836.22)	(4550.00)
EPS (par value of Rs. 1 each)	-	-
Basic	(0.43)	(0.25)
Diluted	(0.43)	(0.25)
Dividend		
At the end of the year		
Fixed assets – net	5021.75	3828.15
Investment	9476.84	3706.56
Other Non-Current Assets	20375.38	30651.10
Net current assets	2725.91	1562.44
Total assets	**37599.88**	**39748.25**
Debt	333.58	35.75
Liabilities and short term borrowings	2876.27	3850.03
(Net of deferred tax assets)		
Non-controlling interest	309.63	312.42
Total Liabilities & Debts	3519.48	4198.19
Equity(Shareholders Fund)/ Net Worth	**34080.40**	**35550.05**

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

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

a. We have reviewed the financial statements and the cash flow statement of FCS Software Solutions Limited for the year ended 31st March, 2018 and to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. To the best of our knowledge and belief, no transactions entered into by the Company during the year 2017-18, are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design on operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to recify those deficiencies.

d. We have indicated, to the Auditors and the Audit Committee:

   (i) that there are no significant changes in the internal control over financial reporting during the quarter;

   (ii) that there are no significant changes in accounting policies during the quarter, and that the same have been disclosed in the notes to the financial results.

   (iii) that no significant instances of significant fraud of which we are aware and involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems over financial reporting.

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

Place: Noida
Date: 24/08/2018

Sd/-
Dalip Kumar
Chairman & Managing Director

Sd/-
Anil Kumar Sharma
Chief Financial Officer

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

To,
The Members of FCS Software Solutions Limited,

I, Dalip Kumar, Chairman and Managing Director of the Company, hereby confirm that the Companyhas obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors/Management Personnel for the year ended 31st March, 2018.

Place: Noida
Date: 24/08/2018

sd/-
Dalip Kumar
(Chairman & Managing Director)

Director's Report

(For the Year 2017-2018)

Dear Stakeholders,

Your Directors are pleased to present their 25th Director's Report on business and operations, together with the Audited Statement of Accounts, for the financial year ended March 31, 2018.

				(Rs. in Lakhs)
	Standalone		**Consolidated**	
	F.Y 2017-18	**F.Y2016-17**	**F.Y 2017-18**	**F.Y 2016-17**
Revenue from operation	2905.16	2225.52	3250.39	3660.14
OTHER INCOME	849.57	1021.42	835.56	1021.29
Total Income	**3754.73**	**3246.94**	**4085.95**	**4681.44**
Operating Expenditure	3205.64	2940.18	3557.83	4418.44
Depreciation and Amortization exps	104.23	390.69	6221.32	4692.15
Total Expenses	**3309.87**	**3330.87**	**9779.15**	**9110.59**
Profit before finance cost and tax	444.86	(83.93)	(5693.20)	(4429.16)
Finance Cost	37.62	65.60	37.78	66.67
Profit before tax	407.24	(149.53)	(5730.99)	(4495.82)
Tax expense	105.08	38.61	105.23	54.17
Profit for the year	**302.16**	**188.15**	**(5836.22)**	**(4550.00)**

The Board of Directors has made conscious efforts for drawing the financial statements on the basis of sound, accepted and conservative accounting principles to comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The revenues generated have to provide for prior period adjustments and provisions also but at the same time it ensure true and fair financial statements of the Company. The Company has adopted the Indian Accounting Standards (Ind AS) from 1st April, 2016. The comparative financial information of the Company for the year ended 31st March, 2018 have also been reinstated to comply with Ind AS.

Financial Review

For the financial year ended March 31, 2018, the Company reported a total Consolidated revenue income of Rs.4085.95 lakhs and Standalone revenue of Rs.3754.73 lakhs.

Changes in Share Capital.

During the year 2017-18, there is no change in the paid-up share capital of the Company.

Changes in the nature of business

During the year 2017-18, there was no change in the nature of business.

Material changes and Commitments

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

Transfer to Reserves

No amount is being transferred to reserves.

Dividend

The Board did not recommend any dividend for the financial year 2017-18.

Director and Key Managerial Personnel (KMP)

Mr. Sunil Sharma, Executive Director of the Company, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 was appointed as an Executive Director of the Company in the Annual General Meeting held on 24th September, 2017.

Mr. Sunil Sharma, Executive Director of the Company is proposed to be retired by rotation in the forthcoming annual general meeting and being eligible, offers himself for re-appointment.

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

Pursuant to the provisions of Section 149(7), Independent Directors have affirmed that they meet the criteria of Independence prescribed by Section 149(6).

Mr. Govinda Sahu, Whole Time Director of the Company was one among list of disqualified directors for the duration of 5 years. Therefore, he has vacated office from directorship due to disqualification w.e.f. 12th October, 2017.

Number of Meetings of the Board of Directors

The Board met eight times during the financial year 2017-18, the details of the Board Meeting with regard to their dates and attendance of each director have been provided in the Corporate Governance Report that forms a part of this Annual Report. The maximum interval between any two consecutive meetings did not exceeded 120 days.

Board Evaluation

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

- Performance evaluation policy for Board, Committees of the Board and Directors were approved by the Board at its meeting and the same were placed on the Company's website www.fcsltd.com.
- The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.
- The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and the Board in their respective meetings.
- Under law, as per the report of performance evaluation, the Board shall determine, inter alia, whether to continue the term of appointment of the independent director. During the year under review, there was no occasion to decide on the continuance of the term of appointment of any of the independent directors and hence, the question of taking a decision on their re-appointment did not arise.

During the year under review, SEBI vide its circular dated 5th January, 2017 came out with a Guidance Note of Board Evaluation, which was to be adopted by the Company, as considered appropriate. The performance evaluation criteria for the Board, Committees of the Board, Chairperson and Directors were accordingly modified by the Board at its meeting, as approved and recommended by the Nomination and Remuneration Committee. The updated policy is placed on the Company's website www.fcsltd.com and will be applicable for evaluation from the year 2017-18.

Audit committee

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

Policy on directors' appointment and remuneration and other details

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

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

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

Particulars of Contract or Arrangement with Related Party

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

Conservation of energy, research and develop pment, technology absorption, foreign exchange earnings and outgo

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

Subsidiaries and Consolidated Financial Statements

FCS has four Wholly Owned Subsidiary Companies outside India, viz. FCS Software Solutions America Limited, incorporated in America and F.C.S Software Middle East FZE in UAE, FCS Software SolutionsGmbH, in Germany and FCS Software (Shanghai) Co. Ltd. in China. FCS has one Wholly Owned Subsidiary Company in India i.e. Insync Business Solutions Limited and four Subsidiary Company in India i.e. Innova E Services Private Limited, Stablesecure Infraservices Private Limited, cGain Analytics Private Limited and Zero Time Constructions Private Limited.

M/s. Enstaserv Eservices Limited and M/s Myzeal IT Solutions Private Limited are the associate companies of FCS Software Solutions Limited.

The consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Statndards) Rules, 2015 (Ind AS) forms part of the Annual Report and are reflected in consolidated financial statement of the Company.

Particulars of Loan, Guarantees or Investments

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

Public Deposits

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

Particulars of employee's remuneration

During the year ended March 31, 2018, no employee is drawing remuneration in excess of the amount prescribed under section 197(12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remunaration of Managerial Personnel) Rules, 2014.

Directors' responsibility statement

To the Members,

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

1. that in the preparation of the annual accounts for the Financial Year ended 31st March 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the annual accounts on a going concern basis.
5. that the Board of Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
6. that the Board of Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Control

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2017-18.

The extract of Annual Return

Extract of Annual Return of the Company in the prescribed Form MGT-9, is placed on the Company's website www.fcsltd.com.

Ensuring Compliance of laws

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

Transfer to Investor Education and Protection fund

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

Board Committee

The Company has the following committees of the Board:

1. Audit Committee
2. Nomination and Remunaration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility (CSR) Committee

Composition of Audit Committee

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

Management Discussion and Analysis

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

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

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

Policy on Sexual Harassment

FCS has a framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information and the company has adopted a policy on prevention, prohibition and redressal for employees on sexual harassment at workplace as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Vigil Mechanism/Whistle Blower Policy

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

Corporate Social Responsibility (CSR)

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

In terms of provisions of section 135 of the Companies Act, 2013 & Rule 9 of Companies (Corporate Social Responsibility) Rule, 2014 and other clarification issued by Ministry of Corporate Affairs, the Company does not qualify the norms specified under section 135 of Companies Act, 2013 to contribute towards CSR.

Annual Report on CSR is Annexed as "Annexure-D" of the Director's Report.

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

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

Corporate Governance

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

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

Consolidated Financial Statements

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

Order received from Stock Exchanges

The Company has received order from National Stock Exchange (NSE) dated 31st January, 2018 for revocation of actions envisaged by SEBI's letter dated 7th August, 2017 i.e, name of our company in the list of 331 shell companies and put us in the stage VI of Graded Surveillance Measures (GSM) in which trading of the securities were permitted only on first Monday of the month. This order was made by the National Stock Exchange (NSE) after making various representations and personal hearing. The name of our Company from shell company was removed and trading was resumed with immediate effect after order.

Auditors

Statutory Auditors

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

The Audit Report on the Financial Statements of the Company for the financial year ended March 31, 2018 read with relevant Notes thereon are self-explanatory and do not call for any further explanation. The Auditors Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

The Board of Directors of the Company appointed M/s. VS Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the F.Y. 2017-18. The Secretarial Audit Report of M/s. VS Associates, Practicing Company Secretaries for the financial year ended 31st March, 2018, is annexed herewith as "Annexure-G".

Internal Auditor

The Board of Directors of the Company has appointed M/s. Mahajan Rajeev & Co., Chartered Accountants as an internal auditor of the Company for financial year 2017-18.

Listing Fees

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 532666 and on National Stock Exchange of India Limited (NSE) with scrip code of FCSSOFT. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2017-18 have been paid.

Acknowledgements

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

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

Place: Noida
Date: 24/08/2018

sd/-
Dalip Kumar
(Chairman & Managing Director)

AOC-1

"Annexure-A"

Part-A: Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

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

1	Names of subsidiaries	FCS Software Solutions America Ltd	F.C.S Software Middle East FZE	FCS Software Solutions GmbH	FCS Software (Shanghai) Co., Ltd.	Insync Business Solutions Ltd.	Innova e Services Private Limited	Stable secure Infraservices Private Limited	cGain Analytics Private Limited	Zero Time Constructions Private Limited
2	**Reporting period for the subsidiary concerned**	**1st April,2017 to 31st March, 2018**	**1st April,2017 to 31st March, 2018**	**1st April,2017 to 31st March, 2018**	**1st April,2017 to 31st March, 2018**	**1st April,2017 to 31st March, 2018**	**1st April,2017 to 31st March, 2018**	**1st April,2017 to 31st March, 2018**	**1st April,2017 to 31st March, 2018**	**1st April,2017 to 31st March, 2018**
3	Reporting currency	USD	USD	EURO	YEN	INR	INR	INR	INR	INR
4	Share capital	7,01,000 shares of US$ 1 each	**2,706 Shares of AED 100,000 each**	25,000 Shares € 1 each	123210.36	50,000 Shares of Rs. 10/- each	14,60,000 Shares of Rs. 10/- each	1,37,60,000 Shares of Rs. 10/- each	24,80,000 Shares of Rs. 10/- each	2,09,80,000 Shares of Rs. 10/- each
5	Reserves & surplus	**(812,410)**	(48,970,270)	(26,373)	(1,216,440)	2,45,41,613	(1,32,23,967)	(1,44,79,815)	(1,30,46,810)	(20,90,50,738)
6	Total assets	**973,129**	25,606,055	(26,373)	(1,216,440)	3,89,01,539	14,09,033	12,32,31,251	1,28,09,787	8,81,139
7	Total Liabilities	10,84,539	**56,419**	-	-	1,38,59,926	33,000	111,066	10,56,597	131,877
8	**Investments**	**-**	**-**	**-**	**-**	**99,79,403**	**-**	**2,16,66,437**	**57,00,000**	-
9	Turnover	342,823	-	-	-	1,22,24,507	3,15,400	-	-	-
10	Profit before taxation	(2,956)	(9,403,631)	(52)	-	(11,83,286)	(23,32,546)	(90,80,124)	(69,266)	(60,245)
11	Provision for taxation	-	-	-		-	-	-	-	-
12	Profit after taxation	(2,956)	(9,403,631)	(52)	-	(11,83,286)	(23,32,546)	(90,80,124)	(69,266)	(60,245)
13	Proposed Dividend	-	-	-	-	-	-	-	-	-
14	% of shareholding	100.00	100.00	100.00	100.00	100.00	99.32	92.67	92.74	45.38

The efficiency catalyst

Part "B": Associates and Joint Ventures

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

(Amount in Rs.)

	Associate Company	**Associate Company**
Name of associates/Joint Ventures	**Enstaserv Eservices Limited**	**Myzeal IT Solutions Private Limited**
Latest audited Balance Sheet Date	**31st March, 2018**	**31st March, 2018**
Shares of Associate/Joint Ventures held by the company on the year end		
No.	82,79,930	5,000
Amount of Investment in Associates/Joint Venture		
Extend of Holding%	48.94%	50%
Description of how there is significant influence		
Reason why the associate/joint venture is not consolidated	NA	NA
Net worth attributable to shareholding as per latest audited Balance Sheet		
Profit/Loss for the year	(50,620)	2,82,846
i. Considered in Consolidation	(24,773)	1,41,423
ii. Not Considered in Consolidation	(25,847)	1,41,423

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

Place: Noida
Date: 24/08/2018

sd/-
Dalip Kumar
(Chairman & Managing Director)

"Annexure B"

Form AOC-2

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

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

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

   There were no contracts or arrangement or transactions entered into during the year ended March 31, 2018, which were not at arm's length basis.

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

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

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

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

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

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

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

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

Place: Noida
Date: 24/08/2018

sd/-
Dalip Kumar
(Chairman & Managing Director)

"Annexure C"

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

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

Conservation of energy

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

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

Research and Development (R&D)

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

Technology absorption, adaptation and innovation

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

Foreign Exchange Earning and Outgo

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans. We have established a sunstantial direct service network around the world, including America, Germany, UAE, and China. These offices are staffed with IT service specialists who sell our services to large International clients.

During the year around 67.24% of revenues were derived from exports. The foreign exchange earned comprising of FOB value of exports, services was Rs. 2524.32 lakhs whereas total foreign exchange used (comprising of CIF value of imports and other outgoings) was Rs. 224.95 lakhs.

Foreign exchange earned and used		**(Rs. In lakhs)**
	2017-18	**2016-17**
Earning	2524.32	2697.18
Outflow	224.95	906.13
Net Foreign Exchange Earning	**2299.37**	**1791.05**

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

Place: Noida
Date: 24/08/2018

sd/-
Dalip Kumar
(Chairman & Managing Director)

"Annexure-D"

Annual Report on CSR

S. No.	Particulars	Remarks
1.	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs.	Corporate Social Responsibility has always been an integral part of FCS's vision. FCS believes that corporations must reach out to the society and help by improving the quality of education and healthcare through various community development programs. Web link: www.fcsltd.com
2.	The Composition of the CSR Committee.	The present constitution of CSR Committee is as follows: **Name of Member** – **Designation** Mr. Shayam Sunder Sharma – Chairman Mr. Shiv Nandan Sharma – Member
3.	Average net profit of the Company for last three financial years.	Average net profit of the company for last three financial years: **Financial Year** – **Net Profit Before Tax (Amount in Rs.)** 2014-15 – 1,31,59,257 2015-16 – (51,90,80,252) 2016-17 – (1,49,53,226) Average Profit of 3years – (1,73,624,740)
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).	Due to the losses in preceeding financial years, the company is not required to spent any amount on CSR Activities
5.	Details of CSR spent during the financial year: a) Total amount to be spent for the financial year b) Amount unspent, if any; c) Manner in which the amount spent during the financial year is detailed below	N.A.

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

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

Place: Noida
Date: 24/08/2018

sd/-
Dalip Kumar
(Chairman & Managing Director)

"Annexure- E"

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

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

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2017-18, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2017-18.

S. No.	Name of Directors/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1	Sunil Sharma	Executive Director	3.17	NIL
2	Govinda Sahu*	Whole Time Director	6.13	NIL
3	Anil Kumar Sharma	Chief Financial Officer	6.62	NIL
4	Harsha Sharma	Company Secretary and Compliance Officer	2.6	NIL

2. The Company has 299 permanent Employees on the rolls of Company as on 31st March, 2018.
3. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 6.8% whereas there is no change in the managerial remuneration during the financial Year.
4. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Note:

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

* Mr. Govinda Sahu, Whole Time Director, whose office, has been vacated due to disqualification w.e.f 12th October, 2017.

"Annexure-F"

Independent Auditor's Certificate on Corporate Governance

To
The Members of FCS Software Solutions Limited

1. We Aadit Sanyam & Associates, Chartered Accountants, the statutory auditor of the FCS Software Solutions Limited ('the Company'), have examined the compliance of conditions of Corporate Governance by the Company for the year ended 31 March 2018, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate overnance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.
8. We 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.

Restrictions on use

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

For Aadit Sanyam & Associates
Chartered Accountants
FRN: 023685N

CA Sanyam Jain
Partner
Membership No.: 531388

Place: Delhi
Dated: May 29, 2018

"Annexure-G"

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To
The Members,
FCS SOFTWARE SOLUTIONS LIMITED
CIN L72100DL1993PLC179154
205, 2nd Floor, Agrawal Chamber IV,
27, Veer Sawarker Block, Vikas Marg,
Shakarpur, Delhi-110092

I have conducted the Secretarial Audit in respect of the compliance of applicable statutory provisions and the adherence to good corporate practices by **'FCS SOFTWARE SOLUTIONS LIMITED'** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Management Responsibility for Secretarial Compliances

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

Opinion

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period for the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of: -

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

(v) The following Regulations and Guidelines prescribed under 'the Securities and Exchange Board of India Act, 1992' (SEBI Act):-

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

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;

  (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**

  (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**

(f) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008- **Not Applicable**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009- **Not Applicable**

(i) The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998- **Not Applicable**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

(j) During the period under review, As per Clause VII of Schedule IV of Companies Act, 2013, the company was required to hold at least one separate meeting of Independent directors, the said meeting could not be held before 31st March, 2018, however the said meeting was held on 27th July 2018.

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

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

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

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

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

Thanking You,
Yours Faithfully,

Sd/-
CS VIJAY KUMAR SHARMA
Membership No: 6379
C.P. No:6959

Date: 24/08/2018
Place: Delhi

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

"Annexure A to Secterial Audit Report"

To

The Members,
FCS SOFTWARE SOLUTIONS LIMITED
CIN L72100DL1993PLC179154
205, 2nd Floor, Agrawal Chamber IV,
27, Veer Sawarker Block, Vikas Marg,
Shakarpur, Delhi-110092

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc. Further, my verification to the compliance of the laws applicable specifically to the Company is limited to test check on random basis without going into the detailed technical scrutiny.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Thanking You,

Yours Faithfully,

Sd/-

CS VIJAY KUMAR SHARMA

Membership No: 6379

C.P. No: 6959

Date: 24/08/2018

Place: Delhi

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

FCS Software Solutions Limited ("FCS") firmly believes in and continues to practice good corporate governance. Corporate governance seeks to raise the standards of corporate management, strengthens the Board systems, significantly increases its effectiveness and ultimately serve the objective of maximising shareholder's value. The philosophy of the Company is in consonance with the accepted principles of good governance.

Corporate governance is meant to run companies ethically in a manner such that all stakeholders including creditors, distributors, customers, employees, the society at large, governments and even competitors are dealt with in a fair manner. Good corporate governance should look at all stakeholders and not just the shareholders alone.

We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the six core values of customer value, ownership mindset, respect, integrity, one team and excellence . The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

The amended law requires companies to get shareholders' approval for related party transactions, establish whistleblower mechanisms, elaborate disclosures on pay packages and have at least one woman director on their boards. The amended norms are aligned with the provisions of the Companies Act, 2013, and are aimed to encourage companies to adopt best practices on Corporate Governance.

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

2. BOARD OF DIRECTORS:

The Board of Directors of the Company, as on March 31, 2018, consists of five Directors with a combination of Executive and Non-Executive Directors in accordance with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").The Board has two Executive Directors, three Non-Executive Directors, including Independent Director and Woman Director. All Independent Directors are well qualified professionals bringing wide range of experience in business, finance and law. None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 (five) Committees across all companies in which he/she is a Director.

The composition of Board of Directors as on 31st March, 2018 comprises of 3 Independent Directors, including one Woman Director. The Chairman & Managing Director is an Executive Director. The Board periodically evaluates the need for change in its composition and size.

Composition, Category of Directors and their other Directorship as on 31st March, 2018

Director's name	Position and Category	No.of Directorships in other Indian Public and Private Ltd. Companies
Mr. Dalip Kumar	Executive (Chairman & Managing Director)	6
Mr. Shayam Sunder Sharma	Non-Executive (Independent Director)	3
Mr. Shiv Nandan Sharma	Non-Executive (Independent Director)	2
Ms. Shweta Shatsri	Non-Executive (Independent Director)	5
Mr. Sunil Sharma	Executive Director	5

Number of Board Meetings

The Board met Eight times during the financial year 2017-18and dates for the Board meetings are:

1. May 30, 2017
2. August 2, 2017
3. August 11, 2017
4. August 28, 2017
5. October 12,2017
6. November 14,2017
7. February 14, 2018
8. March 28, 2018

Director's attendance record:

Name of Directors	No. of Board Meetings held during the year	No of Meetings attended	Whether attended the last AGM
Mr. Dalip Kumar	8	3	NO
Mr. Shayam Sunder Sharma	8	7	NO
Mr. Shiv Nandan Sharma	8	8	YES
Ms. Shweta Shatsri	8	1	NO
Mr. Sunil Sharma	8	8	YES

DIRECTORS' INTEREST IN THE COMPANY

Shareholding of Directors as on March 31, 2018

Directors	Mr. Dalip Kumar	Mr. Shayam Sunder Sharma	Mr. Shiv Nandan Sharma	Ms. Shweta Shatsri	Mr. Sunil Sharma
Percentage of shareholding	10.8751	Nil	Nil	Nil	Nil

3. INDEPENDENT DIRECTORS :

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

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

The Meeting of Independent Directors for the financial year 2017-18 was scheduled on 28th March, 2018 but the meeting could not be held due to non-avilability of Independent Directors`.Therefore, meeting was conducted on 27th July, 2018, as per their mutual consent, to discuss:

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

4. COMMITEES OF THE BOARD:

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

a. Audit Committee:

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

The terms of reference to the Audit Committee inter alia includes:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or preapproval or any subsequent modification of transactions of the Company with related parties except the transactions with a wholly owned subsidiary whose accounts are consolidated with the Company and placed before the shareholders at the General Meeting for approval;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- To review the functioning of the Whistle Blower mechanism.

The composition of the Audit Committee, meetings held, and attendance of the members are given below:

The Audit Committee consists of three Independent Directors i.e., Mr. Shiv Nandan Sharma, Mr. Shayam Sunder Sharma and Ms. Shweta Shatsri. The Committee met seven times during the financial year 2017-18. The attendance record of the members at the meeting were as follows:

Members	Position and Category	No. of Meetings held	No. of Meetings Attended
Mr. Shyam Sunder Sharma	Chairman–Independent Director	7	6
Mr. Shiv Nandan Sharma	Member-Independent Director	7	7
Ms. Shweta Shatsri	Member-Independent Director	7	1

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

b. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee of the company is constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosures) Regulations, 2015 read with Section 178 of the Act. The Nomination & Remuneration Committee comprises of three Independent Directors.

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors, Committees of Board and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- The Committee will develop and review induction procedures for new appointees to the Board to enable them to become aware of and understand the Company's policies and procedures and to effectively discharge their duties.

The composition of the Nomination & Remuneration Committee and particulars of meetings attended by the members are given below:

Members	Position and Category	No. of Meetings held	No. of Meetings Attended
Mr. Shiv NandanSharma	Chairman–Independent Director	1	1

Mr. Shyam Sunder Sharma	Member-Independent Director	1	1
Ms. Shweta Shatsri	Member-Independent Director	1	1

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

Remuneration of Directors:

The details of remuneration paid to the Directors are given in Form MGT–9 uploaded on the Company's website www.fcsltd.com.

Non-executive directors' Remuneration:

The non-executive Directors are paid sitting fees for attending the meetings of the Board of Directors within the ceilings prescribed by the Central Government. The details of which are mentioned in Form MGT-9, uploaded on the Company's website www.fcsltd.com.

Executive Director's Remuneration:

Further, it may be noted that Mr. Sunil Sharma, Executive director had drawn a total remuneration of Rs. 9,52,200 during F.Y. 2017-18.

c. Stakeholders Relationship Committee

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 178 of the Companies Act,2013.

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

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

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

Name of Directors	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shiv Nandan Sharma	Independent- Non Executive Director	Chairperson	0	0
Mr. Shayam Sunder Sharma	Independent- Non Executive Director	Member	0	0

Numbers of Shareholder's complaints received by Company from its RTA, BSE, NSE, SEBI and Shareholders, during the financial year ended March 31, 2018 are as under:

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

* At the time of listing of one our company's name in shell companies, we have received various mails from Company's shareholders asking about suspension of trading and inclusion of our name in shell companies.

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

d. Corporate Social Responsibility(CSR) Committee:

As required under section 135 of the Companies Act, 2013 the company has formed a CSR committee. The Terms of reference of which are mentioned below:

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

Below mentioned are the details of the No. of Meetings held and attended by directors forming part of CSR committee.

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

The CSR policy of the Company is available on our website: www.fcsltd.com

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

5. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings are as under:

Year	Day, Date and Time of Meeting	Venue	No. of Special Resolutions passed
2014-15	Thursday, September 24, 2015 Time: 9.00 A.M.	The Executive Club, 439, Village Shahoorpur, FatehpurBeri, New Delhi –110 074.	0
2015-16	Thursday, September 22, 2016 Time: 9.00 A.M	The Executive Club, 439, Village Shahoorpur, FatehpurBeri, New Delhi –110 074.	1
2016-17	Thursday, September 28, 2017 Time: 9.00 A.M	The Executive Club, 439, Village Shahoorpur, FatehpurBeri, New Delhi –110 074.	0

Special Resolution passed through Postal Ballot

For the year ended March 31, 2018 there have been no special resolutions passed by the Company's Shareholders through postal ballot.

6. MEANS OF COMMUNICATION

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

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

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

7. SUBSIDIARY COMPANIES

The Company has following Non-Listed Indian Subsidiary Companies i.e. Insync Business Solutions Limited, Innova E Services Private Limited, Stable secure Infra services Private Limited, cGain Analytics Private Limited and Zero Time Constructions Private Limited

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

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

Material Subsidiaries Policy:

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

Copy of the said policy is available on the Company's website at www.fcsltd.com.

8. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date and Time : 25th September, 2018, 9:00 A.M.

Venue : The Executive Club, 439, Village Shahoorpur, Fatehpur Beri, New Delhi-110074

Financial Calendar : 1st April 2017 to 31st March 2018

Tentative Calendar for declaration of results for the financial year 2018-19 is given below:

Results for the Quarter / Year ending	Date of Declaration
June 30, 2018	On or before August 14, 2018
September 30, 2018	On or before November 14, 2018
December 31, 2018	On or before February 14, 2019
March 31, 2019 (Annual Audited)	On or before May 30, 2019

Dividend Payment Date:

No Dividend is recommended for the financial year 2017-18.

Date of Book Closure: September 19, 2018 to September 20, 2018 (Both days inclusive)

Notice is also hereby given pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the register of members and register of share transfers of the Company shall be closed from Wednesday, 19th September 2018 to Thursday, 20th September 2018 (both days inclusive) (Book Closure Period) for the purpose of 25thAnnual General Meeting.

Name of Stock Exchange where shares are listed

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

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

Listing fee for 2017-18 : Paid for both the above stock exchanges.

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

Name of the Stock Exchange	Exchange code
BSE	532666
NSE	FCSSOFT

Stock market price data

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

Performance comparison with indices:

Month	BSE			NSE			
	High	Low	Volume	High	Low	Volume	Total Volume (Nos.)
Apr-17	0.28	0.25	6166198	0.30	0.25	6736675	12902873
May-17	0.27	0.21	7841610	0.30	0.25	8826766	16668376
Jun-17	0.24	0.21	4133234	0.25	0.20	10232893	14366127
Jul-17	0.25	0.21	7577115	0.25	0.20	16723462	24300577
Aug-17	0.23	0.21	1206174	0.25	0.20	2423341	3629515
Sep-17	0.22	0.22	6000	0.20	0.20	213999	219999
Oct-17	…	…	…….	0.15	0.15	10941	10941
Nov-17	….	….	……	0.10	10	228032	228032
Dec- 17	0.21	0.21	25000	0.10	0.05	909414	934414
Jan-18	0.20	0.20	57000	0.05	0.05	247505	304505
Feb-18	0.39	0.20	5736565	0.60	0.10	52895783	58632348
Mar-18	0.50	0.33	5789542	0.50	0.35	26311159	32100701
Total	38538438			125759970			164298408

Chart-A

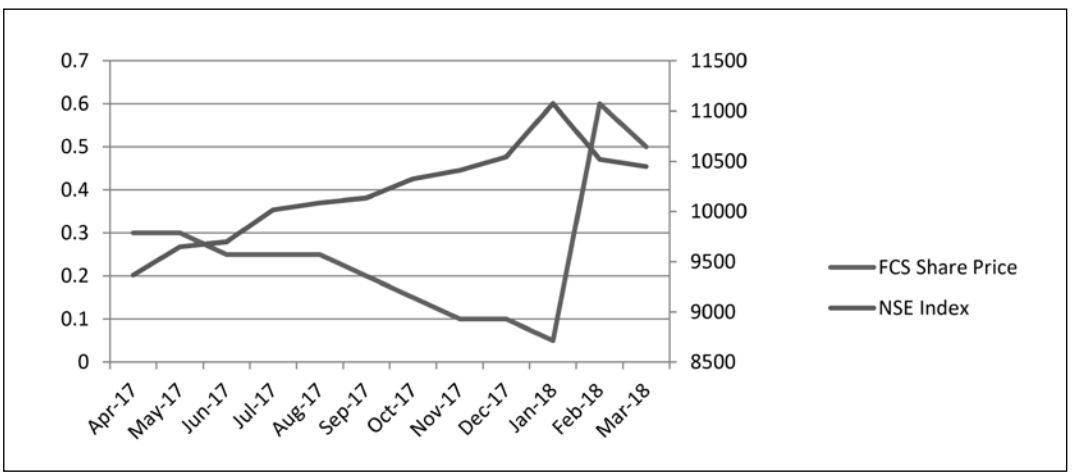
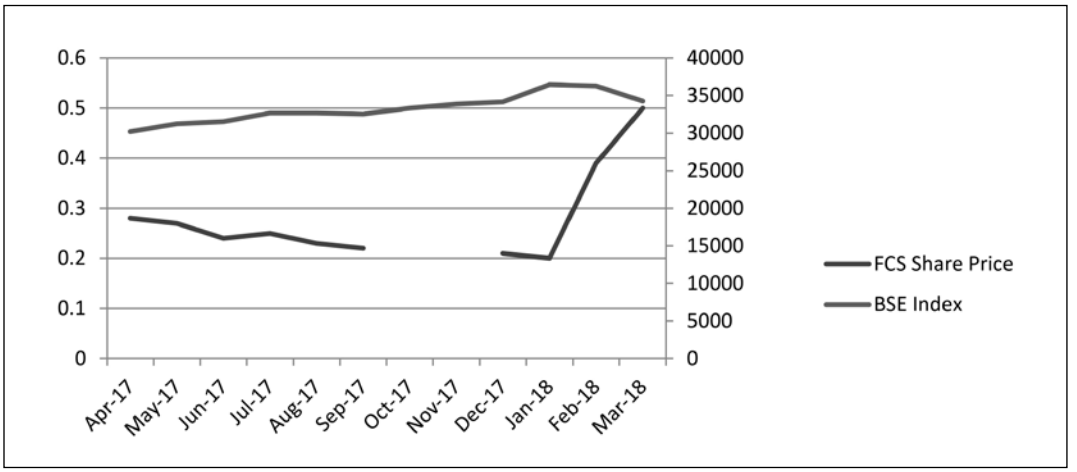


Chart-B



Share transfers in physical form

Shares sent for physical transfer are affected after giving a notice of 15 days to the seller for sale confirmation.

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

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

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

Share transfer system

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

Distribution of shareholding

Following Tables list the distribution of the shareholding of the equity shares of the company by size and by ownership class as on March 31, 2018.

Shareholding pattern by size

As on 31st March, 2018

Shareholding of Normal Value (Rs.)	No. of shareholder	% of total shareholder	No. of shares held	% of Total shares
Upto 500	34944	30.1835	8291385	0.4850
501-1000	22388	19.3380	20530359	1.2009
1001-2000	18070	15.6083	31574045	1.8469
2001-3000	7580	6.5474	20562283	1.2028
3001-4000	4996	4.3154	18849619	1.1026
4001-5000	5905	5.1005	28734374	1.6808
5001-10000	10056	8.6860	80568484	4.7128
10001- & above	11833	10.2210	1500442551	87.7681
Total	**115772**	**100.00**	**1709553100**	**100.00**

Shareholding Pattern By Ownership

Categories	As on March 31, 2018		As on March 31, 2017	
	No of share	% of holding	No of share	% of holding
Promoter-				
Indian	335962450	19.6521	335962450	19.6521
Foreign	0	0	0	0
Mutual Fund & UTI	0	0	0	0
Banks and Financial Institution and Insurance Companies	543150	0.0318	0	0
Central Government/State Government	568300	0.0332	568300	0.0332
Foreign Institutional Investor	0	0	0	0
Private Bodies Corporate	519682396	30.3987	528390604	30.9081
Indian Public-Individual	814748949	47.6586	807799595	47.2521
NRI/OCB's	16759814	0.9804	16759814	0.9804
Clearing Member	5830061	0.3410	5849809	0.3422
Other (Director & their relatives , HUF)	14222528	0.8319	13040721	0.78
Total	**1709553100**	**100**	**1659553100**	**100**

Dematerialization of the shares and liquidity:

As on March 31, 2018, to the extent of 99.97% shares of the company were held in de-materialized form. Trading in Company's shares is permitted only in dematerialized form as per notifications issued by Securities Exchange Board of India. The Company has entered into agreements with National Securities Depository Ltd & Central Depository Services (India) Ltd., whereby the investors have the options to dematerialize their shares with either of the depositories.

The monthly trading volumes of the Company shares on these Exchanges are given above. The status of Dematerialization as on March 31, 2018 is as under:

Segment	No. of Shareholders	% of Total No. of Shareholders	No. of Shares	% of Total No. of Shares
Physical	120	00.089	533591	00.03
Demat	115652	99.911	1709019509	99.97
Total	115772	100	1709553100	100

Plant Locations

As at 31st March, 2018 the Company is having its offices across 4 cities in India and other offices at Dubai, USA and Germany. The Addresses of these offices are available on our corporate website/Annual Report.

Address for Correspondence.

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

NSE Electronic Application Processing System (NEAPS):

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

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

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

SEBI Complaints Redress System (SCORES)

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

Code of Conduct

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

All members of the Board, the executive officers and senior financial officers have affirmed compliance to the code as on 31st March, 2018.

The Code of Conduct is available on our **website:www.fcsltd.com**

9. DISCLOSURES

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

There were no related party transaction during the financial year 2017-18.

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

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

Whistle Blower Policy

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

Website:The Whistle Blower Policy of the Company is available on our website:www.fcsltd.com.

Compliance with mandatory / non-mandatory requirements

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

Code for prevention of Insider-Trading practices

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

Disclosure of accounting treatment in preparation of financial statements

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

Management Discussion and Analysis

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

Litigation

There is no legal dispute against the company in substantial nature, which creates huge liability in case of the judgment given against the company.

10. SHAREHOLDER INFORMATION

Service of documents

The Company sends Notices, Report and Accounts and other communications in electronic mode to those Shareholders who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Shareholders. Shareholders who wish to update or register their e-mail addresses with the Company may use the updation / registration Form sent along with the Report and Accounts; this Form can also be downloaded from the Company's corporate website under the section 'Investor Relations'.

Permanent Account Number (PAN)

Attention is drawn that Shareholders holding shares in the certificate form are mandatorily required to furnish copy of PAN Card in the following cases:

i) Transferees' and Transferors' PAN Cards for transfer of shares,

ii) Legal heirs' / Nominees' PAN Cards for transmission of shares,

iii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and

iv) Joint holders' PAN Cards for transposition of shares.

Depository Services

Shareholders may write to the respective Depository or to ISC for guidance on depository services. The contact details of the Depositories are given below:

National Securities Depository Limited
Trade World, 'A' Wing, 4th Floor Marathon
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Telephone no. : 022-2499 4200
Facsimile no. : 022-2497 6351
e-mail : info@nsdl.co.in
Website :www.nsdl.co.in

Central Depository Services (India) Limited
Futurex, 'A' Wing, 25th Floor
Mafatlal Mills Compound
N. M. Joshi Marg, Lower Parel
Mumbai 400 013
Telephone no. : 022-23023333
Facsimile no. : 022-2300 2035
e-mail : helpdesk@cdslindia.com
Website : www.cdslindia.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview

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

The Company's quality certifications include ISO 9001:2015 for IT Infrastructure Management, Application Development, e-learning Solutions, BPO Services, KPO Services, Data Center.

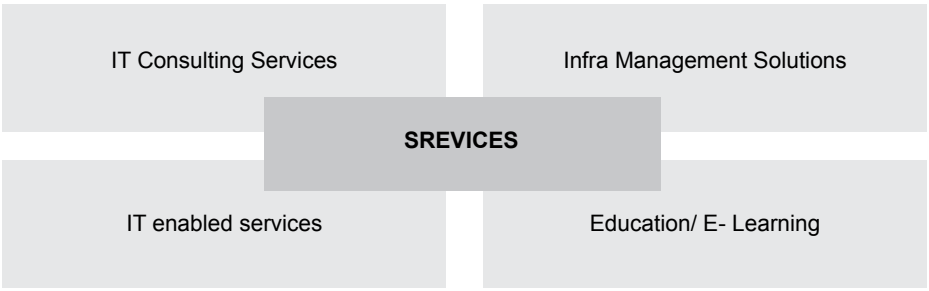
The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measure at fair value, the provisions of Companies Act, 2013,(to the extent notified) and guidelines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

Management Discussion and Analysis of the financial condition and results of operations include forward-looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate.

As Management of the FCS Software Solutions Limited, we offer the readers of the FCS's financial statements this narrative overview and analysis of the financial activities of the FCS Software Solutions Limited for the financial year ended 31st March, 2018. We encourage our shareholders to read the information presented here in conjunction with additional information that we have furnished in the financial statements. The financial statements are prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by SEBI and the Indian Accounting Standards.

A. Industry Structure and Developments

We are a software Company and along with its subsidiaries, FCS provides IT services like e-learning, digital content services, IT consultancy and product engineering services. The Company structure in the IT sector has four major Categories. These are-



• IT CONSULTING SERVICES

Application Development and Maintenance, Portals, Mobile Apps, Product Development, SaaS, Open Source Platforms and Applications, Predictive Data Sciences, Big Data Analytics, Automation using AI and ML

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

- Based on client's Request for Proposal (RFP) and provide an estimate of time and cost. Based on nature of work, FCS will suggest T & M or FPFT pricing model as well as global delivery model.

- FCS replicates application environment based on project needs or will use secure VPN connections to directly log in client servers.
- Set Centers of Excellence (COEs) to leverage talent skilled in a set of specific technologies and domains.
- Set up Lab Model for temporary deployment of resources for one time kind of works e.g. Application Testing, Third party Application Audit etc.

• INFRA MANAGEMENT SOLUTIONS

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

Data Center Management	**Network Management**	**Technical Support / Service desk**	**Infrastructure Consulting**	**Application Operations Support**
Manage	Design Monitor / Manage	Design / Model Support / Operate	Advise Implement	Production Operations Monitor / Support
Systems Databases Mail and Application Infrastructure Hosting Infrastructure Command Centers	Enterprise Networks Telco Networks Network Devices Security Network Operations Centers	Technical Helpdesk Service Desk Desktop Support	Infrastructure Off-shorability ITSM Implementation ITIL / BS15000 Six Sigma Data center Consolidation DR/BCP Storage/security	Business Applications Enterprise Products

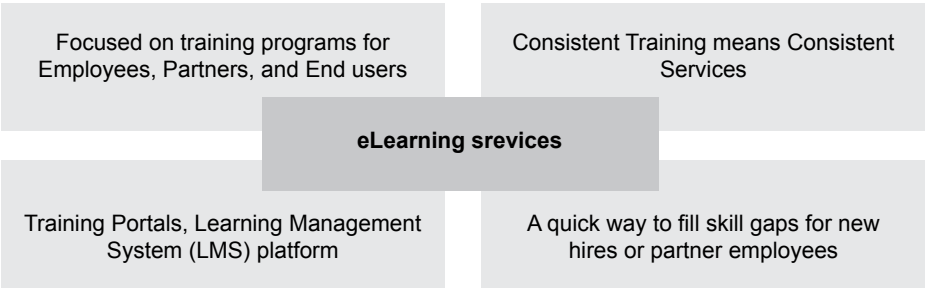
• IT ENABLED SERVICES

Multilingual Helpdesk for Technical and User Support, Business Process Outsourcing (BPO), Surveys

• EDUCATION/ E- LEARNING

Content Aggregation, Learning Management Systems, Portals, Assessment

Our E-learning Division builds AICC/SCORM compliant multimedia and multi-lingual content, Learning Management Systems (LMS), Learning Content Management Systems (LCMS), and Assessment Engines to manage all corporate training needs.



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

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

B. Opportunities and Threats

Opportunities- We are able to undertake complex business and technology transformation initiatives that help our clients enhance their performance, increase agility and flexibility, reduce costs, and achieve measurable business value. The operations and execution teams continuously watch for such developments and constraints to business strategy and plans. Strategy and operational plans are continuously recalibrated to minimize the impact of such threats to business objectives and goals. Some of the opportunities for the business of your Company are presented below-

- Start ups globally need large technical project work.
- Artificial Intelligence and machine learning based automation projects.
- Mobile Apps.
- Big Data analytics in healthcare.
- JVs with new unicorns.
- Migrating large IT clients from consulting base to captive base.

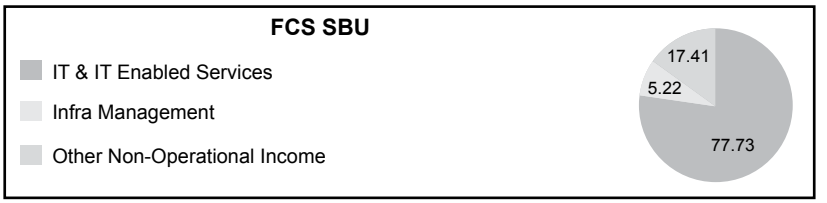
Threats- The global financial industry continues to pass through uncertainties. The tighter regulation to combat this uncertainty has led to protectionist tendencies in some of our markets. New projects continue to face budget constraints for IT investments as the focus is still on regulatory compliance. The volatility in currency exchange movements results in transaction and translation exposure. However for mitigating these risks FCS is trying to keep proper mechanisms at place. The Company has recognized the below specific key threats-

- Tendency of clients to use large IT companies.
- Cloud computing and SaaS
- US market has anti-outsourcing sentiments
- Fast change in Technology Landscape
- High Product Development and Marketing Cost and High Risk of returns

C. Segment-wise / Product-wise Performance

Due to global unrest and slowdown in the market, there is an adverse impact on company performance. The percentage wise revenue contribution of each segment is as below:

- IT & IT Enabled Services
- Infrastructure management
- Non-Operational other income



D. Outlook

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

We combine business knowledge and industry expertise of our domain specialists and the technical knowledge and implementation skills of our delivery team leveraging our products, platforms, partnerships

and solutions in our development centers located around the world.

Our customers today are undergoing an unprecedented change and transformation in their businesses led by forces such as digital, consumerization of technology, Industry platform disruptions, and competition from new age companies across industries. In todays market our vision and our strategy is about helping our clients navigate to a digital future while driving hyper-efficiencies in their 'Run'-operations through a comprehensive and integrated portfolio of services.

E. Risk and Concern

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

F. Internal control systems and their adequacy

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

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

G. Financial performance with respect to operational performance

For the financial year ended March 31, 2018, the Company reported a total consolidated revenue income of Rs. 4085.95 lakhs and Standalone revenue of Rs.3754.73 lakhs.

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

Our culture and reputation in consulting, technology, outsourcing and next-generation services enable us to attract and retain some of the best talent in India. Our Professionals are the most valuable assets of the Company. FCS has inbuilt HR strategic planning in its overall business plan. Satisfaction of our around 300 employees is important for FCS, because it is the key factor on which productivity depends.

I. Compensation

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

J. Cautionary Note

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

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

Sd/-
Dalip Kumar
Chairman & Managing Director

Place: Noida
Date: 24/08/2018

Independent Auditors' Report

To the Members of FCS Software Solutions Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of FCS Software Solutions Limited ('the Company') and its subsidiaries (the company and its subsidiaries collectively referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies 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 the Group 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 Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated financial position of the Group, as at 31 March 2018 and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year then ended.

Other Matters

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial 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 and the reports of other auditors.
   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d. In our opinion, the aforesaid consolidated financial statements comply with the accounting standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
   e. On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of Section 164(2) of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' which is based on the auditor's reports of the company and its subsidiaries companies incorporated in India; and
   g. 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 does not have any pending litigation with would impact its financial position.
   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India.

For Aadit Sanyam & Associates
Chartered Accountants
FRN: 023685N

CA Sanyam Jain
Partner
Membership No.: 531388

Place: Delhi
Dated: May 29, 2018

Annexure A to the Auditors' Report

(Referred to in paragraph 1(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 the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of FCS Software Solutions Limited ('the Holding Company') and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of 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, to the best of our information and according to the explanation given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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."

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it related to a subsidiary company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For Aadit Sanyam & Associates
Chartered Accountants
FRN: 023685N

CA Sanyam Jain
Partner
Membership No.: 531388

Place: Delhi
Dated: May 29, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

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

ASSETS	Note no.	As at March 31, 2018	As at March 31, 2017
Non-current assets			
Property, plant and equipment	**2**	5,021.75	3,828.15
Capital work-in-progress	**3**	1,452.49	2,525.14
Goodwill		215.80	2,094.79
Intangible assets	**4**	14,462.84	13,811.96
Financial assets			
- Investments	**5**	9,476.84	3,706.56
- Loans and advances	**6**	1,535.23	9,643.37
- Others	**7**	285.32	134.25
Deferred tax assets (Net)	**8**	144.36	161.47
Other non-current assets	**9**	2,279.35	2,280.13
Current assets			
Inventories			
Financial assets			
- Investments		-	-
- Trade Receivables	**10**	358.95	352.13
- Lease Receivables	**11**	59.87	88.00
- Cash and cash equivalents	**12**	1,121.05	545.82
- Loans		-	-
Other current assets	**13**	1,186.03	576.50
TOTAL		**37,599.88**	**39,748.25**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	**14**	17,095.53	17,095.53
Other equity	**15**	16,984.87	18,454.52
Non Controlling Interest		309.63	312.42
Non-current liabilities			
Financial liabilities			
- Borrowings	**16**	333.58	35.75
- Others	**17**	25.83	75.33
Long term provisions	**18**	78.50	77.40
Other non-current liabilities	**19**	84.91	57.29
Current liabilities			
Financial liabilities			
- Borrowings	**20**	-	791.69
- Trade Payables	**21**	797.30	439.30
Provisions	**22**	3.11	15.13
Other Current Liabilities	**23**	1,717.83	2,248.05
Current Tax Liabilities (net)	**24**	168.79	145.83
TOTAL		**37,599.88**	**39,748.25**

Summary of Significant Accounting Policies. 1

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

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

Sd/-
Harsha Sharma
(Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

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

	As at March 31, 2018	As at March 31, 2017
Revenue from operations	3,250.39	3,660.14
Other income	835.56	1,021.29
Total Income	**4,085.95**	**4,681.44**
Expenses		
Emloyee benefit expense	2,009.52	3,008.44
Finance cost	37.78	66.67
Depreciation and amortisation expense	6,221.32	4,692.15
Other Operating expense	1,548.31	1,410.00
Total expenses	**9,816.94**	**9,177.26**
Profit/ (loss) before tax	**(5,730.99)**	**(4,495.82)**
Tax expense		
a) Current tax	88.13	87.56
b) Deferred tax	17.11	(33.39)
Profit/ (loss) for the period	**(5,836.22)**	**(4,550.00)**
Other comprehensive income		
- Items that will be reclassified to profit or loss	-	-
- Items that will not be reclassified to profit or loss	-	
1 Remeasurement of defined employee benefits plan	(4.49)	0.49
2 Changes in Fair Values of Investment in Equities carried at Fair Value through Other Comprehensive Income	(1,546.65)	10.40
3 An item of Income not recognised in profit or loss account	-	
a Forfeiture of Share Application Money	-	225.00
Total comprehensive income for the period (Profit/ loss + other comprehensive income)	**(7,387.35)**	**(4,314.11)**
Earnings per equity share		
a) Basic Earning per share	(0.43)	(0.25)
b) Diluted Earning per share	(0.43)	(0.25)

The accompanying notes are an integral part of the Consolidated financial statements
As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

Sd/-
Harsha Sharma
(Company Secretary)

Consolidated Statement of Cash Flows for the year ended 31 March 2018

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

	As at March 31, 2018	As at March 31, 2017
1. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	**(5,730.99)**	**(4,495.82)**
Adjustments for :		
Depreciation and amortisation	6,221.32	4,692.15
Net (Gain)/loss on sale of Investments	(71.50)	-
Interest income	(547.77)	-
Finance costs	37.78	66.67
Non Controlling Interest	-	305.05
Other Adjustments	(140.30)	125.84
	(231.45)	**693.89**
Working capital adjustments:		
(Increase)/Decrease in Trade Receivables	21.31	464.14
(Increase)/Decrease in Loans and Advances	8,108.14	(3,079.54)
(Increase)/Decrease in Other Assets	(759.82)	1,103.77
Increase/(Decrease) in Trade Payables	358.01	(185.86)
Increase/(Decrease) in Provisions	12.03	2.46
Increase/(Decrease) in Current Liabilities	(552.11)	172.74
Cash Generated from Operations	**6,956.11**	**(828.39)**
Income Tax Paid	112.47	72.47
NET CASH GENERATED/(USED IN) BY OPERATING ACTIVITIES (1)	**6,843.64**	**(900.86)**
2. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(187)	(1,149.71)
Increase in Investments		
Interest Income	547.77	-
Proceeds from sale of investments	1,188.40	-
Gain on Sale of investments	71.50	-
Decrease in Goodwill		(19.94)
Purchase of Investment in Preference Shares	(6,941)	-
Purchase of Investment in Equity Shares	(416)	(96.00)
NET CASH GENERATED/(USED IN) BY INVESTING ACTIVITIES (2)	**(5,736.76)**	**(1,265.65)**

CASH FLOW FROM FINANCING ACTIVITIES		
Issue/Redemption Preference share warrant	-	(725.00)
Proceeds from issuance of ordinary shares	-	500.00
Utilisation of share application money pending allotment	-	(1,172.00)
Finance costs	(37.78)	(66.67)
Proceeds from borrowings	297.83	1,016.69
Repayment of borrowings	(791.69)	(74.53)
NET CASH GENERATED/(USED IN) BY FINANCING ACTIVITIES (3)	**(531.64)**	**(521.51)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)	**575.23**	**(2,688.01)**
Cash and cash equivalents at the beginning of the year	**545.82**	**3,319.40**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**1,121.05**	**545.82**

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

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

Sd/-
Harsha Sharma
(Company Secretary)

Consolidated Statement of Changes in Equity for the year ended March 31 ,2018

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

Equity share capital	Opening balance as at 1 Apr 2016	Changes in equity share capital during the year	Closing balance as at 31 March 2017	Opening balance as at 1 Apr 2017	Changes in equity share capital during the year	Closing balance as at 31 March 2018
Equity shares of Rs.1 each	16,595.53	500.00	17,095.53	17,095.53	-	17,095.53
	16,595.53	**500.00**	**17,095.53**	**17,095.53**	**-**	**17,095.53**

Rights, preferences and restrictions attached to shares

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

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

Other Equity

For the year ended 31 March, 2018

Particulars	Share premium	Capital reserve	Retained earnings	General reserve	Foreign currency translation reserve	Investment revaluation reserve	Total Equity
As at 1 April 2017	**25,099.44**	**1,881.03**	**(13,480.33)**	**3,257.89**	**1,570.64**	**125.84**	18,454.52
Profit for the period			(5,840.71)			-	(5,840.71)
Other comprehensive income			(4.49)			(1,958.95)	(1,963.43)
Total comprehensive income	**25,099.44**	**1,881.03**	**(19,325.52)**	**3,257.89**	**1,570.64**	**(1,833.10)**	**10,650.38**
Profit of Associate companies			0.98				
Addition/ Deletion during year			(58.29)		(13.77)	11.43	(60.62)
Acquisition of non-controlling interests (Note			2.52				2.52
TOTAL	**25,099.44**	**1,881.03**	**(19,380.31)**	**3,257.89**	**1,556.87**	**(1,821.67)**	**10,592.28**

For the year ended 31 March, 2017

Particulars	Share premium	Capital reserve	Retained earnings	General reserve	Foreign currency translation reserve	Investment revaluation reserve	Total Equity
As at 1 April 2016	25,099.44	1,881.03	(9,040.95)	3,257.89	1,584.41		22,781.82
Profit for the period			(4,550.00)				(4,550.00)
Other comprehensive income			235.89				235.89
Total comprehensive income	**25,099.44**	**1,881.03**	**(13,355.06)**	**3,257.89**	**1,584.41**	**-**	**18,468.71**
Addition/ Deletion during year			(129.11)		(13.77)	125.84	(17.04)
Acquisition of non-controlling interests (Note			3.85				3.85
TOTAL	**25,099.44**	**1,881.03**	**(13,480.33)**	**3,257.89**	**1,570.64**	**125.84**	**18,455.52**

- Debit balance of Statement of Profit and loss shall be shown as a negative figure under the head 'Retained Earnings'.

The efficiency catalyst

14A. Details of shareholders holding more than 5% shares in the holding Company

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

	As at 31 March, 2018		As at 31 March, 2017	
	Number	**% Holding**	**Number**	**% Holding**
- Dalip Kumar	185916060	10.88%	185916060	10.88%
- Enstaserve e services Limited	150000000	8.77%	150000000	8.77%
- SLG Softech Private Limited	220000000	12.87%	220000000	12.87%
- Prahlad Estates and Properties Pvt. Ltd.	260000000	15.21%	260000000	15.21%

14B. Reconciliation of number of shares outstanding of holding company and amount of share capital as at March 31, 2018 and March 31, 2017

(Amount in Rs.)

	As at 31 March, 2018		As at 31 March, 2017	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Number of shares at the beginning of the period	1709553100	1709553100	1659553100	1659553100
Add/Less: Changes in number of shares	-	-	50000000	50000000
Number of shares at the ende of the period.	1709553100	1709553100	1709553100	1709553100

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

Sd/-
Harsha Sharma
(Company Secretary)

Notes to the Consolidated Financial Statements for the year ended 31 March 2018

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

2. PROPERTY, PLANT AND EQUIPMENT:

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

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

PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2017:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2016:	2,356.20	873.99	731.01	6,634.60	420.07	77.04	11,092.91
Additions	442.98	-	11.61	14.66	-	-	469.25
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2017 :	**2,799.18**	**873.99**	**742.62**	**6,649.27**	**420.07**	**77.04**	**11,562.16**
Accumulated depreciation as of April 1, 2016:	-	285.65	604.01	6,127.86	319.72	48.58	7,385.82
Depreciation	-	28.66	50.13	236.73	24.45	8.23	348.19
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2017:	**-**	**314.31**	**654.13**	**6,364.59**	**344.17**	**56.81**	**7,734.01**
Carrying value as of March 31, 2017 :	**2,799.18**	**559.68**	**88.49**	**284.68**	**75.90**	**20.23**	**3,828.15**

The efficiency catalyst

(Rs. in Lakhs)

4. INTANGIBLE ASSETS:

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

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

INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2017:

Particulars	Software & IPR	Total
Cost as at April 1, 2016:	35,824.19	35,824.19
Additions	-	-
Deletions	-	-
Cost as at March 31, 2017 :	**35,824.19**	**35,824.19**
Accumulated amortization as of April 1, 2016:	18,428.32	18,428.32
Amortization expense	3,583.92	3,583.92
Deletion		-
Accumulated amortization as of March 31, 2017:	**22,012.24**	**22,012.24**
Carrying Amount as of March 31, 2017 :	**13,811.96**	**13,811.96**

Notes to the Consolidated Financial Statements for the year ended 31 March 2018

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

				As at 31.03.2018	As at 31.03.2017
5.	**Non-current investments**				
a.	**Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI) of associates**				
1	M/s Myzeal IT Solutions Pvt. Ltd. 5000 Equity Shares of Rs.10/- fully paid			0.50	0.50
2	M/s.Enstaserv eServices Ltd 8279930 Equity shares of Rs.10/- each fully paidup.			827.99	640.85
			(I)	**828.49**	**641.35**
b.	**Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)**				
1	M/s. Pumarth Prperties & Holdings Private 400000 equity shares @ Rs. 10 each at premium of Rs 215			900.00	900.00
2	M/s Bloom Healthcare (P) Ltd. 594366 (previously held 9598) Equity Shares of Rs. 71/- each i.e. Rs. 10 per share at premium of Rs. 61/-			422.00	6.00
3	M/s Readystate Infraservices Private Limited 44,000 Equity Shares of Rs.1500/- at premium i.e. Rs. 10 each per Share and premium @ Rs.1490 and 47500 Equity Shares of Rs.1151/- at premium i.e. Rs. 10 each per Share and premium @ Rs.1141			1,206.73	1,206.73
4	M/s Indian Durobuild Private Limited, 250000 Equity Sharesof Rs. 10 each fully paid up			25.00	25.00
5	Madoc Pharmaceuticals Pvt Limited			90.00	90.00
6	M/s RPG Securities & Finacial Services LImited, 34900 Equity Sharesof Rs. 10 each and premium of Rs.92.9			35.91	35.91
7	M/s Passion IT Solutions Pvt Ltd, 21,890 Equity Sharesof Rs. 10 each and premium of Rs.90			21.89	21.89
8	M/s Trimurti Petrochemicals & Allied Services Pvt. Ltd, 80,000 Equity Sharesof Rs. 10 each and premium of Rs.46			44.80	44.80
9	M/s Master Talant Eduservices Pvt. Ltd. 155000 Equity Shares of Rs.80/- at premium i.e. Rs. 10 each per Share and premium @ Rs.70			-	124.00
10	M/s Confluo Eservices Pvt. Ltd. 234000 Equity Shares of Rs.50/- at premium i.e. Rs. 10 each per Share and premium @ Rs.40			-	117.00
11	M/s. Karma Lakelands Pvt Ltd, 137000 equity shares @ Rs. 10 each at premium of Rs 62.99			109.76	109.76
12	M/s. Competent Infoways Pvt. Ltd. 31000 equity shares @ Rs. 10 each at premium of Rs 92			34.70	34.70
13	M/s. Maksad Infracon Pvt. Ltd. 75000 equity shares @ Rs. 10 each at premium of Rs 94			85.61	85.61
14	M/s Indian Durobuild Private Limited, 175000 Equity Sharesof Rs. 10 each and premium of Rs.0.5			20.17	20.17
15	M/s Indian Probuild Private Limited, 800000 Equity Sharesof Rs. 10 each fully paid			87.80	87.80
16	M/s Heimdahl Software Systems Pvt. Ltd. 100379 Equity Shares of Rs.26/- at premium i.e. Rs. 10 each per Share and premium @ Rs.16			26.10	-
17	M/s Premier Capital Services Limited, 307140 shares of Rs. 5.61 each			-	17.24
			(II)	**3,110.47**	**2,926.61**
c.	**Non Trade - Investments in Preference Shares**				
	M/s Bloom Healthcare (P) Ltd. 9916138 non convertible non cumulative redeemable preference shares of Rs. 10 each per Share and premium @ Rs.60			6,941.30	-
			(III)	**6,941.30**	**-**
		Total Non-Current Investments (I+II+III)		**10,880.26**	**3,569.23**
	Less/(Add) : Provision for diminution in value of investments			1,404.39	(137.33)
		Total Net Investment		**9,476.84**	**3,706.56**

	PARTICULARS	As at March 31, 2018	As at March 31, 2017
3.	**Capital work-in-progress**		
	Considered Good		
	- Building WIP	1,252.49	2,325.14
	Considered Doubtful		
	- Advance for Land	200.00	200.00
		1,452.49	**2,525.14**
6.	**Non-Current Financial Assets- Loans & Advances :**		
	Unsecured Considered Good		
	- Loans to Others	809.15	8,226.69
	- Inter-corporate deposits	18.07	708.66
	Unsecured Considered Doubtful		
	- Advance to Others *	708.01	708.01
		1,535.23	**9,643.37**
	* Includes non interest bearing advance of Rs. 7.08 Crores since Feb, 2016, being contingent by nature.		
7	**Non-Current Financial Assets-Others :**		
	- Long term Bank Deposits	200.67	85.56
	- Security Deposits	84.64	48.69
		285.32	**134.25**
8	**Deferred Tax Assets (Net):**		
	- Depreciation & Amortization	115.23	137.12
	- Employee Benefits	29.14	24.36
		144.36	**161.47**
9	**Other Non-Current Assets**		
	- TDS & IT Refund Receivables	44.22	-
	- Preliminary & Othe Misc Expenses	2,235.13	2,280.13
		2,279.35	**2,280.13**
	Preliminary & Other Misc Expense		
	Deferred Business Development Expenses	2,280.13	3,040.17
	Preliminary Expenses	6,071.51	0.04
	Sub Total	**8,351.64**	**3,040.21**
	Less: Deferred Business Development Expenses W/off	(760.04)	(760.04)
	Less: Preliminary Expenses W/off	(5,356.47)	(0.04)
		2,235.13	**2,280.13**
10	**Current Financial Assets - Trade Receivables**		
	Unsecured		
	- Considered Good	358.95	352.13
		358.95	**352.13**
11	**Current Financial Assets - Lease Receivables**		
	Unsecured		
	- Considered Good	59.87	88.00
		59.87	**88.00**
12	**Cash and Cash equivalents**		
	(i) Balances with Banks		
	- In current accounts	1,066.12	524.53
	(ii) cash in hand	54.94	21.29
		1,121.05	**545.82**
13.	**Other Current Assets**		
	- Prepaid Expenses	22.29	39.95
	- Interest Receivables	4.53	6.41
	- Income Accrued but not due	219.68	55.95
	- Indirect Tax recoverables	16.69	4.85
	- TDS & IT Refund Receivables	179.41	-
	- Others	-	442.35
	- Advances to Employee	12.70	14.16
	- Advances to Suppliers	730.73	11.92
		1,186.03	**576.50**

Notes to the Consolidated Financial Statements for the year ended 31 March 2018

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

PARTICULARS	As at March 31, 2018	As at March 31, 2017
14. Share capital		
(i). Authorised Capital		
185,00,00,000 Equity Shares of Re. 1/- each fully paid up with voting rights	18,500.00	18,500.00
(ii) Issued, Subscribed And Fully Paid Up		
170,95,53,100 EQUITY SHARES OF Re. 1/- each fully paid up with voting rights	17,095.53	17,095.53
15. Other Equity		
(a) Capital reserve	1,881.03	1,881.03
(b) Share premium	25,099.44	25,099.44
(c) Capital redemption reserve	-	-
(d) General reserve	-	-
(i) Opening balance	3,416.17	3,257.89
(ii) Transferred from retained earnings	-	-
(f) Retained earnings		
(i) Opening balance	(13,480.33)	(9,173.06)
(ii) Less:Previous Year Provision Adjusted	(20.92)	(2.68)
	-	-
(iii) Add/(Less): Profit/(loss) for the period	(5,840.71)	(4,314.11)
(vi) Add/(less): Profit of Associates companies	0.98	-
Less : Appropriations	-	-
(a) Adjustments(Increase)/Decrease	(46.77)	5.67
(b) Non Controlling Interest	2.52	3.85
(g) Investment revaluation reserve		
(i) Opening balance	125.84	-
(ii) Realised gain on equity shares carried at FVTOCI	(1,970.38)	-
(iii) Addition during the period (net)	11.43	125.84
(h) Foreign Currency Translation reserve	8,160.15	1,570.64
Other Equity Total :	**16,984.87**	**18,454.52**

PARTICULARS	As at March 31, 2018	As at March 31, 2017
16 Non-Current Financial Liabilities : Borrowings		
Unsecured Loan		
- From entity other than Banks	333.58	35.75
	333.58	**35.75**
17 Non-Current Financial Liabilities : Others		
- Other Liabilities	25.83	75.33
	25.83	**75.33**
18 Non-Current Provisions		
- Provision for Leave encashment	12.80	-
- Provision for Gratuity	65.71	77.40
	78.50	**77.40**
19 Other Non-Current Liabilities		
- Security Deposits	84.91	57.29
	84.91	**57.29**
20 Current Financial Liabilities : Borrowings		
Secured Loan		
- Cash credit borrowings from Bank*	-	791.69
	-	**791.69**
* Includes credit outstanding against bill discounting with Canara Bank and Packing credit account which is secured against trade receivables .		
Rate of Interest on outstanding balance is 11%		
21 Current Financial Liabilities : Trade Payables		
- Capital Creditors	-	331.06
- Trade Creditors	797.30	108.24
	797.30	**439.30**
22 Current Provisions		
- Provision for Leave encashment	0.93	15.13
- Provision for Gratuity	2.18	-
	3.11	**15.13**
23 Other Current Liabilities		
- Advance received from customers	1,562.82	2,248.05
- Others (Payables)	155.01	-
	1,717.83	**2,248.05**
24. Current Tax Liabilities (net)		
- Income Tax provision	88.13	87.56
- Indirect tax payable and other statutory liabilities	80.66	58.27
	168.79	**145.83**

Notes to the Consolidated Financial Statements for the year ended 31 March 2018
(ALL AMOUNTS ARE IN LAKHS OF INDIAN RUPEES, UNLESS OTHERWISE STATED)

PARTICULARS	As at March 31, 2018	As at March 31, 2017
25 REVENUE FROM OPERATIONS		
IT Enabled Services:		
(a) Overseas	2,744.01	2,727.70
(b) Domestic	506.38	932.45
	3,250.39	**3,660.14**
26 OTHER INCOME		
(e) Other income (net) consist of the following:		
(a) Interest income	547.77	761.60
(b) Gain on sale of investments carried at FVTOCI	71.50	-
(c) Net foreign exchange gains	32.01	53.56
(d) Rent income	180.37	210.21
(e) Miscellaneous income	3.91	(4.09)
	835.56	**1,021.29**
Interest income comprise:		
- Interest on bank deposits	8.34	7.26
- Interest income on financial assets carried at amortised cost	509.66	714.54
- Other interest (including interest on income tax refunds)	29.78	39.80
	547.77	761.60
27 EMPLOYEE BENEFIT EXPENSES		
(a) Salaries, incentives and allowances	1,931.36	2,885.42
(b) Contributions to provident and other funds	26.69	53.72
(c) Staff welfare expenses	51.47	69.30
	2,009.52	**3,008.44**
28 FINANCE COST		
Bank Charges	15.71	14.61
Interest expenses	22.07	52.06
	37.78	**66.67**
29 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation of Property, Plant and equipment	82.50	394.49
Amortisation of Intangible Assets	6,138.83	4,297.66
	6,221.32	**4,692.15**
20 OTHER OPERATING EXPENSES		
Other operating expenses consist of the following:		
(a) Fees to external consultants	59.49	191.19
(b) Communication expenses	69.20	158.94
(c) Cost of equipment and software licenses	3.21	67.39
(d) Cost of Technical Sub-contractors	865.95	-
(e) Travel expenses	63.51	129.96
(f) Bad debts and advance written off	-	0.19
(g) Conveyance	28.67	34.12
(h) Power & Fuel	187.82	199.24
(i) Running & Maintenance	96.24	114.64
(j) Audit Fee	11.26	11.05
(k) Rent Expenses	8.28	27.68
(l) Other expenses	154.69	475.60
	1,548.31	**1,410.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview:

FCS Software Solutions Limited ('FCS' or 'the company' or 'the holding company') was incorporated on 5th May, 1993. The company is listed on two stock exchanges in India namely National Stock Exchange and Bombay Stock Exchange.

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

1.2 Basis of preparation of financial statements

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

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

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

As the year-end figures are taken from the source and rounded to the nearest Lakhs, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

1.3 Basis of consolidation

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

Name of the Company	% Shareholdings	Country of Incorporation
FCS Software Solutions America Ltd.	100	USA
FCS Software Middle East FZE	100	UAE
FCS Software (Shanghai) Co., Ltd	100	China
FCS Software Solutions GmbH	100	Germany
Insync Business Solutions Limited	100	India
Innova E services Pvt. Ltd.	99.32	India
Stablesecure Infraservices Pvt. Ltd.	92.67	India
Zero Time Constructions Pvt. Ltd.*	45.38	India
cGain Analytics Pvt. Ltd.	92.74	India

**This company is subsidiary by virtue of combined holdings of FCS Software Solutions Ltd. & its subsy co. (i.e. Cgain Analytics Pvt. Ltd.)*

The Consolidated Financial statements also comprise the following associate companies;

Name of the Company	% Shareholdings	Country of Incorporation
Enstaserv Eservices Pvt. Ltd.	48.94	India
Myzeal IT Solutions Ltd.	50.00	India

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

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

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

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

1.4 Use of estimates

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

1.5 Recent Accounting Pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Group has has evaluated the effect of this on the consolidated financial statements and the impact is not material.

Ind AS 115, Revenue from Contract with Customers:

On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in

exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

  The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018.

  The Group will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly, comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

1.6 Revenue recognition

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

Unbilled revenue represents amount recognized based on services performed in advance of billing in accordance with contract terms. Revenue from Business Process Services contracts priced on the basis of time and material or unit of delivery is recognized as services are rendered or the related obligation is performed. Interest on development of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. However, those expenses on which revenue had not recognized was considered as work in process.

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

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

Revenue from operation for the year ended March 31, 2018 and March 31, 2017 is as follows:

			(Rs. in Lakhs)
S.No.	**Particulars**	**March 31, 2018**	**March 31, 2017**
1	Revenue from software service	3,250.38	3,660.14
2	Revenue from software products	NIL	NIL
	Total Revenue For Operations	**3,250.38**	**3,660.14**

1.7 Property, plant and equipment

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

During the year, the company has increased the useful life of the assets as specified under Schedule II of Companies Act, 2013 which is change in accounting estimate as per Ind AS 8 "Accounting Policies, Accounting Estimates & Errors" and accordingly depreciation has been calculated on the basis revised useful life. The total depreciation has been deceased by Rs. 27.90

Lakhs. Further, it is impracticable to estimate the effect in future periods. The estimated useful lives of assets are as follows:

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

During the F.Y, the company recognised total prior period expense related to depreciation of Rs. 55.40 Lakhs pertaining to year ended March 31, 2015, March 31, 2016 & March 31, 2017 is adjusted via Reserves & surplus. Further, depreciation of Rs. 77.60 Lakhs pertaining to year ended March 31, 2015 as transition period depreciation has been charged to reserves as per Schedule II of the Companies Act, 2013. The year wise breakup of the same is as follows:

		(in lakhs)
F.Y	**Prior Period**	**Retained Earnings**
2014-15	223.27	77.60
2015-16	18.59	-
2016-17	(186.46)	-
Total	**55.40**	**77.60**

1.8 Goodwill

Accounting Policy

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

1.9 Intangible assets

1.9.1 Accounting Policy

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

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

1.9.2 Impairment

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

1.10 Financial Instruments

1.10.1 Initial recognition

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

1.10.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

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

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

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

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

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

(iv) Financial liabilities

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

(v) Investment in subsidiaries

Investment in subsidiaries are carried at Net Asset Value as certified by Expert.

b. Derivative financial instruments

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

1.10.3 De-recognition of financial instruments

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

1.11 Segment Reporting

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

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

1. INDIA Segment
2. USA Segment

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

For the Year Ended 31st March 2018

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

For the Year Ended 31st March, 2017

			(Amounts in Lakhs)
Description	**India**	**USA**	**Total**
Year ended March 31, 2017			
Revenue	797.31	2,862.83	3,660.14
Expenses	582.04	2,426.40	3,008.44
Segment result	215.27	436.43	651.70
Un-allocable expenses			6,175.04
Operating income			(5,523.34)
Other income (net)			1,021.29
Profit before tax			**(4,502.04)**

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

1.12 Impairment

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

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

1.13 Provisions

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

1.14 Functional & Foreign currency

Functional currency

The presentation currency of the group is Indian rupee. The functional currency of FCS, Insync, Cgain, Heimdahl, Innova, Stable Secure, Zero time and Insta serve is the Indian rupee. The functional currencies for FCS USA, FCS China, FCS Germany and FCS UAE are the respective local currencies. These financial statements are presented in Indian rupees.

Transactions and translations

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

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

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

1.15 Earnings per equity share

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

1.16 Income Taxes

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Group offsets current tax assets and current tax liabilities on net basis, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.17 Employee benefits

1.17.1 Gratuity

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

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

1.17.2 Provident fund

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

1.17.3 Compensated absences

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

1.18 Cash flow statement

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

Amendment to Ind AS 7:

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

1.19 Other income

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

1.20 Related Party Transactions:

Subsidiaries Companies

Name of Subsidiaries	Country	Holding as at March 31,	
		2018	2017
FCS Software Solutions America Ltd.	USA	100	100
FCS Software Middle East FZE	UAE	100	100
FCS Software (Shanghai) Co., Ltd	China	100	100
FCS Software Solutions GmbH	Germany	100	100
Insync Business Solutions Limited	India	100	100
Innova Eservices Pvt. Ltd.	India	99.32	99.32
Stablesecure Infraservices Pvt. Ltd.	India	92.67	92.67
Zero Time Constructions Pvt. Ltd.*	India	45.38	90.66
cGain Analytics Pvt. Ltd.	India	92.74	92.74
Heimdahl Software Systems Pvt. Ltd.**	India	-	98.97

*Subsidiary by virtue of combined holding of FCS Software Solutions Ltd. and its subsidiary (i.e. Cgain Analytics Pvt. Ltd.

**Major Holding is transferred during the year and hence no more subsidiary of FCS Software Solutions Ltd.

Associate Companies

Name of Subsidiaries	Country	Holding as at March 31,	
		2018	2017
Enstaserv Eservices Pvt. Ltd.	India	48.94	48.94
Myzeal IT Solutions Ltd.	India	50.00	50.00

List of Key Managerial Personnel

Dalip Kumar – Managing Director

*Govinda Sahu – Wholetime Director

Shayam Sunder Sharma – Director

Shiv Nandan Sharma – Director

Sunil Sharma – Director

Shweta Shatsri – Director

Anil Kumar Sharma – CFO

Harsha Sharma – Company Secretary

*Mr. Govinda Sahu, whole time Director of the Company has vacated his office with effect from 12-Oct-2017.

A. Transactions with the Related Parties **(Amt. in Lakhs)**

Transactions	31/03/2018	31/03/2017
Insync Business Solutions Ltd.		
Services Rendered	-	160.69
Rental Income Received	15.60	15.60
Salary & Other Benefits to Key Management Personnel	-	-
1. Govinda Sahu	16.10	25.89
2. Sunil Sharma	9.52	9.52
3. Harsha Sharma	7.80	6.31
4. Anil Kumar Sharma	20.40	12.17
5. Chetan Verma*	13.80	-
Directors Sitting Fee	-	-
Shiv Nandan Sharma	2.35	1.20
Shayam Sunder Sharma	1.85	1.80
Shweta Shatsri	0.70	0.90
*Director of Insync Business Solutions Limited (i.e. Subsidiary of FCS Software Solutions Limited)		

A. List of Related Parties – where Control does not exists: **(Amt. in Lakhs)**

Investments/(sale) in Subsidiaries:	31.03.2018	31.03.2017
M/s Bloom Healthcare & Hospitality Management Pvt. Ltd.	7,356.30	7.00
M/s Heimdahl Software Systems Pvt. Ltd.*	(223.90)	-
	7,132.40	**7.00**

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

1.21 Expenditure in Foreign Currency **(Amt. in Lakhs)**

	31.03.2018	31.03.2017
Expenditure incurred overseas:		
By USA	224.91	900.58
By UAE	Nil	Nil
By China	Nil	Nil
By Germany	0.04	5.54
By India Office	Nil	1.74

1.22 Earning in Foreign Exchange **(Amt. in Lakhs)**

	31.03.2018	31.03.2017
Income from software development services and Products	2,524.33	2,697.18
	2,524.33	**2,697.18**

1.23 Corporate Social Responsibility

As per section 135 of the companies act, 2013, a company, meeting the applicability threshold, needs to spends at least 2% of its average net profit for immediately preceding three financial year on Corporate Social Responsibility (CSR) Activities. As explained to us, during the year the corporate social Responsibility (CSR) committee has been formed by the Company, however the company does not qualified the norms specified as required under section 135 of Companies Act, 2013 to contribute towards CSR.;

1.24 Investment

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

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

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

As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

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

Sd/-
Harsha Sharma
(Company Secretary)

Independent Auditors' Report

To the Members of
M/s FCS Software Solutions Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone Ind AS financial statements of FCS Software Solutions Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'standalone Ind AS financial statements').

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes the 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order issued under section 143(11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the standalone

financial position of the Company as at 31 March, 2018, and its profits including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matter

Corresponding figures for the year ended 31 March 2017 have been audited by another auditor who expressed an unmodified opinion dated 30th May, 2017 on the standalone financial statements of the Company for the year ended 31st March 2017.

Our opinion on the standalone financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act and Companies (Audit and Auditors) Rule 2014, 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 Cash Flows and the Statement of Changes in Equity 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 Indian Accounting Standards specified under Section 133 of the Act, as applicable .

   e. on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and

   g. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigation with would impact its financial position.

   ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amount required to be transferred to the investor education and Protection fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the order.

For Aadit Sanyam & Associates
Chartered Accountants
FRN: 023685N

CA Sanyam Jain
Partner
Membership No.: 531388

Place: Delhi
Dated: May 29, 2018

Annexure A to the Independent Auditors' Report

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

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

We have audited the internal financial controls over financial reporting of FCS Software Solutions Limited ('the Company') as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Aadit Sanyam & Associates
Chartered Accountants
FRN: 023685N

CA Sanyam Jain
Partner
Membership No.: 531388

Place: Delhi
Dated: May 29, 2018

Annexure B to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report the following:

(i) In respect of the Company's fixed assets:

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

(b) The Company has a program of verification of its fixed assets to cover all the items in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company, where the company is the lessee in the agreement

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

(ii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans, investments and providing guarantees and securities, as applicable.

(v) According to the information and explanation given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are

not applicable to the Company.

(vi) Accordingly to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company. Thus reporting under Clause 3(vi) of the order is not applicable to the company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employee's State Insurance, Income Tax, Service Tax, GST, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(c) There are no dues of Income Tax, Sales Tax, Custom Duty, Excise duty and Value added Tax which have not been deposited as on 31 March, 2018 on account of dispute.

(viii) According to the information and explanations given to us and the records examined by us, the Company has not taken any loans & borrowings for 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) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Act.

(xii) The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the 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 give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence, reporting under Clause 3(xiv) of the order is not applicable to the company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For Aadit Sanyam & Associates
Chartered Accountants
FRN: 023685N

CA Sanyam Jain
Partner
Membership No.: 531388

Place: Delhi
Dated: May 29, 2018

Standalone Balance sheet as at 31st March 2018

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

	Note no.	As at 31st March 2018	As at 31st March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	**2**	4,075.12	2,856.78
Capital work-in-progress	**3**	1,452.49	2,510.41
Investment Property			
Other Intangible assets	**4**	42.74	71.51
Financial assets			
- Investments	**5**	26,672.12	24,748.04
- Loans	**6**	2,220.21	9,642.72
- Others	**7**	279.94	134.25
Deferred tax assets (Net)	**8**	144.74	161.70
Other non-current assets	**9**	44.22	-
Current assets			
Inventories			
Financial assets			
- Trade Receivables	**10**	278.05	310.68
- Lease Receivables	**11**	59.87	88.00
- Cash and cash equivalents	**12**	811.53	96.76
- Loans		**-**	**-**
- Others			
Current Tax Assets (net)			
Other current assets	**13**	434.44	458.07
TOTAL		**36,515.47**	**41,078.91**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	**14**	17,095.53	17,095.53
Other Equity	**15**	16,524.37	20,477.61
Non-current liabilities			
Financial liabilities		-	-
Provisions	**16**	77.77	77.40
Deferred tax liabilities (net)		-	-
Other non-current Liabilities	**17**	84.09	75.33
Current liabilities			
Financial liabilities			
- Borrowings	**18**	-	791.69
- Trade payables	**19**	414.31	43.27
- Other Financial Liabilities			
Provisions	**20**	2.86	15.13
Other Current Liabilities	**21**	2,148.40	2,430.94
Current Tax Liabilities (net)	**22**	168.14	72.00
TOTAL		**36,515.47**	**41,078.91**

Summary of Significant Accounting Policies. 1

The accompaying notes are an integral part of the Financial Statements

As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

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

Sd/-
Harsha Sharma
(Company Secretary)

Standalone Statement of Profit and Loss for the year ended 31 March 2018

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

	Note no.	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from operations	23	2,905.16	2,225.52
Other income	24	849.57	1,021.42
Total revenue		**3,754.73**	**3,246.94**
Expenses			
Emloyee benefit expense	25	1,913.29	1,925.23
Finance cost	26	37.62	65.60
Depreciation and amortisation expense	27	104.23	390.69
Other Operating expense	28	1,292.34	1,014.95
Total expenses		**3,347.49**	**3,396.48**
Profit/ (loss) before exceptional items and tax		**407.24**	**(149.53)**
Exceptional items		-	-
Profit/ (loss) before tax		**407.24**	**(149.53)**
Tax expense			
a) Current tax		88.13	72.00
b) Deferred tax		16.96	(33.39)
Profit/ (loss) for the period from continuing operations		**302.16**	**(188.15)**
Profit/ (loss) for the period		302.16	(188.15)
Other comprehensive income			
- Items that will not be reclassified to profit or loss			
1 Remeasurement of defined employee benefits plan		(4.49)	-
2 Changes in Fair Values of Investment in Equities carried at Fair Value through Other Comprehensive Income		(5,282.55)	(2,260.12)
3 An item of Income not recognised in profit or loss account			
a Forfeiture of Share Application Money		-	225.00
Income Tax Effect on Items that will not be reclassified to profit or loss		(5,287.04)	(2,035.12)
Total comprehensive income for the period (Profit/ loss + other comprehensive income)		**(4,984.88)**	**(2,223.27)**
Earnings per equity share			
a) Basic Earning per Share		(0.29)	(0.13)
b) Diluted Earning per Share		(0.29)	(0.13)

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

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

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

Sd/-
Harsha Sharma
(Company Secretary)

Standalone Statement of Cash Flows for the year ended 31 March 2018

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

	As at March 31, 2018	As at March 31, 2017
1. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	**407.24**	**(149.53)**
Adjustments for :		
Depreciation and amortisation	104.23	390.69
Net (Gain)/loss on sale of Investments	(71.50)	-
Interest income	(546.18)	(757.64)
Finance costs	37.62	65.60
Other Adjustments	(96.43)	2.84
	(165.01)	**(448.04)**
Working capital adjustments:		
(Increase)/Decrease in Trade Receivables	60.77	389.36
(Increase)/Decrease in Loans and Advances	7,422.51	(2,948.60)
(Increase)/Decrease in Other Assets	(166.28)	170.01
Increase/(Decrease) in Trade Payables	371.04	(54.43)
Increase/(Decrease) in Provisions	84.23	-
Increase/(Decrease) in Current Liabilities	(273.78)	280.32
Cash Generated from Operations	**7,333.47**	**(2,611.38)**
Income Tax Paid	97.17	47.65
NET CASH GENERATED/(USED IN) BY OPERATING ACTIVITIES (1)	**7,236.30**	**(2,659.03)**
2. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(198.00)	(1,134.27)
Interest Income	546.18	757.64
Proceeds from sale of investments	1,245.40	-
Gain on Sale of investments	71.50	-
Investment in Preference Shares	(6,941.30)	-
Investment in Equity Shares	(416.00)	(98.00)
NET CASH GENERATED/(USED IN) BY INVESTING ACTIVITIES (2)	**(5,692.21)**	**(474.63)**
CASH FLOW FROM FINANCING ACTIVITIES		
Issue/Redemption Preference share warrant	-	(725.00)
Forfeiture of Share Application Money	-	225.00
Proceeds from issuance of ordinary shares	-	500.00
Foreign Currency Translation Reserve	-	(11.93)
Finance costs	(37.62)	(65.60)
Proceeds from borrowings	(791.69)	770.33
Repayment of borrowings	-	-
NET CASH GENERATED/(USED IN) BY FINANCING ACTIVITIES (3)	**(829.32)**	**692.80**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)	**714.77**	**(2,440.86)**
Cash and cash equivalents at the beginning of the year	96.76	2,623.19
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**811.53**	**96.76**

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

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

Sd/-
Harsha Sharma
(Company Secretary)

Standalone Statement of changes in equity for the year ended 31st March 2018

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

a. Equity share capital

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

	Opening balance as at 1 Apr 2016	Changes in equity share capital during the year	Closing balance as at 31 March 2017
Equity shares of Rs.1 each	16,595.53	500.00	17,095.53
	16,595.53	**500.00**	**17,095.53**

Rights, preferences and restrictions attached to shares

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

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

b. Other Equity

For the year ended 31 March, 2018

	Share premium	Capital reserve	Retained earnings	Others (Foreign Currency Translation Reserve)	General reserve	OCI Items-Investment Revaluation Reserve	Total Equity
As at 1 April 2017	**25,099.44**	**1,881.03**	**5,428.36**	**1,543.38**	**2,904.31**	**(16,378.91)**	**20,477.61**
Profit for the period	-	-	297.67	-	-		**297.67**
IT Provision of Previous year			(9.37)				**(9.37)**
Depreciation adjustment of Prev. Years			23.00				**23.00**
Other Adjustments			**(0.30)**				**(0.30)**
Other comprehensive income/(loss)						(5,282.55)	**(5,282.55)**
Realised gain/ (loss) on shares carried at FVTOCI						1,018.32	**1,018.32**
TOTAL	**25,099.44**	**1,881.03**	**5,739.36**	**1,543.38**	**2,904.31**	**(20,643.15)**	**16,524.37**

For the year ended 31 March, 2017

	Share premium	Capital reserve	Retained earnings	Others (Foreign Currency Translation Reserve)	General reserve	OCI Items-Investment Revaluation Reserve	Total Equity
As at 1 April 2016	**25,099.44**	**1,881.03**	**5,396.08**	**1,555.31**	**2,904.31**	**(14,119.66)**	**22,716.52**
Profit for the period			35.99	(11.93)			24.06
Other Adjustments			(3.70)				(3.70)
Other comprehensive income/(loss)	-	-	-	-	-	(2,259.25)	(2,259.25)
TOTAL	**25,099.44**	**1,881.03**	**5,428.36**	**1,543.38**	**2,904.31**	**(16,378.91)**	**20,477.61**

14A. Details of shareholders holding more than 5% shares in the Company

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

	As at 31 March, 2018		As at 31 March, 2017	
	Number	% Holding	Number	% Holding
- Dalip Kumar	185916060	10.88%	185916060	10.88%
- Enstaserve e services Limited	150000000	8.77%	150000000	8.77%
- SLG Softech Private Limited	220000000	12.87%	220000000	12.87%
- Prahlad Estates and Properties Pvt. Ltd.	260000000	15.21%	260000000	15.21%

14B. Reconciliation of number of shares outstanding and amount of share capital as at March 31, 2018 and March 31, 2017

(Amount in Rs.)

	As at 31 March, 2018		As at 31 March, 2017	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the period	1709553100	1709553100	1659553100	1659553100
Add/Less: Changes in number of shares	-	-	50000000	50000000
Number of shares at the ende of the period.	1709553100	1709553100	1709553100	1709553100

Summary of significant accounting policies
The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

Sd/-
Harsha Sharma
(Company Secretary)

Notes to the Standalone Financial Statements for the year ended 31 March 2018

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

2. PROPERTY, PLANT AND EQUIPMENT:

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

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

PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2017:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2016:	1,399.50	873.99	727.36	6,620.89	416.26	77.04	10,115.03
Additions	433.11	-	11.61	14.66	-	-	459.38
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2017 :	**1,832.61**	**873.99**	**738.97**	**6,635.55**	**416.26**	**77.04**	**10,574.41**
Accumulated depreciation as of April 1, 2016:	-	285.65	602.38	6,118.59	318.04	48.58	7,373.24
Depreciation	-	28.66	48.55	235.01	23.95	8.23	344.39
Accumulated depreciation on deletions	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation as of March 31, 2017:	**-**	**314.31**	**650.93**	**6,353.60**	**341.99**	**56.81**	**7,717.63**
Carrying value as of March 31, 2017 :	**1,832.61**	**559.68**	**88.04**	**281.95**	**74.27**	**20.23**	**2,856.78**

	As at March 31, 2018	As at March 31, 2017
3. Capital work-in-progress		
Considered Good		
- Building WIP	1,252.49	2,310.41
Considered Doubtful		
- Advance for Land	200.00	200.00
	1,452.49	**2,510.41**

4. INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2018: **(Rs. in Lakhs)**

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

INTANGIBLE ASSETS:

Intangible assets consist of the following for the year ended March 31, 2017:

Particulars	**Software & IPR**	**Total**
Cost as at April 1, 2016:	368.67	368.67
Additions	-	-
Deletions	-	-
Cost as at March 31, 2017 :	**368.67**	**368.67**
Accumulated amortization as of April 1, 2016:	250.86	250.86
Amortization expense	46.30	46.30
Deletion	-	-
Accumulated amortization as of March 31, 2017:	**297.16**	**297.16**
Carrying Amount as of March 31, 2017 :	**71.51**	**71.51**

Notes to the Standalone Financial Statements for the year ended 31 March 2018

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

			As at 31.03.2017	As at 31.03.2016
5. Non-current investments				
a.	**Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)**			
	i. of subsidiaries			
1	M/s Insync Business Solutions Limited 50000 Equity Shares of Rs.10/- fully paidup		6.26	6.26
2	M/s Cgain Analytics Pvt. Ltd. 2300000 Equity Shares of Rs.10/- fully paidup		230.00	230.00
3	M/s Innova Eservcies Pvt. Ltd. 1450000 Equity Shares of Rs.10/- fully paidup		145.00	145.00
4	M/s Stablesecure Infraservices Pvt. Ltd. 12750000 Equity Shares of Rs.10/-		1,275.00	1,275.00
5	M/s Zerotime constructions Pvt. Ltd. 9520000 (previously held 19000000) Equity Shares of Rs.10/- Fully paidup		952.00	1,902.00
6	M/s.FCS SOFTWARE MIDDLE EAST FZE 2706 Equity shares of AED 100000/- each fully paidup		33,780.46	33,780.46
7	M/s FCS Software Solutions America Ltd. USD 1.00 PAR VALUE OF 701,000 COMMON STOCK		448.59	448.59
8	M/s.FCS SOFTWARE SOLUTIONS GmbH 100000 Equity shares of EURO 1/- each fully paidup		21.26	21.26
9	FCS Software (Shanghai) Co., Ltd		12.16	12.16
		(I)	**36,870.73**	**37,820.73**
b.	**Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)**			
	iv. of associate			
1	M/s Myzeal IT Solutions Pvt. Ltd. 5000 Equity Shares of Rs.10/- fully paid		0.50	0.50
2	M/s.Enstaserv eServices Ltd 8279930 Equity shares of Rs.10/- each fully paidup.		827.99	827.99
		(II)	**828.49**	**828.49**
c.	**Non Trade and unquoted - Investments in equity shares (Carried at FVTOCI)**			
1	M/s. Pumarth Prperties & Holdings Private 400000 equity shares of Rs. 225/- each at premium i.e. Rs. 10 per share and at premium of Rs 215		900.00	900.00
2	M/s Readystate Infraservices Private Limited 44,000 Equity Shares of Rs.1500/- at premium i.e. Rs. 10 each per Share and premium @ Rs.1490 and 47500 Equity Shares of Rs.1151/- at premium i.e. Rs. 10 each per Share and premium @ Rs.1141		1,206.73	1,206.73
3	M/s Indian Durobuild Private Limited, 250000 Equity Shares of Rs. 10 each fully paid up		25.00	25.00
4	M/s Bloom Healthcare (P) Ltd. 594366 (previously held 9598) Equity Shares of Rs. 71/- each i.e. Rs. 10 per share at premium of Rs. 61/-		422.00	6.00
5	M/s Heimdahl Software Systems Pvt. Ltd. 100379 (previously held 961538) Equity Shares of Rs.26/- at premium i.e. Rs. 10 each per Share and premium @ Rs.16		26.10	250.00
6	M/s Madoc Pharmaceuticals Pvt Limited Equity Shares 900000 of Rs. 10/- each fully paidup		90.00	90.00
		(III)	**2,669.82**	**2,477.73**
d.	**Non Trade - Investments in Preference Shares**			
1	M/s Bloom Healthcare (P) Ltd. 9916138 non convertible non cumulative redeemable preference shares of Rs. 10 each per Share and premium @ Rs.60		6,941.30	-
		(IV)	**6,941.30**	**-**
	Total Investments (I+II+III+IV)		**47,310.35**	**41,126.95**
	Less : Provision for diminution in value of investments		(20,638.22)	(16,379)
	Total Net Investment		**26,672.12**	**24,748.04**

	PARTICULARS	As at March 31, 2018	As at March 31, 2017
6.	**Non-Current Financial Assets- Loans & Advances :**		
	Unsecured Considered Good		
	- Loans to Others	1,509.94	8,934.70
	- Advances to Employee #	2.25	-
	Unsecured Considered Doubtful	-	-
	- Advance to Others *	708.01	708.01
		2,220.21	**9,642.72**

* Includes non interest bearing advance of Rs. 7.08 Crores since Feb, 2016, being contingent by nature.

#These are non-interest bearing advances given to employee - repayable for more than one year.

7	**Non-Current Financial Assets-Others :**		
	- Long term Bank Deposits	195.95	85.56
	- Security Deposits	83.99	48.69
		279.94	**134.25**
8	**Deferred Tax Assets (Net):**		
	- Depreciation & Amortization	115.61	137.35
	- Employee Benefits	29.14	24.36
		144.74	**161.70**
9	**Other Non-Current Assets**		
	- TDS & IT Refund Receivables	44.22	-
		44.22	**-**
10	**Current Financial Assets - Trade Receivables**		
	Unsecured		
	- Considered Good	278.05	310.68
		278.05	**310.68**
11	**Current Financial Assets - Lease Receivables**		
	Unsecured		
	- Considered Good	59.87	88.00
		59.87	**88.00**
12	**Cash and Cash equivalents**		
	(i) Balances with Banks		
	- In current accounts	797.08	92.58
	(ii) cash in hand	14.45	4.18
		811.53	**96.76**
13.	**Other Current Assets**		
	- Prepaid Expenses	22.29	39.95
	- Interest Receivables	3.11	4.97
	- Income Accrued but not due	219.68	-
	- Indirect Tax recoverables	16.69	-
	- TDS & IT Refund Receivables	139.98	399.02
	- Advances to Employee	10.32	14.12
	- Advances to Suppliers	22.36	-
		434.44	**458.07**

Notes to the Standalone Financial Statements for the year ended 31 March 2018

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

PARTICULARS	As at March 31, 2018	As at March 31, 2017
14. Share capital		
(a). Authorised Capital		
185,00,00,000 Equity Shares of Re. 1/- each fully paid up with voting rights	18,500.00	18,500.00
(b). Issued, Subscribed And Fully Paid Up		
170,95,53,100 EQUITY SHARES OF Re. 1/- EACH fully paid up with voting rights	17,095.53	17,095.53
Less :		
Total :	**17,095.53**	**17,095.53**
15. Other Equity		
Other equity consist of the following:		
(a) Capital reserve	1,881.03	1,881.03
(b) Share premium	25,099.44	25,099.44
(c) General reserve	-	-
(i) Opening balance	2,904.31	2,904.31
(ii) Transferred from retained earnings	-	-
	2,904.31	**2,904.31**
(d) Retained earnings		
(i) Opening balance	5,428.36	5,396.08
(ii) Add: Profit for the period	297.67	35.99
	5,726.03	**5,432.07**
Less : Appropriations		
(i) Appropriation/Adjustments	13.33	(3.70)
	5,739.36	**5,428.36**
(e) Investment revaluation reserve		
(i) Opening balance	(16,378.91)	(14,119.66)
(ii) Unrealised gain on equity shares carried at fair value through OCI	(5,282.55)	(2,259.25)
(iii) Realised gain on equity shares carried at fair value through OCI	1,018.32	-
	(20,643.15)	**(16,378.91)**
(f) Others (Foreign Currency Translation Reserve)	1,543.38	1,543.38
Total :	**16,524.37**	**20,477.61**

Rights, preferences and restrictions attached to shares

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

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

14A. Details of shareholders holding more than 5% shares in the Company

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

	As at 31 March, 2018		As at 31 March, 2017	
	Number	% Holding	Number	% Holding
- Dalip Kumar	185916060	10.88%	185916060	10.88%
- Enstaserve e services Limited	150000000	8.77%	150000000	8.77%
- SLG Softech Private Limited	220000000	12.87%	220000000	12.87%
- Prahlad Estates and Properties Pvt. Ltd.	260000000	15.21%	260000000	15.21%

14B. Reconciliation of number of shares outstanding and amount of share capital as at March 31, 2018 and March 31, 2017

(Amount in Rs.)

	As at 31 March, 2018		As at 31 March, 2017	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the period	1709553100	1709553100	1659553100	1659553100
Add/Less: Changes in number of shares	-	-	50000000	50000000
Number of shares at the ende of the period.	1709553100	1709553100	1709553100	1709553100

PARTICULARS		As at March 31, 2018	As at March 31, 2017
16 Non-Current Provisions			
- Provision for Leave encashment		12.80	-
- Provision for Gratuity		64.97	77.40
	Total:	**77.77**	**77.40**
17 Other Non-Current Liabilities			
- Security Deposits		84.09	75.33
	Total:	**84.09**	**75.33**
18 Current Financial Liabilities : Borrowings			
Secured Loan			
- Cash credit borrowings from Bank*		-	791.69
	Total:	**-**	**791.69**
* Includes credit outstanding against bill discounting with Canara Bank and Packing credit account which is secured against trade receivables.			
Rate of Interest on outstanding balance is11%			
19 Current Financial Liabilities : Trade Payables			
Unsecured			
- Considered Good		414.31	43.27
	Total:	**414.31**	**43.27**
20 Current Provisions			
- Provision for Leave Encashment		0.68	15.13
- Provision for Gratuity		2.18	-
	Total:	**2.86**	**15.13**
21 Other Current Liabilities			
- Advance received from customers		1,562.06	2,248.05
- Advance received against sale of stake		447.98	-
- Others (Payables)		138.36	182.88
	Total:	**2,148.40**	**2,430.94**
22. Current Tax Liabilities (net)			
- Income Tax Provision		88.13	72.00
- Indirect tax payable and other statutory liabilities		80.01	-
	Total:	**168.14**	**72.00**
23 REVENUE FROM OPERATIONS			
IT Enabled Services:			
- Overseas		2,521.03	1,812.44
- Domestic		384.13	413.08
		2,905.16	**2,225.52**

PARTICULARS	As at March 31, 2018	As at March 31, 2017
24 OTHER INCOME		
Other income (net) consist of the following:		
- Interest income	546.18	757.64
- Net foreign exchange gains	32.01	53.56
- Gain on sale of Investment carried at fair value through FVTOCI	71.50	-
- Other Income	3.91	-
- Rent income	195.97	210.21
Total:	**849.57**	**1,021.42**
Interest income comprise:		
- Interest on bank deposits	7.84	7.26
- Interest income on financial assets	508.56	710.96
- Other interest (including interest on income tax refunds)	29.78	39.43
	546.18	**757.64**
25 EMPLOYEE BENEFIT EXPENSES		
Employee costs consist of the following:		
- Salaries, incentives and allowances	1,838.73	1,641.64
- Contributions to provident and other funds	23.10	214.53
- Staff welfare expenses	51.46	69.06
Total:	**1,913.29**	**1,925.23**
26 FINANCE COST		
Finance costs consist of the following:		
- Interest expenses	21.91	51.96
- Bank Charges	15.71	13.64
Total:	**37.62**	**65.60**
27 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation of Property, Plant and equipment	81.91	344.39
Amortisation of Intangible Assets	22.32	46.30
	104.23	**390.69**
28 OTHER OPERATING EXPENSES		
Other operating expenses consist of the following:		
- Fees to external consultants	60.77	63.19
- Communication expenses	53.54	83.22
- Cost of equipment and software licenses	3.21	66.80
- Cost of Technical Sub-contractors	669.32	-
- Travel expenses	59.81	121.62
- Bad debts and advances written off	-	0.30
- Conveyance	27.07	26.80
- Power & Fuel	187.82	199.24
- Auditors Remuneration	10.38	10.00
- Running & Maintenance	96.24	114.64
- Other expenses	124.20	329.15
	1,292.34	**1,014.95**

NOTES TO STANDALONE FINANCIAL STATEMENTS

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview:

FCS Software Solutions Limited ('the company') was incorporated on 5th May, 1993 in India. The company is listed on two stock exchanges in India namely National Stock Exchange and Bombay Stock Exchange.

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

1.2 Basis of preparation of financial statements

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

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

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

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

1.3 Use of estimates

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

1.4 Revenue recognition

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

Unbilled revenue represents amount recognized based on services performed in advance of billing in accordance with contract terms. Revenue from Business Process Services contracts priced on the basis of time and material or unit of delivery is recognized as services are rendered or the related obligation is performed. Interest on development of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction. However,

those expenses on which revenue had not recognized was considered as work in process.

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

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

Revenue from operation for the year ended March 31, 2018 and March 31, 2017 is as follows:

			(Rs. in Lakhs)
S.No.	**Particulars**	**March 31, 2018**	**March 31, 2017**
1	Revenue from software service	2,905.16	2,225.52
2	Revenue from software products	NIL	NIL
	Total Revenue For Operations	**2,905.16**	**2,225.52**

1.5 Recent Accounting Pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115, Revenue from Contract with Customers:

On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly, comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

1.6 Property, plant and equipment

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

During the year, the company has increased the useful life of the assets as specified under Schedule II of Companies Act, 2013 which is change in accounting estimate as per Ind AS 8 "Accounting Policies, Accounting Estimates & Errors" and accordingly depreciation has been calculated on the basis revised useful life. The total depreciation has been deceased by Rs. 27.90 Lakhs. Further, it is impracticable to estimate the effect in future periods. The estimated useful

lives of assets are as follows:

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

During the F.Y, the company recognised total prior period expense related to depreciation of Rs. 55.40 Lakhs pertaining to year ended March 31, 2015, March 31, 2016 & March 31, 2017 is adjusted via Reserves & surplus. Further, depreciation of Rs. 77.60 Lakhs pertaining to year ended March 31, 2015 as transition period depreciation has been charged to reserves as per Schedule II of the Companies Act, 2013. The year wise breakup of the same is as follows:

		(Rs. in Lakhs)
F.Y	**Prior Period**	**Retained Earnings**
2014-15	223.27	77.60
2015-16	18.60	-
2016-17	(186.47)	-
Total	**55.40**	**77.60**

1.7 Financial Instruments

1.7.1 Initial recognition

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

1.7.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

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

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

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

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

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

(iv) Financial liabilities

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

(v) Investment in subsidiaries

Investment in subsidiaries are carried as per IND AS-27, “Separate Financial Statements” However, the provisions for impairment on these investments is recognised using the net assets value certificate provided by the independent valuer.

b. Derivative financial instruments

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

1.7.3 De-recognition of financial instruments

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

1.8 Intangible assets

1.8.1 Accounting Policy

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

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

1.8.2 Impairment

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

1.9 Provisions

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

1.10 Impairment

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

If such assets are considered to be impaired, the impairment to be recognized in the Consolidated Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Consolidated Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised

recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

1.11 Functional & Foreign currency

Functional currency:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

Transactions and translations:

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

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

1.12 Earnings per equity share

Basic earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the year in conformity with the Ind-AS-33. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by weighted average number of equity and equivalent diluted equity shares outstanding during the year-end, except where the results would be anti-dilutive.

1.13 Income Taxes

Income tax expense comprises current and deferred income tax. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements as prescribed in Ind-AS-12. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company does not offsets current tax assets and current tax liabilities on net basis, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.14 Employee benefits

1.14.1 Gratuity

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

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income.

1.14.2 Provident fund

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

1.14.3 Compensated absences

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

1.15 Cash flow statement

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

Amendment to Ind AS 7:

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

1.16 Other income

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

1.17 Investment

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

1.18 Related Party Transactions:

Subsidiaries Companies

Name of Subsidiaries	Country	Holding as at March 31,	
		2018	2017
FCS Software Solutions America Ltd.	USA	100	100
FCS Software Middle East FZE	UAE	100	100
FCS Software (Shanghai) Co. Ltd.	China	100	100
FCS Software Solutions GmbH	Germany	100	100
Insync Business Solutions Limited	India	100	100
Innova Eservices Pvt. Ltd.	India	99.32	99.32
Stablesecure Infraservices Pvt. Ltd.	India	92.67	92.67
Zero Time Constructions Pvt. Ltd.*	India	45.38	90.66
cGain Analytics Pvt. Ltd.	India	92.74	92.74
Heimdahl Software Systems Pvt. Ltd.**	India	-	98.97

**Subsidiary by virtue of combined holding of FCS Software Solutions Ltd. and its subsidiary (i.e. Cgain Analytics Pvt. Ltd.*

***Major Holding is transferred during the year and hence no more subsidiary of FCS Software Solutions Ltd.*

Associate Companies

Name of Associate	Country	Holding as at March 31,	
		2018	2017
Enstaserv Eservices Pvt. Ltd.	India	48.94	48.94
Myzeal IT Solutions Ltd.	India	50.00	50.00

List of Key Managerial Personnel

Dalip Kumar – Managing Director
*Govinda Sahu – Wholetime Director
Shayam Sunder Sharma – Director
Shiv Nandan Sharma – Director
Sunil Sharma – Director
Shweta Shatsri – Director
Anil Kumar Sharma – CFO
Harsha Sharma – Company Secretary

**Mr. Govinda Sahu, whole time Director of the Company has vacated his office with effect from 12-Oct-2017.*

A. Transactions with the Related Parties **(Rs. in Lakhs)**

Transactions	31/03/2018	31/03/2017
Insync Business Solutions Ltd.		
Services Rendered	-	160.69
Rental Income Received	15.60	15.60
Salary & Other Benefits to Key Management Personnel	-	-
1. Govinda Sahu	16.10	25.89
2. Sunil Sharma	9.52	9.52
3. Harsha Sharma	7.80	6.31
4. Anil Sharma	20.40	12.17
5. Chetan Verma	13.80	-
Directors Sitting Fee	-	-
Shiv Nandan Sharma	2.35	1.20
Shayam Sunder Sharma	1.85	1.80
Shweta Shatsri	0.70	0.90

B. List of Related Parties – Where Control exists: **(Rs. in Lakhs)**

Investments/(sale) in Subsidiaries:	31.03.2018	31.03.2017
M/s Zerotime constructions Pvt. Ltd. *	(950.00)	2.00
M/s Cgain Analytics Pvt. Ltd.**	57.00	-
	(893.00)	**2.00**

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

*** It represent amount recovered against sale of Zerotime Constructions (P) Ltd. Shares.*

C. List of Related Parties – where Control does not exists: **(Rs. in Lakhs)**

Investments/(sale) in Subsidiaries:	31.03.2018	31.03.2017
M/s Bloom Healthcare & Hospitality Management Pvt. Ltd.	7,356.30	7.00
M/s Heimdahl Software Systems Pvt. Ltd.*	(223.90)	-
	7,132.40	**7.00**

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

D. Outstanding Balance Receivable as at year end: **(Rs. in Lakhs)**

S.No.	Outstanding Balances as at year end:	31.03.2018	31.03.2017
1.	Insync Business Solutions Limited	117.65	217.71
2.	FCS Software Solutions America Ltd.*	447.98	-
		565.63	**217.71**

**received against buy back of shares subject to the ratification of board/management.*

1.19 Expenditure in Foreign Currency **(Rs. in Lakhs)**

Particulars	31.03.2018	31.03.2017
Expenditure incurred overseas	NIL	1.73

1.20 Earning in Foreign Exchange **(Rs. in Lakhs)**

	31.03.2018	31.03.2017
Income from software development services and Products	2,301.34	1,812.44
	2,301.34	**1,812.44**

1.21 Corporate Social Responsibility

As per section 135 of the companies act, 2013, a company, meeting the applicability threshold, needs to spends at least 2% of its average net profit for immediately preceding three financial year on Corporate Social Responsibility (CSR) Activities. As explained to us, during the year the corporate social Responsibility (CSR) committee has been formed by the Company, however the company does not qualified the norms specified as required under section 135 of Companies Act, 2013 to contribute towards CSR.;

1.22 Segment Reporting

The Segment reporting policy complies with the accounting policies adopted for preparation and presentation of financial statements of the Company and is in conformity with Ind AS 108.The segmentation is based on the Geographies (reportable business segment) in which the Company operates and internal reporting systems. The geographical segmentation is based on the nature and type of services rendered. Based on the "management approach" as defined in Ind AS 108.

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

1. INDIA Segment

2. USA Segment

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

For the Year Ended 31st March 2018

		(Amounts in Lakhs)	
Description	**India**	**USA**	**Total**
Year ended March 31, 2018			
Revenue	384.13	2521.03	2905.16
Expenses	251.46	1650.33	1901.79
Segment result	132.67	870.70	1003.37
Un-allocable expenses			1473.60
Operating income			(470.23)
Other income (net)			877.47
Profit before tax			**407.24**

For the Year Ended 31st March, 2017

Description	India	USA	Total
Year ended March 31, 2017			
Revenue	413.08	1812.44	2225.52
Expenses	357.34	1567.89	1925.23
Segment result	55.74	244.55	300.29
Un-allocable expenses			1471.25
Operating income			(1170.25)
Other income (net)			1,021.41
Profit before tax			**(149.54)**

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

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

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

As per our report of even date attached

For **Aadit Sanyam & Associates**
Chartered Accountants
FRN: 023685N

Sd/-
CA. Sanyam Jain
(Partner)
M. No.531338

Place: Noida
Date: May 29, 2018

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

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

Sd/-
Anil Kumar Sharma
(Chief Financial Officer)

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

Sd/-
Harsha Sharma
(Company Secretary)

FCS SOFTWARE SOLUTIONS LIMITED

[CIN No: L72100DL1993PLC179154]

Registered Office: 205, 2ndFloor, Agrawal Chamber IV, 27, Veer Sawarkar Block, Vikas Marg, Shakarpur, Delhi-110092, **Phone:** 011-42418371

Website: www.fcsltd.com; **Email:** investors@fcsltd.com

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L72100DL1993PLC179154
Name of the company: FCS Software Solutions Limited
Registered office: 205, 2ndFloor, Agrawal Chamber IV, 27, Veer Sawarker Block, Vikas Marg, Shakarpur, Delhi-110092

Name of the member(s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member (s) of .....……..…… shares of the above named company, hereby appoint

1. Name: .....……..

   Address: ……..

   E-mail Id: ……..... Signature:…….....…., or failing him

2. Name: ……..

   Address: ……..

   E-mail Id: ……..... Signature:…….....…., or failing him

3. Name: ……..

   Address: ……..

   E-mail Id: ……..... Signature:…….....…., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual general meeting of the company, to be held on Tuesday, 25th day of September, 2018 at 9:00 A.M at the Executive Club, 439, Village Sahoorpur, Fatehpur Beri, New Delhi- 110074 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO	RESOLUTIONS	ASSENT	DISSENT
Ordinary Business:			
1.	To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2018 together with the reports of the Directors and Auditors thereon.		
2.	To consider re-appointment of Mr. Sunil Sharma (DIN-05359128), as Executive Director of the Company, who liable to retires by rotation.		
Special Business:			
3.	To fix Remuneration of Mr. Sunil Sharma, Director of the Company.		
4.	Regularization of Mr. Mahendra Pratap Singh, as an Additional Director		
5.	Alteration of Objects Clause in the Memorandum of Association of the Company		
6.	Alteration in the Memorandum of Association as per Companies Act, 2013		

Signed this…..... day of…..…… 2018

Affix Re. 1/- Revenue Stamp

Signature of shareholder.....

Signature of Proxy holder(s).....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

FCS SOFTWARE SOLUTIONS LIMITED

[CIN- L72100DL1993PLC179154]
Registered Office: 205, 2nd Floor, Agrawal Chamber IV, 27, Veer Sawarker Block, Vikas Marg, Shakarpur, Delhi-110092, **Phone:** 011-42418371
Website: www.fcsltd.com; **Email:** investors@fcsltd.com

ATTENDANCE SLIP FOR ATTENDING ANNUAL GENERAL MEETING

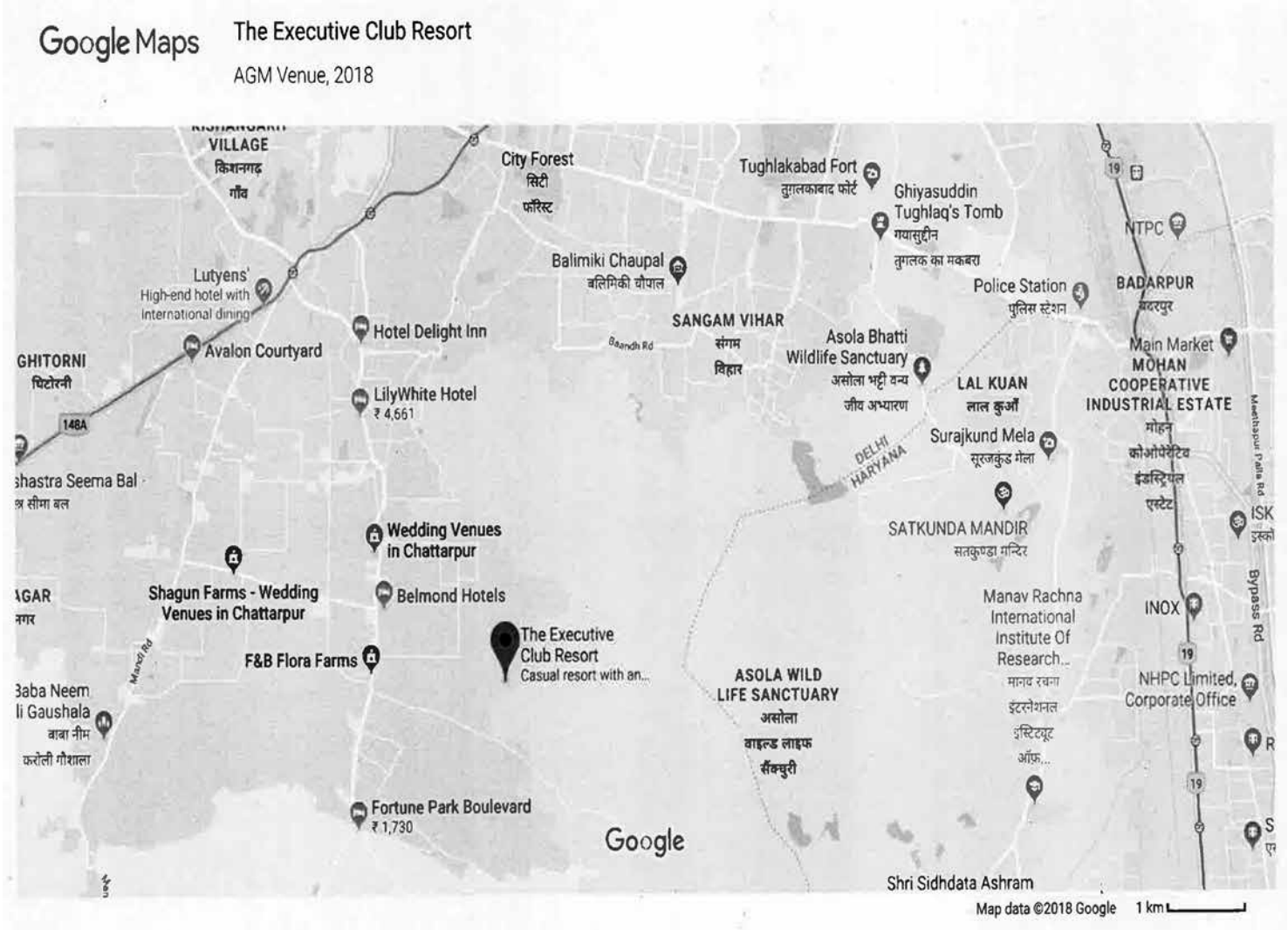
Regd. Folio No.	
Name of Shareholder	
No. of Shares held	
DP. ID. No.	
Client ID. No.	

I/ We certify that I/We are Member(s) / Proxy of the Member(s) of the Company holding …… Shares.

Hereby record my presence at the 25thAnnual General Meeting of the Company on Tuesday, 25th day of September, 2018 at The Executive Club, 439, Village Sahoorpur, Fatehpur Beri, New Delhi- 110074.

……
Signature of Member/Proxy

Note: Please fill this attendance slip and hand over at the entrance of the meeting hall.



The efficiency catalyst

Statutory Auditors

M/S Aadit Sanyam & Associates
Chartered Accountants
Shop No. 220, Gold Plaza,
Gurudwara Road, Karol Bagh,
New Delhi - 110005
Phone: 011-45700127
Email: sanyam_jain@yahoo.com

Registered Office

205, 2nd Floor, Agrawal Chamber IV,
27, Veer Sawarker Block, Vikas Marg,
Shakarpur, Delhi – 110 092
Phone: 011-42418371
Fax : 011-42418371
E mail: investors@fcsltd.com
Web site: www.fcsltd.com

Internal Auditors

Mahajan Rajeev & Co.
Chartered Accountants
206, Pratap Chambers-II
15A/44, WEA, Saraswati Marg,
Karol Bagh, New Delhi - 110005

Corporate office

Plot No. 83, NSEZ, Noida Dadri Road,
Phase –II, Noida -201305 [U.P.]
Phone: 0120-4635900
Fax : 0120-4635941
E mail: investors@fcsltd.com
Web site: www.fcsltd.com

Registrar & Share Transfer Agent (RTA)

Link Intime (India) Private Ltd.
Narang Tower-44, Community Centre,
Naraina Industrial Area Phase-1
New Delhi – 110 028, India.

Development centers

(i) FCS House Plot No. 83, NSEZ,Noida Dadri Road, Phase-II, Noida, Gautam Budha Nagar, (UP) 201305

(ii) Plot-J-7, Rajiv Gandhi Technology Park, Chandigarh – 160 101

(iii) FCS House, A-86, Sector – 57, Noida – 201 301[U.P.]

(iv) I.T. Park, Plot. No. 24,Sahastradhara Road, Dehradun -248 001

(v) Plot No. 1A, Sector-73, Noida-201301

(vi) Plot No. 54, EHTP, Sector-34, Gurugram-122004

(vii) Plot No. 11, HSIDC Park, Sector-22, Panchkula, Haryana-134109

Company Secretary & Compliance Officer

Harsha Sharma
FCS House, Plot No. 83, NSEZ, Noida
Dadri Road, Phase –II, Noida-201305 [U.P.]
Phone: 0120-4635900,Fax : 0120-4635941
E mail: investors@fcsltd.com
Web site: www.fcsltd.com



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27, Veer Sawarkar Block, Vikas Marg,
Shakarpur, Delhi 110092

Corporate office

Plot No. 83, NSEZ, NOIDA Dadri Road,
Phase - II, Noida 201 305 [U.P.]