



Chairman's Speech

AGM 12th August 2022

Ladies & Gentlemen,

Before we start with the meeting, I would like to introduce my colleagues on the Board, Mr. Ramraj, Mr. S K Jain, Mr. Richard Launder, and Mrs. Sarita Jain. Our Statutory Auditor, Mr. D N Agrawal, Partner of Deoki Bijay & Co. is also present here along with Mr. Vijendra Surana, our CFO & Company Secretary, Mrs Nilima Joshi, Partner Chaturvedi & Co., Internal Auditors and Mr Mohan Goenka, practicing Company Secretary & Scrutinizer for this meeting.

With great pleasure, I welcome you all to the thirty-fourth Annual General Meeting of your company, RS Software (India) Limited. The Directors Report and the Auditors Report for the year ending 31st March 2022 are already with you and with your kind permission, I take them as read. As you are aware the requirement of sending physical copies of the Notice and Annual Reports has been dispensed off vide the circulars from the Ministry of Corporate affairs and that of SEBI. Now I take up the formal proceedings of the meeting with your kind permission. As there are no qualifications in the Auditors Report, I take the Notice convening the meeting and auditors' report as read?

Fiscal 2022 has set the foundation to win, and it feels almost like 'lull before the storm'. During the first four months of the current fiscal, we have been responding to some major opportunities for payments modernization, both in the developed world, and in the developing world. We are humbled to claim that approximately 33% of the global 2021 volume of real-time payment transactions (118 billion globally) happened on the platforms built exclusively by *RS Software*. India's success story with digital payments is unfolding every minute to achieve the next level of success, and what enables this unprecedented set of achievements are the three major payment platforms exclusively built by RS Software. In India, you, and I as consumers are direct beneficiaries of products like UPI and bill payments.

At the same time your company has also built and operates the Enterprise Fraud and Risk management platform for India, which is saving potential money loss that can occur from fraud when we use the digital payment infrastructure. I am pleased to inform that annually thousands of crores of rupees are being saved for Indian citizens and businesses. All of this is possible because your company is constantly pursuing with passion and investing in innovation technologies like advances in AI algorithms, quantum computing, and blockchain that will continue to radically alter the payments ecosystem. What is driving us is the patience and the commitment to do all we can for our stakeholders, the belief in ourselves that continues to be reinforced by our existing and potential customers, the

validation of our strategy to focus on the payments modernization opportunity, and the conviction in what we are here for, which is to transform humanity with the power of payments. Our corporate journey of 30+ years is enriched, while working with global leaders and start-ups alike.

We are confident to win good number of these major opportunities we are responding to, and that will be evident in our performance in the next few quarters. At RS Software, innovation, creativity, and entrepreneurship come together in delivering payment systems that impact people, country, businesses and government, making it possible for us to address the demand for new types of financial infrastructure, globally, which enables shared digital capabilities. The company's leadership is committed to execute a fine balance that helps to achieve optimal cashflow based financial strategy, while reaching out in the market with its strategic partnering model to go after the continuing growth opportunities in payments modernization.

Making this world a better place to be

The bedrock of India's digital payment infrastructure, the three major platforms have built a solid foundation for India, making it amongst the first few countries globally to announce the launch of central bank digital currency (CBDC). How money moves has undergone and is undergoing

huge, unprecedented change increasingly, - cards, digital and mobile payments dominate, and cash is fast on the way out. Advances in technology, the COVID-19 pandemic, cryptocurrency, and more, have shaped the movement of money and have redefined roles for banks and cash systems. The COVID-19 pandemic has accelerated the move away from cash and lots of youngsters don't carry cash anymore. There will come a moment, and it's approaching fast, when merchants and shopkeepers will say, "Why keep accepting cash, We are going to stop accepting cash."

India is leading the world in terms of digital payments innovations. Its payment systems are available 24X7, available to both retail and wholesale customers, and they are largely real time. The cost of transaction is perhaps the lowest in the world, and users have an impressive menu of options for doing transactions. No wonder, digital payments are growing at an impressive rate. While presenting the Budget 2022, the Indian Finance Minister Nirmala Sitharaman stated that Digital Rupee, the name of the Central Bank Digital Currency in India, will give a big boost to the digital economy. Digital currency will also lead to a more efficient and cheaper currency management system, she said.

To counter the cryptocurrency craze, the central banks across the globe are taking a keener look at introducing central bank digital currencies. Central

Bank Digital Currencies is the digital form of a country's fiat currency. This will be issued by the federal bank of that country.

As per a PhonePe-Boston Consulting Group report titled "Digital payments in India: A \$10 trillion opportunity", India's digital payments market is expected to increase more than threefold from the current \$3 trillion to \$10 trillion by 2026. This would translate to digital payments constituting 2 out of 3 payment transactions by 2026. Your company is committed to leverage this opportunity for its growth in the coming months and years ahead. The company's strategic move to build products and platforms, at significant investment is starting to payoff and is helping to get traction with some powerful opportunities. All this augurs great for our company which has a track record for 30 years to pivot itself and respond to the changing demands of the markets globally.

A quote from Khalil Gibran has often inspired me and the journey of RS Software.

"The optimist sees the rose and not its thorns. The pessimist stares at the thorns, oblivious to the rose."

My fellow shareholders, I take this opportunity to offer my sincere thanks to the members of the Board who guide the company with their wise counsel, the management team that continues to put in significant efforts, and of course every member of the RS family who is working with total

commitment to achieve the growing success of the company. The company will continue its commitment to corporate social responsibilities. I would like to take this opportunity to thank you for your gracious presence at this meeting and for your continued faith and support that you have tendered towards the company.

On behalf of the management and employees of your company, I assure you that we will put our best efforts in transforming and scaling the company to new heights of success.

Thanking You,

Mr. Raj Jain

Chairman & Managing Director