

Date: 07.09.2021

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

Dear Sir,

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

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

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

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

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

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

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

Please take the information on record.

Thanking you

For GSS Infotech Ltd.

Amrita Singh



**Amrita Singh
Company Secretary**

GSS Infotech Limited

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



ANNUAL REPORT

2020-2021

18th Edition

Vision & Mission

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

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

Core values

- ❖ Entrepreneurship
- ❖ Integrity
- ❖ Pursuit of Excellence

GSS Infotech - A Snapshot

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

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Corporate Information

Board of Directors Mr. Bhargav Marepally (CEO & Managing Director) Mrs. Nagajayanthi Das Juttur Raghavendra (Non-Executive, Independent Director) Mr. Prabhakara Rao Alokam (Non-Executive, Independent Director) Mr. Gowrisankara Padma Rao Lakkaraju (Non-Executive, Independent Director) Mr. Rambabu Sampangi Kaipa (Non-Executive Director) Mr. Saikiran Satya Surya Raghavendra Gundu (Non-Executive Director) Mr. Ravikumar Jatavallabha V. (Chief Financial Officer) Ms. Amrita Singh (Company Secretary & Compliance Officer) Registered Office Ground Floor, Wing-B, N heights, Plot No. 12, TSIIC software units lay out, Madhapur, Serilingampally Mandal, Ranga Reddy District Hyderabad -500 081 CIN: L72200TG2003PLC041860	Statutory Auditors M/s. Rambabu & Co., Chartered Accountants, Pancom Chambers, 6-3-1090/1/A, Raj Bhavan Rd, Somajiguda Hyderabad, Telangana 500082 Bankers Axis Bank Limited ICICI Bank Registrars & Share Transfer Agent Bigshare Services Private Limited E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(E), Mumbai-400072, Tel:+912240430200, Fax:+912228475207
Board Committees	
Audit Committee Mr. Prabhakara Rao Alokam -Chairman Mrs. Nagajayanthi Das Juttur Raghavendra - Member Mr. Bhargav Marepally - Member	Stakeholders Relationship Committee Mrs. Nagajayanthi Das Juttur Raghavendra -Chairman Mr. Bhargav Marepally - Member Mr. Gowrisankara Padma Rao Lakkaraju - Member
Nomination and Remuneration Committee Mrs. Nagajayanthi Das Juttur Raghavendra - Chairman Mr. Prabhakara Rao Alokam - Member Mr. Gowrisankara Padma Rao Lakkaraju - Member	Corporate Social Responsibility Committee Mr. Rambabu Sampangi Kaipa - Chairman Mr. Prabhakara Rao Alokam - Member Mrs. Nagajayanthi Das Juttur Raghavendra - Member

CHAIRMAN'S LETTER

Dear Stakeholders,

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

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

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

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

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

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

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

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

We are technology "agnostic," with a large solutions portfolio and our solutions are delivered in physical, virtual, and cloud-based environments through highly skilled technology specialists and advanced service delivery engineers. We are a leading sales channel partner for many original equipment manufacturers ("OEMs"), software vendors and cloud providers.

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

Very Sincerely,

Sd/-

Chairman

NOTICE OF 18TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 18th Annual General Meeting (AGM) of the members of GSS Infotech Limited will be held on Thursday, the 30th Day of September 2021, at 10.00 A.M through video conference to transact the following business:

Ordinary Business:

1. To receive, consider and adopt:
 - a) The audited financial statement of the Company for the financial year ended 31 March 2021 and the reports of the Board of Directors and the report of the Auditors thereon.
 - b) The audited consolidated financial statement of the company for the financial year ended 31 March 2021 and the report of the Auditors thereon.
2. To appoint a Director in the place of Mr. Rambabu Sampangi Kaipa (DIN:08238968) who retires by rotation, and being eligible, offers himself for Re-appointment.

Special Business:

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

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

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

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

**By Order of the Board of Directors
For GSS Infotech Limited**

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

**Date 13th August 2021
Place : Hyderabad**

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

ITEM No 3:

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

- a) The Appointment of Mr. Bhargav Marepally shall be governed by containing the terms and conditions of appointment which can be amended from time to time by the Board of Directors.
- b) The period of appointment is for five (5) years with effect from 14th July 2021.
- c) There shall be no remuneration to be drawn by Mr. Bhargav Marepally in terms of the Companies Act, 2013 from the company and its subsidiaries in India.
- d) Mr. Bhargav Marepally is entitled to do all the activities and acts, as may be delegated to him from time to time apart from the general functions, which is a Managing Director of the Company is entitled to under law in India for the day-to-day running and functioning of the Company.
- e) The appointment of Managing Director may be terminated by the Company at any time by providing a two-year prior written notice to the Managing Director or by following prescribed procedure under section 169 of the Companies Act, 2013.
- f) He shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages, and expenses which he may incur or sustain by or by reason of any bona fide and good faith act done, concurred in, or omitted in the execution of his duty.
- g) It is explicitly provided that for matters not provided in the appointment letter and for any matters containing ambiguity in interpretation with regard to appointment of Mr. Bhargav Marepally, the same shall be referred to the Board of Directors for necessary directions.

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

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

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

Name of the Director	Mr. Rambabu Sampangi Kaipa
Date of first appointment on the Board	13th February, 2019
Date of Birth	31/12/1968
Expertise in Specific Functional areas and Experience	Mr. Rambabu Sampangi Kaipa, comes with 25 years of global experience in delivering IT services globally for large clients managing in excess of USD 150 Million in revenues. A post-graduate in Computer Science from NIT, Warangal, has spent 25 years with Infosys Limited, building their global delivery model working from the Chairman's office and spearheading their CSR initiatives "The Akshaya Patra Foundation
Educational Qualification	A post-graduate in Computer Science from NIT, Warangal
Directorships in other Listed Companies	NIL
Membership/Chairmanships of committees of Other Boards (other than the Company)	NIL
Details of Remuneration sought to be paid and the remuneration last drawn by such person	Being a Non-Executive Director, he is entitled to sitting fee for each Meeting of Board / Committee attended by him. For last drawn remuneration, please refer remuneration details provided in the Report on Corporate Governance. Currently, proposed for reappointment by virtue of retirement by rotation.
Shareholding in the Company as on 31.03.2021	NIL
Relationship between Directors inter-se/ Manager and KMPs	NIL
Number of Meetings of the Board attended during the year	5 out of 5
For other details in respect of number of Board Meetings attended during the year, Chairmanship(s)/ Membership(s) of Committees of other Companies as on March 31, 2021, and remuneration, refer the Report on Corporate Governance.	

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 and May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") and Circular No. SEBI/H/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by Securities and Exchange Board of India ("SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.
3. Institutional/Corporate Members (i.e., other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or Governing Body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and cast their votes through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to company.secretary@gssinfotech.com with a copy marked to helpdesk.evoting@cdslindia.com.
4. A Statement as required under section 102 of the Companies Act, 2013, in respect of items of special business is annexed hereto and forms part of the Notice.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to company.secretary@gssinfotech.com.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September 2021 to 30th September 2021 (both days inclusive).
7. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate etc. In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. Bigshare Services Pvt. Ltd, E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(E), Mumbai-400072 by enclosing a photocopy of blank cancelled cheque of your bank account.
8. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. Bigshare Services Pvt. Ltd, E-2 & 3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri(E), Mumbai-400072 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.

9. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
10. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
11. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
12. Any claimant of shares transferred to IEPF shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as prescribed.
13. In case any dividend is paid or claimed for any year during the said period of seven consecutive years, the share has not been transferred to Investor Education and Protection Fund.
14. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, from 26th September 2021 to 28th September 2021. Replies will be provided in respect of such written queries accordingly.
15. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir-05/2009 dated May 20, 2009, made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
16. Members may also note that the Notice of the 18th Annual General Meeting is available on the Company's website: www.gssinfotech.com. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at company.secretary@gssinfotech.com.
In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2020-21 will also be available on the Company's website at www.gssinfotech.com, on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com. To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.
17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
19. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect 18th Annual Report 2020-21 of the Directors seeking appointment/re-appointment at the Annual General Meeting

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

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

E-Voting:

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

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

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

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM is being uploaded on the website of the Company at www.gssinfotech.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also hosted on the website of CDSL (agency for providing the e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.
7. The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.

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

- (i) The voting period begins on 27th September 2021 at 09.00 hrs and ends on 29th September, 2021 at 17.00 hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 23rd September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Board of Directors have appointed Ms. Manjula Aleti, Practicing Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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

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

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

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

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

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

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

Click on "Shareholders" tab.

(2) Now Enter your User ID

a) For CDSL: 16 digits' beneficiary ID,

b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (3) Next enter the Image Verification as displayed and Click on Login.
- (4) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (5) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Company, i.e., GSS Infotech Limited on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option. NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed.
If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to the Company Secretary at company.secretary@gssinfotech.com. and **or to the RTA Bigshare Services Pvt. Ltd.**
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository
For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to the Company Secretary at company.secretary@gssinfotech.com. **or to the RTA Bigshare Services Pvt. Ltd.**
4. The Company Secretary shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholder.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM:

1. The procedure for attending meeting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholder will be provided facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
4. Shareholders are advised to join the Meeting through Laptops / IPads for better experience.
5. Further, shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from mobile devices or Tablets or through Laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network.
It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance, i.e., from 26th September, 2021 (9.00 a.m. IST) to 28th September, 2021 (5.00 p.m. IST), mentioning their name, demat account number/folio number, email id, mobile number at company.secretary@gssinfotech.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance, i.e., from 26th September, 2021 (9.00 a.m. IST) to 28th September, 2021 (5.00 p.m. IST), mentioning their name, demat account number/folio number, email id, mobile number at company.secretary@gssinfotech.com. These queries will be replied suitably by the Company vide email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.
9. Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis.
10. Members who need assistance before or during the AGM, can contact company.secretary@gssinfotech.com or helpdesk.evoting@cdslindia.com. Kindly quote your name, DP ID-Client ID / Folio no. and e-voting Event Number in all your communications.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:

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

NOTE FOR NON-INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

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

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

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

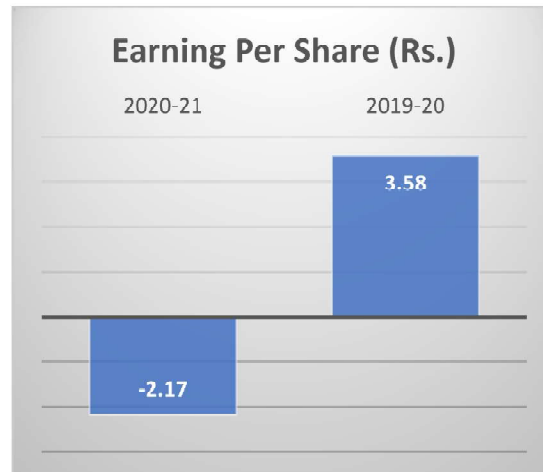
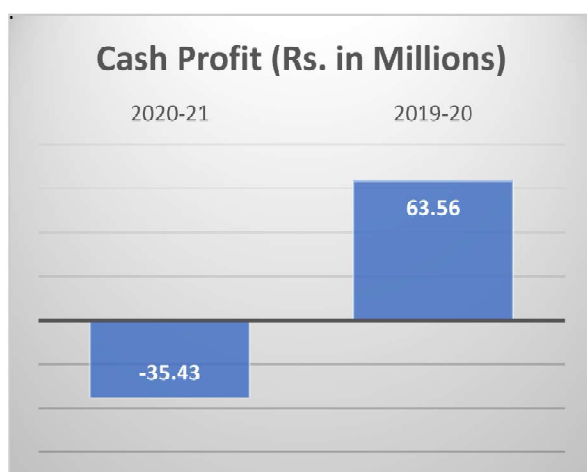
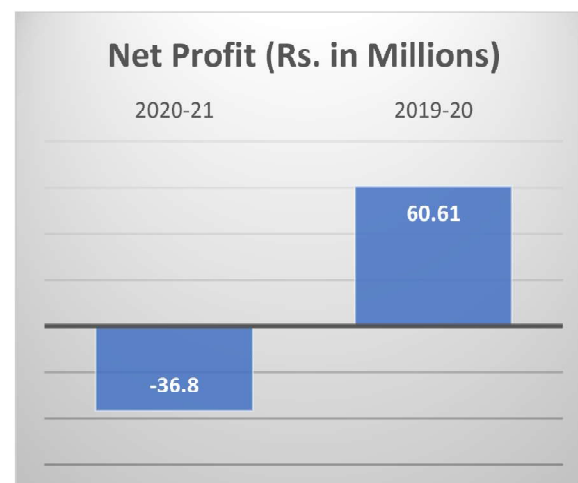
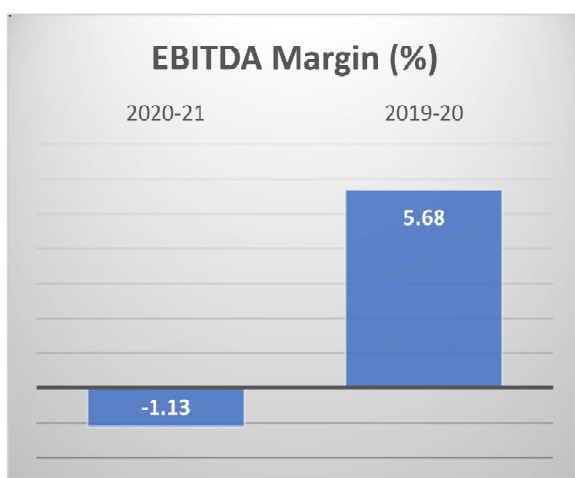
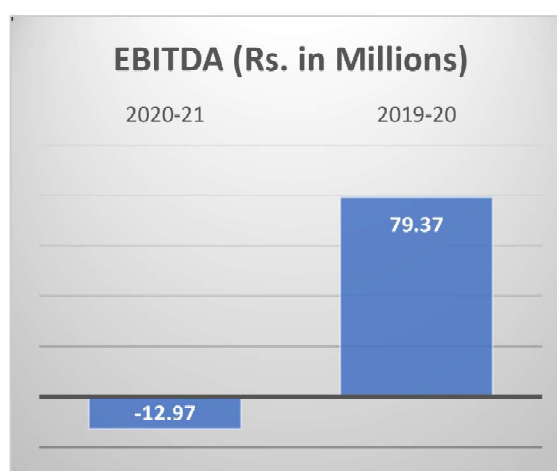
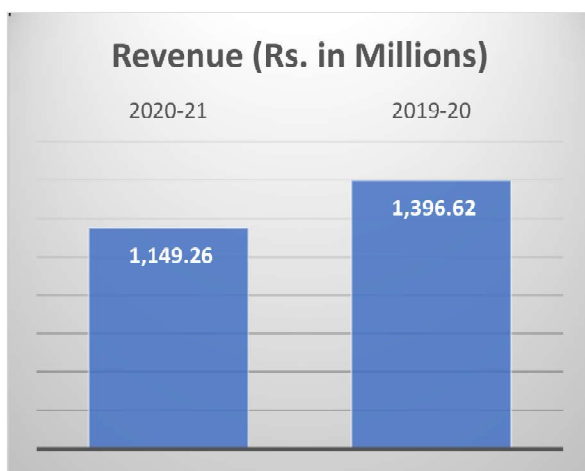
**By Order of the Board of Directors
For GSS Infotech Limited**

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

**Date : 13th August 2021
Place : Hyderabad**

KEY PERFORMANCE INDICATORS

Consolidated Numbers



BOARD'S REPORT

Dear Members,

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

FINANCIAL RESULTS

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

(Rs in Lakhs)

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

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year ended 2020-21 and the date of this report.

I. COVID & ITS IMPACT

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

The company has responded in a manner to manage the continuity of operations trying to adapt to the new normal and put in place alternate strategies to navigate through the crisis and go forward. As it is said, when the going gets tough, the tough get going, the company also took certain essential tough steps, geared up core

strength and tried focusing on productivity, quality, ramping up minimum essential infrastructure and adapting to new ways of working are some long-term priorities to be met within clinched budgets. It is worth mentioning that the company tried to adhere to all delivery timelines.

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

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

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

II. STATE OF COMPANY'S AFFAIRS

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

III. CONSOLIDATED ACCOUNTS

The consolidated financial statements of your Company for the financial year 2020-21, are prepared in compliance with applicable provisions of the Companies Act, 2013, Indian Accounting Standards (Ind AS) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as prescribed by the Securities and Exchange Board of India (SEBI). The consolidated financial statements have been prepared on the basis of audited financial statements of the Company, its subsidiary companies, as approved by their respective Board of Directors.

IV. SUBSIDIARIES

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

V. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms an integral part of this Report and gives detail of the overall industry structure, developments, performance, and state of affairs of the Company's various businesses during the financial year ended 31 March 2021, is enclosed as Annexure [F] to this report.

VI. CORPORATE GOVERNANCE REPORT

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

VII. DIVIDEND

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

VIII. PUBLIC DEPOSITS

During the financial year 2020-21, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

IX. DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Mr. Rambabu Sampangi Kaipa, Non-Executive Director is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible has offered himself for re- appointment. Appropriate resolution for their re-appointment is being placed for your approval at the ensuing AGM. Your Directors recommend the re-appointment of Mr. Rambabu Sampangi Kaipa), as Non-Executive Director of your Company.

Key Managerial Personnel:

- Mr. Bhargav Marepally is the Chief Executive Officer and Managing Director of the Company.
- Mr. Ravi kumar Jatavallabha V. is the Chief Financial Officer of the Company.
- Ms. Amrita Singh is the Company Secretary and Compliance Officer of the Company.

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

Mr. Bhargav Marepally, CEO & Managing Director, Mr. Ravi kumar Jatavallabha V., CFO and Ms. Amrita Singh, Company Secretary & Compliance Officer, are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

Annual Evaluation of Board's Performance:

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and the Listing Regulations, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have annually evaluated the effectiveness of the BOD for the financial year 2020-21.

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

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

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

XI. NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

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

XII. DECLARATION OF INDEPENDENCE

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

XIII. DIRECTOR'S RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the annual accounts for the financial year ended 31 March 2021, the applicable Indian Accounting Standards (Ind AS) and Schedule III of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) for the time being in force) have been followed and there are no material departures from the same;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31 March 2021 and of the profit and loss of the Company for the financial year ended 31 March 2021;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a 'going concern' basis;
- (e) Proper Internal Financial Controls laid down by the Directors were followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- (f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

XIV. AUDITORS AND AUDITOR'S REPORT

The Statutory Auditors of the Company, M/s. Rambabu & Co., Chartered Accountants (Firm Registration No. 002976S) were appointed by the members at the 16th AGM held on 30th September 2019, for a term of five (5) years till the conclusion of the 21st Annual General Meeting of your company to be held in 2024, in accordance with section 139 of the Companies Act, 2013.

The Auditors' Report issued by the Statutory Auditors for the financial year ended 31 March 2021 forms part of this Report and does not contain any Audit qualification, for which the reply of Directors is required.

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

XV. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Sunil Kumar Kacham from M/s. Sunil Kacham and Associates, Practicing Company Secretaries (Membership No.: 46155, and CP No: 16820), Hyderabad, to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed

herewith as Annexure [C] to this Report. The Secretarial Audit report issued by the Secretarial Auditor for the financial year ended 31 March 2021 forms part of this report and does not contain any Audit Qualifications, for which the reply of the Directors is required.

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

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

XVI. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as Annexure [D] to this Report. It is available on the company's website www.gssinfotech.com and can be accessed through the link:

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

XVII. RELATED PARTY TRANSACTIONS

During the financial year 2020-21, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and Listing Regulations. During the financial year 2020-21, there were no transactions with related parties which qualify as material transactions under the Listing Agreement.

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

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

XVIII. LOANS AND INVESTMENTS

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

A. Details of investments made by the Company.

(i) Investments in Equity Instruments in wholly owned Subsidiaries as at 31 March 2021:

(In Indian ₹)

Particulars	31 March 2021	31 March 2020
GSS Infotech Inc (Delaware) 1,500 (31 March 2021: 1,500) equity shares of \$ 1 each fully paid up in GSS Infotech Inc (Delaware)	890,940,578	890,940,578
GSS Healthcare IT Solutions Private Limited 9,990 (31 March 2021: 9,990) Equity Shares of Rs. 10/- Each fully paid up in GSS Healthcare IT Solutions Private Limited.	99,900	99,900
GSS IT Solutions Private Limited 9,990 (31 March 2021: 9,990) Equity Shares of Rs. 10/- Each fully paid up in GSS IT Solutions Private Limited.	99,900	99,900

(ii) Investments in Debt Instruments by the Company as at 31 March 2021: Nil

B. Details of Amounts advanced to Subsidiary Companies by the Company pursuant to clause 32 of the Listing Agreement as at 31 March 2021:

(In Indian ₹)

Name of Subsidiary	Balance as at 31.03.2021	Balance as at 31.03.2020
GSS Infotech Inc (Delaware)	0.00	0.00
GSS IT Solutions Pvt. Ltd	0.00	0.00
GSS Healthcare IT Solutions Pvt. Ltd	600.00	600.00

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

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

XIX. EMPLOYEE STOCK OPTION SCHEME:

The Stock exchanges accorded in-principal approval for listing of 20,00,000 shares under the GSS Infotech Limited Restricted Employee Stock Option Plan 2013. However, no shares were granted to the eligible employees during the financial year ended 31 March 2021.

XX. VIGIL MECHANISM

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

XXI. INTERNAL FINANCIAL CONTROLS

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

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

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

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

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

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

XXII. RISK MANAGEMENT

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

XXIII. SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

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

XXIV. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

Composition of the CSR Committee is:

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

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

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

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

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

i. Details of Conservation of Energy:

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

ii. Technology, absorption, adaptation, and innovation

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

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

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

iii. Foreign Exchange Earnings and Outgo

a. Activities relating to Exports:

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

b. Total Foreign Exchange Earnings used and earned:

Particulars	2020-21 (₹)	2019-20 (₹)
Foreign Exchange expenditure (on Accrual basis)	5,976,600	6,738,572
Foreign Exchange earned (on Accrual basis)	146,167,322	213,294,644

XXVII. APPRECIATION

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

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

For GSS Infotech Limited

Place: Hyderabad
Date: 13th August, 2021

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

Sd/-
Prabhakara Rao Alokam
Director
DIN: 02263908

Annexure [A] to Board's Report

FINANCIAL PERFORMANCE OF SUBSIDIARIES

Form AOC -1

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

Amount in ₹ (Lakhs)

Sr. No	Name of the Subsidiary/ Joint Venture Company	Turnover		Profit/(Loss) Before Tax		Profit/(Loss) After Tax	
		Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
	Subsidiaries:						
1	GSS Infotech Inc*, (A Delaware Company)	10,369.16	12,279.20	16.46	427.27	8.06	419.11
2	GSS IT Solutions Private Limited	-	1.28	-0.05	1.28	-0.05	1.28
3	GSS Healthcare IT Solutions Private Limited	-	-	0	-0.05	0	-0.05

Annexure [B] to Board's Report

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

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the financial Year 2020-21 is as follows:

Name of Director	Total Remuneration	Ratio of remuneration of director to the Median remuneration
Mr. Bhargav Marepally	Nil	Nil
Mrs. Nagajayanthi Das Juttur Raghavendra	1,05,000	0.19
Mr. A Prabhakara Rao	1,05,000	0.19
Mr. L.G.S. Padma Rao	85,000	0.15
Mr. Rambabu Sampangi Kaipa	80,000	0.14
Mr. Saikiran Surya Satya Raghavendra Gundu	20,000	0.04

Notes:

- The information provided above is on standalone basis.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2020-21.
- The remuneration to Directors is only the sitting fees paid to them for the financial year 2020-21. The sitting fees for attending each of the Board and other Committee meetings is Rs. 20,000/- and Rs. 5,000/- respectively.
- Median remuneration of the Company for all its employees is Rs.5,40,800/- for the financial year 2020-21.

B. Details of percentage increase/(decrease) in the remuneration of each Director, CFO & Company Secretary in the financial year 2020-21:

(Amount in ₹)

Name of the Director/ Chief Financial Officer/ Company Secretary	Designation	Remuneration		Increase/ (Decrease) (%)
		2020-21	2019-20	
Mr. Bhargav Marepally	Managing Director	Nil	Nil	Nil
Mrs. Nagajayanthi Das Juttur Raghavendra	Director	1,05,000	1,05,000	0%
Mr. A Prabhakara Rao	Director	1,05,000	1,05,000	0%
Mr. L.G.S. Padma Rao	Director	85,000	85,000	0%
Mr. Rambabu Sampangi Kaipa	Director	80,000	60,000	33%
Mr. Saikiran Surya Satya Raghavendra Gundu	Director	20,000	20,000	0%
Mr. Ravi Kumar Jatavallabha V.	CFO	35,58,600	47,64,562	-25%
Mr. Anwar (Resigned on 15.11.2019)	CS	0	360,525	*
Mr. Amrita Singh (joined on 16.04.2020)	CS	619,352	-	*

The information provided above is on Standalone basis.

1. *Percentage increase/(decrease) in remuneration not reported as they were holding the office for part of the financial year 2019-20 or 2020-21.
2. The remuneration to Directors is only the sitting fees paid to them for the financial year 2020-21.

C. Percentage increase/ (Decrease) in the median remuneration of all employees in the financial year 2020-21:

(Amount in ₹)

Particulars	2020-21	2019-20	Increase/ (Decrease) (%)
Median remuneration of all employees per annum	5,40,800	6,60,900	(18.17%)

D. Number of permanent employees on the rolls of the Company as on 31 March 2021:

Executive/Manager cadre	16
Staff	83
Operators/Workmen	4
Total	103

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

(Amount in ₹)

Particulars	2020-21	2019-20	Increase/ (Decrease) (%)
Average Salary of all employees other than Key Managerial Personnel	5,10,979	6,34,808	(19.51)
Salary of CEO & MD (Key Managerial Personnel)	Nil	Nil	Nil
Salary of CFO & CS (Key Managerial Personnel)	41,77,952	51,25,087	(18.49)

The above information is being provided on Standalone Basis.

F. Affirmation:

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

Annexure [C] to Board's Report

FORM MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2021

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

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S. GSS INFOTECH LIMITED (L72200TG2003PLC041860) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by GSS Infotech Limited and also declarations received from the Management for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period)
- vi. Other applicable laws:
 - a) Information Technology Act, 2000 and the rules made thereunder;
 - b) Software Technology Park of India (STPI);
 - c) The Indian Copyrights Act, 1957;
 - d) The Patents Act, 1970;
 - e) The Trademarks Act, 1999;

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings,
- b. The Listing Agreements entered into by the Company with NSE and BSE read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- 1. As per Regulation 33 of SEBI (LODR) Regulations, 2015, the Quarter and Half year ended 30th September 2020, Financial Results which were submitted to stock exchanges were not in the prescribed format and later on it has been rectified and complied. Further, the Company has paid an amount of Rs. 5,900/- to BSE for the Notice issued by them about this Compliance.

I further report that

- ◆ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.
Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- ◆ All the decisions of the Board Meetings were taken unanimously.
I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.
- ◆ As informed the company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.
I further report that during the audit period there were no specific events/actions were taken place which were having a major bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Sunil Kacham and Associates
Company Secretaries**

Date: 12.08.2021
Place: Hyderabad

**Sd/-
Sunil Kumar Kacham
Company Secretary in Practice
M. No. : 46155, C.P. No : 16820
UDIN: A046155C000776478**

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

'Annexure C1' to the Secretarial Audit Report

To,
The Members,
GSS Infotech Limited,
Hyderabad

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

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

For **Sunil Kacham and Associates**
Company Secretaries

Date: 12.08.2021
Place: Hyderabad

Sd/-
Sunil Kumar Kacham
Company Secretary in Practice
M. No. : 46155, C.P. No : 16820
UDIN: A046155C000776478

Annexure [E] to Board's Report

FORM AOC - 2

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

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

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

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

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

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

Annexure [F] to Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GSS Infotech is stronger, and our prospects are as promising as at any time in our 21-year history. In 2020-21, GSS Infotech's technology solutions and services helped many businesses, government, education, and healthcare customers throughout the Globe navigate an increasingly complex IT landscape and optimize the return on their technology investment. The global information technology industry is on pace to reach \$5 trillion in 2021-22, Economies, jobs, and personal lives are becoming more digital, more connected, and increasingly, more automated. Waves of innovation build over time, powering the technology growth engine that appears to be on the cusp of another major leap forward.

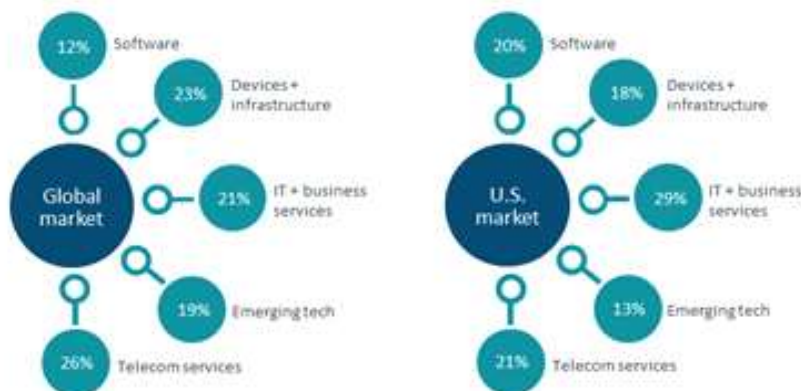
The Global Technology Industry: \$5.0 Trillion

Estimated 2021 spending at constant currency | Encompasses hardware, software, services and telecommunications



Given below is categorical breakdown of the technology industry.

Key Categories of the Technology Industry



Trends to Watch out for

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

GSS Present and Evolving Technology Trends

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

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

Artificial Intelligence

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

Some of the benefits of AI are as follows:

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

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

Domains such as:

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

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

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

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

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

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

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

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

Infrastructure Automation and Orchestration

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

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

Our Experience

GSS Infotech offers end to end automation and orchestration support for Infrastructure Management of Enterprises. We have skilled professionals who have the expertise in understanding complex systems and architecting automation solutions around it. Our orchestration solutions provide a seamless and uncomplicated way to achieve Software Defined Storage and Software Defined Networking capability thereby helping the Enterprises to integrate and utilize better both legacy and modern systems together. This results in cost saving as legacy systems would otherwise have

to be discarded. Our expertise in both on premise and Cloud based deployments, capability to integrate with multiple complex systems and development of intelligent APIs for consumption by other systems and development of optimal workflows results in good ROI for the infrastructure operations teams. Wherever required, we have developed automation frameworks or integrated existing customer frameworks to our solutions.



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

Significant Areas/Segments for GSS Roadmap

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

RPA

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

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

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

such as event stream processing and real-time analytics.

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

Outline of US Healthcare domain

The new vision for healthcare for 2021 and beyond will not just focus on access, quality, and affordability but also on predictive, preventive, and outcome-based care models promoting social and financial inclusion. The future of healthcare is about creating cures for the chronic, degenerative diseases that are responsible for the majority of human suffering and death, as opposed to focusing on treatments that deal with the symptoms of such conditions. Some of the changing trends in healthcare, medical devices and life sciences business offerings to leads to an opportunity for integrators like GSS Infotech are as follows :

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

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

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

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

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

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

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

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

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

Health care sector stakeholders around the globe are looking for innovative, cost-effective ways to deliver patient-centered, technology enabled "smart" health care. Over the past decade, the North American healthcare IT market has evolved from basic EMR/EHR solutions to the development of specialized hospital information management systems, population health management solutions, and healthcare information exchange systems. 2018 was a tipping point for mainstream adoption of popular digital health tech/solutions (e.g., artificial intelligence, mHealth/wearables, telehealth, Big Data analytics, and robotics) and the transition of noble technologies from research/proof-of-concept to actionable healthcare and clinical applications (e.g., Blockchain and cancer immunotherapy products). The US healthcare IT market held the largest market share of the North American market, in 2017. The global Healthcare IT or Healthcare Information Technology market is estimated to reach USD 297 Billion by 2022, with a CAGR of 13.2%.

North American IT Market reached USD 100 Billion in 2020. It is projected that healthcare spending will, on average rise 5.5 % annually from 2017 to 2026 and will comprise 19.7 % of the U.S. economy in 2026, up from 17.9 percent in 2016. By 2026, health spending is projected to reach USD 5.7 Trillion creating a huge opportunity for the services providers.

Digital Transformation

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

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

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

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

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

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

Improved customer service: Consumers have benefited tremendously from digital. One leading manufacturer of agricultural products created a seamless online process for ordering, tracking, and query management. This increased the company's customer satisfaction score by 24 percentage points and improved throughput by 20 percent. As is the case with reducing costs, it's critical to think through the competitive effects. Does the improved customer service

lead to higher market share because your customer service is better than that of your competitors? Or does it maintain your market share or avoid losing market share because your competitors are doing the same thing?

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

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

AI and Machine Learning become force multipliers for data analytics: If you are going to invest in analytics, you also need to invest in AI and machine learning to be able to navigate the vast, churning seas of information and data you aim to put to good use. The value of AI and machine learning to data analytics can be distilled into three separate value propositions: speed, scale, and convenience. Speed and scale speak to the advantage of automating the analysis of massive data sets as opposed to assigning human data analysts to the task. Thanks to AI and machine learning, complex data sets can now be analyzed in a fraction of the time it used to take just two years ago. This is not because computers have become faster or better, but rather because AI and machine learning algorithms have gotten extremely good at data analysis, and because that analysis can easily be scaled in the cloud. On the convenience side, unlike data analysis tools of yore, the addition of AI and machine learning to analytics tools has made them intuitive, easy to use, and much more reliable. As good as they are already getting in 2020-21, their speed and accuracy is expected to improve considerably in 2021-22.

RPA catches a second wind: Robotic Process Automation isn't new and is widely considered to be the lowest hanging fruit on the AI tree, but it is nevertheless a very hot topic at every tech and manufacturing conference I have attended in the last eight months. Attended RPA leads the way but as interest and investments continue to grow, and RPA proves itself trustworthy, I believe that 2021-22 will be a very big year for RPA investments, just as 2020 was with money being poured into companies like Automation Anywhere, UiPath and Blue Prism. Also, enterprise companies like Cisco are already using RPA to help create wiggle room to upskill and augment the value of their existing workforce, and that model is certain to quickly grow into a winning formula. (Smart companies: take note.)

Conversational AI becomes a legitimate interface: I know, Siri is still cannot compete in the voice assistance space, and it's still near-impossible to use voice-to-text to craft a decent chat message. However, I do believe we'll see at least some form of conversational AI become useful in 2021-22. On the software side, projects like Microsoft Conversational AI are working incredibly hard to build platforms that cannot just hear correctly but follow complex conversations and understand the nuances of emotion, all while continuing to improve over time. On the silicon side, chipsets and SOCs developed specifically for smart devices are becoming exceptionally good at isolating human voices from noisy backgrounds, and accurately processing natural language in real time. Will we see radical improvements in everyday consumer tech in 2022. Likely no-but I think that the foundations for the next generation of reliable conversational AI will be solidified in the coming year.

Connected vehicles, autonomous drones and Smart Cities become our new reality: We've been talking about them for years, and we are still not quite there yet, but I think that the combination of edge compute and 5G will bring us significantly closer to truly autonomous cars, drones, and smart cities in 2021-22. Tesla clearly is the first name on the board in terms of bringing this to market, but this isn't something only Elon Musk is trying to tackle. This is happening through close strategic alignment between automotive manufacturers and technology makers. Companies like Intel/Nvidia/Qualcomm and BMW/Volvo/Ford are partnering up while Uber is building their autonomous fleet and Amazon is looking to ship your every need to your door via an autonomous drone. To finally bring these long-promised technologies to the market.

XaaS, UX/CX, and privacy: How technology-adjacent Digital Transformation trends will take to center stage in 2022: I have focused a lot on technologies, but let's face it: Digital Transformation is about more than just the sum of its technological parts. Change itself is a core driver of Digital Transformation and change almost always transcends the tools that enable it. Because of this, I need to highlight the technology-adjacent trends that I believe will dominate Digital Transformation discussions in 2021-22: Top of my list are XaaS (everything as a service), UX/CX (User/Customer Experience), and digital privacy.

XaaS: Everything-as-a-Service will gain even more momentum in 2021-22 than it did in 2020-21, in even the most hardware-driven industries/sectors of technology. Hewlett Packard Enterprise announced they would offer everything in their portfolio as a service by 2022. This is just one big example, but all of the on-prem providers are moving in this direction. As we continue to see the evolution of onsite, off-side, cloud, hybrid, etc., "big IT" will move on-premises as-a-Service, right alongside big data, analytics, blockchain and more. Everything as a Service has been building up to this for a few years now, but 2021-22 will be the year it goes completely mainstream.

User and Customer Experience: As digital transformation success is intimately tied to user and customer experience (UX/CX), that emphasis will continue to drive business investments in digital transformation. On the one hand, this is especially true as organizations increasingly transition from building internal competencies and improving efficiency to executing on their vision. On the other, improvements in connectivity (5G, Wi-Fi 6), compute capabilities (cloud, edge, machine learning), smart automation (RPA, AI), and intuitive user interfaces (conversational AI, gesture analysis, AR) will combine to make 2021-22 an inflection point for UX and CX across a breadth of industries ranging from retail and hospitality to transportation and healthcare.

Digital Privacy: Thanks in part to scores of privacy failures from technology companies in recent years, the establishment of the EU's General Data Protection Regulation, and growing calls in the U.S. to impose controls on technology companies, we will be seeing more companies finally get serious about privacy and data security issues in 2021-22. I expect that many will adopt privacy and transparency as a brand differentiator, allowing users to opt in or out of data collection schemes with greater ease and awareness than in the past. The real question will be whether companies like Amazon (via Alexa) and Facebook will join in or continue to quietly gather all the data they can from users. Beyond that, the opportunity for legacy high-tech companies like including but not limited to Dell, Cisco, IBM and HPE to create some real and meaningful structure around data security and privacy could lead the way to a digital privacy renaissance starting in 2020-21. It will be interesting to see what companies step up to drive privacy, which companies stay status quo, and what companies continue to raid data like it's the "Lost Ark." the best customer experience.

GSS Infotech has extensive experience with some of the key e-commerce business trends in 2021-22 as follows:

Omni-channel

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

Extensive Personalization

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

Mobile-friendly site

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

Integration of AI

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

Business Opportunities during Pandemic Covid-19

During the COVID-19 pandemic, technologies are playing a crucial role in keeping our society functional in a time of lockdowns and quarantines. And these technologies may have a long-lasting impact beyond COVID-19. Here are 6 technology trends that can help build a resilient society, as well as considerations about their effects on how we do business, how we trade, how we work, how we produce goods, how we learn, how we seek medical services and how we entertain ourselves.

1. Digital and Contactless Payments

Cash might carry the virus, so central banks in China, US and South Korea have implemented various measures to ensure banknotes are clean before they go into circulation. Now, contactless digital payments, either in the form of cards or e-wallets, are the recommended payment method to avoid the spread of COVID-19. Digital payments enable people to make online purchases and payments of goods, services and even utility payments, as well as to receive stimulus funds faster. However, according to the World Bank, there are more than 1.7 billion unbanked people, who may not have easy access to digital payments. The availability of digital payments also relies on internet availability, devices, and a network to convert cash into a digitalized format.

2. *Remote Work*

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

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

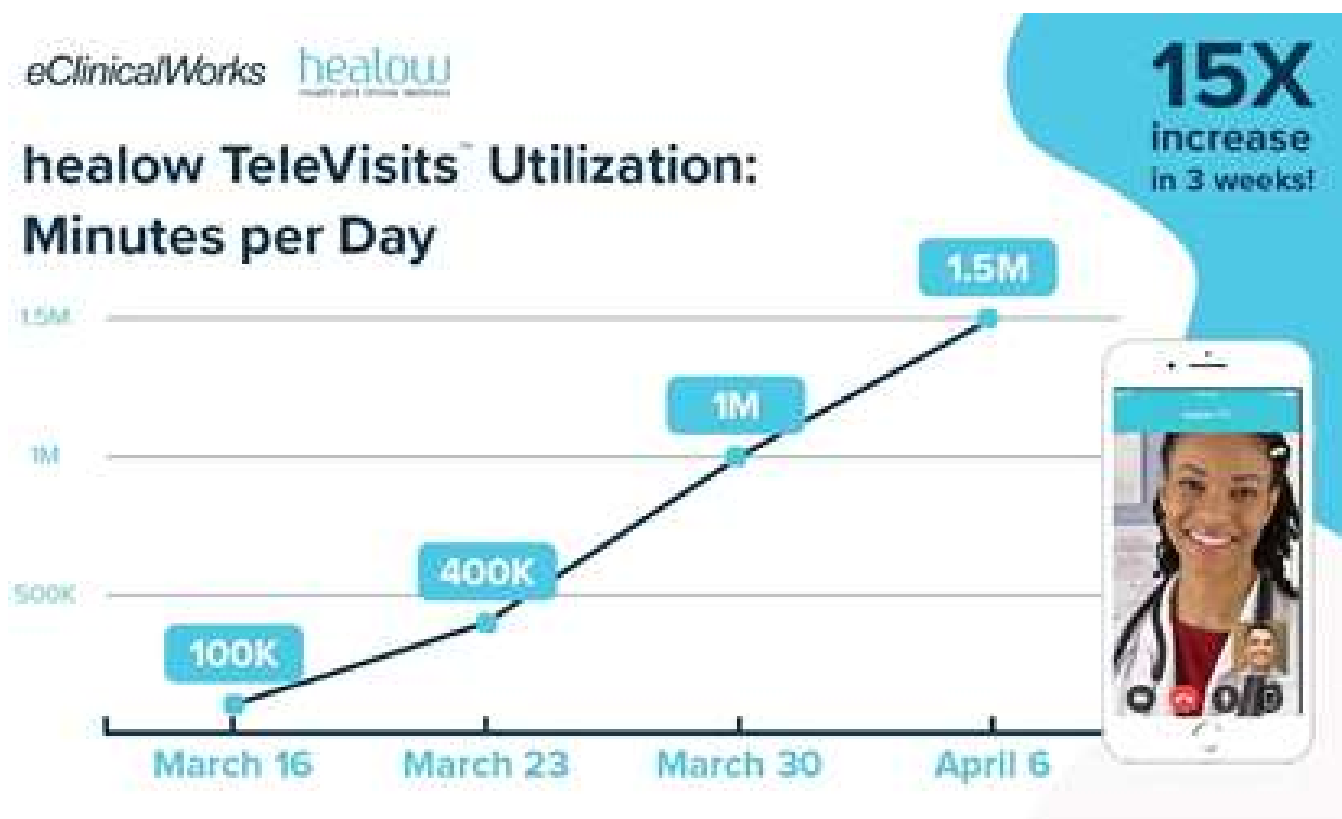
3. *Distance Learning*

As of mid-April, 191 countries announced or implemented school or university closures, impacting 1.57 billion students. Many educational institutions started offering courses online to ensure education was not disrupted by quarantine measures. Technologies involved in distant learning are similar to those for remote work and also include virtual reality, augmented reality, 3D printing and artificial-intelligence-enabled robot teachers. Concerns about distance learning include the possibility the technologies could create a wider divide in terms of digital readiness and income level. Distance learning could also create economic pressure on parents - more often women - who need to stay home to watch their children and may face decreased productivity at work.



4. Telehealth

Telehealth can be an effective way to contain the spread of COVID-19 while still providing essential primary care.

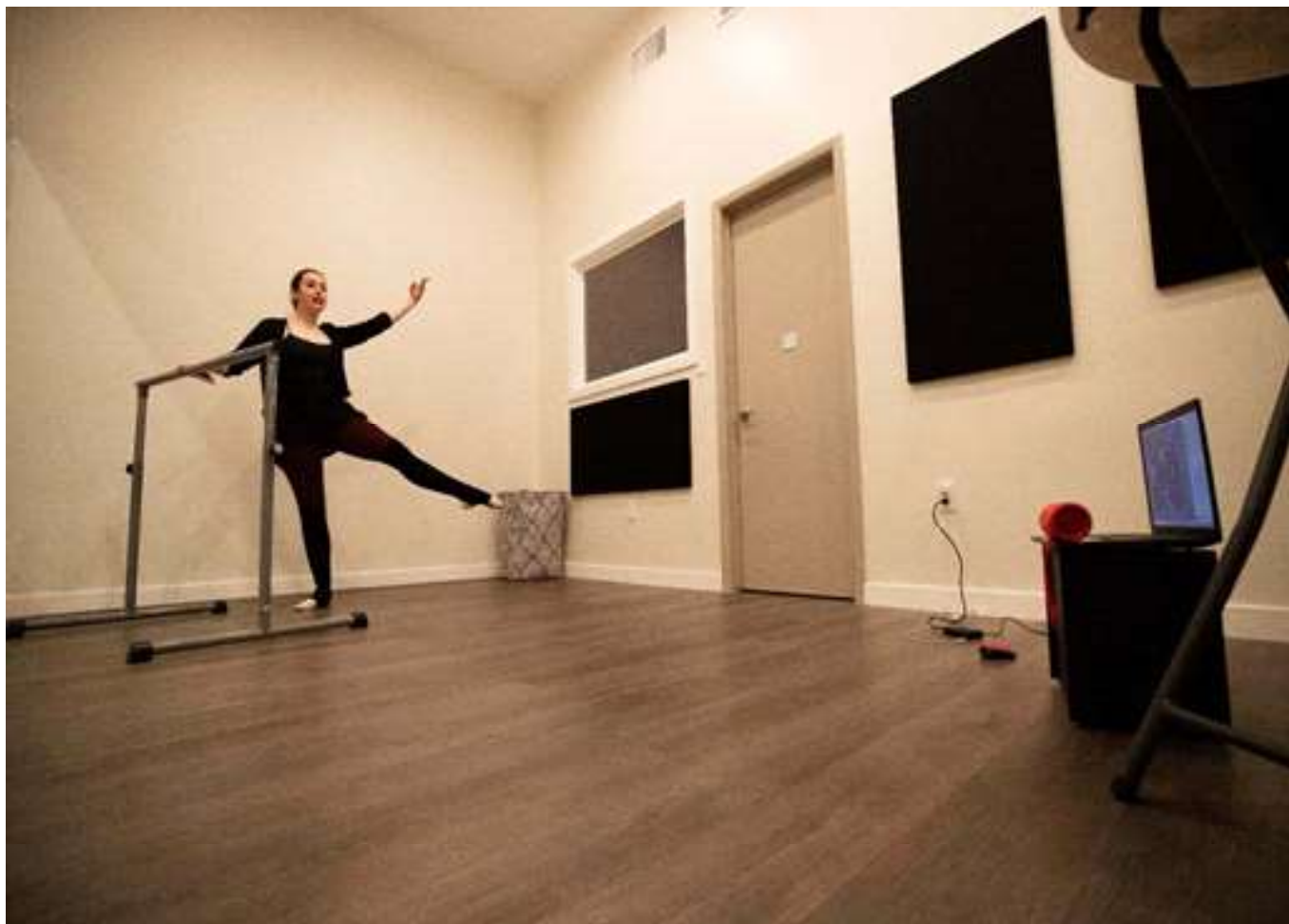


Wearable personal IoT devices can track vital signs. Chatbots can make initial diagnoses based on symptoms identified by patients.

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

5. Online Entertainment

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



6. *Supply Chain 4.0*

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

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

The importance of digital readiness

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

GSS Transformation and Strategy

Companies across the globe are digitally transforming as they are challenged to improve business processes and develop new capabilities and business models. With the world slowly entering a new phase of rapid digitization on the back of 5G and affordable SaaS-based artificial intelligence (AI) solutions and getting more hands-on with managing big data collected via sensors on an internet of things (IoT) network, organizations need to shake out of inertia. We help clients tackle their biggest challenges by thinking and acting digitally, using tried and tested user centered design methods. The solutions we create, whether it's for a website, mobile app or campaign, are tailored to meet your users' needs and deliver on your business goals.

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

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

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

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

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

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

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



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

During the current year along with the current healthcare offerings mentioned above the company plans to offer Analytics, Blockchain and AI services and solutions to the Healthcare sector including population management. The company has concrete plans for Inorganic growth in which the company plans to acquire companies in the "Revenue Cycle Management" space of the health care sector, introduce Analytics and AI solutions to build operational efficiencies and save costs to improve the bottom line on one hand and benefit from labour arbitrage opportunities on the other. Similarly, we also plan to introduce Blockchain for expanding the healthcare business models.

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

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

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

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

Facial and Voice Recognition

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

Market size

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

Market trends

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

The demand for facial recognition systems is powered by

- Rising demands for identity access management (IAM) systems to enhance safety and security in both public and private spaces. Eg-Schools, colleges, hospitals, malls
- Push from government bodies to launch these in public areas such as airports, parks, stadiums for security and surveillance purposes
- Rising deployment in diverse industry sectors for purposes other than security.
- Retail: Footfall capturing, floor planning, customer demographics, building loyalty programs, VIP customer alert
- Enterprises: Attendance monitoring, detection and verification of authorized access systems
- Healthcare: Patient medication tracking, pain management, identity verification

- Publicspaces: Airports, stadiums, auditoriums, malls etc Monitoring for security purposes with alerts on match with blacklisted persons.
- Banking: For use as additional or primary authentication for payments

GSS ESMP (Enterprise Security Monitoring Platform) is an enterprise solution built on strong AI/ML based security algorithm



ESMP also has the option to blends facial recognition with voice recognition to create a multi modal approach that adds additional security layers.

Key features of the solution:

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

Physical Asset Management

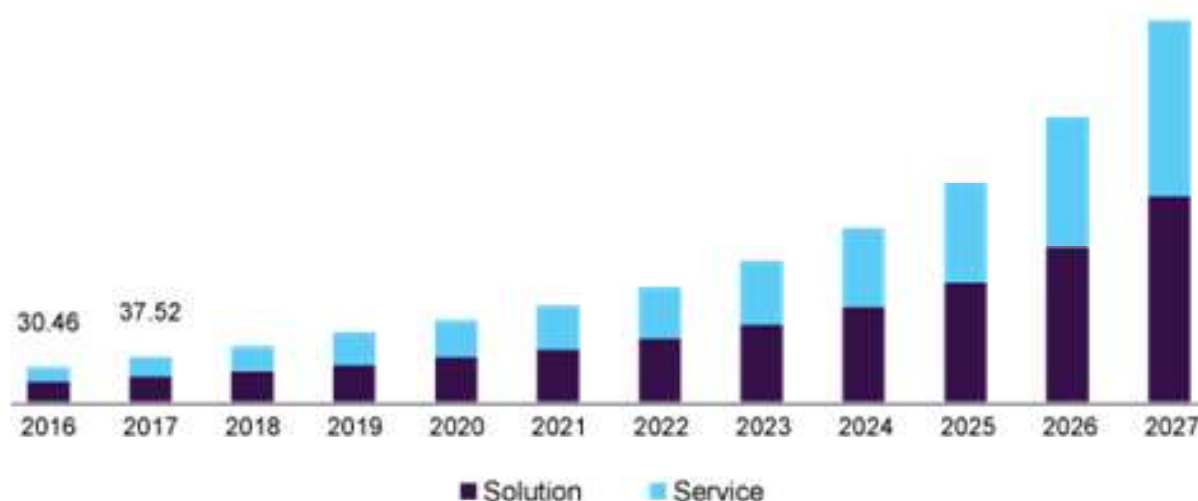
Physical assets are the tangible items your business holds that gets its worth from the ability to sell, use or barter them in a business transaction. The physical asset can be anything from your company's production equipment, product stock, property, office furniture, and even liquid funds. If it can be used in the business, sold by the business, or bartered for other assets, then it is considered a physical asset. Inventory needs to be observed to ensure it doesn't run its shelf life before being sold. Equipment needs to be maintained and serviced so it doesn't cause downtime when it breaks.

Physical asset management employs techniques and processes that focuses on preventing all these possibilities while still helping organizations lower the total cost of ownership. It is a very sophisticated process that needs to be

overseen by professionals who will always look for ways to improve it. When properly deployed, it will provide long-term advantage that not only impacts the bottom line but also the safety and reliability of all physical assets.

The global asset management market size was valued at USD 216.98 billion in 2019. It is expected to expand at a compound annual growth rate (CAGR) of 25.9% from 2020 to 2027. The capabilities of asset management solutions to streamline the operations, optimize the utilization of existing resources, and subsequently help enterprises in saving costs, enhancing profits, and improving the Return on Investment (RoI) are expected to drive the market growth. These solutions and services help organizations in reducing inventory and stock management costs. They also help enterprises in utilizing their existing assets efficiently by tracking and managing them in real-time. Personnel tracking solutions can help organizations in ensuring workforce safety and enhancing workforce efficiency.

U.S. asset management market size, by component, 2016 - 2027 (USD Billion)



Source: www.grandviewresearch.com

What are Some Key Issues in Physical Asset Management?

1. Physical asset management starts at the asset's conceptual design or purchase through usage to disposal. Within that lifecycle approach, maintenance is part of the physical asset management definition and needs to be included to ensure asset value.
2. Physical asset management must provide you with accurate data so that the right decisions are made regarding the assets. Common sense and experience combined with data quality can prevent flawed decisions that could hurt the company.
3. The right physical asset management software will help you collect and analyze data on your assets so you can make informed decisions. By tracking every detail of your asset from procurement to disposal, you can review the cost benefits of buying different brands compared with buying the same brand when replacement is needed.
4. You also want to make sure that your physical asset management system can be utilized across the company in different departments, locations and facilities. Everyone uses the same program with access to the same, real-time data. This can help reduce your capital and operating expenditures.

Good physical asset management software can help by:

- Allowing you to track and monitor every asset in your company in one central location
- Letting you manage your assets from any location, especially if the package has a mobile component

- Identifying and managing any risk to your assets so that you can minimize them immediately
- Providing information on an asset's lifecycle
- Helping identify ghost assets that can be removed from the system
- Planning maintenance schedules for each asset so that there are no disruptions of service
- Giving you accurate, in-depth reports and audits that do not take hours to compile
- Freeing up resources that assets needing a lot of attention are currently using
- Allowing you to focus on the reliability of current resources
- Boosting your assets productivity

Some of the key features of physical Asset Management are



GSS has partnered with leading asset management OEM to introduce physical asset management solutions to existing and new customers across the globe. The primary focus at this point is to reach out to industries that involve high volumes of asset inventory like in the case of Restaurants, Retail outlets, Hospitals etc.

Digital Asset Governance

Today, enterprises are continuously adopting digital transformation to meet increasing customer demands. Consumers are demanding easier, modern mechanisms to access services and products. If these do not meet expectations, enterprises realize that the shift will take place in no time. How does digital transformation translate to reality within the enterprise? Certainly, there will be significant efforts that need to be put into making older, mundane techniques more efficient and modern. This involves organizing consumer and business data correctly and using them in meaningful ways. Enterprises must take on small, medium, and large projects to bring light to the raw data they have collected over the years. This means they must use various technologies to accomplish the project tasks. This includes, but is not limited to, technologies such as databases, integration frameworks, microservices, and more importantly, application programming interfaces (APIs), which are the digital vehicles of the modern digital transformation era. These individual technologies and their constituents are what we call 'digital assets'. They are the building blocks that enable broader digital transformation.

The Need for Digital Asset Governance

Over time, digital assets of different types can grow extensively. In a typical organization, engineering teams could be split into sub-teams and units to better manage individual pieces of work. When teams work parallelly to speed go-to-market strategies, each team would take measures to deliver their tasks by implementing applications and complex internal technology modules.

These could comprise APIs, services, microservices, events, policies, and many more. These assets will often have

dependencies and other forms of relationships. Multiple teams in the enterprise could be using the same technology platform for each of their products, their own installations on infrastructures of choice, or even different multi-vendor platforms. The latter could well be the case especially in medium- and large-scale enterprises, where there are multiple teams, business units, and other types of team segregations that span across different countries and regions. In such instances with wider distribution, it becomes challenging to keep track of what is being developed, what has already been developed, as well as the dependencies and associations of various artifacts. Enterprise architects and development managers should be aware of these details to make prudent decisions on new developments.

A governance solution thereby helps execute key business drivers, including speeding go to market by reducing repetitive work and enhancing the quality of work via the governance mechanism in the development process. Development managers and enterprise architects—who want to make decisions based on statuses of currently built digital assets and who want to know how to leverage existing assets—would greatly benefit from such a powerful tool to make quick decisions compared with scrolling through lengthy documents and sheets. The governance solution should have capabilities to maintain dependency details, association views, and categorize assets for easy filtering. It should also be extensible to define new asset types that can be used as data models and business objects. The solution should also allow operational extensibility to add, modify, read, or delete assets. When an asset's state changes, taking additional steps would give pragmatic agility to the solution. Thus, a good asset governance solution should provide means to architect this extensibility to open up programmability.

GSS is working with leading digital asset management OEM to introduce digital asset management solutions to existing and new customers across the globe. The primary focus at this point is to reach out to industries that have high number of employees working remotely and the need to centrally manage the digital assets is of higher significance. This typically includes technology companies, product development companies, leading universities etc.

Asset-intensive organizations have realized that amid the intensifying competition, the success or failure of their business depends on addressing the complexities involved in their management. Hence, several asset-intensive organizations are aggressively investing in advanced and innovative solutions to transform and upgrade their operational processes significantly. They are adopting advanced technologies, such as Artificial Intelligence (AI), predictive maintenance, Augmented Reality (AR), Internet of Things (IoT), digital twin, and telematics, for accurately assessing the performance of their physical properties. They are readily deploying modern management solutions to improve the longevity of their assets.

On-premises solutions typically tend to consume more time, capital, and space. Moreover, skilled professionals are required for the maintenance and operations of on-premises solutions. On the contrary, cloud-based solutions and services eliminate the need for installing additional hardware as they can be accessed on all sorts of basic devices, such as smartphones, tablets, laptops, and personal computers. Cloud-based solutions also ensure reliability and easy availability of data as they store the data in various data centers located across the globe. Additionally, cloud-based solutions also make it easier for organizations to secure business intelligence and optimize the use and value of the assets available. Hence, cloud-based solutions and services are gaining popularity among enterprises across various geographies. Asset-intensive organizations and businesses are managing to gain access to the latest hardware, software, and service features available in the market by implementing cloud-based solutions.

AI Driven Digital Person - The Digital Brain

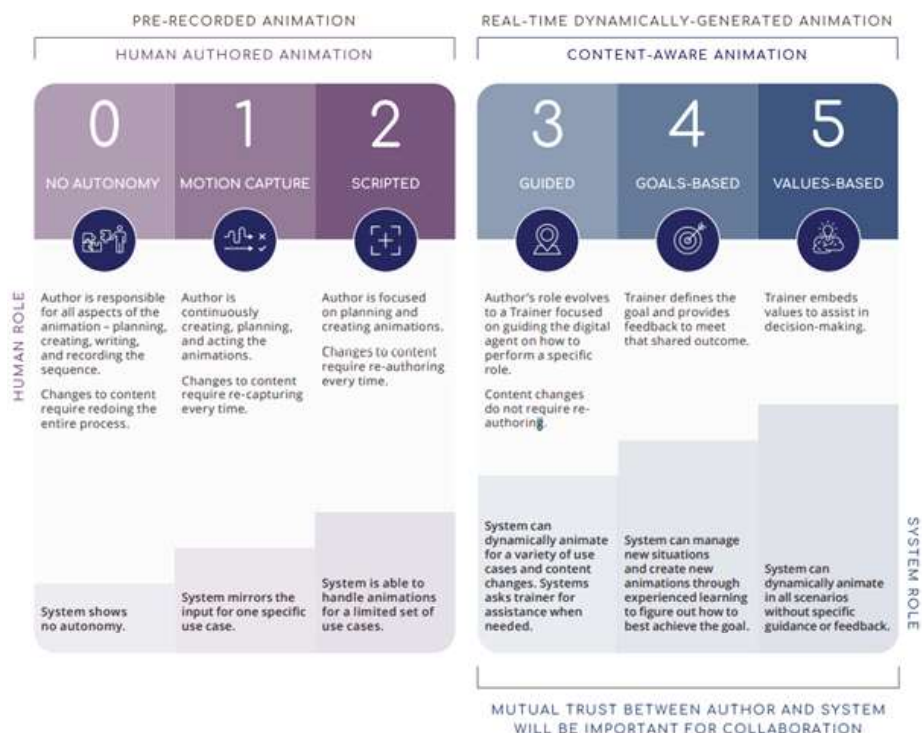
Human cooperation is one of the most important forces in history. As the world becomes more virtual, human cooperation with machines will undoubtedly unlock new innovations and milestones for humanity. In order to unlock that potential, machines need to upskill and have more natural interactions with humans at scale. The paradigm

needs to flip so humans are no longer forced to do unnatural activities in order to work with machines. The system needs to be able to create 1:1 personalized interactions with humans at scale. This is the promise of Artificial Intelligence (AI). The current AI iteration has been impressive in its ability to showcase specific outcomes. There is a lot of promise that these advancements will further society in its pursuits. Machine learning algorithms have enabled computers to understand spoken language and recognize visually presented objects at near-human levels. Other models are demonstrating some idea of creativity and imagination by creating new content based on other works of art, literature, and music. However, what is happening with all this activity is that the original promise of AI is being diluted or misconstrued to focus on specific tasks rather than the more ambitious goals of creating a collaborative system that co-creates with humans.

GSS has partnered with Soul Machines which is focused on unlocking the human potential by evolving the relationship between machines and humans from transactional to interactional. Soul Machines has created a system that allows for hyper-real face-to-face communication and interaction, making the machine feel alive and personal. Soul Machines' technology is rooted in neuroscience and is inspired by how humans naturally process information, learn, interact, and create memories. The human brain is naturally able to process multiple inputs (light, sound, touch, etc.), prioritize its attention, learn through experience, create and store memories, and coordinate actions and behaviors based on rewards and intricate emotional systems.

Soul Machines has created hyper-real technologies around Facial Animation & Body Movements to engender a natural interaction between people and Digital People. A face is central to life-like interactions because it provides context and feedback interactions through emotions and expression and is a basis of trust. Soul Machines has created facial animation technology that establishes a core relationship between people and Digital People. In addition, Soul Machines has pioneered real-time collaborative user experiences (CUE) through the use of body language and gestures to provide additional context to the content and drive mutual understanding. Soul Machines' unique combination of biologically inspired R&D, architecture, and animation position it as the leader in the pursuit of Autonomous Animation and its human-machine collaborative approach to AGI. This system will drive higher customer engagement, understanding, and connection between machines and humans.

Levels of Automation



Digital persons are the future of banking

- 80% of consumers want omnichannel banking - a blend of physical and digital services
- 72% of financial institutions that offer video banking services are perceived as innovative
- 90% of all client banking transactions will be automated by Automated Banking Assistants by 2022
- 77% of financial institutions expect that AI will be essential to their business
- The digital assistant at a leading bank went from being able to answer 30 questions to now over 800 demonstrating it's the way of the future.
- Traditional financial institutions will be able to save up to 22 percent on their costs using AI.
- 83% of Finance executives' top business goal is improving customer experience.

Digital persons in Healthcare

In addition to providing assistance with questions or other aspects of physical health, Digital People are also an excellent solution to the growing mental health crisis, thanks to their Accessibility & responsiveness, Multilingual - 12 languages, Responsive and engaging, Up to date with the latest information, Privacy & Anonymity, Sensitive and impartial, Minimizing risk by reducing physical interaction, Available on any device anywhere, Convenience, Immediate care available 24/7, Infinitely scalable, Lower cost, Connection, Empathic and understanding, Enhanced cognitive experience, Customized care.

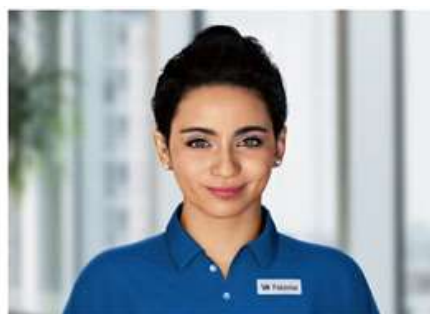
In an industry which has traditionally relied heavily on person-to-person relationships, the use of Digital People to replace doctors or other healthcare professionals may not be intuitive. However, studies have shown that:

- Digital People can improve customers' willingness to disclose more sensitive information
- Digital People can increase feelings of comfort during negative self-admissions
- Digital People reduce fear of human judgment and increase perceptions of information anonymity, privacy, and protection
- Digital People can bridge a generational gap between staff and patients which can make them uncomfortable

In summary, Healthcare is under a fast-paced and much needed transformation. Providers have less and less time to devote to their patients while at the same time patients are expecting more from their providers - more time, more information, easier and faster access. AI can provide a solution to this paradox. Digital People who serve at the first level of interaction can provide an engaging and empathetic support to patients, often allowing those who might not otherwise receive healthcare to access the support that they need. Digital People can be used to fulfill a wide range of support services, from administrative tasks to recruitment. But their ability to contextualize interactions and learn from and respond to subtle nuances such as tone of voice and cadence of speech make them the ideal tool for healthcare providers to reach more people with high-quality care.



Sam, a Digital Call Center Agent for a Fortune 500 Financial Services company, manages inquiries relating to lost, stolen and compromised cards, blocking or reissuing credit cards, and providing next steps to resolve financial inquiries 24/7. Our Fortune 500 customer has seen an increase in Sam's resolution and NPS scores by 145% and 122% respectively.



Fatema is helping Bank ABC grow their digital-only bank, ILA, by connecting with clients and potential customers on her social media accounts where she has thousands of followers. She then helps customers to sign up and engage with the bank online. Thanks to Fatema, Bank ABC won the Gartner Eye on Innovation Award.

GSS is the official implementation partner for Soul Machines to deploy digital person solutions at leading hospitals, universities, Retail businesses, Law firms etc.. GSS immense experience in AI and related technologies in conjunction with the core technology available with Soul Machines makes it a perfect partnership for customer success.

Healthcare analytics

Healthcare analytics refers to the use of vast amounts of collected data to provide organizations with actionable insights. These insights are developed through analytical disciplines to drive fact-based decision making. In turn, these decisions improve planning, management, measurement and learning.

As healthcare organizations around the world are challenged to reduce costs, improve coordination with care teams, provide more with less, and focus on improving patient care, analytics will be especially important. Primary care physician and nursing shortages are requiring overworked professionals to be even more productive. Plus, new businesses entering the market and new approaches to healthcare delivery will increase competition in the industry. Building analytics competencies can help healthcare organizations harness big data to create actionable insights that can be used by healthcare providers, hospital and health system leaders, and those in government health and human services to improve outcomes deliver value for the people they serve. As tumultuous as the current healthcare environment is, it's expected to become even more complex over the next several years. Challenges such as evolving market dynamics, increasing governmental regulation and more demanding consumers will require smarter, more informed decisions from organizations so they can remain competitive and deliver value in their communities.

Healthcare organizations around the world have long been challenged to reduce costs, improve coordination and provide more with less. But these pressures are now being supplied by a more sophisticated population, insistent on higher value and better-quality care. The first step towards smarter health is to seek out smart tools. Solutions like cloud and healthcare analytics are invaluable for health data management, process automation and data-backed decision making in healthcare. Artificial intelligence (AI) solutions and machine learning platforms go one step further. These tools are capable of absorbing tremendous amounts of data - both structured and unstructured - and can learn from many types of data including audio, video, images and more. They weigh information and ideas from a vast number of different sources, then offer hypotheses and predictive analytics for the user to consider. Along with each response, the platform assigns a confidence level for every insight. Armed with the results of those analyses, healthcare providers, researchers and leaders can more easily identify connections, correlations and patterns connected to the challenges they're working to solve and see potential ways to address.

GSS TruVu Data visualization platform is designed for CXO's/Senior Management of hospitals, to get insights about acute care, emergency care, extended care, community health in addition to specific diagnosis cases like COVID-19 and operational, financial, supply chain measures. Our Platform is capable of using data from various sources/formats across healthcare provider organizations functions and draw correlations to drive strategic decisions, powered by our Active Insights.

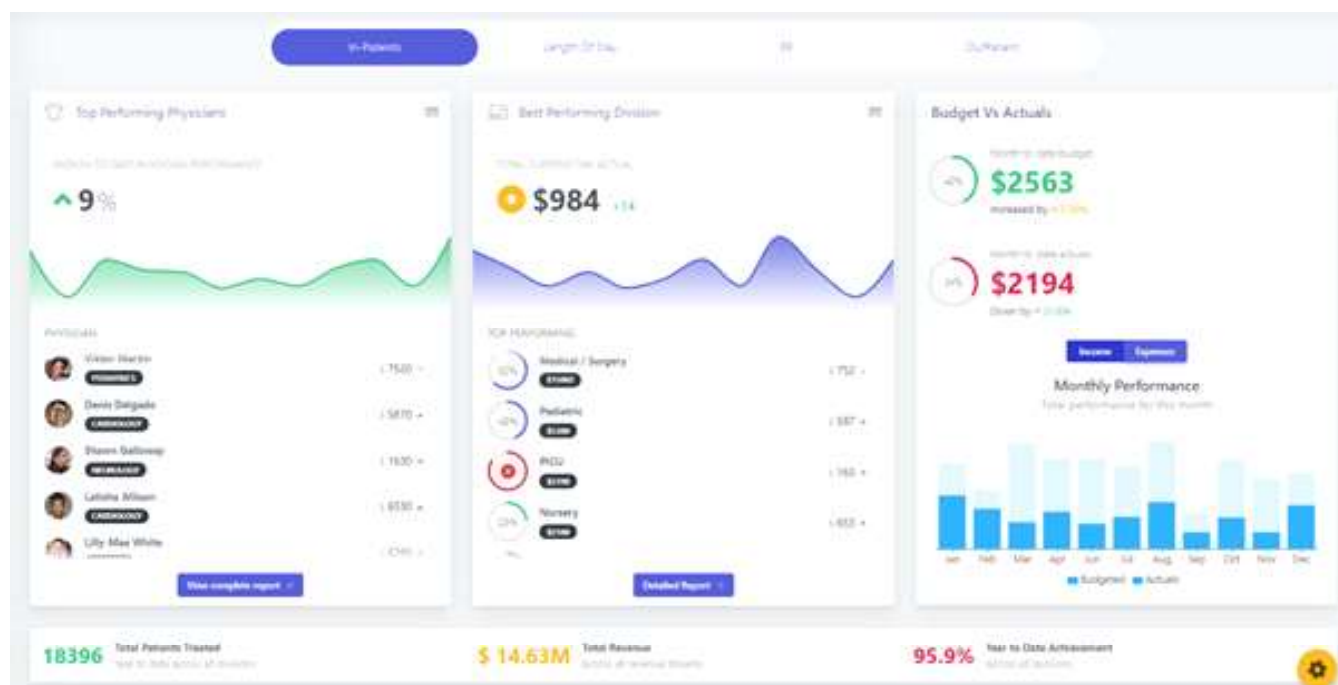
The Information Overload Problem

There are lot of insights into the organizational performance hidden in this data which hold the key to unlock operational potential of healthcare provider. The right presentation of data to provide the leadership team a single pane of glass to see all reconciled data in one place, understand the co-relation between data points from various divisions to effectively plan and track progress is more crucial than ever for faster, effective and data driven decision making.

The TruVu Solution

GSS's TruVu is a one of its kind data visualization and simplification platform to consolidate data and cut through complexity. Leveraging the latest in technology, the platform empowers leaders at all levels to visualize, monitor, share, and report Key Performance Indicators without having to enter data in a new application or providing access to their applications.

TruVu is platform that runs on 95% automation leveraging RPA and leading Machine Learning techniques to analyze, summarize, predict and present complex data as simple Pivots, Table, Bar, Line, Area, Gauges, Pie, etc. for point-in-time and historic data. The platform is built for rapid deployment thus allowing users to start tracking KPIs and get alerted on thresholds immediately for proactive action and laser focused decisions.



Key Insights

Average Admissions	Discharge rate	Average bed occupancy rate	Average length of stay	Covid testing	Result rate	Average ER response time
Average ICU turn around time	Physician to patient ratio	Average inventory usage	Critical device utilization	CFO data by division	Surgeries by division	Average revenue per division

Key Features

95% Automation Through RPA	1 Week rapid deployment	100% Customizable	Cloud / On Premise Deployment	Data Sharing via JSon / iFrame	Zero Data Entry / User Training
SSO and Role based access control	Real time KPI alerting	Optimized Data Streaming	Build-in Predictive Analysis	Leading data security framework	Single pane of glass for all data

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GSS ADVANTAGE

1. IT Industry Experts

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

2. Service Delivery Expertise

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

3. Technology Practice Expertise

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

4. Quality Assurance

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

5. IT Adoption Commitment

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

Locations

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

Annexure [G] to Board's Report

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

GOVERNANCE FRAMEWORK

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

Board Structure:

Board Leadership:

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

Board Committees:

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

Management Structure:

CEO & Managing Director:

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

Senior Management:

The Senior Management is led by the CEO & Managing Director and consists of Business heads who are in charge of the different functions in the organization such as the ADMS, IMS, Sales & Marketing, Finance, Information Technology, International Operations, Legal/Secretarial and Human Resources. They are in charge of driving strategic initiatives of the Company, reviewing the overall performance including risk management, compliance and taking decisions on major investments of the Company.

The Senior Management meets on a regular basis to deliberate and discuss on various matters including effectiveness of the businesses/functions reporting to them. The members of the Senior Management report to Mr. Bhargav Marepally, CEO & Managing Director of the Company.

BOARD OF DIRECTORS

Composition:

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

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

- The Company have one-half of the composition of the Board as Independent Directors.
- As on March 31, 2021, the Composition of the Board was in order as required under Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013.

Independent Directors:

- The Independent Directors of your company have been appointed for a tenure of 5 (five) years.
- Their appointment was approved by the shareholders of your Company at the AGM's held on 30th September 2019 for Mrs. Nagajayanthi Das Juttur Raghavendra and 30th September 2017 for Mr. Padmarao G.S. Lakkaraju and Mr. A Prabhakara Rao.
- The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold directorship in more than the prescribed limit in the Listing Regulations. Your Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013. A sample letter of appointment is available on the website of your Company and can be assessed through the link: <https://www.gssinfotech.com/wp-content/uploads/2020/01/Sample-Letter-of-Appointment-to-Independent-Directors.pdf>

Independent Director's Meeting:

During the year under review, the Independent Directors met on 13th Feb 2021, without the attendance of Non-Independent Directors and members of the management, inter alia, to discuss on the following:

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

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

Name of the Director	Category	Skills/ Expertise/ Competence
Mr. Bhargav Marepally	CEO and Managing Director	He is the founder of GSS Infotech comes with over 20 years of experience in the IT Services Industry. He holds a double Master's degree from BITS, Pilani. He is a member of many technology and management associations worldwide. He was also nominated for "The Entrepreneur of the Year" contest by Ernst & Young in 2005.
Mrs. Nagajayanthi Das Juttur Raghavendra	Non-Executive and Independent Director	She is a Fellow Member of Institute of Company Secretaries of India, and a Post-Graduate in Financial management with rich experience in Corporate Finance, Secretarial and corporate compliance. After a brief stint as a Class 1 Gazette Officer with Cabinet Secretariat Government of India, New Delhi she ventured into corporate world and has been Company Secretary and Compliance Officer for reputed multinational companies in field of construction, fertilizer manufacturing, bioinformatics and economics and the pharmaceutical industry.
Mr. A Prabhakara Rao	Non-Executive and Independent Director	He is a Chartered Accountant by profession and entrepreneur by choice. He is a seasoned financial professional who brings in 20 years of financial and industrial expertise to the business. He has varied industry experience in IT/ITES, Agro-based seed industry, bulk drug industry and large- scale dairy industry. He is the promoter of Hyderabad based IT/ITES Company engaged in IT infrastructure management, security solutions and IOT Solutions. Also serving board of start-up company engaged in development of online platform for logistics and transport management.
Mr. Padma Rao G. S. Lakkaraju	Non-Executive and Independent Director	He has enriched law experience of more than a decade and has made an immense impact with his expertise and is known for his pioneering work in his field. He is practicing as an Advocate in the Hon'ble Supreme Court of India and High Court of Judicature at Hyderabad for the state of Telangana & A.P from February 2017 till date. He was privileged to be the second Indian to address the 21st International Association of Prosecutors Annual Conference at Dublin, Ireland in September 2016, participated by about 560 legal attorneys from 90 different countries. He has served as National Vice President, All India Prosecutors Association from August 2015 to February 2017. He was the State Convener for Association of Public Prosecutors from March 2011 to October 2012. He is also an Academic Mentor for aspirants completing Law School.

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

Directorship and Membership on Committees:

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

Name of the Director(s)	Nature of Directorship	Relationship with each other	Directorship in other Companies (*)
Mr. Bhargav Marepally	CEO and Managing Director	***	-
Mrs. Nagajayanthi Das Juttur Raghavendra	Non-Executive and Independent Director	***	-
Mr. A Prabhakara Rao	Non-Executive and Independent Director	***	**ACS Technologies Limited
Mr. Padma Rao G.S. Lakkaraju	Non-Executive and Independent Director	***	-
Mr. Rambabu Sampangi Kaipa	Non-Executive and Non-Independent Director	***	-
Mr. Saikiran Surya Satya Gundu	Non-Executive and Non-Independent Director	***	-

As on 31st March 2021, there is no changes in the nature of the Directorship of the Company during the FY 2020-21.

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

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

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

Number of Board Meetings:

During the financial year ended 31 March 2021, five (5) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed one hundred and twenty days. The dates of the Board meetings are as under:

Date(s) on which Board meeting(s) were held	Purpose
21st April, 2020	Results
1st August, 2020	Results
4th September, 2020	Review
13th November, 2020	Results
12th February, 2021	Results

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

Details of their attendance at Board Meetings and at the AGM held during the year ended 31 March 2021 are as follows:

Name of the Director	Board Meeting details		Attendance at the Annual General Meeting held on 30th, Sep. 2020
	Held	Attended	
Mr. Bhargav Marepally	5	5	Attended
Mrs. Nagajayanthi Das Juttur Raghavendra	5	5	Not Attended due to ill health
Mr. A Prabhakara Rao	5	5	Not Attended due to ill health
Mr. Padmarao G.S. Lakkaraju	5	5	Attended
Mr. Rambabu Sampangi Kaipa	5	5	Attended
Mr. Saikiran Surya Satya Raghavendra Gundu	5	1	Not Attended due to ill health

Shareholding of the Non-Executive Directors of the Company in GSS Infotech Limited as on 31 March 2021 is as follows:

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

Mr. Bhargav Marepally, CEO and Managing Director holds 4,992 equity shares of the Company as on 31 March 2021.

Board Procedures:

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

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

The Companies Act, 2013 read with the relevant rules issued thereunder, now facilitate conducting meetings of Board and its Committees through permitted audio-visual means or videoconferencing. Accordingly, during the year, the Board members were, in accordance with the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014, provided with an option to participate at Board Meetings through video conferencing mode except in respect of those meetings wherein transactions are not permitted to be carried out by way of videoconferencing.

Familiarization Programme:

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

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

The familiarization programme for Independent Directors in terms of provisions of Listing Regulations for the financial year ending is uploaded on the website of the Company and can be accessed through the following link: <https://www.gssinfotech.com/wp-content/uploads/2020/01/familiarization-programme-and-meeting-of-independent-directors.pdf>

Evaluation of Board Effectiveness:

In terms of provisions of the Companies Act, 2013 read with Rules issued thereunder and Listing Regulations, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31 March 2021. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution via-avis their responsibilities.

The Board of Directors at its meeting held on 4th September 2020, has noted the overall feedback on the performance of the Directors and the Board as a whole and its Committees.

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

COMMITTEES OF THE BOARD:

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and Listing Regulations. The minutes of Committee meetings are tabled at the Board meetings and the Chairperson of each Committee briefs the members of the Board on the important deliberations and decisions of the respective Committees. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013. Currently, there are four (4) Committees of the Board, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Corporate Social Responsibility (CSR) Committee.

Audit Committee:

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

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

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended 31 March 2021, are detailed below:

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

Date(s) on which Audit Committee meeting(s) were held.	Purpose
21st April, 2020	Results
1st August, 2020	Results
13th November, 2020	Results
12th February, 2021	Results

- The Chairman of the Audit Committee was not present at the last AGM held on 30th September 2020 as he could not attend the AGM due to sudden ill health on that day.:

The scope of activities and terms of reference of the Audit Committee is governed by a Charter which is in line with the provisions of Section 177 of the Companies Act, 2013 and Listing Regulations.

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

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

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

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

The Company Secretary acts as the Secretary to the Committee.

Nomination and Remuneration Committee

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

The Nomination Committee and Remuneration Committee met once during the financial year 2020-21. The composition of the Nomination and Remuneration Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations.

The Composition of The Nomination and Remuneration Committee as on 31 March 2021 is as follows:

Name of the Member	Membership
Mrs. Nagajayanthi Das Juttur Raghavendra	Chairperson
Mr. Padmarao G.S. Lakkaraju	Member
Mr. Prabhakara Rao Alokam	Member
Date(s) on which NRC meeting(s) were held.	
15th April, 2020	

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

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

Nomination and Remuneration Policy of the Company:

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

1. **Formulate the criteria for appointment as a Director:** The Committee shall formulate criteria, and review them on an ongoing basis, for determining qualifications, skills, expertise, qualities, positive attributes required to be a Director of the Company.
2. **Identify persons who are qualified to be Directors:** The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening, and reviewing candidates for appointment as Directors, whether Independent, Non-Executive or Executive.
3. **Nominate candidates for Directorships subject to the approval of Board:** The Committee recommends to the Board the appointment of potential candidates as Non-Executive Director or Independent Director or Executive Director, as the case may be.
4. **Approve the candidates required for senior management positions:** The Committee shall lay down criteria including qualifications, skills, expertise, and qualities required for senior management positions like Managing Director & CEO, CFO and Company Secretary and members of the Executive Council of the Company.
5. **Evaluate the performance of the Board:** The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board, and the Board. The Committee may seek the support and guidance of external experts and agencies for this purpose.
6. **Evaluate the performance of the Managing Director or Whole-time Director and determine the Executive Compensation.** The Committee shall evaluate the performance of the Managing Director by setting his Key Performance Objectives at the beginning of each financial year. The Committee shall also approve his/her/ their compensation package(s) in accordance with applicable laws, in line with the Company's objectives, shareholders' interests, comparable with industry standards and which shall have an adequate balance between fixed and variable component.

7. **Review performance and compensation of senior management:** The Committee shall review the performance of the senior management of the Company. The Committee shall ensure that the remuneration to the Key Managerial Persons and Senior Management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
8. **The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.**

Regulation	Particulars of Regulations	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholder Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	NA
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

9. **Recommend to the Board, commission to the Non-Executive Directors:** The Committee shall recommend the commission payable to the Non-Executive Directors, including Independent Directors, to the Board of Directors of the Company after considering their contribution to the decision making at meetings of the Board/ Committees, participation and time spent as well as providing strategic inputs and supporting the highest level of corporate governance and Board effectiveness. It shall be within the overall limits fixed by the shareholders of the Company.

Remuneration to the Managing Director during the year 2020-21:

During the financial year ended 31 March 2021, Mr. Bhargav Marepally, Managing Director, did not draw any remuneration from the Company.

Details of remuneration/sitting fees paid to Directors during the year 2020-21:

During the financial year ended 31 March 2021, the Company paid Rs. 20,000/- (Rupees Twenty thousand only) as remuneration/sitting fees for attending each of the Board meeting and Rs. 5,000/- (Rupees Five thousand only) for other Committee meetings to the Non- Executive Directors of the Company.

Details of remuneration/sitting fees paid to the Directors of the Company for the financial year ended 31 March 2021 are as follows*:

(Amount in ₹)

Name of the Director	Salary	Perquisites	Sitting fees	Commission	Total
Mr. Bhargav Marepally	-	-	-	-	-
Mrs. Nagajayanthi Das Juttur Raghavendra	-	-	1,05,000	-	1,05,000
Mr. Prabhakara Rao Alokam	-	-	1,05,000	-	1,05,000
Mr. LGS Padma Rao	-	-	85,000	-	85,000
Mr. Rambabu Sampangi Kaipa	-	-	80,000	-	80,000
Mr. Saikiran Surya Satya Raghavendra Gundu	-	-	20,000	-	20,000

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

Stakeholders Relationship Committee

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

The Committee had a meeting on 11th January 2021. The terms of reference of the Committee includes enquiring into and redressing the complaints of shareholders and investors and to resolve the grievance of the security holders of the Company.

The Composition of the Stakeholder's Relationship Committee as on 31 March 2021 is as follows:

Name of the Member	Nature of Membership
Mrs. Nagajayanthi Das Juttur Raghavendra	Chairperson
Mr. Bhargav Marepally	Member
Mr. LGS Padma Rao	Member

Details pertaining to the number of complaints received and responded and status thereof during the financial year ended 31 March 2021, is given below:

Details of Investor Complaints during FY 2020-21	Number
No. of complaints received during the year 2020-21	Nil
No. of complaints resolved during the year 2020-21	Nil
No. of complaints pending at the end of the year 2020-21	Nil

SUBSIDIARY COMPANIES

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

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

<https://www.gssinfotech.com/wp-content/uploads/2020/01/policy-for-determining-material-subsiary.pdf>

RELATED PARTY TRANSACTIONS

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

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

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

During the financial year ended 31 March 2021, the Company has entered into RPTs in the ordinary course of business and on arms' length basis; and in accordance with the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Regulation 23 of the Listing Regulations and the Policy of the Company on dealing with RPTs. During the financial year ended 31 March 2021, there are no transactions with related parties which qualify as a material transaction in terms of the applicable provisions of Listing Regulations. The details of the RPTs are set out in the Notes to Financial Statements forming part of this Annual Report.

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

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

There are no employees in the Company, who are relatives of Directors, holding office of place of profit in the Company as on 31 March 2021:

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

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

CEO AND CFO CERTIFICATION

As required under Regulation 17 of the Listing Regulations, the CEO and CFO certificate for the financial year ended 31 March 2021, signed by Mr. Bhargav Marepally, CEO & Managing Director and Mr. Ravikumar Jatavallabha V., CFO is annexed as "H" and forms part of this Report.

GENERAL BODY MEETINGS

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

Financial Year	Location	Meeting Date	Time	No. of special resolutions set out at the AGM
2019-20	Through Videoconferencing	30th September, 2020	10:00 a.m.	1
2018-19	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad - 500032.	5th September, 2019	10:00 a.m.	1
2017-18	Ellaa Suits, Lotus Hall, Hill ridge Springs, No. 25, Kancha, Gachibowli, ISB Road, Hyderabad - 500032.	30th September, 2018	10:30 a.m.	3

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

Statement on Declaration by Independent Directors

Mr. LGS Padma Rao, Mr. Prabhakara Rao Alokam and Mrs. Nagajayanthi Das Juttur Raghavendra are the Independent Directors on the Board of the Company as on 31 March 2021. All the Independent Directors have given their respective declarations under Section 149 (6) and (7) of the Companies Act, 2013 and the Rules made thereunder. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures, and confirm that the Independent Directors fulfil the conditions of independence specified in the Listing Regulations.

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

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

Postal Ballot

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

DISCLOSURES

- There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
- Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.
 - The following observations were made by the secretarial auditor for FY 20-21 which are self-explanatory and does not require further explanation from directors: The company has not submitted Results as per the prescribed format of the Regulation 33 of SEBI(LODR) Regulations, 2015 for the quarter and half year ended on 30th September 2020 and later on complied & rectified though BSE has levied fine of Rs.5,900 towards the same. The prescribed fines were paid by the Company to BSE.

3. **Vigil Mechanism and Whistle Blower Policy:**

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

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

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

There were no instances during the financial year 2020-21 wherein the Board had not accepted the recommendations made by any Committee of the Board.

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

- a. Number of complaints filed during the financial year: Nil
- b. Number of complaints disposed of during the financial year: Nil
- c. Number of complaints pending as on end of the financial year: Nil

6. **Code of Conduct**

Your Company has adopted a Code of Conduct for all the employees including Board Members and Senior Management Personnel of the Company in accordance with the requirement under Regulation 17 of the Listing Regulations. The Code of Conduct has been posted on the website of the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31 March 2021. The declaration to this effect signed by Mr. Bhargav Marepally, CEO & Managing Director of the Company forms part of the report. The Code of Conduct can be accessed through the following link: <https://www.gssinfotech.com/wp-content/uploads/2020/01/code-of-conduct.pdf>

7. **Code of Conduct for Prevention of Insider Trading**

GSS's Code of Conduct for Prevention of Insider Trading covers all the Directors, senior management personnel, persons forming part of promoter(s)/promoter group(s) and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information relating to the Company. The Directors, their relatives, senior management personnel, persons forming part of promoter(s)/promoter group(s), designated employees etc. are restricted in purchasing, selling, and dealing in the shares of the Company while in possession of unpublished price sensitive information about the Company as well as during the periods when the trading window is closed. All the Directors, senior management personnel, persons forming part of promoter(s)/ promoter group(s) and other designated employees of the Company are restricted from entering into opposite transaction, i.e., buy or sell any number of shares during the next six months following the prior transaction. The Board of Directors at its meeting held on 30th May 2015 approved and adopted the 'GSS Infotech Limited - Code of Conduct to Regulate, Monitor and Report Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulation, 2015. The Board at its aforesaid meeting also approved the 'GSS Infotech Limited - Code for Fair Disclosure' and the same can be accessed through the following link: <https://www.gssinfotech.com/wp-content/uploads/2020/01/sebi-insider-trading-and-code-for-upsi-30052015.pdf>

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

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

1. The Board:

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

2. Shareholder Rights:

All the quarterly financial results are placed on the Company's Website: www.gssinfotech.com, apart from publishing the same in the Newspapers along with BSE and NSE.

3. Audit qualifications:

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

4. Reporting of Internal Auditor:

M/s. Nalini & Murali Associates, Chartered Accountants, Hyderabad is the Internal Auditors of the Company. They do not participate in the meetings of the Audit Committee. They submit the Internal Audit Report and observations on quarterly basis to the Audit Committee of the Board of Directors of the Company.

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

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

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

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

(Amount ₹)

Particulars	31 March 2021
Statutory audit fee	1,200,000
Other services	-
Out of pocket expenses	-
Total	12,00,000

MEANS OF COMMUNICATION

1. Publication of quarterly financial results:

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

2. Website and News Releases:

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

3. Stock Exchange:

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

4. NEAPS (NSE Electronic Application Processing System):

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

5. BSE Corporate Compliance & Listing Centre:

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

6. Reminders to Investors:

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

GENERAL SHAREHOLDER INFORMATION

The 18th Annual General Meeting of the company will be held on 30th September 2021 at 10.00 A.M. through Video Conferencing ("VC")/ Other Audio-visual Means ("OAVM") details, please refer to the Notice of this AGM.

• Financial Calendar	
Financial year	- 1st April 2021 to 31st March 2022
Tentative Schedule for declaration of results during the financial year 2021-22	
First Quarter	- 13th August 2021
Half Yearly	- First/Second week of November 2021
Third Quarter and Nine Months	- First/Second week of February 2022
Annual	- Third/Fourth week of May 2022
Date of Book closure	- 26th September 2021 to 30th September 2021(both day inclusive)
• Listing on Stock Exchanges	
Name of Stock Exchange	Stock Code
BSE Limited (BSE)	532951
National Stock Exchange of India Limited (NSE)	GSS
The Company has paid the listing fees to the above Stock Exchange(s) for the financial year 2020-21.	

- Market Price Data**

The monthly high and low prices and volumes of the Company's shares at BSE and NSE for the financial year ended 31 March 2021 are as under:

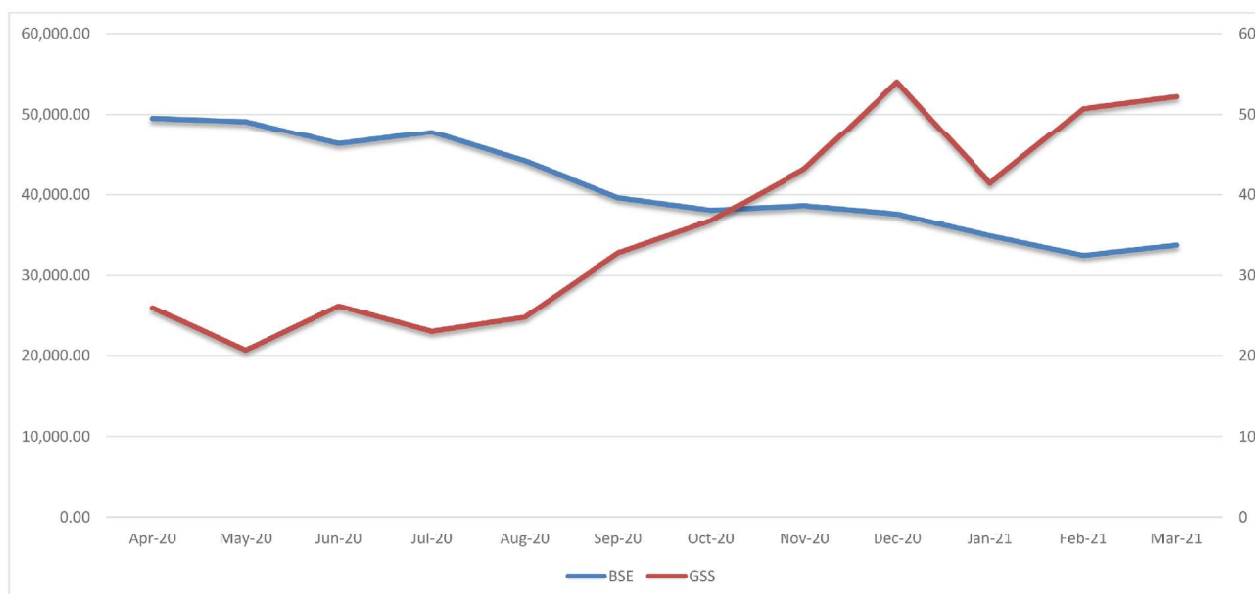
Month	BSE			NSE		
	High (in Rs.)	Low (in Rs.)	Volume	High (in Rs.)	Low (in Rs.)	Volume
Apr-20	27.75	19.00	54,758	28.20	18.50	40,684
May-20	25.90	19.30	29,295	26.00	19.40	20,937
Jun-20	29.75	21.00	95,143	29.55	20.05	155,841
Jul-20	28.00	21.10	101,944	28.00	21.15	87,889
Aug-20	29.30	20.90	1,256,588	29.40	20.85	5,528,572
Sep-20	35.05	24.50	410,830	35.00	24.15	305,480
Oct-20	42.60	31.50	261,180	42.60	32.10	998,785
Nov-20	45.00	34.00	218,531	45.25	33.80	1,776,858
Dec-20	58.95	43.35	354,270	58.85	43.20	948,180
Jan-21	69.40	38.00	923,667	69.65	39.90	2,105,963
Feb-21	55.95	42.35	1,526,879	56.00	42.25	1,259,070
Mar-21	60.55	50.15	2,198,198	60.50	48.00	627,293

Source: BSE and NSE website

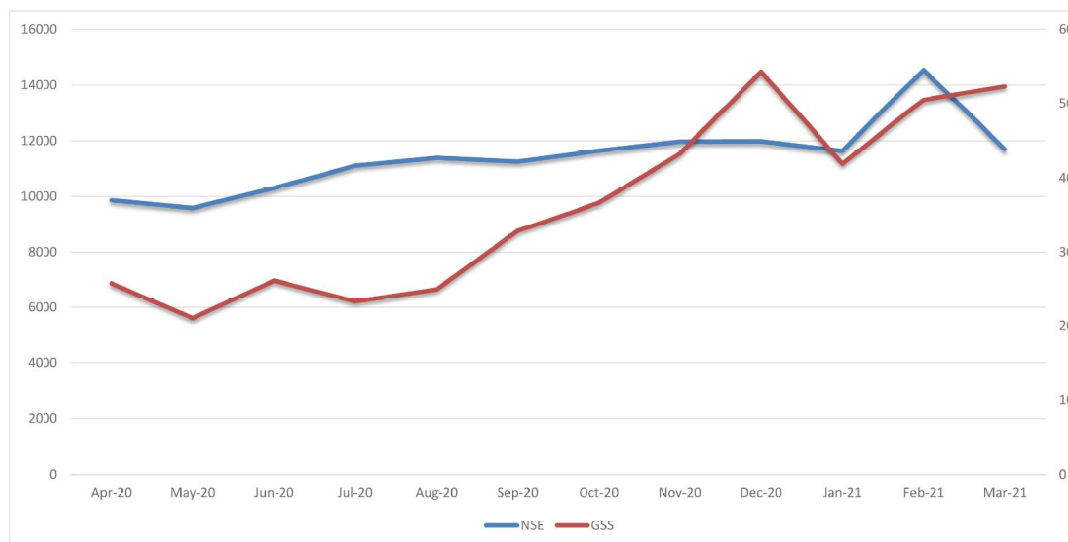
Note: High and low are in per traded share. Volume is the total monthly volume of trade (in numbers) in GSS Infotech Limited shares on BSE and NSE.

- Performance in comparison to broad-based Indices**

The Chart below shows the comparison of your Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex for the financial year ended 31 March 2021 (based on month end closing):



The Chart below shows the comparison of your Company's share price movement on NSE vis-à-vis the movement of the NSE for the financial year ended 31 March 2021 (based on month end closing):



- Registrar and Transfer Agent - Bigshare Services Private Limited**

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

- Share Transfer System**

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

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

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

- Distribution of Shareholding**

Distribution of shareholding of shares of the Company as on 31 March 2021 is as follows:

No. of Equity Shares		Shareholders		Value of Shareholding	
From	TO	Number	% to total	Amount	% to total
1	5000	10198	87.7247	9,201,000	5.4325
5001	10000	611	5.2559	4,981,900	2.9415
10001	20000	305	2.6237	4,625,560	2.7311
20001	30000	127	1.0925	3,273,380	1.9327
30001	40000	63	0.5419	2,306,710	1.3619
40001	50000	72	0.6194	3,402,000	2.0086
50001	100000	110	0.9462	8,298,750	4.8998
100001	999999999	139	1.1957	133,279,130	78.6918
	Total	11625	100	169,368,430	100

Shareholding Pattern as on 31 March 2021:

Category of Shareholder		Total Number of Shares	% of total no. of shares
(A)	Shareholding of Promoter and Promoter Group		
	(a) Individuals/Hindu Undivided Family	3,040,328	17.95
	(b) Bodies Corporate	Nil	Nil
	(c) Trust	Nil	Nil
	Total Shareholding of Promoter and Promoter Group	(A) 3,040,328	17.95
(B)	Public shareholding		
	(1) Institutions		
	(a) Mutual Funds/ UTI	Nil	Nil
	(b) Financial Institutions/Banks	801,595	4.73
	(c) Venture Capital Funds	Nil	Nil
	(d) Foreign Institutional Investors/FPI's	1,434,038	8.47
	Sub-Total (B)(1)	2,235,633	13.20
	(2) Non-Institutions		
	(a) Bodies Corporate	1,175,022	6.94
	(b) Individuals		
	(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	31,50,410	18.60
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	53,87,197	31.81
	(c) Individual (Non-Resident individuals)	83,928	0.50
	(d) Trust	0	0
	(e) Clearing Member	789,255	4.66
	(f) NBFCs registered with RBI	2,500	0.01
	(g) Overseas Corporate Bodies	0	0
	(h) IEPF	23,823	0.14
	(i) HUF	698,747	4.13
	Sub-Total(B)(2)	11,660,882	68.85
	Total Public Shareholding (B)=(B)(1)+(B)(2)	13,896,515	82.05
(C)	Non-Promoter- Non-Public Shareholding	350,000	2.07
	Total (A)+(B) +(C)	16,936,843	100.00

Details of the Company's dematerialized shares as on 31 March 2021:

Number of shares	% of total shares	Number of shareholders	% of total shareholders
16936843	100	11625	97.93

Break up of shares in physical and Demat form as on 31 March 2021:

Physical/Demat	No. of Shares	% of Shares
Physical segment	3,50,001	2.07
Demat segment		
a) NSDL	53,57,951	31.63
b) CDSL	11,22,88,91	66.30
TOTAL	1,69,36,843	100

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

- Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on equity**
 The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on 31 March 2021.
- The Company does not have any plant locations.**
- Address for Correspondence Bigshare services Private Limited
 E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Saki Naka, Andheri (E), Mumbai - 400072. India
 Tel: 022 - 40430200, Fax : 022 - 28475207
 For the benefit of shareholders, documents will continue to be accepted at the Registered Office of the Company:
 For any queries relating to the shares of the Company, correspondence may please be addressed
 to: GSS Infotech Limited
 CIN: L72200TG2003PLC041860
 Ground Floor, Wing-B, N heights, Plot No. 12,
 TSIIIC Software Units Layout, Madhapur, Serilingampally Mandal, Rangareddy District, Hyderabad - 500081,
 Telangana, India
 Ph No. : 040 - 445556600 Website: www.gssinfotech.com
 Shareholders are requested to quote their folio no. / DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar & Share Transfer Agent.
- There are no Equity Shares in the Unclaimed Suspense Account of the Company.**
- For any correspondence relating to Annual Report Kindly write to:**
 The Company Secretary
 GSS Infotech Limited
 Ground Floor, Wing-B, N heights, Plot No. 12,
 TSIIIC Software Units Layout, Madhapur, Serilingampally, Mandal, Rangareddy District, Hyderabad - 500081,
 Telangana State, India Email: company.secretary@gssinfotech.com
- The Company didn't obtain any credit ratings.

- **Secretarial Audit:**

- a) M/s Sunil Kacham & Associates, Practising Company Secretaries have conducted a Secretarial Audit of the Company for the year 2020-21. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company.

The Secretarial Audit Report forms part of the Directors' Report. Except the following:

- 1. The observations were made by the secretarial auditor which are self-explanatory and does not require further explanation from directors:
The company has not submitted Results as per the prescribed format of the Regulation 33 of SEBI(LODR) Regulations, 2015 for quarter and half year ended on 30th September 2020 and later on complied & rectified though BSE has levied fine of Rs.5,900 towards the same. The prescribed fines were paid by the Company to BSE.
- b) Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half-yearly basis, by M/s Sunil Kacham & Associates, Practising Company Secretaries, certifying due compliance of share transfer formalities by the Company.
- c) M/s Sunil Kacham & Associates, Practising Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Annexure to Report on Corporate Governance for the financial year ended 31 March 2021

Declaration of Compliance with the Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31 March 2021.

For GSS Infotech Limited

Place: Hyderabad
Date: 13th August, 2021

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

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

The Board of Directors
GSS Infotech Limited

We hereby certify that for the financial year ended 31 March 2021, on the basis of the review of the financial statements and the statement of cash flows and to the best of our knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2020-21, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies, if any.

We further certify that -

- a) There have been no significant changes in internal control over financial reporting during the year 2020-21; and
- b) There have been no significant changes in accounting policies during the year 2020-21; and
- c) There have been no materially significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

For GSS Infotech Limited

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

Sd/-
Ravikumar Jatavallabha V.
Chief Financial Officer

Place: Hyderabad
Date: 13th August, 2021

CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF GSS INFOTECH LIMITED

We have examined the compliance of conditions of Corporate Governance by GSS Infotech Limited (CIN: L72200TG2003PLC041860) ('the Company'), for the year ended 31st March 2021, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st April, 2020 to 31st March 2021.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement / Listing Regulations, as applicable and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and Clause 49 of the listing agreement for the financial year ended 31st March 2021.

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

**For Sunil Kacham and Associates
Company Secretaries**

Date: 12.08.2021
Place: Hyderabad

**Sd/-
Sunil Kumar Kacham
M. No. : 46155, C.P. No : 16820
UDIN: A046155C000776467**

Annual Secretarial Compliance Report
of
M/S. GSS INFOTECH LIMITED
(CIN: L72200TG2003PLC041860)
for the year ended March 31, 2021
(Pursuant to SEBI Circular dated 08th February, 2019)

I, Sunil Kumar Kacham, Practicing Company Secretary, Hyderabad have examined:

- (a) all the documents and records made available to me, and explanation provided by M/s. GSS Infotech Limited, CIN: L72200TG2003PLC041860 ("the listed entity"), having its registered office situated at Grd Floor, Wing-B, N heights, Plot No. 12, TSIIIC Software Units Layout, Madhapur, Serilingampally, Hyderabad, Rangareddi, Telangana - 500081, India.
- (b) the filings/submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/filing, as may be relevant, which has relied upon to make this certification.

for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable during the review period.**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the review period.**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable during the review period.**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the review period.**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable during the review period.**

- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and the circulars/ guidelines issued thereunder.
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, and circulars/ guidelines issued thereunder, and based on the above examination, I hereby report that, during the Review Period:
- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

S. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Deviations Observations/Remarks of the Practicing Company Secretary
1	Regulation 33 of SEBI(LODR) Regulations, 2015 – September 2020 Revision of submitted Financial Results for the Quarter and Half Year ended September 30, 2020.	BSE informed to the Company the Submitted results does not contain Complete Financial Results and enclosed Limited Review Report (LRR) is not as per the specified format by the SEBI (LODR) Regulations, 2015.	As discussed and informed by the management, the company secretary out of her busy schedule of her work missed this inadvertently the Company has paid fine of Rs.5,900/- to BSE.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S. No	Action taken by	Details of Violation	Details of action taken e. g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE	Regulation 33 of SEBI(LODR) Regulations, 2015-Submitted Results and report was not as per the prescribed format of the regulations	Notice of Non-compliance was served by BSE. BSE has levied fine of Rs.5,900 towards the non-compliance	The prescribed fines were paid by the Company to BSE

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

Sr. No	Observations made in the secretarial compliance report for the year ended...	Actions taken by the listed entity if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	The company has not submitted annual report for FY 2018-19 within prescribed period prescribed under Regulation 34 of SEBI(LODR) Regulations, 2015	The Company has paid fine of Rs. 34,000+ Taxes to BSE and Rs. 36000+ taxes to NSE. Further, NSE & BSE have waived the fine paid by the Company and initiated refund of the same	NA
2	The Company has not provided the Disclosure Regulation 34(3) and Schedule V Para C clause (10)(k) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015): –the Listed entity should disclose total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part	On receipt of letter from NSE regarding Non- disclosure of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, has sent annexure to shareholders of the Company through email on 30 th July, 2020.	NA
3	The Company has not provided the disclosure in the Annual Report for the financial year 2018-19 under Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015- the listed entity should disclose in the annual Report , a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority	On receipt of letter from NSE regarding Non-disclosure of a certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. has sent annexure to shareholders of the Company through email on 30 th July, 2020	NA

For Sunil Kacham and Associates
Company Secretaries

Date: 29.06.2021
Place: Hyderabad

Sunil Kumar Kacham
Company Secretary in Practice
M.No.: 46155, C.P. No: 16820
UDIN: A046155C000543091

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

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

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

For Sunil Kacham and Associates
Company Secretaries

Sd/-
Sunil Kumar Kacham
M. No. A46155; CP No.16820;
UDIN: A046155C000776445

Place: Hyderabad
Date: 12.08.2021

CONSOLIDATED FINANCIAL STATEMENTS & NOTES

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors of
GSS Infotech Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **GSS Infotech Limited** ("**the Company**") and its Subsidiary Companies **M/s. GSS Healthcare IT Solutions Private Limited, M/s. GSS IT Solutions Private Limited** which are audited by us & **M/s. GSS Infotech Inc** which is audited by other auditors (collectively referred to as "**the Group**") which comprise the consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, consolidated the statement of changes in equity and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (here in referred as "**the consolidated Ind AS financial statements**")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its consolidated loss (including other comprehensive income), consolidated changes in equity and its consolidated Cash Flow for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("**the Act**") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards

specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

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

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

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

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning

the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, consolidated the statement of changes in equity and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors of the Company and its associates as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March 2021 on its consolidated financial position in its financial statements as referred to in note 28 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund for the year ending 31st March, 2021.

Place: Hyderabad
Date: 09.06.2021

For Rambabu & Co.,
Chartered Accountants

Reg. No. 002976S
GVL Prasad
Partner
M. No. 026548

UDIN: 21026548AAAAFM3533

“Annexure A” to the Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of **GSS Infotech Limited** (“the Holding Company”) in respect of Consolidated Financial Statements as at March 31, 2021 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 09-06-2021

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

UDIN: 21026548AAAAFM3533

GVL Prasad
Partner
M. No. 026548

GSS INFOTECH LIMITED

Consolidated Balance Sheet as at 31st March, 2021

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

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	4	1,856,278	2,514,541
Goodwill		1,148,206,709	1,179,993,723
Other intangible assets	5	217,302	452,469
Financial assets			
Other Financial Assets	6	1,051,418	1,041,476
Deferred tax assets (net)	7	2,960,644	1,318,664
Other non-current assets	8	3,500,000	3,500,000
		1,157,792,351	1,188,820,873
Current assets			
Financial assets			
Trade receivables	9	271,035,163	305,169,586
Cash and cash equivalents	10	152,141,672	20,469,160
Other bank balances	11	32,090,855	12,420,507
Other Financial Assets	6	2,363,728	4,481,968
Current Tax Assets (Net)	12	51,209,508	126,716,121
Other current assets	8	75,917,845	73,723,754
		584,758,771	542,981,096
Total assets		1,742,551,122	1,731,801,969
Equity and Liabilities			
Equity share capital	13	169,368,630	169,368,630
Other equity	14	1,188,033,920	1,253,777,277
Total equity		1,357,402,550	1,423,145,907
Non-current liabilities			
Financial Liabilities	18	10,883,219	-
Borrowings	15	-	-
Provisions	16	599,925	1,273,169
		11,483,144	1,273,169
Current liabilities			
Financial Liabilities			
Trade payables	17	28,925,403	54,742,662
Other financial liabilities	18	342,098,088	249,525,328
Provisions	16	1,598,894	1,521,736
Other current liabilities	19	1,043,043	1,593,167
Total liabilities		373,665,428	307,382,893
Total equity and liabilities		1,742,551,122	1,731,801,969

Summary of significant accounting policies

3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-

GVL Prasad

Partner

Membership No.: 026548

Sd/-

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

Sd/-

Ravi Kumar Jatavallabha V

Chief Financial Officer

Sd/-

A.Prabhakara Rao

Director

DIN: 02263908

Sd/-

Amrita Singh

Company Secretary

Place: Hyderabad

Date: 09-June-2021

GSS INFOTECH LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

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

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations	20	1,149,261,904	1,396,622,329
Other income	21	18,312,517	1,535,532
Total income		1,167,574,421	1,398,157,861
Expenses			
Materials consumed	22	114,066,813	78,005,258
Employee benefits expense	23	965,637,049	1,113,977,998
Depreciation and amortisation expense	24	1,367,611	2,946,625
Finance costs	25	6,266,367	8,095,616
Other expenses	26	100,845,394	126,803,014
Total expense		1,188,183,234	1,329,828,511
Profit before exceptional items and tax		(20,608,813)	68,329,350
Exceptional Item		-	-
Profit before tax		(20,608,813)	68,329,350
Tax expenses			
Current tax	27	17,833,902	8,042,229
Deferred tax charge	27	(1,641,980)	(321,638)
Total tax expense		16,191,922	7,720,591
Profit after tax		(36,800,735)	60,608,759
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan		456,720	84,136
Exchange differences on translation of foreign operations		(29,399,341)	93,259,143
Income-tax effect		-	-
Other comprehensive income for the year, net of tax		(28,942,621)	93,343,279
Total comprehensive income for the year		(65,743,356)	153,952,038
Earnings per equity share (nominal value of INR 10) in INR			
Basic		(2.17)	3.58
Diluted		(2.17)	3.58

Summary of significant accounting policies

3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-

GVL Prasad

Partner

Membership No.: 026548

Sd/-

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

Sd/-

Ravi Kumar Jatavallabha V

Chief Financial Officer

Sd/-

A.Prabhakara Rao

Director

DIN: 02263908

Sd/-

Amrita Singh

Company Secretary

Place: Hyderabad

Date: 09-June-2021

GSS INFOTECH LIMITED

Statement of Cash Flows for the year ended 31st March, 2021

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Operating activities		
Profit/ (loss) before tax	(20,608,815)	68,329,350
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of tangible assets	1,367,613	2,946,625
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(18,312,517)	(1,535,532)
Finance costs (including fair value change in financial instruments)	6,266,367	8,095,616
Advance/Bad Debt Written off	-	-
Written off Investments	-	-
Unrealized foreign exchange loss/gain	8,717,523	(1,933,406)
Re-measurement gains/ (losses) on defined benefit plan	456,720	84,136
<i>Working capital adjustments:</i>		
(Increase)/ decrease in trade receivables	34,134,424	19,187,933
(Increase)/ decrease in loans	2,118,240	(765,206)
(Increase)/ decrease in other assets	(2,194,091)	23,431,422
Increase/ (decrease) in trade payables	(25,817,260)	(21,808,526)
Increase/ (decrease) in provisions	(596,086)	224,118
Increase/ (decrease) in current tax asset	75,506,613	(5,748,039)
Increase/ (decrease) in other financial liabilities	103,455,978	(98,493,287)
Increase/ (decrease) in other current liabilities	(550,124)	(1,451,313)
	163,944,587	(9,436,109)
Income tax paid	(17,833,902)	(8,042,229)
Net cash flows from operating activities	146,110,684	(17,478,339)
Investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(474,181)	(689,378)
Proceeds from sale of fixed assets	-	-
Other bank balances	(19,670,348)	(6,094,624)
Increase in Goodwill on Consolidation due to difference in exchange rate	31,787,015	(121,564,069)
Interest received (finance income)	18,312,517	1,535,532
Net cash flows used in investing activities	29,955,003	(126,812,538)
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	(9,942)	(76,836)
Interest paid	(6,266,367)	(8,095,616)
Unrealized foreign exchange loss/gain	(38,116,864)	95,192,549
inflow of excess deposit in dividend unclaim account		
Net cash flows from/ (used in) financing activities	(44,393,173)	87,020,098
Net increase / (decrease) in cash and cash equivalents	131,672,512	(57,270,779)
Cash and cash equivalents at the beginning of the year (refer note 10)	20,469,160	77,739,939
Cash and cash equivalents at the end of the year (refer note 10)	152,141,672	20,469,160

Summary of significant accounting policies

3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-

GVL Prasad

Partner

Membership No.: 026548

Sd/-

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

Sd/-

Ravi Kumar Jatavallabha V

Chief Financial Officer

Sd/-

A.Prabhakara Rao

Director

DIN: 02263908

Sd/-

Amrita Singh

Company Secretary

Place: Hyderabad

Date: 09-June-2021

GSS INFOTECH LIMITED

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

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

a. Equity Share Capital	No. of shares	Amount
Balance as at March 31, 2020	16,936,863	169,368,630
Balance as at March 31, 2021	16,936,863	169,368,630

b. Other equity

Particulars	Reserves and Surplus			OCI	Total
	Share Premium	General Reserve	Retained Earnings	Exchange differences on translation of foreign operations	
At March 31, 2020	2,052,380,129	24,001,603	(1,685,445,290)	862,840,836	1,253,777,277
Profit for the year			(36,800,736)		(36,800,736)
Other comprehensive income					-
Re-measurement gains/ (losses) on defined benefit plans, net of tax				456,720	456,720
Exchange differences on translation of foreign operations				(29,399,341)	(29,399,341)
Income-tax effect					-
Balance as of 31 March 2021	2,052,380,129	24,001,603	(1,722,246,026)	833,898,214	1,188,033,920

Summary of significant accounting policies

3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-

GVL Prasad

Partner

Membership No.: 026548

Sd/-

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

Sd/-

A.Prabhakara Rao

Director

DIN: 02263908

Place: Hyderabad

Date: 09-June-2021

Sd/-

Ravi Kumar Jatavallabha V

Chief Financial Officer

Sd/-

Amrita Singh

Company Secretary

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

1 General Information

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

2 Basis of preparation of financial statements

2.1 Statement of Compliance

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

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

The financial statements were authorised for issue by the Group's Board of Directors on June 09, 2021. Details of the accounting policies are included in Note 3.

2.2 Group information

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

Name of investee	Principal activities	Country of incorporation	Relationship	Percentage of ownership/ voting rights	
				31 March 2021	31 March 2020
GSS Infotech Inc (A Delaware Company)	IT and ITES	USA	Subsidiary	100%	100%
GSS IT Solutions Private Limited	IT and ITES	India	Subsidiary	100%	100%
GSS Healthcare IT Solutions Private Limited	IT and ITES	India	Subsidiary	100%	100%
GSS Infotech CT Inc (Formerly known as System Dynamix Corporation)	IT and ITES	USA	Step down Subsidiary	100%	100%
Infovision Technologies, Inc	IT and ITES	USA	Step down Subsidiary	100%	100%
Infovista Technologies Inc	IT and ITES	USA	Step down Subsidiary	100%	100%
Technovant Inc	IT and ITES	USA	Step down Subsidiary	100%	100%
Nexii Labs Inc	IT and ITES	USA	Step down Subsidiary	100%	100%

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

2.3 Basis of consolidation

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

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

2.4 Basis of measurement

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

2.5 Functional currency

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

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

2.6 Operating cycle

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

Assets:

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

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

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

Liabilities:

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

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

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

2.7 Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. "The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Provision and contingent liability

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

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2017 management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

2.8 Measurement of fair values

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

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

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

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

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

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

3 Significant accounting policies

3.1 Revenue recognition

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

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

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

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

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

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

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

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

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

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

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

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

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

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- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.
- Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of licence whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

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

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

3.2 Leases

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

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3.3 Foreign currencies

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

3.4 Borrowing costs

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

3.5 Taxation

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

Current tax

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

Deferred tax

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

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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3.6 Earnings per share

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

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

3.7 Property, Plant and Equipment

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

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

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

Subsequent Costs

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

3.8 Depreciation

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

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

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

3.9 Goodwill and other intangible assets

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth

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

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

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

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

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

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

3.10 Cash and cash equivalents

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

3.11 Cash flow statement

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

3.12 Impairment of non financial assets

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

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

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For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

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

3.13 Employee benefits

Short-term employee benefits

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

Defined contribution plans

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

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

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Termination benefits

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

Other long-term employee benefits

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

3.14 Provisions

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

3.15 Contingent liabilities & contingent assets

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

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

3.16 Financial instruments

a. Recognition and Initial recognition

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

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

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b. Classification and Subsequent measurement of Financial assets

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

- amortised cost;
- FVTPL

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

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

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

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

Financial assets: Business model assessment

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

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

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

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

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

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

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

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

Financial assets: Subsequent measurement and gains and losses

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

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

Financial liabilities: Classification, Subsequent measurement and gains and losses

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

c. Derecognition Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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Financial liabilities

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

d. Offsetting

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

e. Impairment

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

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

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

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

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

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

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

3.17 Recent amendments in Indian Accounting Standards (Ind AS)

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

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4 Property, plant and equipment

Particulars	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Total
Cost					
At March 31, 2019	2,277,963	1,231,166	5,196,386	1,027,152	9,732,667
Additions	25,115	270,927	393,336	-	689,378
Deletions	-	-	-	-	-
At March 31, 2020	2,303,078	1,502,093	5,589,722	1,027,152	10,422,045
Additions	2,000	141,031	331,150	-	474,181
Deletions	-	-	107,616	-	107,616
At March 31, 2021	2,305,078	1,643,124	5,813,256	1,027,152	10,788,610
Accumulated depreciation					
At March 31, 2019	1,533,129	598,183	2,805,701	762,989	5,700,002
Charge for the year	316,606	394,097	1,430,653	66,145	2,207,502
Less: Adjustments	-	-	-	-	-
At March 31, 2020	1,849,735	992,280	4,236,355	829,134	7,907,504
Charge for the year	60,123	240,358	802,734	29,229	1,132,444
Less: Adjustments	-	-	107,616	-	107,616
At March 31, 2021	1,909,858	1,232,638	4,931,473	858,363	8,932,332
Carrying amount					
At March 31, 2019	744,834	632,983	2,390,685	264,163	4,032,665
At March 31, 2020	453,343	509,813	1,353,367	198,018	2,514,541
At March 31, 2021	395,220	410,486	881,783	168,789	1,856,278

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5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
At March 31, 2019	-	1,903,198	1,903,198
Additions	-	-	-
Deletions	-	-	-
At March 31, 2020	-	1,903,198	1,903,198
Additions	-	-	-
Deletions	-	-	-
At March 31, 2021	-	1,903,198	1,903,198
		-	
Accumulated depreciation			-
At March 31, 2019	-	711,607	711,607
Depreciation expense	-	739,123	739,123
Deletions	-	-	-
At March 31, 2020	-	1,450,730	1,450,730
Depreciation expense	-	235,167	235,167
Deletions	-	-	-
At March 31, 2021	-	1,685,897	1,685,897
Carrying amount			
At March 31, 2019	-	1,191,592	1,191,592
At March 31, 2020	-	452,469	452,469
At March 31, 2021	-	217,302	217,302

6 Loans (Unsecured, considered good unless otherwise stated)

	31 March 2021	31 arch 2020
Non-current		
Security deposits	1,051,418	1,041,476
	<u>1,051,418</u>	<u>1,041,476</u>
Note: These financial assets are carried at amortised cost		
Current		
Other Financial Assets	2,363,728	4,481,968
	<u>2,363,728</u>	<u>4,481,968</u>

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7 Deferred Tax Assets (net)

	31 March 2021	31 March 2020
Deferred Tax Assets (net)	2,960,644	1,318,664
	2,960,644	1,318,664

8 Other assets

	31 March 2021	31 March 2020
Non-current assets		
<i>Unsecured, considered good</i>		
Advances other than capital advances		
Advance to ESOP Trust	3,500,000	3,500,000
Advance to vendors	-	-
	3,500,000	3,500,000
Current assets		
<i>Unsecured, considered good</i>		
Balance with Govt authorities	12,187,736	15,734,703
Advances other than capital advances		
Staff advances	116,970	-
Other advances	20,634,621	25,201,720
Prepaid expenses	23,517,575	29,459,310
Unbilled revenue	19,460,943	3,328,021
	75,917,845	73,723,754

9 Trade receivables

	31 March 2021	31 March 2020
Unsecured, considered good	272,879,100	307,013,523
	272,879,100	307,013,523
Less: Provision for doubtful receivables	(1,843,937)	(1,843,937)
Total Trade receivables	271,035,163	305,169,586

10 Cash and cash equivalents

	31 March 2021	31 March 2020
Balances with banks:		
- On current accounts	152,131,282	20,458,320
Cash on hand	10,390	10,840
Total Cash and cash equivalents	152,141,672	20,469,160

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

11 Other bank balances

	31 March 2021	31 March 2020
Other bank balances		
Term deposits with Banks with original maturities of less than 1 year	32,090,855	12,420,507
Total Other bank balances	32,090,855	12,420,507

12 Current Tax Assets (Net)

	31 March 2021	31 March 2020
TDS Receivable	7,132,740	62,115,209
Advance Tax	2,550	-
MAT entitlement	44,074,218	64,600,912
Less: Provision for Income tax	-	-
	51,209,508	126,716,121

13 Share Capital

	31 March 2021	31 March 2020
Authorised Share Capital		
50,000,000 Equity shares of ₹. 10/- each.	500,000,000	500,000,000
Issued, subscribed and fully paid-up		
1,69,36,843 (March 31, 2020: 1,69,36,843)	169,368,630	169,368,630
Equity Shares, of ₹. 10/- each	169,368,630	169,368,630

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

Particulars	31 March 2021		31 March 2020	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	16,936,863	169,368,630	16,936,863	169,368,630
Issued during the year	-	-	-	-
Outstanding at the end of the year	16,936,863	169,368,630	16,936,863	169,368,630

(b) Terms / rights attached to the equity shares

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

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

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

Particulars	31 March 2021		31 March 2020	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
1. Marepally Raghunadha Rao	3,006,129	17.75%	2,137,793	12.62%
2. Aspire Emerging Fund	-	0.00%	952,486	5.62%
	3,006,129	17.75%	3,090,279	18.24%

14 Other equity

	31 March 2021	31 March 2020
Share premium		
Opening balance	2,052,380,129	2,052,380,129
Add: Premium on fresh issue	-	-
Closing balance	2,052,380,129	2,052,380,129
General Reserve		
Opening balance	24,001,603	24,001,603
Add:	-	-
Closing balance	24,001,603	24,001,603
Retained earnings		
Opening balance	(822,604,456)	(976,556,494)
Profit/(loss) for the year	(36,800,735)	60,608,760
Other comprehensive income	(28,942,621)	93,343,277
Less: Transfers to general reserve		
Closing balance	(888,347,812)	(822,604,456)
Total other equity	1,188,033,920	1,253,777,277

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

15 Borrowings

Non-current Borrowings Secured loans

	31 March 2021	31 March 2020
Term loans	-	-
- From banks	-	-
Total non-current borrowings	-	-

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

16 Provisions

	31 March 2021	31 March 2020
Non-Current		
Provision for employee benefits		
- Gratuity (refer note 31)	599,925	1,273,169
	599,925	1,273,169
Current		
Provision for employee benefits		
- Gratuity (refer note 31)	-	61,243
- Compensated absences	1,598,894	1,460,493
	1,598,894	1,521,736

17 Trade payables

	31 March 2021	31 March 2020
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 32)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	28,925,403	54,742,662
	28,925,403	54,742,662

18 Other financial liabilities

	31 March 2021	31 March 2020
Non-Current		
Financial liabilities	10,883,219	-
	10,883,219	-
Current		
Current maturities of long-term debts	235,253,582	147,312,060
Capital creditors	-	-
Employee payables	336,615	382,987
Provision for expenses	91,104,706	85,750,138
Other liabilities	15,403,185	16,080,143
	342,098,088	249,525,328

19 Other current liabilities

	31 March 2021	31 March 2020
Statutory Dues	1,043,043	1,593,167
	1,043,043	1,593,167

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

20 Revenue from operations

	31 March 2021	31 March 2020
Revenue from Operations	1,149,261,904	1,396,622,329
	1,149,261,904	1,396,622,329

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

21 Other income

	31 March 2021	31 March 2020
Interest income	8,256,744	766,651
Miscellaneous income	10,055,773	768,881
	18,312,517	1,535,532

22 Direct Cost

	31 March 2021	31 March 2020
Software Expenses	1,332	86,685
Subcontractor Expenses	114,065,481	77,918,573
Hardware Expenses	-	-
	114,066,813	78,005,258

23 Employee benefits expense

	31 March 2021	31 March 2020
Salaries, wages and bonus	939,167,218	1,050,760,581
Contribution to provident and other funds	2,056,851	3,811,508
Staff welfare expenses	24,412,980	59,405,909
	965,637,049	1,113,977,998

24 Depreciation and amortisation expense

	31 March 2021	31 March 2020
Depreciation of tangible assets	1,132,444	2,207,502
Amortization of intangible assets	235,167	739,123
	1,367,611	2,946,625

25 Finance costs

	31 March 2021	31 March 2020
Interest on term loans	4,388,703	6,231,982
Bank Charges	1,877,664	1,863,634
	6,266,367	8,095,616

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

26 Other expenses

	31 March 2021	31 March 2020
Directors' Sitting Fees	395,000	375,000
Power and fuel	2,418,937	6,830,241
Auditor's Remuneration	1,200,000	1,214,701
Repairs and maintenance		
- Plant and equipments	1,148,846	143,520
- Others	580,433	477,653
Meeting Expenses	89,489	281,621
License, Immigration And Permits	330,023	600,412
Rent	26,346,458	29,385,085
Business promotion and advertisement expenses	8,172,131	1,361,420
Service Tax Expenses	-	8,638,507
Travelling and conveyance	7,308,778	14,802,253
Rates and taxes	919,824	2,113,522
Legal and professional charges	12,734,562	26,063,839
Printing and stationary	1,039,782	669,138
Communication expenses	4,290,891	5,237,324
Insurance	8,767,615	10,428,846
General Office Expenses	5,045,952	3,955,286
Profit / Loss on sale on Assets	-	-
Advances /Bad debts written off	11,339,150	16,158,051
Loss on Exchange Rate Fluctuation	8,717,523	(1,933,406)
	100,845,394	126,803,014

27 Tax expenses

	31 March 2021	31 March 2020
Current income tax:		
Current income tax charge	17,833,902	8,042,229
Mat Credit entitlement	-	-
Deferred tax:		
Relating to originating and reversal of temporary differences	(1,641,980)	(321,638)
Income tax expense recognised in the statement of profit or loss	16,191,922	7,720,591

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

28 Contingent liabilities and commitments

Particulars		As at 31 March 2021	As at 31 March 2020
i)	Appeal is pending before Income Tax Appellate Tribunal, Hyderabad for AY 2013-14	20,929,300*	20,929,300*
ii)	Appeal is pending before Hon'ble Dispute Resolution Panel, Bangalore for AY 2014-15	67,960,990*	67,960,990*
iii)	Against bank guarantees issued by banks towards financial & performance guarantees outstanding	-	1,420,000
iv)	There was service tax demand (for the years 2010-12, 2012-13 & 2013-14) on the company on account of three-Procurement contract executed in Bangladesh for Bangladesh Government, treating of business support, against which company filed appeal before CESTAT, Bangalore	8,519,526	8,519,526
v)	The company had filed application for compounding before the RBI for obtaining permissions under the FEMA provisions relating to the transfer of funds to WOS, company, by the branch which was returned back on procedural aspects. The company had compiled the necessary information and is in the process of re-submitting the same through a subject expert.		
*	Consequential orders are pending before Assessing officer, pursuant to orders from Honorable Income tax Appellate Tribunal Hyderabad, for Asst Years 2013-14 and Asst Year 2014-15 involving tax amount of Rs 20,929,300/- and 67,960,990/- respectively. These demands are however offset against brought forward losses and MAT Credit Entitlement of earlier years. In case of favorable orders the said losses and MAT Credits will be restored.		

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

29 Related party disclosures

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

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

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

Particulars	31-Mar-21	31-Mar-20
Mangerial remuneration to Key Management personnel	25,977,000	26,386,500
Repayment of loan taken	-	-

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

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

Particulars	As at 31-Mar-21	As at 31-Mar-20
i) Repayment of Loan Received		
	-	-

- d) Terms and conditions of transactions with related parties:

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

30 Segment information

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

Particulars	2020-21	2019-20
Revenue from United States of America	1,083,372,310	1,283,367,395
Revenue from Bangladesh	45,313,581	56,691,668
Revenue from India	20,576,013	56,563,266
TOTAL	1,149,261,904	1,396,622,329

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

31 Gratuity

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

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

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

Particulars	31-Mar-21	31-Mar-20
Opening balance	3,444,651	2,855,291
Service cost	677,396	861,686
Past Service cost	-	-
Interest cost	234,236	182,025
Benefits paid	(357,253)	(205,771)
Actuarial gain	(469,444)	(248,580)
Closing balance	3,529,586	3,444,651
Present value of projected benefit obligation at the end of the year	3,529,586	3,444,651
Fair value of plan assets at the end of the year	2,929,661	2,057,809
Net liability recognised in the balance sheet	599,925	1,386,842
Long term provision	3,431,098	3,330,978
Short term provision	98,488	113,673

Expenses recognised in statement of profit and loss	31-Mar-21	31-Mar-20
Service cost	677,396	861,686
Interest cost	92,029	71,122
Gratuity cost	769,425	932,808
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to financial assumption changes	(469,444)	(248,580)
Return on plan assets greater (less) than discount rate	12,724	164,444
Total expenses routed through OCI	(456,720)	(84,136)

Assumptions	31-Mar-21	31-Mar-20
Discount rate	6.80% p.a.	6.80% p.a.
Future salary increases	4.00% p.a.	4.00% p.a.
Employee turnover	3.00% p.a.	3.00% p.a.

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

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

	31-Mar-21	31-Mar-20
Effect of + 1% change in rate of discounting	3,248,383	3,153,718
Effect of - 1% change in rate of discounting	3,857,951	3,785,998
Effect of + 1% change in rate of salary increase	4,135,289	4,105,821
Effect of - 1% change in rate of salary increase	3,030,836	2,907,427
Effect of + 1% change in rate of employee turnover	3,771,940	3,711,606
Effect of - 1% change in rate of employee turnover	3,259,806	3,145,822

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

32 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2017 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

Particulars	31-Mar-21	31-Mar-20
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	NIL	NIL
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	NIL	NIL
d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	NIL	NIL

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

33 Leases

Where the Company is a lessee:

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

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

Particulars	31-Mar-21	31-Mar-20
Not later than 1 year	-	3,522,645
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

- ii) Amounts recognised in statement of profit and loss:

Particulars	31-Mar-21	31-Mar-20
Cancellable lease expense	21,122,389	18,850,879
Non - cancellable lease expense	5,224,069	10,534,206
Total	26,346,458	29,385,085

34 Earnings per share

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

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

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

Particulars	31-Mar-21	31-Mar-20
Loss for the year	(36,800,735)	60,608,759
Loss attributable to equity share holders	(36,800,735)	60,608,759
Shares		
Weighted average number of equity shares outstanding during the year – basic and diluted	16,936,863	16,936,863
Earnings per share of par value ₹. 10 – basic (₹.)	(2.17)	3.58
Earnings per share of par value ₹. 10 – diluted (₹.)	(2.17)	3.58

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

35 Financial risk management objectives and policies

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

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions. The below assumption has been made in calculating the sensitivity analysis: The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

Interest rate risk

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

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

Interest rate sensitivity

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

	Increase/decrease in interest rate	Effect on profit before tax
March 31, 2021		
INR	+1%	(2,461,368)
INR	1%	2,461,368
March 31, 2020		
INR	+1%	(1,473,121)
INR	1%	1,473,121

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹. 272,879,100 (March 31, 2020 : 307,013,523). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	31-Mar-21	31-Mar-20
Opening balance	1,843,937	1,843,937
Credit loss provided/ (reversed)	-	-
Closing balance	1,843,937	1,843,937

No single customer accounted for more than 10% of the revenue as of March 31, 2021, March 31, 2020. There is no significant concentration of credit risk.

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

c) Liquidity risk

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

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

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2021						
Borrowings	235,253,582	-	-	-	-	235,253,582
Trade payables	12,262,602	16,662,801	-	-	-	28,925,403
Year ended March 31, 2020						
Borrowings	147,312,060	-	-	-	-	147,312,060
Trade payables	20,235,142	34,507,520	-	-	-	54,742,662

GSS INFOTECH LIMITED

Notes forming part of the consolidated financial statements

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

36 Capital management

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

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

The capital structure as of March 31, 2021, March 31, 2020 was as follows:

Particulars	31-Mar-21	31-Mar-20
Total equity attributable to the equity shareholders of the Company	1,357,402,550	1,423,145,907
As a percentage of total capital	85.23%	90.62%
Long term borrowings including current maturities	235,253,582	147,312,060
Short term borrowings	-	-
Total borrowings	235,253,582	147,312,060
As a percentage of total capital	14.77%	9.38%
Total capital (equity and borrowings)	1,592,656,131	1,570,457,967

STANDALONE FINANCIAL STATEMENTS & NOTES

INDEPENDENT AUDITORS' REPORT

**To the Members of
M/s. GSS Infotech Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of GSS Infotech Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Other Information

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

- 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.
- 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.
- The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – as referred to in note 29 financial statements;
 - ii. The Company does not have material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

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

Place: Hyderabad
Date: 09-06-2021

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

UDIN: 21026548AAAAFN3959

GVL Prasad
Partner
M. No. 026548

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- 2) In respect of Inventories:
 - a) As explained to us the inventories have been physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.
 - c) In our opinion and according to the information and explanations given to us the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the cost records maintained by the Company pursuant to the rules prescribed by the Central Government of India under Section 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
 - c) In our opinion there are no amounts required to be transferred to Investor Education and Protection Fund by the company.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institution or banks. The Company has not issued any debentures.
 - 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
 - 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
 - 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
 - 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
 - 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
 - 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
 - 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
 - 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Hyderabad
Date: 09.06.2021

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

GVL Prasad
Partner
M. No. 026548

UDIN: 21026548AAAAFN3959

“Annexure B” to the Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of GSS Infotech Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 09-06-2021

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

UDIN: 21026548AAAAFN3959

GVL Prasad
Partner
M. No. 026548

GSS INFOTECH LIMITED

Balance Sheet as at 31st March, 2021

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

Particulars	Note	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	4	1,203,182	1,865,332
Intangible assets	5	217,302	452,469
Financial assets			
Investments	6	891,140,378	891,140,378
Other Financial Assets	7	-	110,183
Deferred Tax Assets (net)	8	2,960,644	1,318,664
Other non-current assets	9	3,500,000	3,500,000
		899,021,506	898,387,026
Current assets			
Financial assets			
Trade receivables	10	142,867,189	110,656,751
Cash and cash equivalents	11	27,410,115	11,982,197
Other bank balances	12	32,090,855	12,420,507
Other Financial Assets	7	2,364,328	4,482,568
Current Tax Assets (Net)	13	51,209,508	126,716,121
Other current assets	9	37,752,383	43,857,855
		293,694,378	310,115,999
Total assets		1,192,715,884	1,208,503,025
Equity and Liabilities			
Equity			
Equity share capital	14	169,368,430	169,368,430
Other equity	15	964,353,979	1,001,498,214
Total equity		1,133,722,409	1,170,866,644
Non-current liabilities			
Financial Liabilities			
Borrowings	16	-	-
Provisions	17	599,925	1,273,169
		599,925	1,273,169
Current liabilities			
Financial Liabilities			
Trade payables	18	8,363,692	10,501,801
Other financial liabilities	19	47,387,920	22,746,508
Provisions	17	1,598,894	1,521,736
Other current liabilities	20	1,043,044	1,593,167
Total liabilities		58,393,550	36,363,212
Total equity and liabilities		1,192,715,884	1,208,503,025

Summary of significant accounting policies

3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-

GVL Prasad

Partner

Membership No.: 026548

Sd/-

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

Sd/-

Ravi Kumar Jatavallabha V

Chief Financial Officer

Sd/-

A.Prabhakara Rao

Director

DIN: 02263908

Sd/-

Amrita Singh

Company Secretary

Place: Hyderabad

Date: 09-June-2021

GSS INFOTECH LIMITED

Statement of Profit and Loss for the year ended 31st March, 2021

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

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations	21	166,743,335	269,857,910
Other income	22	15,379,416	1,407,890
Total income		182,122,751	271,265,800
Expenses			
Direct Cost	23	64,827,261	34,266,527
Employee benefits expense	24	85,911,026	150,855,526
Depreciation and amortisation expense	25	1,099,317	2,530,277
Finance costs	26	546,900	424,983
Other expenses	27	51,987,747	57,709,015
Total expense		204,372,251	245,786,328
Profit before exceptional items and tax		(22,249,500)	25,479,472
Exceptional Item		-	-
Profit before tax		(22,249,500)	25,479,472
Tax expenses			
Current tax	28	1,404,102	7,226,046
Prior Year Tax	28	15,589,333	-
Deferred tax charge	28	(1,641,980)	(321,638)
Total tax expense		15,351,455	6,904,408
Profit for the year		(37,600,955)	18,575,064
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plan		456,720	84,136
Income-tax effect		-	-
Other comprehensive income for the year, net of tax		456,720	84,136
Total comprehensive income for the year		(37,144,235)	18,659,200
Earnings per equity share (nominal value of INR 10) in INR			
Basic		(2.22)	1.10
Diluted		(2.22)	1.10

Summary of significant accounting policies

3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-

GVL Prasad

Partner

Membership No.: 026548

Sd/-

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

Sd/-

Ravi Kumar Jatavallabha V

Chief Financial Officer

Sd/-

A.Prabhakara Rao

Director

DIN: 02263908

Sd/-

Amrita Singh

Company Secretary

Place: Hyderabad

Date: 09-June-2021

GSS INFOTECH LIMITED

Statement of Cash Flows for the year ended 31st March, 2021

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Operating activities		
Profit before tax	(22,249,500)	25,479,472
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of tangible assets	1,099,317	2,530,277
Profit on sale of assets	-	-
Finance income (including fair value change in financial instruments)	(8,256,744)	(766,651)
Finance costs (including fair value change in financial instruments)	-	-
Advance/Bad Debt Written off	698,377	111,670
Written off Investments	-	-
Unrealized foreign exchange loss/gain	(1,044,825)	(3,580,077)
Re-measurement gains/ (losses) on defined benefit plan	456,720	84,136
<i>Working capital adjustments:</i>		
(Increase)/ decrease in trade receivables	(32,210,437)	(1,565,816)
(Increase)/ decrease in loans	1,530,046	(876,876)
(Increase)/ decrease in other assets	6,105,470	12,607,722
Increase/ (decrease) in trade payables and other financial liabilities	(2,138,109)	(1,555,906)
Increase/ (decrease) in provisions	(596,086)	224,116
Increase/ (decrease) in current tax asset	75,506,613	(5,748,039)
Increase/ (decrease) in other financial liabilities	24,641,412	(16,960,574)
Increase/ (decrease) in other current liabilities	(550,123)	(1,451,313)
	42,992,131	8,532,141
Income tax paid	(16,993,434)	(7,226,046)
Net cash flows from operating activities	25,998,697	1,306,095
Investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(202,000)	(499,371)
Proceeds from sale of fixed assets	-	-
Other bank balances	(19,670,348)	(6,094,624)
Interest received (finance income)	8,256,744	766,651
Investment in Subsidiary	-	-
Net cash flows used in investing activities	(11,615,604)	(5,827,344)
Financing activities		
Proceeds / (repayment) from long term borrowings, net	-	-
Proceeds / (repayment) from short term borrowings, net	-	-
Interest paid	-	-
Unrealized foreign exchange loss/gain	1,044,826	3,580,079
inflow of excess deposit in dividend unclaim account	-	-
Net cash flows from/ (used in) financing activities	1,044,826	3,580,079
Net increase / (decrease) in cash and cash equivalents	15,427,918	(941,170)
Cash and cash equivalents at the beginning of the year (refer note 11)	11,982,197	12,923,367
Cash and cash equivalents at the end of the year (refer note 11)	27,410,115	11,982,197

Summary of significant accounting policies

3

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

As Per Our Report of Even Date

For RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

Sd/-

GVL Prasad

Partner

Membership No.: 026548

Sd/-

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

Sd/-

Ravi Kumar Jatavallabha V

Chief Financial Officer

Sd/-

A.Prabhakara Rao

Director

DIN: 02263908

Sd/-

Amrita Singh

Company Secretary

Place: Hyderabad

Date: 09-June-2021

GSS INFOTECH LIMITED

Statement of Changes in Equity for the year ended 31st March, 2021

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

a. Equity Share Capital	No. of shares	Amount
Balance as at March 31, 2020	16,936,843	169,368,430
Balance as at March 31, 2021	16,936,843	169,368,430

b. Other equity

Particulars	Reserves and Surplus				Total
	Share Premium	General Reserve	Retained Earnings	OCI	
At March 31, 2020	2,052,380,129	24,001,603	(1,074,883,519)		1,001,498,214
Profit for the year			(37,600,955)		(37,600,955)
Other comprehensive income					
Re-measurement gains/ (losses) on defined benefit plans				456,720	456,720
Income-tax effect			-		-
Balance as of 31 March 2021	2,052,380,129	24,001,603	(1,112,484,474)	456,720	964,353,979

Summary of significant accounting policies

3

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

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

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

Sd/-
GVL Prasad
Partner
 Membership No.: 026548

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

Sd/-
A.Prabhakara Rao
 Director
 DIN: 02263908

Place: Hyderabad
 Date: 09-June-2021

Sd/-
Ravi Kumar Jatavallabha V
 Chief Financial Officer

Sd/-
Amrita Singh
 Company Secretary

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

1 General Information

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

2 Basis of preparation of financial statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act. The financial statements were authorised for issue by the Company's Board of Directors on June 09, 2021. Details of the accounting policies are included in Note 3.

2.2 Basis of measurement

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

2.3 Functional currency

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

2.4 Operating cycle

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

Assets:

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

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

Liabilities:

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

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

2.5 Critical accounting judgements and key sources of estimation uncertainty

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

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

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

Provision and contingent liability

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

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2021 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

2.6 Measurement of fair values

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

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

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

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

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

3 Significant accounting policies

3.1 Revenue recognition

Revenue from operations

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

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

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

Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

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

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The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period. In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received. Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

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

Use of significant judgements in revenue recognition

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

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Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sales price and the then carrying value of the investment. Dividend income is recognised where the Group's right to receive dividend is established. Interest and Other Income is recognised on accrual basis. Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.2 Leases

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

3.3 Foreign currencies

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

3.4 Borrowing costs

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

3.5 Taxation

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

Current tax

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

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Deferred tax

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

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

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.6 Earnings per share

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

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

3.7 Property, plant and equipment

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any.

Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

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

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

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Subsequent Costs

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

3.8 Depreciation

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

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

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

3.9 Goodwill and other intangible assets

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

Amortisation

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

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

3.10 Cash and cash equivalents

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

3.11 Statement of Cash flow

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

3.12 Impairment of non financial assets

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

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The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

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

3.13 Employee benefits

Short-term employee benefits

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

Defined contribution plans

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

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included

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in employee benefit expense in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

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

Other long-term employee benefits

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

3.14 Provisions

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

3.15 Contingent liabilities & contingent assets

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

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

3.16 Financial instruments

a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

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b. Classification and Subsequent measurement

Financial assets

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

- amortised cost;
- FVTPL

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

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

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

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

Financial assets: Business model assessment

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

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

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

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

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

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:- contingent events that would change the amount or timing of cash flows;- terms that may adjust the contractual coupon rate, including variable interest rate features;- prepayment and extension features; and- terms that limit the Company's claim to cash flows from specified assets (e.g. non recourse features). A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

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

- a) Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- b) Financial liabilities: Classification, Subsequent measurement and gains and losses Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.
- c) Derecognition Financial assets: The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit

d) Offsetting

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

e) Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

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

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

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

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

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

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

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Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

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

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

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

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

Investment in Subsidiaries

Investment in subsidiaries is carried at cost, less any impairment in the value of investment, in these separate financial statements.

3.17 Recent amendments in Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

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4 Property, plant and equipment

Particulars	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Total
Cost					
At March 31, 2019	2,016,500	698,279	3,596,001	147,815	6,458,594
Additions	25,115	270,927	203,329	-	499,371
Deletions	-	-	-	-	-
At March 31, 2020	2,041,615	969,206	3,799,330	147,815	6,957,965
Additions	2,000	-	200,000	-	202,000
Deletions	-	-	-	-	-
At March 31, 2021	2,043,615	969,206	3,999,330	147,815	7,159,966
Accumulated depreciation					
At March 31, 2019	1,271,661	349,150	1,617,973	62,696.00	3,301,479
Charge for the year	316,606	319,517	1,155,031	-	1,791,154
Less: Adjustments	-	-	-	-	-
At March 31, 2020	1,588,267	668,667	2,773,004	62,696	5,092,633
Charge for the year	60,123	182,688	621,339	-	864,150
Less: Adjustments	-	-	-	-	-
At March 31, 2021	1,648,390	851,355	3,394,343	62,696	5,956,784
Carrying amount					
At March 31, 2019	744,839	349,129	1,978,028	85,119	3,157,115
At March 31, 2020	453,348	300,539	1,026,326	85,119	1,865,332
At March 31, 2021	395,225	117,851	604,987	85,119	1,203,182

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

5 Intangible assets

Particulars	Copy rights	Computer softwares	Total
Cost			
At March 31, 2019	2,069,832	1,870,661	3,940,493
Additions	-	-	-
Deletions	-	-	-
At March 31, 2020	2,069,832	1,870,661	3,940,493
Additions	-	-	-
Deletions	-	-	-
At March 31, 2021	2,069,832	1,870,661	3,940,493
Accumulated depreciation			
At March 31, 2019	2,069,832	679,070	2,748,902
Depreciation expense	-	739,123	739,123
Deletions	-	-	-
At March 31, 2020	2,069,832	1,418,193	3,488,025
Depreciation expense	-	235,167	235,167
Deletions	-	-	-
At March 31, 2021	2,069,832	1,653,360	3,723,192
Carrying amount			
At March 31, 2019	-	-	1,191,592
At March 31, 2020	-	452,469	452,469
At March 31, 2021	-	217,302	217,302

6 Investments

Non-current investments

Investments carried at cost

Unquoted equity shares

Investments in subsidiaries

1,500 (31-March-2020: 1,500) Equity Shares of \$1 each fully paid up in GSS Infotech Inc (Delaware)

890,940,578

890,940,578

9,990 (31-March-2020: 9,990) Equity Shares of ₹. 10/- each fully paid up in GSS Healthcare IT Solutions Private Ltd

99,900

99,900

9,990 (31-March-2020: 9,990) Equity Shares of ₹. 10/- each fully paid up in GSS IT Solutions Private Ltd

99,900

99,900

Total investments carried at cost

891,140,378

891,140,378

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

7 Loans (Unsecured, considered good unless otherwise stated)

	31 March 2021	31 March 2020
Non-current		
Security deposits	-	110,183
	<u>-</u>	<u>110,183</u>
Note: These financial assets are carried at amortised cost		
Current		
Other Financial Assets	2,363,728	4,481,968
Loans and advances to related parties	600	600
	<u>2,364,328</u>	<u>4,482,568</u>

8 Deferred Tax Assets (net)

	31 March 2021	31 March 2020
Deferred Tax Assets (net)	2,960,644	1,318,664
	<u>2,960,644</u>	<u>1,318,664</u>

Significant items of Deferred Tax Asset		
Particulars	31 March 2021	31 March 2020
WDV as per Income Tax Act	9,863,812	4,262,879
WDV as per Companies Act	1,420,489	2,317,797
Timing Difference		
Difference in WDV as per IT and Books	8,443,323	1,945,082
Provision for Leave Encashment	1,598,894	1,408,063
Provision for Gratuity	599,925	1,386,842
Total Timing Defference (Deferred Tax Asset)	10,642,142	4,739,987
Tax rate	27.82%	27.82%
Deferred Income Tax @ 27.82%	2,960,644	1,318,664

9 Other assets

	31 March 2021	31 March 2020
Non-current assets		
<i>Unsecured, considered good</i>		
Advances other than capital advances		
Advance to ESOP Trust	3,500,000	3,500,000
Advance to vendors	-	-
	<u>3,500,000</u>	<u>3,500,000</u>
Current assets		
<i>Unsecured, considered good</i>		
Balance with Govt authorities	12,187,736	15,734,703
Advances other than capital advances		
Staff advances	116,970	-
Other advances	20,634,620	25,201,720
Prepaid expenses	1,449,643	2,158,480
Unbilled revenue	3,363,414	762,952
	<u>37,752,383</u>	<u>43,857,855</u>

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

10 Trade receivables

	31 March 2021	31 March 2020
Unsecured, considered good	144,711,126	112,500,688
	144,711,126	112,500,688
Less Provision for doubtful debts	(1,843,937)	(1,843,937)
Total Trade receivables	142,867,189	110,656,751

*Above trade receivable are inclusive of related party trade receivables for Rs.54,838,794/- & Rs. 60,535,380/- for 31 March, 2021 & 31 March, 2020 respectively

11 Cash and cash equivalents

	31 March 2021	31 March 2020
Balances with banks:		
- On current accounts	27,399,767	11,971,399
Cash on hand	10,348	10,798
Total Cash and cash equivalents	27,410,115	11,982,197

12 Other bank balances

	31 March 2021	31 March 2020
Term deposits with Banks with original maturities of less than 1 year	32,090,855	12,420,507
Total Other bank balances	32,090,855	12,420,507

13 Current Tax Assets (Net)

	31 March 2021	31 March 2020
TDS Receivable	7,132,740	62,115,209
Advance Tax	2,550	-
MAT entitlement	44,074,218	64,600,912
Less: Provision for Income tax	-	-
Total Current Tax Assets (Net)	51,209,508	126,716,121

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

14 Share Capital

	31 March 2021	31 March 2020
Authorised Share Capital		
50,000,000 (March 31, 2020: 50,000,000) equity shares of ₹. 10 each	<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and fully paid-up		
16,936,843 (March 31, 2020: 16,936,843) equity shares of ₹. 10/- each		
fully paid-up	<u>169,368,430</u>	<u>169,368,430</u>
	<u>169,368,430</u>	<u>169,368,430</u>

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

Particulars	31 March 2021		31 March 2020	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	16,936,843	169,368,430	16,936,843	169,368,430
Issued during the year	-	-	-	-
Outstanding at the end of the year	16,936,843	169,368,430	16,936,843	169,368,430

(b) Terms / rights attached to the equity shares

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

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

Particulars	31 March 2021		31 March 2020	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
1. Marepally Raghunadha Rao	3,006,129	17.75%	2,137,793	12.62%
2. Aspire Emerging Fund	-	0.00%	952,486	7.37%
	3,006,129	17.75%	3,090,279	18.24%

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

15 Other equity

	31 March 2021	31 March 2020
Share premium		
Opening balance	2,052,380,129	2,052,380,129
Add: Premium on fresh issue	-	-
Closing balance	2,052,380,129	2,052,380,129
General Reserve		
Opening balance	24,001,603	24,001,603
Add: Transfers during the year	-	-
Closing balance	24,001,603	24,001,603
Retained earnings		
Opening balance	(1,074,883,518)	(1,093,542,718)
Profit/(loss) for the year	(37,600,955)	18,575,064
Excess dividend of prior years reversed	-	-
Other comprehensive income	456,720	84,136
Closing balance	(1,112,027,753)	(1,074,883,518)
Total other equity	964,353,979	1,001,498,214

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

16 Borrowings

	31 March 2021	31 March 2020
Non-current Borrowings		
Secured loans		
Term loans		
- From banks	-	-
Total non-current borrowings	-	-

17 Provisions

	31 March 2021	31 March 2020
Non-Current		
Provision for employee benefits		
- Gratuity (refer note 33)	599,925	1,273,169
- Compensated absences	-	-
	599,925	1,273,169
Current		
Provision for employee benefits		
- Gratuity (refer note 33)	-	113,673
- Compensated absences	1,598,894	1,408,063
	1,598,894	1,521,736

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

18 Trade payables

	31 March 2021	31 March 2020
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	8,363,692	10,501,801
	8,363,692	10,501,801

19 Other financial liabilities

	31 March 2021	31 March 2020
Employee payables	336,615	382,987
Provision for expenses	31,648,120	6,283,378
Other liabilities	15,403,185	16,080,143
	47,387,920	22,746,508

20 Other current liabilities

	31 March 2021	31 March 2020
Statutory Dues	1,043,044	1,593,167
	1,043,044	1,593,167

21 Revenue from operations

	31 March 2021	31 March 2020
Revenue from Export services	146,167,322	213,294,644
Revenue from Domestic services	20,576,013	56,563,266
	166,743,335	269,857,910

**There are four customers contributing 10% or more of revenue from operations which comes to ₹ 119,127,020 for the FY 2020-21.*

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

22 Other income

	31 March 2021	31 March 2020
Interest income	8,256,744	766,651
Miscellaneous income	7,122,672	641,239
	15,379,416	1,407,890

23 Direct Cost

	31 March 2021	31 March 2020
Software Expenses	1,332	86,685
Subcontractor Expenses	64,825,929	34,179,842
	64,827,261	34,266,527

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

24 Employee benefits expense

	31 March 2021	31 March 2020
Salaries, wages and bonus	82,451,102	144,886,467
Contribution to provident and other funds	2,056,851	3,811,508
Staff welfare expenses	1,403,073	2,157,551
	85,911,026	150,855,526

25 Depreciation and amortisation expense

	31 March 2021	31 March 2020
Depreciation of tangible assets	864,150	1,791,154
Amortization of intangible assets	235,167	739,123
	1,099,317	2,530,277

26 Finance costs

	31 March 2021	31 March 2020
Interest on term loans	-	-
Bank Charges	546,900	424,983
	546,900	424,983

27 Other expenses

	31 March 2021	31 March 2020
Directors' Sitting Fees	395,000	375,000
Power and fuel	1,625,896	6,036,243
Auditor's Remuneration	1,200,000	1,214,701
Repairs and maintenance		
- Plant and equipments	1,148,846	143,520
- Others	580,433	373,601
Meeting Expenses	89,489	281,621
License, Immigration And Permits	330,023	541,511
Rent	16,305,160	21,034,854
Business promotion and advertisement expenses	5,573,837	423,961
Service Tax Expenses	-	8,638,507
Travelling and conveyance	3,931,694	8,623,218
Rates and taxes	257,778	1,216,165
Legal and professional charges	6,615,615	8,276,189
Printing and stationary	20,964	185,098
Communication expenses	1,078,724	2,079,904
Insurance	1,345,318	1,478,545
General Office Expenses	2,073,070	2,629,546
Advances written off	698,377	111,670
Loss on Exchange Rate Fluctuation	8,717,523	(5,954,839)
	51,987,747	57,709,015

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

28 Tax expenses

	31 March 2021	31 March 2020
Current income tax:	15,589,333	-
Current income tax charge	1,404,102	7,226,046
Mat Credit entitlement	-	-
Deferred tax:		
Relating to originating and reversal of temporary differences	(1,641,980)	(321,638)
Income tax expense recognised in the statement of profit or loss	15,351,455	6,904,408

Income Tax Reconciliation	31 March 2021	31 March 2020
Profit/(loss) before tax as per Profit & Loss A/c	(22,249,500)	25,479,472
Indian statutory income tax rate	27.82%	27.82%
Expected income tax expense	0	7,088,389
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense under U/s 115JB (MAT Provisions)		
Profit/(loss) before tax as per Profit & Loss A/c	(22,249,500)	25,479,472
Loss or unabsorbed depreciation, which ever is less	15,255,726	15,255,726
Adjusted Book Profit (MAT) U/s 115JB	(22,249,500)	10,223,746
Income Tax	0	7,226,046
of Which MAT credit entitlement	0	0
Deferred Tax asset (Refer Note No.8)	(1,641,980)	(321,638)
Tax relating to previous years	0	-
Total Income Tax expenses	0	6,904,408

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

29 Contingent liabilities and commitments

Particulars		As at 31 March 2021	As at 31 March 2020
i)	Appeal is pending before Income Tax Appellate Tribunal, Hyderabad for AY 2013-14	20,929,300*	20,929,300*
ii)	Appeal is pending before Hon'ble Dispute Resolution Panel, Bangalore for AY 2014-15	67,960,990*	67,960,990*
iii)	Against bank guarantees issued by banks towards financial & performance guarantees outstanding	-	1,420,000
iv)	There was service tax demand (for the years 2010-12, 2012-13 & 2013-14) on the company on account of three-Procurement contract executed in Bangladesh for Bangladesh Government, treating of business support, against which company filed appeal before CESTAT, Bangalore	8,519,526	8,519,526
v)	The company had filed application for compounding before the RBI for obtaining permissions under the FEMA provisions relating to the transfer of funds to WOS, company, by the branch which was returned back on procedural aspects. The company had compiled the necessary information and is in the process of re-submitting the same through a subject expert.		
*	Consequential orders are pending before Assessing officer, pursuant to orders from Honorable Income tax Appellate Tribunal Hyderabad, for Asst Years 2013-14 and Asst Year 2014-15 involving tax amount of Rs 20,929,300/- and 67,960,990/- respectively. These demands are however offset against brought forward losses and MAT Credit Entitlement of earlier years. In case of favorable orders the said losses and MAT Credits will be restored.		

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

30 Related party disclosures

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

Name of the parties	Relationship
Gss Infotech Inc (A delaware Company)	Wholly owned Subsidiary
GSS IT Solutions Private Limited	Wholly owned Subsidiary
GSS Healthcare IT Solutions Private Limited	Wholly owned Subsidiary
GSS Infotech CT Inc (Formerly known as SystemDynamix Corporation)	Step down Subsidiary
Infovision Technologies, Inc	Step down Subsidiary
InfovistaTechnologies Inc	Step down Subsidiary
Technovant Inc	Step down Subsidiary
Mr. Bhargav Marepally	Chief Executive Officer and Managing Director

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

Particulars	31-March-21	31-March-20
i		
Managerial Remuneration to Key Management Personnel	-	-
ii		
Investment in Capital of Subsidiaries		
GSS Infotech INC (a Delaware Company)	-	-
iii		
Advances to Subsidiaries		
GSS IT Solutions Pvt Ltd	-	-
GSS Healthcare IT Solutions Pvt Ltd	-	-
iv		
Payment received from Subsidiaries against Advances		
GSS Healthcare IT Solutions Pvt Ltd	-	-
v		
Sales to Subsidiaries		
Gss Infotech CT Inc	17,292,801	20,873,344
Nexii Labs Inc	1,492,357	60,873,000
vi		
Loan Received	-	-
vii		
RePayment against Loans		
Mr. Ramesh Yerramsetti	-	-
Mr. Bhargav Marepally	-	-
viii		
Amounts Writtenoff		
GSS IT Solutions Pvt Ltd	-	-
GSS Healthcare IT Solutions Pvt Ltd	-	-

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

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

Particulars	As at 31 March 2021	As at 31 March 2020
i) Investment in Capital of Subsidiaries		
GSS Infotech INC (a Delaware Company)	890,940,578	890,940,578
GSS IT Solutions Pvt Ltd	99,900	99,900
GSS Healthcare IT Solutions Pvt Ltd	99,900	99,900
ii) Advances Receivable from Subsidiaries		
GSS Infotech INC (a Delaware Company)	-	-
GSS IT Solutions Pvt Ltd	-	-
GSS Healthcare IT Solutions Pvt Ltd	600	600

d) Terms and conditions of transactions with related parties:

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

31 Segment information

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

Particulars	2020-21	2019-20
Business from United States of America	100,853,741	156,602,976
Business from Bangladesh	45,313,581	56,691,668
Domestic	20,576,013	56,563,266
TOTAL:	166,743,335	269,857,910

32 Auditors' remuneration includes

Particulars	31-Mar-21	31-Mar-20
Statutory audit fee	1,200,000	1,200,000
Other services	-	-
Out of pocket expenses	-	14,701
Total	1,200,000	1,214,701

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

33 Gratuity

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

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

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

Particulars	31-Mar-21	31-Mar-20
Opening balance	3,444,651	2,855,291
Service cost	677,396	861,686
Past Service cost	-	-
Interest cost	234,236	182,025
Benefits paid	(357,253)	(205,771)
Actuarial gain	(469,444)	(248,580)
Closing balance	3,529,586	3,444,651
Present value of projected benefit obligation at the end of the year	3,529,586	3,444,651
Fair value of plan assets at the end of the year	2,929,661	2,057,809
Net liability recognised in the balance sheet	599,925	1,386,842
Long term provision	3,431,098	3,330,978
Short term provision	98,488	113,673

Expenses recognised in statement of profit and loss	31-Mar-21	31-Mar-20
Service cost	677,396	861,686
Interest cost	92,029	71,122
Gratuity cost	769,425	932,808
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to financial assumption changes	(469,444)	(248,580)
Return on plan assets greater (less) than discount rate	12,724	164,444
Total expenses routed through OCI	(456,720)	(84,136)

Assumptions	31-Mar-21	31-Mar-20
Discount rate	6.80% p.a.	6.80% p.a.
Future salary increases	4.00% p.a.	4.00% p.a.
Employee turnover	3.00% p.a.	3.00% p.a.

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

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

	31-Mar-21	31-Mar-20
Effect of + 1% change in rate of discounting	3,248,383	3,153,718
Effect of - 1% change in rate of discounting	3,857,951	3,785,998
Effect of + 1% change in rate of salary increase	4,135,289	4,105,821
Effect of - 1% change in rate of salary increase	3,030,836	2,907,427
Effect of + 1% change in rate of employee turnover	3,771,940	3,711,606
Effect of - 1% change in rate of employee turnover	3,259,806	3,145,822

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

34 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2017 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

	Particulars	31-Mar-21	31-Mar-20
a)		NIL	NIL
b)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	NIL	NIL
c)	the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	NIL	NIL
d)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	NIL	NIL
e)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL

the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

35 Leases

Where the Company is a lessee:

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

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

Particulars	31-Mar-21	31-Mar-20
Not later than 1 year	-	3,522,645
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

ii) Amounts recognised in statement of profit and loss:

Particulars	31-Mar-21	31-Mar-20
Cancellable lease expense	11,081,091	10,500,648
Non - cancellable lease expense	5,224,069	10,534,206
Total	16,305,160	21,034,854

36 Earnings per share

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

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

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

Particulars	31-Mar-21	31-Mar-20
Loss for the year	(37,600,955)	18,575,064
Less: Preference dividend for the year	-	-
Less: Tax on preference dividend	-	-
Loss attributable to equity share holders	(37,600,955)	18,575,064
Shares		
Weighted average number of equity shares outstanding		
during the year – basic and diluted	16,936,843	16,936,843
Earnings per share of par value ₹. 10 – basic (₹.)	(2.22)	1.10
Earnings per share of par value ₹. 10 – diluted (₹.)	(2.22)	1.10

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

37 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020. The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

Interest rate sensitivity

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

	Increase/ decrease in interest rate	Effect on profit before tax
March 31, 2021		
INR	+1%	-
INR	-1%	-
March 31, 2020		
INR	+1%	-
INR	-1%	-

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to ₹. 144,711,126 (March 31, 2020 : 112,500,689). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	31-Mar-21	31-Mar-20
Opening balance	1,843,937	1,843,937
Credit loss provided/ (reversed)	-	-
Closing balance	1,843,937	1,843,937

No single customer accounted for more than 10% of the revenue as of March 31, 2021 and March 31, 2020. There is no significant concentration of credit risk.

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

c) Liquidity risk

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

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

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended March 31, 2021						
Borrowings	-	-	-	-	-	-
Trade payables	10,461,274	(2,097,582)	-	-	-	8,363,692
Year ended March 31, 2020						
Borrowings	-	-	-	-	-	-
Trade payables	7,615,318	2,886,664	-	-	-	10,501,802

GSS INFOTECH LIMITED

Notes forming part of the standalone financial statements

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

38 Capital management

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

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

The capital structure as of March 31, 2021 and March 31, 2020 was as follows:

Particulars	31-Mar-21	31-Mar-20
Total equity attributable to the equity shareholders of the Company	1,133,722,409	1,170,866,644
As a percentage of total capital	100.00%	100.00%
Long term borrowings including current maturities	-	-
Short term borrowings	-	-
Total borrowings	-	-
As a percentage of total capital	0.00%	0.00%
Total capital (equity and borrowings)	1,133,722,409	1,170,866,644

39 Prior year comparatives

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

As per our report of even date attached

for RAMBABU & CO

Chartered Accountants

ICAI Firm Registration Number:002976S

for and on behalf of the Board of GSS Infotech Limited

CIN: L72200TG2003PLC041860

GVL Prasad

Partner

Membership No.: 026548

Bhargav Marepally

CEO & Managing Director

DIN: 00505098

A.Prabhakara Rao

Director

DIN: 02263908

Place: Hyderabad

Date: 09-June-2021

Ravi Kumar Jatavallabha V

Chief Financial Officer

Amrita Singh

Company Secretary



GSS INFOTECH LIMITED

CIN : L72200TG2003PLC041860

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