

Rashtriya e Market Services Private Limited

**Extract of Annual Return
As on March 31, 2021**

Form MGT 9

Extract of Annual Return as on the financial year ended March 31, 2021

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

I. REGISTRATION AND OTHER DETAILS:

Corporate Identification Number (CIN)	U01200KA2014PTC073119
Registration Date	January 20, 2014
Name of the Company	Rashtriya e Market Services Private Limited
Category/Subcategory of the Company	Company limited by Shares/ Indian Non-Government Company
Address of the Registered office & contact details	No. 16, 2 nd Floor, Karnataka State Agricultural Marketing Board Building, 2 nd Raj Bhavan Road, Bengaluru – 560001 Karnataka Tel: 91 80 22862156 Website: www.remsl.in
Whether listed Company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Providing the Unified Market Platform to the regulated markets in Karnataka for auctioning / trading of agricultural produce of the farmers	0163	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	NCDEX e-Market services Ltd 1st Floor, Akruthi Corporate Park, LBS Marg, Kanjur Marg (W), Mumbai 400078	U93090MH2006 PLC165172	Associate	50%	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 1, 2020				No. of Shares held at the end of the year i.e. March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government (s)	-	50 lakh shares	50 lakh shares	50%	-	50 lakh shares	50 lakh shares	50%	-
d) Bodies Corporate	-	50 lakh shares	50 lakh shares	50%	-	50 lakh shares	50 lakh shares	50%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters (A)	-	100 lakh shares	100 lakh shares	100%	-	100 lakh shares	100 lakh shares	100%	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 1, 2020				No. of Shares held at the end of the year i.e. March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non-Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	100 lakh shares	100 lakh shares	100%	-	100 lakh shares	100 lakh shares	100%	-

(ii) Shareholding of Promoters –

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 1, 2020			Shareholding at the end of the year i.e. March 31, 2021			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Government of Karnataka	50 lakh shares	50%	None	50 lakh shares	50%	None	0 %
2	NCDEX e Markets Limited	50 lakh shares	50%	None	50 lakh shares	50%	None	0 %

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	There is no change in the shareholding of promoters during the period 01.04.2020 to 31.03.2021			
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)				
3	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2020		Cumulative Shareholding end of the year 31.03.2021	
		No. of shares	% of total shares of Company	No. of shares	% of total shares of Company
1.	At the beginning of the year	-	-	-	-

2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): (a) Increase in Promoters Shareholding (b) Reasons for increase	-	-	-	-
3.	At the end of the year	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	None of the Directors or Key Managerial Personnel hold shares in the Company			
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
3	At the end of the year				

V. INDEBTEDNESS:

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

Particulars	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the F.Y.				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the F.Y.	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Managing Director & CEO
		Mr. Manoj Rajan
1	Gross salary	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) of Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as a percentge of profit	-
5	Others	2,59,560
	Total (A)	2,59,560
	Ceiling as per the Act (@ 5% of profits calculated under Section 198 of the Companies Act, 2013)	-

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Fee for attending board/committee meetings. Amt. in Rs.	Commission Amt. in Rs.	Others, Please Specify Amt. in Rs.	Total Amt in Rs.
	Non-Executive Directors				
1.	Mr. T M Vijay Bhaskar*	11,112	0	0	11,112
2.	Mr. Ravi Kumar P**	11,112	0	0	11,112
3.	Mr. R Ramaseshan	27,780	0	0	27,780
4.	Dr. N Nagambika Devi***	5,556	0	0	5,556
5.	Mr. Rajesh Kumar Sinha****	11,112	0	0	11,112
6.	Mr. Arun Balakrishnan	22,224	0	0	22,224
7.	Mr. Karegowda	16,668	0	0	16,668
8.	Mr. Tushar Giri Nath*****	16,668	0	0	16,668
9.	Mr. Mrugank Paranjape*****	00	0	0	00
	Total-B				1,22,232

Sl. No.	Particulars of Remuneration	Fee for attending board/committee meetings. Amt. in Rs.	Commission Amt. in Rs.	Others, Please Specify Amt. in Rs.	Total Amt in Rs.
	Total Managerial Remuneration (A+B)				3,81,792
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)			NIL	

*Mr. T.M. Vijay Bhaskar - Ceased to be as Director & Chairman on the Board of the Company w.e.f January 04, 2021.

**Mr. P Ravi Kumar - Appointed as Director & Chairman of the Company w.e.f January 04,2021.

***Dr. N. Nagambika Devi - Ceased to be as Director on the Board of the Company w.e.f July 30, 2020.

****Mr. Rajesh Kumar Sinha - Ceased to be as Director on the Board of the Company w.e.f September 30, 2020.

*****Mr. Tushar Giri Nath - Appointed as Director of the Company w.e.f July 30, 2020.

*****Mr. Mrugank Paranjape - Appointed as Director of the Company w.e.f December 07, 2020.

C. Remuneration to key managerial personnel other than MD/Manager/WTD

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
	Gross salary				
		Amount in Rupees			
1.	(a) In-charge allowance	00		-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	5,47,469	-	5,47,469
	(c) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	-	NIL
	(c) 17 (3) Income-tax Act, 1961 Profits in lieu of salary under section	NIL	Nil	-	Nil
2.	Stock Option	NIL	Nil	-	Nil
3.	Sweat Equity	NIL	Nil	-	Nil
4.	Commission as a percentage of profit	NIL	Nil	-	Nil
5.	Others to: Employer's contribution P F and Gratuity	-	NIL	-	NIL
	Total	-	5,47,469	-	5,47,469

D. Penalties/Punishment/Compounding of offences:

There were no penalties, punishment or compounding of offences during the year 2020-21

Compliance under Rule No.9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline of Company's CSR policy:

The Company's long-term CSR objective is 'to improve the quality of life of the people and environment.' The Company shall positively impact and influence its employees and partners in fostering a sense of social commitment and responsibility.

ReMS priority for undertaking developmental activities will be in rural areas of the states in which it is operating. The Company may also support initiatives in other geographies, as approved by the CSR Committee of the Board, from time to time.

While the Company's objective is that the benefits from CSR activities reach all communities by focussing attention on those groups that are socially and economically marginalized and in particular, economically weaker farmers. These would include women, girl children, physically challenged, and scheduled castes and tribes.

CSR Focus Areas:

ReMS CSR initiatives have thrust focus on four areas – Health & sanitation, education, agro-assistance and livelihoods. Besides, it will also undertake interventions in the areas of environment and disaster relief, etc. all aimed at improving the quality of life of communities.

The CSR Committee of the Board will evolve Annual Business Plan for CSR and will recommend to the Board for its approval. The CSR Committee will review the implementation of projects from time to time.

A CSR Steering Committee constituted by MD & CEO, comprising of employees of the Company under the chairmanship of the Managing Director & CEO will periodically monitor achievements against targets of

the projects/schemes and suggest midcourse corrections wherever felt necessary and report to the CSR Committee

2. Overview of projects and programmes undertaken

Agriculture Marketing Reforms & Policy 2013 of Government of Karnataka lays emphasis on empowering farmers and farmer groups to improve the Agriculture Marketing System in the state. ReMS is presently engaged in popularizing e-trading in the Agricultural markets through its software, facilitating farmers to get competitive prices for their agricultural produce. Quality produce in agricultural markets fetches higher prices and the Company intended to handhold Farmer's organisations to add value for the commodities brought to the market by their members by extending financial assistance for procurement of equipment which would be utilised by the members of the organization to improve the quality. The farmer groups will be in a position to sell their commodities directly to the consumers there by improving their returns, economic conditions and entrepreneurial skills.

3. Reference to the Web-link to the CSR policy:

The link for the CSR policy and other disclosure is <http://www.remsl.in/index.php/about-us/csr>.

4. Composition of CSR committee.

Mr. R. Ramaseshan – Chairman

Mr. Tushar Giri Nath – Member

Mr. Manoj Rajan – MD & CEO

5. Average net profit of the Company for the last three financial years:

Rs 10.20 crores.

6. Prescribed CSR expenditure for 2020-21 (2% of the average Net profit during the three preceding years)- Rs. 20.40 lakhs.

7. Details of CSR amount spent during the financial year: NIL

8. Amount unspent if any: NIL

Form No. AOC-2

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

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

Description	Particulars
1. Details of contracts or arrangements or transactions at Arm's Length basis:	
(a) Name(s) of the party and nature of relationship	NCDEX e Markets Limited (NeML), a JV partner having 50% Shareholding in the Company.
(b) Nature of contract/ / arrangements/ transactions	NeML provides hosting and maintenance of the Unified Market Platform (UMP).
(c) Duration of the contract/ arrangements/ transactions	The services are provided by NeML till March 31, 2020 and further extension of two years has been approved by the Board at its 30 th Board Meeting held on March, 24, 2020.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	<p>NeML provided the aforesaid services initially free of charge till March 2015.</p> <p>For the year 2015-16 the fee paid was Rs.100 lakhs plus taxes and for the year 2016-17 & 2017-18 the fee paid was Rs.320 lakhs plus taxes per annum and for the years 2018-19 & 2019-20 the fee paid was Rs.352 lakhs plus taxes per annum.</p> <p>Extension of the service was approved by the Board at its 30th Meeting held on March 26, 2020 for the period of two years and accordingly, a fee of Rs. 352 lakhs plus taxes was fixed and paid to NeML till July 2020.</p>

Description	Particulars
	<p>During the period between July 2020 and January 2021, Government of Karnataka revised the TC rate four times and in the last revision on 02.01.2021, fixed it at Rs.1 paise per Rs.100 trade value, a steep reduction by 90% of the rate that was prevailing prior to 27.07.2020. Under these circumstances, discussions were held between the Company and the J V Partner and it was mutually agreed and paid a fee of Rs.15 lakhs plus taxes per month for the period from August 2020 to March 2021.</p>
(e) Justification for entering into such contracts or arrangements or transactions	<p>NeML has developed the software for online trading in agricultural markets and has capability to provide support and maintenance services by periodically enhancing the software and customizing to the operation's specific requirements of each agricultural market. For the present the Company is not having its own software development team and till such time it develops to build its internal capability, shall have to depend on NeML who has expertise in the area to provide the critical service.</p>
(f) Date(s) of approval by the Board	<p>The Board in its 20th Meeting held on September 15, 2017 had approved the proposal up to March 2020 and in the 30th Board Meeting held on March, 24, 2020 has approved further extension for a period of two years from 01.04.2020 to 31.03.2022 for availing the services</p>
(g) Amount paid as advances, if any	<p>No advance has been paid.</p>

Description	Particulars
2. Details of material contracts or arrangement or transactions not at Arm's Length basis:	
(a) Name(s) of the related party and nature of relationship	None
(b) Nature of contracts/arrangements/transactions	Not applicable
(c) Duration of the contracts / arrangements/transactions	Not applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Not applicable
(e) Date(s) of approval by the Board	Not applicable
(f) Amount paid as advances, if any	Not applicable

For & on behalf of the Board of Directors,

Sd/-

P. Ravi Kumar
Chairman
DIN: 02285126

Sd/-

Manoj Rajan
Managing Director & CEO
DIN: 06770734

Date: June 05, 2021

Place: Bengaluru