

# Growth is the only evidence of life.

How investment in growth will enhance Infinite's future and increase revenues and profits in a changing marketplace.



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without continual  
growth and progress...  
improvement, achievement and success  
have no meaning.

"As per forecast by leading information technology research and advisory company Gartner, the worldwide IT services spending will reach **\$1.1 Trillion in 2017**, with outsourcing contributing nearly 60% of market growth." Gartner, Inc., "Forecast: IT Services, 2011-2017, 2Q13 Update" 26 June 2013\*. According to the NASSCOM Performance Review 2013, IT-BPM exports (IT services and Business Process Management) from India are estimated to grow in fiscal **2014 by 12-14%, to \$85-87 Billion.**

To be part of this growth story, it is important that Infinite continues to invest in developing the right technologies and further invest in taking these technologies and services to the market.

\*The Gartner Report(s) described herein, (the "Forecast: IT Services, 2011-2017, 2Q13 Update") represent(s) data, research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. ("Gartner"), and are not representations of fact. Each Gartner Report speaks as of its original publication date (and not as of the date of this Prospectus) and the opinions expressed in the Gartner Report(s) are subject to change without notice.



we don't grow when  
things are easy;  
we grow when we face challenges.

In today's complex business environment, our customers face intense competitive pressures driven by rapidly changing market dynamics, changes in the economy, government regulations, globalization, virtualization and varied technology innovations. They are under constant pressure to evaluate the effectiveness of emerging technologies such as Social, Mobility, Analytics and Cloud on their business operations. With intense changes taking place in technology, markets & demographics, customers are looking for partners who will help them evolve and stay ahead of their competitors by helping them choose the right technologies for growth & reinventing their business models. The right technologies combined with the right engagement model will effectively change the way companies relate to their customers, engage with employees, bring innovation into their products and services and increase profits.

Infinite's focus on and investment in Enterprise Mobility & Messaging, Cloud-based Infrastructure Management, Broadband Networking, Service Oriented Architecture and Enterprise Analytics combined with Flexible Engagement Models enables our customers to benefit from improved efficiencies, enhanced effectiveness and drive innovation through technology to favorably impact both the bottom-line and the top-line. Now is the year for Infinite to rise up to the challenge and build the platform for the next three years of growth.




growth is never by mere chance;  
it is the result of forces working together.  
~ James Cash Penney

Global demand for technology services that provide high business outcome has created a significant opportunity for IT service providers that can successfully leverage the benefits of and address the challenges in choosing the right technologies for growth. The buyer is no longer limited to the IT department and has moved to business owners who are focused on leveraging IT for business outcomes. Outsourcing as it exists is moving rapidly to Gen 3.0 – business outcome based instead of low cost, high efficiency. Niche, Platform based solutions rather than pure play offshore services are what customers are looking for.

Infinite's successful performance validated by a four year Revenue CAGR of 30% and four year EBITDA CAGR of 36% has been due to planned major investments made in the previous years on Intellectual Property (IP) development in the Messaging Business. This approach of the right investments has fuelled growth in subsequent years and continues to do so. In FY 2013 alone, Infinite launched three products – Rich Communication Suite (RCS), Enterprise Messaging and Personal Messaging Cloud owing to its investment in growth strategy.

Infinite's planned growth entails major investments in FY14 to create compelling value propositions in each of the Businesses. Having launched three products, the growth investment in the Mobility & Messaging business will be made towards enhancing the Sales & Marketing team across USA, Europe & APAC and towards continued product upgrades.



The investor of today  
does not profit from  
yesterday's growth.  
~Warren Buffett

Results from a recent survey by Gartner shows that "80% of organizations will be using cloud services in some form within 12 months. Organized and assertive service providers that have a targeted sales approach will be best situated to take advantage of the opportunity." Gartner, Inc., "Survey Analysis: As the Cloud Services Market Grows for Segments of Buyers, Opportunities Await Service Providers " 24 June 2013.\*

Infinite's investment in Key Focus Areas over the years includes Cloud-based Tech Support – iTaaS, Broadband Networking and Enterprise Analytics.

In FY14, our investment in growth in these areas is focused on sales & marketing in order to leverage the opportunities that lie in these niche areas.

In the Product Engineering space Infinite plans to invest in revenue share deals and in building CoE (Centre of Excellence) in wireless technologies. Our go to market investments in IT Services include enhancing the Sales & Marketing Engine and start operations in Europe.

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strength and growth come  
only through continuous  
effort and struggle.  
~Napoleon Hill

Investing in growth as a priority.  
Focusing on core technology areas.  
Investing in customers for multi-year  
growth as a strategy.

The result is revenue CAGR of 30% and  
EBITDA CAGR of 36% in the four years  
leading to 2012-13.



Infinite Computer Solutions (India) Limited

# Corporate Identity

## Vision

Delighted customers...  
proud employees!

## Mission

Maximize value for customers by delivering high quality solutions and services; driven by Intellect, Innovation & Integrity; in a fun and healthy environment.

## Values

**Ignite** - Thought leadership, passion and innovation.

**Nurture** - A positive and creative environment for holistic development of human capital.

**Foster** - Freedom of thought, expression and action.

**Inspire** - Integrity and strength of character in interactions with customers.

**Challenge** - I, the individual and we the team, to achieve excellence.

**Support** - Social causes through compassion and collaboration.

## Who we are

Infinite is a global Information Technology service provider with expertise in provision of Application Management, Infrastructure Management, Product Engineering Services, Next-Gen Messaging Platforms & Enterprise Mobility Solutions.

## What we do

With a global team of over 5000, we partner with Fortune 1000 companies from Telecom, Healthcare, Media & Content, Energy & Utilities and Financial Services verticals helping them achieve objectives through flexible engagement models including risk-reward, revenue share engagements, global delivery from eight delivery centers around the world, technology & domain expertise and process excellence.

We leverage our expertise as well as large project execution experience for the benefit of our clients in areas such as Enterprise Mobility, Next-Generation Messaging Platforms, Enterprise Analytics, Cloud Enablement, SoA, Optics, Switching & Routing and platform based Tech Support Services.

## Clientele

The Company's clientele comprise leading global entities including Fortune 1000 companies from Telecom, Healthcare, Media & Content, Energy & Utilities and Financial Services verticals. We provide these clients with IT Services, Mobility & Messaging Products & Solutions and Product Engineering Services, positioning ourselves more as a strategic business partner than a mere technology vendor.

## Presence

The Company has offices in India, USA, UK, China and Singapore. We provide customer solutions through eight delivery centers in India and USA.

## Capabilities

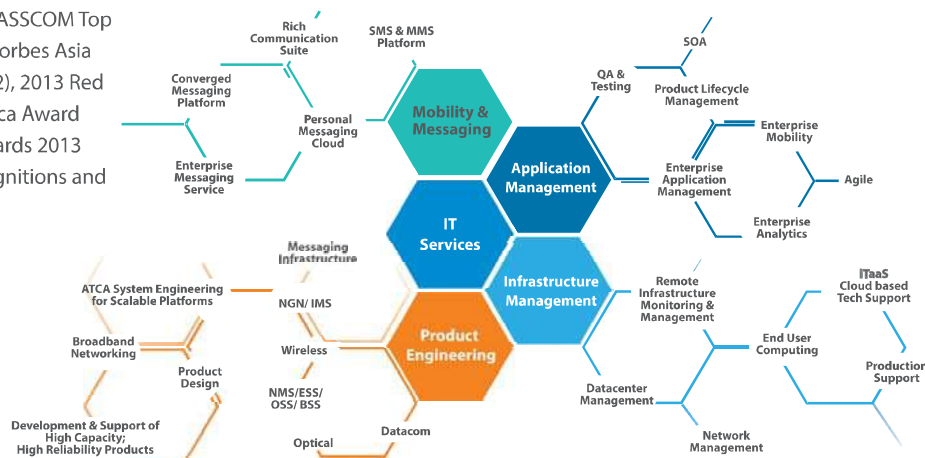
The Company's capability to provide mission-critical, business-outcome based solutions to large clients in flexible engagement formats positions us as a growth partner to our global clients.



## Recognition

The Company was listed in NASSCOM Top 20 IT Players in India (2012), Forbes Asia 200 Best Under a Billion (2012), 2013 Red Herring Top 100 North America Award and TMC CRM Excellence Awards 2013 amongst other industry recognitions and accolades.

## Service Offerings



## Our Top Customers

Customer	Relationship Age (in Years)	Relationship Scope
Leading Global SI	13	Application Management   Infrastructure Management
Large Telecom SP	13	Application Management   Infrastructure Management
Global Telecom OEM	13	Product Engineering
Global Telecom OEM	7	Product Engineering   Platform and Product Development
Healthcare Provider	6	Enterprise Application Development   QA & Testing
Global Telecom OEM	5	Mobility & Messaging
Financial Services Provider	4	Enterprise Application Management   SOA Migration   Enterprise Analytics
Tech Support Provider	4	Infrastructure Management
Information Management Services Company	3	Enterprise Application Management   Enterprise Analytics
Media & Content Company	3	Enterprise Application Management   Agile



Infinite Computer Solutions (India) Limited

# Infinite Journey

## 1999-2000

- Began Operations in New Delhi.

## 2000-01

- Assessed at SEI CMM Level 3.
- Inaugurated Bangalore Development Centre.

## 2001-02

- Assessed at ISO 9001:2000.
- Assessed at SEI CMM Level 3.

## 2002-03

- Assessed at SEI CMM Level 5.
- E&Y Entrepreneur of the Year Award for Mr. Sanjay Govil, Chairman.
- Ranked among NASSCOM's Top 20 Indian IT Companies.

## 2003-04

- Received funding of USD 6 million from White Rock Investments (Mauritius) Ltd.
- Began operations in UK.
- Received Deloitte & Touché Fast 50 Award.
- Allotted 4.48 acres at KIADB in EPIP Zone at Whitefield, Bangalore.

## 2004-05

- Assessed at CMMi v 1.1 L5.
- Ranked among Top 20 Best IT Employer by DataQuest.
- Inaugurated Whitefield campus in Bangalore.
- Began operations in Malaysia & China.
- Ranked among Deloitte Technology Fast 500 Asia Pacific Winners.
- Listed in Offshore 100 in Neo IT 2005 Offshore 100 study.

## 2005-06

- Commissioned a development centre in Hyderabad.

## 2006-07

- Certified for ISO 27001:2005.
- Recognized as one of the Top 100 Global Outsourcing Professionals (IAOP).
- Recognized as one of the Top 10 Global Telecom Outsourcing Providers by the International Association of Outsourcing Professionals (IAOP).
- Allotment of 4.85 acres from HUDA for IT SEZ at Kokapet, Hyderabad.

## 2007-08

- Acquired Comnet International, a US-based telecom solutions provider.

## 2008-09

- Setup development center in Gurgaon.

## 2009-10

- Assessed at SEI CMMi V1.2 Level 3.
- Listed on Bombay Stock Exchange and National Stock Exchange of India.

## 2010-11

- Ranked fifth in the IDC-DQ Best Employer Survey.

## 2011-12

- Listed in Forbes Asia 200 Best Under a Billion.
- Launched messaging product suite in the US public safety market.
- Named Finalists in Network Products Guide's 2012 Hot Companies and Best Products Awards.
- Finalist in the CTIA Emerging Technology Awards 2012.
- Entered APAC markets for messaging with a Japanese service provider.
- Recertified for TI9000.
- Set up SEZ facility in Whitefield, Bengaluru.

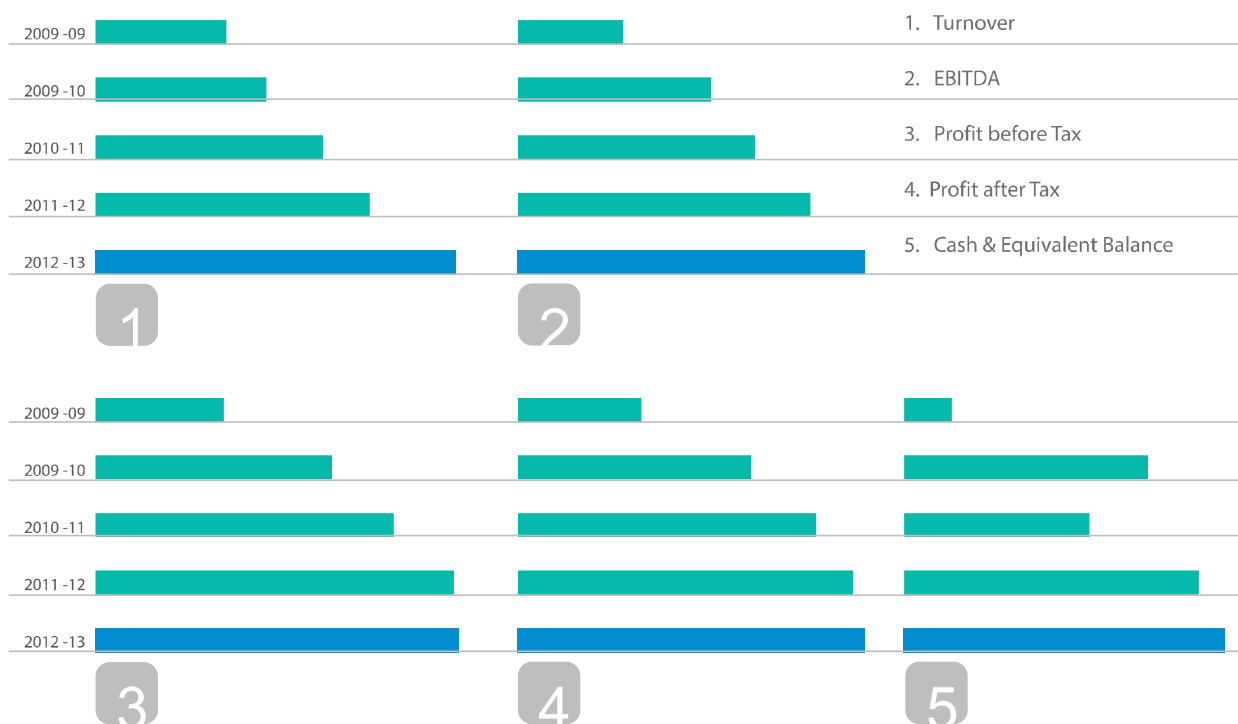
## 2012-13

- Awarded Red Herring Top 100 North America Award.
- Awarded CRM Excellence Awards 2013 by CUSTOMER Magazine.
- Listed in NASSCOM Top 20 players in IT Services.
- Certifications: TL9000 Certification R5.0 (Valid till 2014), ISO 27001:2005 (Valid till 2015), ISO 9001:2008 (Valid till 2013).

**Direction is more important than speed.**

We are so busy looking at our speedometers that we forget the milestone.

# Infinite Growth



## Industry Recognitions & Awards

Infinite has been recognized by NASSCOM amongst the Top 20 IT Players in India, by Forbes as Asia's 200 Best-Under-a-Billion companies and appeared in the Top 5 Employers of Choice in the DQ-IDC survey. Our peers and various industry bodies have recognized us for our Mobility & Messaging Platform, which includes being runners-up at Mobile Merits Awards - 2012, finalist in the CTIA Emerging Technology Awards – 2012, Red Herring Top 100 North America Award and CRM Excellence Awards 2013 by CUSTOMER Magazine. We were also named the finalist in the 2013 Hot Companies and Best Products Awards, the Fierce Innovation Awards 2012 and the World Communications Award 2012. Most recently we were adjudged India's 'Most Respected Company in Corporate Governance and Excellence' at the 4th Annual India Leadership Conclave & Indian Affairs Business Leadership Awards.



# Managing Director's Statement



## Dear Shareholders,

I am pleased to report that Infinite again delivered industry-leading growth. This growth is the result of our foresight in moving towards non-conventional business areas and engagement models, our ability and determination to remain relevant to customers, our long-term engagements with our key global clients along with our commitment towards all stakeholder groups.

That said I draw your attention to the dynamic environment prevalent in the IT Industry. Adverse economic conditions, disruptive technology permeation and the need to adapt to a dynamic consumer are forcing businesses worldwide to change the way they operate; leading to changing requirements. In order to remain relevant the IT Services Industry must adapt their offerings towards partnership-formats

and business outcome based solutions. The technology landscape has changed with mainstream adoption of technologies like Cloud Computing, Data Analytics and Enterprise Mobility along with macro-trends like Social Media and Bring-Your-Own-Device (BYOD), compelling technology services firms to pick up the baton and deliver complete, platform based solutions aimed at adding demonstrable business value.

The uncertainty attributable to slower than expected economic recovery, crises in multiple European economies and protectionist immigration measures imposed by the US; all add to the anxiety toward the future of the IT services industry. This is further complicated by a rapidly falling currency, slowing growth rates and reforms logjam closer to home.

Having foreseen this and prepared for changing situations your Company has performed extremely well this year and grown both in terms of Revenue (to USD 255.5 Million | INR 1391 Cr.) as well as in terms of Margin. This represents a top-line growth of 32% in INR terms and 16% in USD terms as against 10.2% for the Industry in FY 2012-13. This year also saw a jump in our employee base with a strong global headcount standing at 5075. Our cash and equivalents grew to INR 172 Cr. and we declared a total dividend of INR 9 per share in FY 2012-13. Our strategy of having long-term

relations with key clients continued to pay dividends and the year saw about 99% repeat business revenue. We ended the year with about 67 clients.

Over the last year, we received several prestigious awards and accolades. We have been recognized by NASSCOM amongst the Top 20 IT Players in India and by Forbes as Asia's 200 Best-Under-a-Billion companies. Our peers and various industry bodies have recognized us for our Mobility & Messaging Platform, which includes being runners-up at Mobile Merits Awards 2012, finalist in the CTIA Emerging Technology Awards 2012, Red Herring Top 100 North America Award and CRM Excellence Awards 2013 by CUSTOMER Magazine. We were also named the finalist in the 2013 Hot Companies and Best Products Awards, the Fierce Innovation Awards 2012 and the World Communications Award 2012. Most recently we were adjudged India's 'Most Respected Company in Corporate Governance and Excellence' at the 4th Annual India Leadership Conclave & Indian Affairs Business Leadership Awards.

Our efforts at growing existing customers and new customer acquisition continued across all businesses. I would like to highlight a few of them that are strategically significant.

**Our investment in growth strategy** will enable us to continue to provide attractive returns to our shareholders.

- We added our first Indian client for Enterprise Messaging Service (EMS).
- We signed up our first major client, a Global SI for ITaaS, our newly launched Cloud based Tech Support offering.
- We acquired a major product engineering deal with an industrial control and automation group in the US for turnkey product development, making it our first entry into complete electronic product development (PDLC) in the industrial control sector. With this deal we expanded our Product Engineering Services from Telecom vertical to Industrial Control and Automation.
- We expanded our offering with our top client by including our product development and ITaaS offerings.
- At the beginning of the year, we acquired state-of-the-art IT labs in India and the US from two of our Telecom OEM clients.

I am happy to share that we have demonstrated a fairly strong post-IPO growth in the last 4 years. Our Revenue grew at a CAGR of 30%; Operating Margin grew at a CAGR of 36% and PAT at around 30%. We also completed a buy back to the tune of INR 16 Cr. and paid out dividends to the tune of INR 102 Cr.

•With this strong past performance, I would like to reiterate our commitment

toward the interests of all our stakeholders in the future and to assure you that your Company is well prepared to face all challenges. With our strategy of hiring locals in the US, we are broadly isolated from the effects of the US Immigrations bill and this holds us in good stead for the future. We do not draw much business from Europe and are therefore not pulled down by the crisis in economies across the region

The changes in customer requirements are forcing the industry to innovate and adapt in order to remain relevant to customers. This year is a defining year for us to take the next big step towards becoming that niche platform product based player, not just in the Messaging and Mobility area, but also in the Product Engineering and IT Services business. In order to enhance our value proposition across key technology areas and position ourselves to take advantage of the opportunities, we intend to make strategic investments across four key initiatives

- Firstly, to strengthen our capabilities by creating multiple Centers of Excellence (CoE)
- Secondly, to create a robust Platform-based Delivery Mechanism across technologies and key verticals

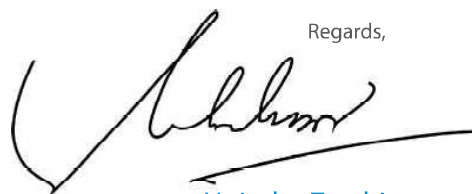
- Thirdly, invest in key technology areas including Cloud, Enterprise Analytics and Enterprise Mobility
- And finally, strengthening our global Sales & Marketing engine

To set this strategy into motion, we have divided the organization into 3 distinct business units - IT Services, Product Engineering Services and Mobility & Messaging Products. Each of these businesses is headed by a senior executive with dedicated organizations and a unique strategy to address different market opportunities.

As far as our outlook for the future is concerned, we believe that these key investments for growth along with the platforms, infrastructure, people and our existing client base will lead us to sustained growth in the next few years. I believe that our investment in growth strategy will enable us to continue to provide attractive returns to our shareholders.

Finally, I would like to place my gratitude toward customers, shareholders and employees who have supported us at every stage of our journey, with the expectation that this support continues as we move forward in a dynamic and challenging market place.

Regards,



**Upinder Zutshi**  
Managing Director & CEO



Infinite Computer Solutions (India) Limited

# Infinite Advantage

With a rapidly evolving macro-economic & business environment, we foresee the need to adapt to a future with newer technology, differentiated offerings and higher customer demands, further complicated by the need for integrated offerings and solutions. The change in the overall environment accentuates the requirement for business solutions (rather than piecemeal IT solutions) and the evolving of the IT Services Provider landscape to business partners that can offer flexible solutions to clients worldwide, effectively becoming their partner in growth. We have grown at an accelerated pace in the past and view this as an opportunity to innovate and invest for a stronger future growth. We stand at a position of advantage as many requirements to ride the wave of future growth are already in place.

## Long-Term Relations with Large Multinationals

Our long term relationships with large clients are complemented by our ability to rapidly and consistently scale business to become partners of choice. Our multi-year, multi-million dollar contracts with global giants enable stability of revenue along with lending us the ability to grow at an accelerated pace. We are one of the very few companies of our size with such relationships and stand in positions of

exceptional advantage as compared with Industry peers owing to the strength of these relationships.

## Large Complex Project Experience

We have reference-able experience in executing large, complex projects for our clients including Systems Integration experience for very large deals along with projects that require very high standards of delivery across IT services (Application Management & Infrastructure Management), Mobility & Messaging as well as Product Engineering. We have consistently proved our ability to deliver on complex projects due to the efforts of our enterprising employees, our process maturity and high quality standards.

## Foresight

With the rapid commoditization of IT services in addition to pressures exerted by prevalent global macro-economic conditions we believe that it is necessary for any company to plant the seeds of future change in order to successfully adapt and grow. With this foresight, we had set about the process of reducing our dependency on the overcrowded IT services space and have, over the past five years, invested in moving to areas that will drive rapid growth in the future.

Our foresight and ability to act has resulted in the Product Engineering as well as the Mobility and Messaging businesses that now contribute to about a third of our revenue. As we observe the forthcoming change, we know that investments in areas that are core to our future are required to ensure that we are able to maximize returns in these niches and high-growth areas.

Future technologies and trends like Cloud Computing, Mobility, Big Data Analytics, BYOD, Social Media, etc. are gaining momentum and we intend to further our expertise in these areas through Centers of Excellence, Platform Based delivery and Key Collaborations that would serve to further enhance our growth from these areas.

Due to the long term nature of our contracts, we have visibility of earnings over the forthcoming future, enabling accurate planning and projections.

## New Age Flexible Business Solutions

With the realization that the future of technology services lies in offering business solutions within partnership models, we pride our leadership in such flexible offerings such as Risk Reward & Revenue-Share models, allowing customers to concentrate their hard-

pressed resources on to areas core to their future. In doing so, we have successfully communicated that we are their partners for growth and have benefitted with their trust and partnership. With our experience in such deals, we are confident of growing this offering to clients worldwide from the current mark of around 17% of revenues.

## Our Focus Areas

### Service Oriented Architecture (SoA)

Our SoA offering enables our clients to simplify their overall architecture leading to easier maintenance, scalability and lower cost, resulting in shorter response times and higher IT alignment with Business Objectives. We offer the ADIGT framework and have developed our SoA Reference Architecture based on successful past implementations. Our clients leverage our experience across Assessment, Diagnostics, Implementation, Governance and Testing phases.

### Broadband Networking

Our switching and routing expertise and products provide a broad range of engineering solutions enabling clients to accelerate their Product Development Lifecycle. We have proven technological expertise in engineering solutions focused on the Switching and Routing

space. Top Networking and Data communication OEMs partner with Infinite to enhance product quality and accelerate development in technology areas such as IP Routing, Switching, Optical Access etc.

### Enterprise (Data) Analytics

Our Enterprise Analytics solutions are delivered by more than a hundred cross-functional experts, delivering highly effective solutions across Data Warehousing, Business Intelligence, Information Management and Research Solutions. Our client's business interfaces with our team of Business Analysts, Data Analysts, Statisticians, Solution Architects, BI Analysts, Data Integration Specialists and Industry Specific Experts to craft customized analytics solution.

### Enterprise Messaging Services & Mobility Solutions

Leveraging on our Mobility & Messaging Product Experience and Domain Knowledge, we cross-harvested our expertise in Application Development and Maintenance to offer Enterprise Messaging that allows Enterprise Business Customers to communicate with their Customers, Partners and Peers via text, pictures, audio and video messaging in a seamless and cost-effective manner.

### Next Generation Messaging

Infinite's Messaging Platform is compatible with Next-Gen technologies like LTE as well as with Legacy systems and handles in excess of 700 Billion+ messages a year supporting over 100 Million subscribers. Our platform is scalable and highly available, offering best-in-industry performance. Platform support ranges from the high volume ATCA standard (Advanced Telecommunications Computing Architecture) to our extremely scalable Cloud Application based platform.

### iTaaS

**Infinite TechSupport-as-a-Service** is our cloud based IT Infrastructure Management Platform that enables customers to have seamless performance & management view. This highly customizable platform is responsive to changing needs and requirements and is particularly relevant given the growth of BYOD across most organizations worldwide. Infinite's platform works in a modular fashion and offers Incident Management, Problem Management, Change Management, Service-level Management and Knowledge Management with benefits that range from quicker resolution, automation & standardization of IT Helpdesk function and even generation of a Knowledge base reducing future incidents.

**Highest Ethical Standards:** Having received accolades from our peers and Industry bodies alike, we believe in holding ourselves to the highest Corporate Governance standards and ensuring high levels of transparency so all stakeholders are informed of our operations and future plans.



Infinite Computer Solutions (India) Limited

# Mobility & Messaging Services

Infinite's Mobility & Messaging Business continues to demonstrate strong growth, scaling to about INR 200 Cr. in FY 2012-13. Over the past 3 years, we have continued to innovate and evolve the products and services offered by our Mobility & Messaging Division. In Q4 2012, the business leveraged the platforms acquired from Motorola (Now a part of Nokia Siemens Networks) to launch its innovative Rich Communication Suite of products and its game changing Enterprise Messaging Service. Both launches were received extremely well by the marketplace, earning the company many accolades and industry recognitions including

- Red Herring North America's Top 100
- Customer Magazine CRM Excellence Award 2013
- CTIA Emerging Technology Awards Finalist 2012
- Fierce Innovation Awards Finalist 2012, World Communication Award Finalist 2012
- Mobile Merit Awards Runner-up 2012
- NPG Hot Companies & Technologies Finalist 2012 & 2013

Infinite's Messaging Business provides a comprehensive Messaging Product Portfolio that includes Rich Communication Suite (RCS), Personal Messaging Cloud, Converged Messaging,

MMS Center, SMS Center, SMS Gateway and Enterprise Messaging Service. The messaging solutions are scalable, highly available and offer industry-leading performance. They are deployed in Tier-1 and Tier-2 mobile operators as well as Enterprises world-wide. Our products are standards-compliant and next-generation ready, supporting the needs of legacy networks as well as migration to IMS/IP based networks and LTE. Our advantage lies in our extensive experience developing messaging solutions, that helps address the unique challenges of operators' networks.

## Rich Communication Services

The Rich Communication Suite (RCS) messaging technology offers feature-rich messaging capabilities needed to reduce user churn and protect messaging ARPU. It is important for Telecom Operators to select the correct RCS partner for implementing this technology. The RCS Solution is based on OMA Simple IM and is compliant with GSMA's RCS standards



**RCS In A Network**  
When deployed with a full IMS Core infrastructure, the RCS Messaging Server functions as an Application Server (AS) in the IMS network



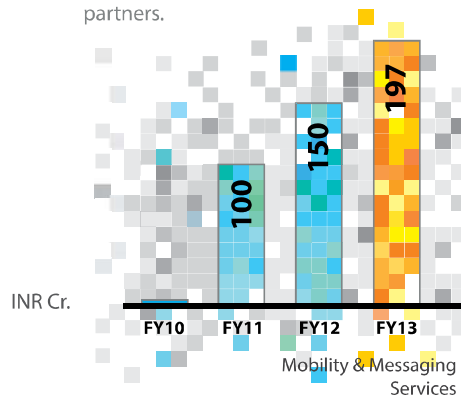
**RCS In The Cloud**  
Infinite's RCS in the Cloud allows the carrier to deploy next generation RCS messaging experiences while avoiding CAPEX and OPEX



**RCS In A Box**  
Can be deployed without an IMS Core or in conjunction with an IMS Core (devices can register directly with RCS Server based upon access technology or device type)

## Enterprise Messaging Services

Infinite's Enterprise Messaging Service (EMS) is an industry leading, cloud-based service, designed to provide enterprises with the ability to securely communicate with their customers, employees, and business partners using the same leading edge technology used to power the messaging engines of Tier-1 wireless telecom operators. Leveraging the ubiquitous nature of mobile messaging, businesses can customize their communication campaigns to support strategy, increase employee engagement, enhance communications in the business industry, foster customer loyalty, and increase revenue. Infinite's ability to integrate the service into the client's network greatly differentiates its service in the marketplace. Infinite's connectivity to 800 operators in over 180 countries ensures that any enterprise can connect to its customers, employees and business partners.





## EMS Uses



Finance

### Alerts & Notifications

- Real-time Account Information
- Payment & Other Reminders
- Security Alerts
- Security Authentication for Account Setup

### Interactive Messaging

- Query Account Transaction Information
- Balance Enquiries



Healthcare

### Alerts & Notifications

- Appointment Reminders
- Prescription Status
- Insurance Claim Status
- Preventative Care Alerts
- Health Alerts

### Interactive Messaging

- Pharmacy & Hospital
- Locations
- Appointment Changes
- Prescription Refills



Travel,  
Transportation

### Alerts & Notifications

- Flight & Hotel Confirmation
- Status Updates
- Loyalty Program Alerts

### Interactive Messaging

- Query Flight Status
- Request Room Service
- Send Special Requests

and services. The Center was completed within 2 months in December 2012. The Center allows for the simulation of complex scenarios experienced by customers in the field, as well as testing the performance of the product and platforms. This allows us to confidently stand behind commitments made to wireless carriers and enterprise customers globally. The Center has over 50 independent test systems which are used for all our Mobility & Messaging offerings. The Center has a working space of 5000 sq. ft. with a complex network of servers, switches, routers, storage networks and test simulators covering both ATCA and cloud-based platforms. A multimedia enabled Customer Demo Area is used to showcase new innovative offerings to customers and business partners using four Wifi enabled HD display systems.

Unique features of the lab include:

- 22 Racks with more than 50 Servers
- Complex protocol test equipment, load generators and networks simulators
- 100% protection against power failures (800A battery backup) for both 48VDC and AC
- Climate control with 90 tons of cooling capacity with real-time monitoring and thermal cut off alarms

- State-of-the-art Extreme Black Diamond switches for redundancy and high performance
- Advanced security system to protect lab assets and IP

The Center is connected to our global development centers via dedicated fiber optic cable and VPN to ensure round-the-clock availability to this high-tech resource. This allows our team members globally to optimize usage of the company's investment for supporting existing products and developing innovative new offerings.

Infinite leverages our global distribution and channel partnership with world class OEMs for the deployment of our Rich Communication Suite of products. We have signed a channel partnership with a Tier-1 Asian carrier for our Enterprise Messaging Service Offering (EMS) and plan to target six more such channels in the forthcoming fiscal year. As we continue to invest in our marketing capabilities, we intend to target Tier -1 global telecom operators and Tier-1 telecom OEMs for RCS, MSA and Public Safety Solutions and target Fortune 1000 companies for our EMS offering.

## Investing in High Growth Potential

In October 2012, Infinite took on the task of building a state-of-the-art lab and operations center for supporting the development, testing and deployment of our next generation mobility products

## CTIA 2013 Gems: Infinite Convergence Looks to Put Carriers in the RCS Driver's Seat

TCMnet.com | May 30, 2013

"Infinite Convergence...of those companies that we will classify as a CTIA 2013 Gem.

Infinite's RCS Messaging is built for high availability and high volume and is supported on a variety of platforms and deployment options. RCS Messaging can be deployed in-network, in the cloud or as a hosted solution. Finally, RCS Messaging supports functionality with or without an IMS core, allowing accelerated deployment options or deployment with minimum CAPEX."



Mobility & Messaging Lab | Rockville, MD, USA | 5000 sq. ft. | 22 Racks, >50 Servers

# Product Engineering Services (PES)

Infinite's Product Engineering Services (PES) Business was set up with the realization of the futility of competing in the overcrowded, bread-and-butter IT services space and the need to move away from conventional services to carve a niche space. The efforts took flight with the acquisition of a telecom products company in 2007, Comnet International which resulted in the acquisition of Motorola's Messaging platform in 2012. The PES business has grown exponentially over the past 4 years and now stands at INR 234 Cr. We continue to invest in this high growth business through the acquisition of key Intellectual Property in wireless technology in order to ensure maximum synergies and return.

- Acquired a leading Edge Switching Product from a Tier-1 OEM.
- Acquired a leading Push to Talk Product from a Tier-1 OEM.
- Acquired a leading Optics Product from a Tier-1 OEM.
- Acquired a leading Provisioning Product from a Tier-1 OEM.

This business enabled us to become strategic partners to multiple Tier-1 Telecom OEMs as we increase engagement through revenue share model and take leadership in these engagements.

- IDC: Leading Company in Innovative Business Models 2011.

- Operator: Japan Telecom Services in the 2011 Tsunami.
- OEM: Re-built the Datacom business in China.

We are a trusted long-term partner to our clients and ensure return on their investments through innovation, domain expertise and excellence in service delivery. We are one of the very few mid-sized companies with the ability to test, design and deliver six nines (99.9999%) availability in demanding environments with guaranteed delivery.

## Investing in Future Growth Potential

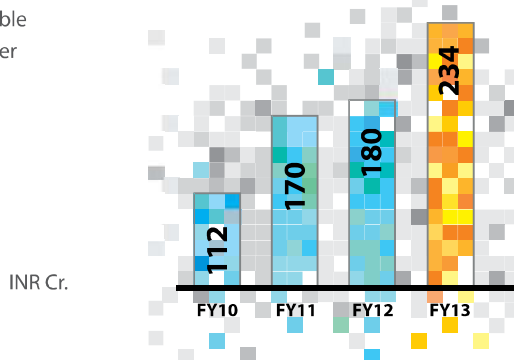
Our Telecom and Datacom lab facilities established as an 800 square feet lab has now expanded to 7500 square feet as two different labs across the globe. These labs are state-of-the-art incorporating the best of security available globally. The labs include a total of 250 racks of Datacom and Testing equipment. The network can be reached within the lab and tests conducted by engineers remotely, under a high security environment and further, equipment usage is monitored to ensure efficiency. High end test environments are created in the lab to effectively test various customer-defined and solution based scenarios including Inter Operable devices. Our belief that Customer

satisfaction is a priority has also been reiterated by customer testimonials wherein they compare the Infinite lab on par with their own high end labs.

The Telecom Industry is in a phase of rapid transition and we continue to take advantage through our key value propositions and innovative engagement models. Along with our expertise in Telecom Products, we intend to expand into high potential areas such as Healthcare and Digital Media Services and continue to build our expertise in wireless technology.

We intend to continue to enhance our revenue share engagements through the acquisition of key Datacom switching products and further augment our Intellectual Property leveraging on the Telecom OEM & Service Provider investment in 4G technology causing CDMA and 3G products coming up for outsourcing due to starvation of precious R&D budgets.

Additionally, we intend to build a Center of Excellence in wireless technology to further enhance our expertise in this high growth area. We also aim to augment our global sales & solutions team through planned investments in the forthcoming period and continue to target Tier-1 Telecom OEMs in this segment.





Product Engineering Lab | Chennai, TN, India | 3500 sq. ft. | 130 Racks

# Information Technology

## Services (IT Services)

Infinite's IT services business includes Application Management & IT Infrastructure Management Services, providing solutions for Management, Development & Maintenance of IT Applications and the Management & Optimization of IT Infrastructure for our Fortune 1000 clients. Our core areas of expertise include Enterprise Analytics, Service Oriented Architecture (SoA), Quality Assurance (QA), Datacenter Management, Network Optimization and Remote Delivery along with Enterprise Class Solutions and Our Platform Based Delivery. The IT services business has grown close to the INR 1000 Cr. mark.

The future flow of IT services companies has been disrupted through technologies such as Cloud Computing, Big Data Analysis, Social Media etc. and the need to adapt to these technologies is paramount. With this in mind, Infinite had set out on a journey to invest in capabilities that deliver services focused on advanced technological competencies differentiated further through technology solutions based on our core expertise.

### Investing in Future Growth Potential

With realization that the requirements from our clients and potential clients are evolving toward business outcome based

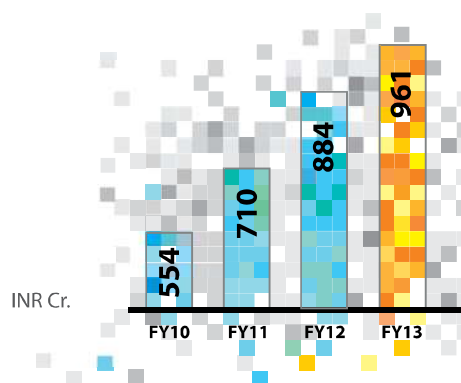
solutions we continue to invest into enhancing our platform based offerings and frameworks.

iTaaS, our unique Infrastructure Management Platform incorporating end-to-end ITSM based services for Incident/Problem/Change management using a unique blend of Service Desk, Command Center and L2/L3 operations – hosted and delivered in a Cloud based construct is one such solution already in place and we intend to further enhance our offering in other areas for our product based service delivery (in areas that include Healthcare and Publishing).

We intend to expand our presence in the European Markets and continue to invest in Sales, Marketing and Solutions teams as well as Product Partnerships to ensure that the company is in the best position to take advantage of changing requirements.

#### Key Highlights:

- Vertical orientation – going after our chosen markets – Healthcare, Telecom, Media & Content, Energy & Utilities and Banking & Finance.
- Expanding to Europe.
- Investment in 3 of the 4 key technology parameters – Mobility, Analytics and Cloud.
- Development of Platforms and Frameworks - Infinite Patient Care Platform and E-publishing platform for content creation and distribution in the Print industry.
- Investments planned in Sales, Marketing, Solutions Team & Product Partnerships.





We believe that we stand at a crucial turning point in our history having grown at a CAGR of about 30% over the past few years from revenues of INR 496 Cr. (USD 105 Million) in FY 09 to INR 1391 Cr. (USD 256 Million) in FY 13. The Indian IT industry needs to respond to the questions of relevance and value posed by clients worldwide, who in-turn, need to adapt to a changed macro-economic scenario.

As we move to the future, clients would focus more on Business Outcomes rather than IT Objectives and the IT industry would need to evolve service offerings to Partnership-based delivery with sales based on bottom line and overall objective impact.

This has been further complicated by the emergence of key Disruptive Technologies such as Cloud Computing, Enterprise Mobility, Big Data Analytics and trends such as Social Media and BYOD that are fast changing future technology services landscape.

In order to best adapt and be able to take advantage of the market opportunities

offered by all these changes, we have re-organized our business into three independent units – IT Services, Product Engineering Services and Mobility & Messaging Platforms, each to have an independent structure that best suits the requirements of the area they service.

We see the need to invest in our future growth in order to fully capitalize on the opportunities created by the disruption and plan key investments in the forthcoming financial year (FY 2013-14) in enhancing capability as well as our Sales and Marketing engine.

As we face new challenges in a dynamic environment, opportunities exist for niche platform-based players within this environment. The economic conditions and the need to adapt to changing consumer needs are warranting a change in the way we do business.

Infinite has remained relevant by adapting our offerings and engagement models toward partnership-formats and business outcome based solutions. Infinite's focus on technologies like Cloud Computing, Data Analytics and

Enterprise Mobility has enabled us to deliver complete, platform based solutions that add significant business value to our customers.

This year, Infinite is poised to make significant investments in growth to capitalize on its positioning, proven growth track-record and long term multi-year multi-million dollar relationships with existing customers, and continue to stay relevant and grow for years to come.

Growth is the only  
evidence of life.  
~John Henry Newman





Infinite Computer Solutions (India) Limited

# Board of Directors



**Sanjay Govil**

Chairman



**Upinder Zutshi**

Managing Director & CEO



**Narendra Kumar Agrawal**

Independent Director



**Ajai Kumar Agrawal**

Independent Director



**Ravindra Rama Rao Turaga**

Independent Director



# Leadership Team



**Upinder Zutshi**  
Managing Director  
& CEO



**Anurag Lal**  
CEO – Infinite  
Convergence



**Amit Srivastav**  
Business Head –  
IT Services



**Ravi Ravichandran**  
Founder Comnet &  
Strategic Advisor



**Bharath Kalyanram**  
Chief Delivery Officer  
Application Management Services



**KS Rao**  
SVP & Business Head -  
Product Engineering  
Services



**Sanjeev Gulati**  
SVP & Head –  
Finance



**Ashoka Tankala**  
SVP & Head – US Finance  
& Operations



**Sunder Rajan**  
SVP & Head – HR



**Pankaj Jaiswal**  
SVP & Head – APAC Sales



**Brajesh Ugra**  
SVP – Sales - Application  
Management Services



**Vamsee Chepur**  
VP & Head – Sales -  
Telecom



**Subbarao Badeti**  
VP & Head - T & M  
Business Unit



**Brock Killen**  
VP – F & O, Infinite  
Convergence Inc.



**Talila Millman**  
VP & CTO - Infinite  
Convergence Inc.



**Jagannath Rao**  
VP – Infinite  
Convergence India



**Sanjay Kaul**  
VP & Head –  
India Operations



**John Puma**  
VP - Product Management,  
Infinite Convergence Inc.



**Anjana Arora**  
VP - Marketing – Infinite  
Convergence Inc.



**Chee Leng Loy**  
Regional VP, APME -  
Infinite Convergence Inc.



**Rajesh Rao**  
VP - Delivery



**Harish Pai**  
VP – Solutions &  
Centers of Excellence



**VN Kannan**  
VP - Sales & Marketing -  
R&D Services



**Nilesch Gupta**  
VP - Sales - Infrastructure  
Management Services



**Manish Agarwal**  
VP & Head -  
Vendor Management



**M. Madhusudhana Rao**  
Head - Quality



**Rajat Kalra**  
Company Secretary



Infinite Computer Solutions (India) Limited

# Directors' Report

*Dear members,*

Your Directors take pleasure in presenting the 14th Annual Report and Audited Accounts of the Company for the year ended March 31, 2013.

## Financial Results

Consolidated Financials of the Company and its Subsidiaries

Amount in ₹ Millions

	Year ended March 31, 2013	Year ended March 31, 2012
Total Sales and Income	13,980.87	10,682.12
Total Expenses	11,923.30	8,746.77
Total Income before Tax & Depreciation	2,057.57	1,935.35
Depreciation	433.12	328.53
Profit/(Loss) before Tax (PBT)	1,624.45	1,606.82
Profit/(Loss) after Tax (PAT)	1,307.40	1,207.03

Standalone Financials of the Company

Amount in ₹ Millions

	Year ended March 31, 2013	Year ended March 31, 2012
Total Sales and Income	4,547.25	3,709.20
Total Expenses	3,186.25	2,713.26
Total Income before Tax & Depreciation	1,361.00	995.95
Depreciation	115.24	81.48
Profit/(Loss) before Tax (PBT)	1,245.76	914.47
Profit/(Loss) after Tax (PAT)	1,062.67	752.14

## Result of Operations

### Consolidated Accounts

Consolidated revenue for the fiscal year 2013 was Rs. 13,980.87 Million, a growth of 30.89% over the previous year. Net Profit before Tax was Rs. 1,624.45 Million. Net Profit after tax increased by 8.32% to Rs. 1,307.40 Million.

### Standalone Accounts

Standalone revenue for the fiscal year 2013 was Rs. 4,547.25 Million, a growth of 22.59% over the previous year. Net Profit before Tax was Rs. 1,245.76 Million and Net Profit after tax increased by 41.29% to Rs. 1,062.67 Million.

## Dividend

Your directors are pleased to recommend a final dividend of Rs. 3.00 per equity share of the face value of Rs. 10.00 for the year ended March 31, 2013. The interim dividend of Rs. 6.00 per equity share was paid on December 06, 2012.

The final dividend, subject to the approval of the shareholders in the ensuing AGM will be paid to the shareholders whose names appear in the Register of Members as on the date of book closure.

The total dividend for the financial year including the proposed final dividend amounts Rs. 9.00 per equity share and will absorb Rs. 383.04 Million.

## Transfer to Reserves

We propose to transfer Rs. 106.27 Million to general reserve in accordance with the Companies (Transfer of Profits to Reserves) Rules, 1975. Your company also proposes to retain Rs. 510.02 Million in the profit and loss account.

## Scheme of Amalgamation

Board of Directors of your Company, subject to requisite approvals, approved a Scheme of Amalgamation ("Scheme") under Section 391 to 394 of the Companies Act, 1956 for amalgamation of Infinite Data Systems Private Limited and Infinite Infosoft Services Private Limited, wholly owned subsidiaries of the Company with your Company.

Post the receipt of requisite approvals/NOC from the Stock Exchanges / Regional Director (Northern Region) / Ministry of Corporate Affairs and the Official Liquidator, the Hon'ble High Court of Delhi in its hearing on September 10, 2012 approved the Scheme of Amalgamation.

The appointed day for Merger was April 01, 2012. However the scheme became effective from September 26, 2012, being the date of filing the necessary intimations with the Registrar of Companies, NCT of Delhi & Haryana.

## Subsidiary Incorporation/Closure

In view of the new business prospects, your company incorporated six subsidiary companies namely Infinite Infocity Limited, Infinite Techworld Limited and Infinite Techhub Limited in India, Unified Convergence Limited in Mauritius, Infinite Computer Solutions Limited in Hongkong and Infinite Computer Solutions Ltd. in British Virgin Islands.

As a process of rationalization of subsidiary companies, Infinite Computer Solutions FZE; Dubai, was closed during the year under review.

## Particulars required as per section 212 of the Companies Act, 1956

A statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies is attached to the accounts. In terms of the general exemption granted by the Ministry of Corporate Affairs vide its General Circular No: 2/2011 dated February 08, 2011, the audited accounts and Report of Board of Directors and Auditors of the Company's subsidiaries have not been annexed to this Annual Report. The Company has complied with the requirements as prescribed under the said circular. The consolidated financial statements prepared in accordance with Accounting Standard-21 issued by the Institute of Chartered Accountants of India forming part of this Annual Report include the financial information of the subsidiary companies.

## Director(s)

Pursuant to Section 256 of the Indian Companies Act, 1956 and Article 145 of Articles of Association of the Company, Mr. Ravindra Rama Rao Turaga retires by rotation and being eligible offers himself for re-appointment.

Mr. Navin Chandra, Whole Time Director of the Company resigned from the Company with effect from May 01, 2013 due to health reasons. The Board places on record its sincere appreciation for his advise and contribution made during the tenure of his Directorship.

Mr. Upinder Zutshi was re-appointed as the Managing Director & CEO of the Company for a further period of five years with effect from April 01, 2013. His re-appointment is subject to the approval of members in the ensuing Annual General Meeting.

Brief resume and other details relating to the Directors who are to be re-appointed as stipulated under Clause 49(IV)(G) of the Listing Agreement is furnished in the Notice convening the Fourteenth Annual General Meeting of the Company.

## Corporate Governance

The report of Board of Directors of the Company on Corporate Governance is given as a separate section titled "Report on Corporate Governance" which forms part of this Annual Report.

Certificate of the Statutory Auditors of the Company regarding compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is annexed with the Corporate Governance Report.

## Management Discussion and Analysis

A detailed review of the operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis, which forms part of this Annual Report.

## Fixed Deposits

Your Company has not accepted any deposits during the year under review and, as such, no amount of principal or interest was outstanding as at the Balance Sheet date.



## Employee Stock Option Plan

Details required to be provided under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in the Annexure and forms an integral part of this report.

## Directors' Responsibility Statement

In compliance with Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed, alongwith proper explanation relating to material departures, wherever applicable.
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. they have prepared the annual accounts on a going concern basis.

## Auditors

M/s. Amit Ray & Co., Chartered Accountants, the auditors of your Company who retire in the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment. A Certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them.

Further the Auditors Report being self explanatory, does not call for any further comments by the Board of Directors.

## Information Pursuant to Section 217(2A) of the Companies Act, 1956

As required under the provisions of Section 217(2A) of the Companies Act 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees are set out in the Annexure and form an integral part of this report.

## Conservation of Energy and Technology Absorption

In view of the nature of activities that are being carried on by your Company, Rules 2A and 2B of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption, respectively are not applicable to your Company. Your Company being a software solution provider requires minimal energy consumption and every endeavor has been made to ensure the optimal use of energy, avoid wastage and conserve energy as far as possible.

## Foreign Exchange Earnings and Outflows

- i. **Activities relating to exports, initiatives taken to increase exports, development of new export markets for products & services and export plans**

During the year, a substantial portion of the revenue of the Company was derived from exports. The Company has 14 sales offices spread over USA, Europe & APAC. These offices are staffed with sales & technical staff for furthering the company's sales to overseas customers.

- ii. **Foreign Exchange earnings and outgo**

The information on Foreign Exchange earnings & outgo is included in Note 19&20 of the Notes to Accounts to the Balance Sheet.

## Acknowledgement

Your Directors gratefully acknowledge the contributions made by employees towards the success of your company. Your Directors are also thankful for the co-operation and assistance received from its customers, vendors, bankers, regulatory and Governmental Authorities in India and abroad and its shareholders.

For and on behalf of the Board

Upinder Zutshi  
Managing Director & CEO

Ravindra Rama Rao Turaga  
Director

Place: Gurgaon  
Date : May 16, 2013

## Annexure to Directors' Report

Statement Under Section 217(2A) Of The Companies Act, 1956, Read with the Companies (particulars Of Employees) Rules, 1975 and Forming Part Of The Director's Report For The Year Ended 31st March 2013

Sl. No.	Name	Age (Years)	Qualifications	Experience in Years	Date of Joining	Designation	Gross Remuneration	Previous Employment / Designation
1.	Upinder Zutshi	51	B.E. (Hons)	29	01-Feb-03	Managing Director & CEO	19,112,000	Velocient Technologies Inc.
2.	Pankaj Jaiswal	45	B.E. (Electronics)	25	15-Nov-06	Senior Vice President & Head Enterprise Solutions	8,318,508	Intel Technology India Pvt.Ltd.
3.	Bharath Kalyanram	47	Bachelors in Economics; PG Diploma in Systems Engineering & MBA from University of Louisville, USA	27	21-Nov-11	Chief Delivery Officer	7,423,898	CA Technologies Inc.
4.	Jagannath Krishna Rao	52	M.S (Telecom & Software Engineering), Illinois Institute of Technology, Chicago, USA	28	03-Feb-11	Senior Vice President	6,255,126	Headstart Ventures LLP

## Notes

1. Remuneration comprises basic salary, allowances incentive and taxable value of perquisites.
2. All appointments are contractual and other terms and conditions are as per Company rules.
3. None of the employees are related to any Director of the Company.
4. None of the employees except Mr. Upinder Zutshi hold by himself or along with his spouse and dependent children, 2% or more of equity shares of the Company.
5. None of the above other than Mr. Upinder Zutshi are Directors on the Board of the Company.
6. Designation indicates nature of duties.

For Infinite Computer Solutions (India) Limited

Place : Gurgaon

Date : May 16, 2013

**Upinder Zutshi**

Managing Director & CEO

**Ravindra Rama Rao Turaga**

Director





# Annexure to the Directors' Report

Statement Pursuant to Clause 12 'Disclosure in the Directors' Report' of SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999

Pursuant to the Resolution passed by the shareholders in their Annual General Meeting held on August 09, 2010 and September 19, 2011, the Remuneration and Compensation Committee of the Directors have granted Stock Options to eligible employees and Directors during the financial year 2012-13. The option holders are entitled to get one equity share per option. The details of the Stock Option granted are given below:

Sr. No.	Description	Remarks						
A.	Options granted	: 60,000						
B.	Pricing formula	: The Exercise Price per option shall be the lower of market price as on the date of grant or the average of the one month high and low price of the share preceding the date of grant of option on the stock exchange on which the shares of the company is listed. If the shares are listed on more than one stock exchange then the stock exchange where there is highest trading volume during the aforesaid period shall be considered.						
C.	Option vested	: 3,40,000						
D.	Options exercised	: Nil						
E.	Total number of Ordinary Shares arising as a result of exercise of Options	: Nil						
F.	Options lapsed	: 30,000						
G.	Variation of terms of Options	: The Scheme was partially modified with respect to the eligibility and vesting criteria under the ESOP 2010 for both, the options granted but unvested (as given below) and the un-granted options. The members of the Company approved to remove the condition of achievement of profit targets as one of the condition of vesting and give more emphasis to the performance and contribution of each employee for being eligible for grant of options under the ESOP 2010.						
H.	Money realized by exercise of Options	: Nil						
I.	Total number of Options in force	: 13,90,000						
J.	Details of Options granted to							
	i. Senior managerial personnel	: <table border="1"> <thead> <tr> <th>Name</th> <th>No. of options</th> </tr> </thead> <tbody> <tr> <td>Brajesh Ugra</td> <td>30,000</td> </tr> <tr> <td>Douglas Fallon</td> <td>30,000</td> </tr> </tbody> </table>	Name	No. of options	Brajesh Ugra	30,000	Douglas Fallon	30,000
Name	No. of options							
Brajesh Ugra	30,000							
Douglas Fallon	30,000							
	ii. Any other employees who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year.	: <table border="1"> <thead> <tr> <th>Name</th> <th>No. of options</th> </tr> </thead> <tbody> <tr> <td>Nil</td> <td>N.A</td> </tr> </tbody> </table>	Name	No. of options	Nil	N.A		
Name	No. of options							
Nil	N.A							

iii. Identified employees who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant. :	<b>Name</b>	<b>No. of options</b>
	-	
	Nil	N.A
K. Diluted Earnings per Share (EPS) pursuant to issue of Ordinary Shares on Exercise of Options calculated in accordance with Accounting Standard (AS) 20 'Earning Per Share.'	Rs. 35.59	
L. i. Method of calculation of employee compensation cost	Based on intrinsic value method	
ii. Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options.	The employee compensation cost would have increased by Rs. 211.50 lakhs.	
iii. The impact of this difference on Profits and on EPS	The effect of adopting the fair value method on the net income and of the Company. earnings per share is presented below:	
		Rs. In lakhs
	Net Income as reported	13,073.99
	Add: Intrinsic Value Compensation Cost	-
	Less: Fair value Compensation Cost (Black Scholes Model)	211.50
	Adjusted Net Income	12,862.49
	<b>Earnings per share</b>	<b>Basic (Rs.)</b>
	As reported	35.59
	As adjusted	30.22
M. Weighted average exercise price and weighted average fair value of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock.	Options whose exercise price is equal to the market price: Weighted average exercise price: Rs. 105.95 Weighted average fair value: Rs. 31.14	
N. A description of the method and significant assumption	The fair value of each options estimated using the Black Scholes used during the year to estimate the fair values of Options Pricing Model after applying the following key assumptions Options	
	I. Risk free interest rate	8.12%
	ii. Expected life	7.50 years
	iii. Expected volatility	56.63%
	iv. Expected dividend	8.49%
	v. The price of the underlying shares in market at the time of option grant	Rs. 105.95



# Report on Corporate Governance

## Company's philosophy on Code of Corporate Governance

Infinite's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and its interaction with its stakeholders including shareholders, employees, lenders and the Government. The Company's philosophy is built on a rich legacy of fair and transparent governance and disclosure practices, many of which were in existence even before they were mandated by the legislation. The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the Company endeavors continuously to improve upon these aspects. This is done by adopting innovative approaches for leveraging resources and converting opportunities into achievements through proper empowerment and motivation, thereby fostering a healthy growth and development of its human resources.

### I. Board of Directors

#### A. Composition of Board

Your Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors with considerable experience in their respective fields. Your Company has a Non-Executive Chairman who is also the Promoter of the Company and the number of Independent Directors are three, which is half of the total strength of the Board as required under the provisions of the Listing Agreement.

The composition of our Board and the number of Directorships held by each Director is detailed below:

Table 1

Name of the Director	Category	Number of Directorships held in other companies	Number of Board Committee memberships held in other companies	Number of Chairmanship of Board Committees held in other companies
Mr. Sanjay Govil, Promoter & Chairman	Non-Executive	-	-	-
Mr. Upinder Zutshi, Managing Director & CEO	Executive	7	-	-
Cmdr. Navin Chandra, Whole Time Director	Executive	7	-	-
Mr. Ravindra Rama Rao Turaga	Independent	-	-	-
Mr. Narendra Kumar Agrawal	Independent	-	-	-
Mr. Ajai Kumar Agrawal	Independent	-	-	-

#### Note:

Table 1 excludes Directorships in Private and Foreign Companies and Companies registered under Section 25 of the Companies Act, 1956. As of March 31, 2013 none of the Directors are related inter-se.

#### B. Non Executive Directors' compensation and disclosures

Non-Executive Directors are not entitled to any remuneration except sitting fees being paid to Independent Directors for attending the Board and Committee Meetings. The details of the sitting fees paid for the Financial Year 2012-13 and the number of shares held by the Non-Executive Directors in the Company are as follows:



Table 2

Sl.No.	Name of the Director	Sitting Fee (in Rs.)	No. of Shares held
1.	Mr. Sanjay Govil	-	8,100
2.	Mr. Ravindra Rama Rao Turaga	3,20,000	1,350
3.	Mr. Narendra Kumar Agrawal	3,20,000	NIL
4.	Mr. Ajai Kumar Agrawal	3,20,000	NIL

### C. Other provisions as to Board and Committees

#### 1. Board Meetings Schedule

The Board meets at least four times a year and the maximum gap between two meetings is not more than four months. During the Financial Year 2012-13, Four Board Meetings of the Company were held on May 15th, August 13th, November 09th 2012 and February 10th 2013.

Table 3

Attendance of Directors at Board Meetings and at the Annual General Meeting (AGM)

Name of the Director	No. of Board Meetings Attended	Whether attended the AGM held on August 23, 2012
Mr. Sanjay Govil	4	Yes
Mr. Upinder Zutshi	4	Yes
Mr. Navin Chandra	3	Yes
Mr. Ravindra Rama Rao Turaga	4	Yes
Mr. Narendra Kumar Agrawal	4	Yes
Mr. Ajai Kumar Agrawal	4	Yes

#### 2. Membership of Board Committees

None of the Directors of the Company hold membership of more than ten committees nor is any Director a Chairman of more than five committees of boards across all Companies where he holds Directorships. (Please refer Table No. 1 for the details about their Committee Memberships)

#### 3. Review of Compliance Reports

The Board periodically reviews Compliance Reports of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any.

#### 4. Code of Conduct

The Company has adopted a Code of Conduct for its Board Members and Key Managerial Personnel (KMP) and this code has been posted on the Company's website. All the Board Members and KMP's affirm the compliance with the code on an annual basis and a declaration to this effect signed by the Managing Director & CEO is provided elsewhere in this annual report.

## II. Committees of the Board

Currently, the Board of the Company has three sub-committees namely Audit Committee, Remuneration & Compensation Committee and Shareholders' / Investor Grievance Committee. All these committees are chaired by Independent Directors. Draft minutes of the meeting are circulated to the members of the committee for their comments and thereafter, confirmed in the next meeting. The Board of Directors of the Company also takes note of the minutes of the committee meetings at its meetings.

### A. Audit Committee

Infinite has a qualified and independent Audit Committee comprising of four directors of whom two-third including the Chairman are Independent Directors. The Chairman of the Committee is Mr. Ravindra Rama Rao Turaga. He is a member of the Institute of Chartered Accountants of India and into practice for the last 32 years. He heads a practicing CA firm T. Rama Rao & Co., providing professional



services in the field of Audit, Taxation, Accountancy, Company Law, Finance, Investments and Capital Market Services. All the other members of the Committee are financially literate and have accounting or related financial management expertise.

The terms of reference and role of the Audit Committee are as per the provisions set out in the Listing Agreement of the Stock Exchanges read with Section 292A of the Companies Act, 1956 and includes such other functions as may be assigned to it by the Board from time to time.

The Company invites such of the executives as it considers appropriate to be present at the Audit Committee meetings. The Sr. Vice President Finance ("Head of Finance"), Statutory and the Internal Auditors are invited to attend and participate in these meetings. The Company Secretary of the Company acts as the Secretary to the Committee.

#### **Powers of the Audit Committee**

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **Terms of Reference of the Audit Committee**

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- ii. Recommending the appointment, reappointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- iii. Reviewing with management, the annual financial statements before submission to the board, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of section 217 of the Companies Act.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
- iv. Reviewing with the management, the quarterly financial statements before submission to the board for approval.
- v. 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 monitoring 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.
- vi. Reviewing with the management, performance of statutory and internal auditors and the adequacy of internal control systems.
- vii. Reviewing the adequacy of internal audit function, 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.
- viii. Discussing with internal auditors any significant findings and follow up thereon.
- ix. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- x. Discussing with statutory auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

- xi. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- xii. To review the functioning of the Whistle Blower Mechanism, in case the same exists.
- xiii. Such other function(s)/responsibilities as may be assigned by the Board of Directors from time to time or as may be stipulated under any law, rule or regulation including the Listing Agreement and the Companies Act, 1956.

### Composition and Attendance

During the Financial Year 2012-13, four meetings of the Committee were held on May 14, August 12, November 08, 2012 and February 10, 2013. The Composition of the Committee and details of the meetings attended by the members is as under:

**Table 4**

Name of the Director	Category of Director	Chairman / Member	No. of Meetings Attended
Mr. Ravindra Rama Rao Turaga	Non Executive Independent Director	Chairman	4
Mr. Narendra Kumar Agrawal	Non Executive Independent Director	Member	4
Mr. Ajai Kumar Agrawal	Non Executive Independent Director	Member	4
Cmdr. Navin Chandra	Executive Director	Member	3

### B. Remuneration & Compensation Committee

#### Terms of Reference:

- i. Deciding the company's policy on remuneration packages for executive directors including pension rights and any compensation payment.
- ii. Reviewing the remuneration policy followed by the Company, taking into consideration the performance of senior executives on certain parameters.
- iii. Administration and Superintendence of the Employee Stock Option Scheme (ESOS).
- iv. Formulation of detailed terms and conditions of the ESOS.
- v. To determine the number of stock options to be granted under the Company's ESOS and perform such other functions as may be specified under the SEBI (ESOS & ESOS) Guidelines, 1999.
- vi. To secure attendance of any person/outside with relevant expertise, if it considers necessary.
- vii. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended by the Remuneration Committee.

#### Remuneration Policy

The Remuneration Policy of the Company for managerial personnel is based on the following criteria:

- Performance of the Company, its division and units;
- Track Record, potential and performance of individual managers and
- External Competitive Environment.

### Composition & Attendance

The composition of the Remuneration & Compensation Committee is as follows:

**Table 5**

Name of the Director	Category of Director	Chairman / Member
Mr. Narendra Kumar Agrawal	Non Executive Independent Director	Chairman
Mr. Ravindra Rama Rao Turaga	Non Executive Independent Director	Member
Mr. Ajai Kumar Agrawal	Non Executive Independent Director	Member



### Meetings of the Committee

During the Financial Year 2012-13, four meetings of the Committee were held on May 14, August 12, November 08, 2012 and February 10, 2013 which were attended by all its members.

#### C. Shareholders'/ Investors' Grievance Committee

Terms of reference

- i. To approve share transfers and transmissions.
- ii. To approve splitting of share certificates, consolidation of share certificates and related matters including issue of fresh share certificates in lieu of split/consolidated certificates.
- iii. Issue of duplicate share certificates in lieu of lost, mutilated and destroyed certificates.
- iv. Matters relating to dematerialization of shares and securities.
- v. Investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interests, non receipts of balance sheet etc or any other matter as the Board may think fit/delegate to the Committee.

#### Composition and Attendance

During the Financial Year 2012-13, four meetings of the Committee were held on May 14, August 12, November 08, 2012 and February 10, 2013. The Composition of the Committee and details of the meetings attended by the members is as under.

Table 6

Name of the Director	Category of Director	Chairman / Member	No. of Meetings Attended
Mr. Ajai K Agrawal	Non Executive Independent Director	Chairman	4
Mr. Narendra Kumar Agrawa	Non Executive Independent Director	Member	4
Mr. Ravindra Rama Rao Turaga	Non Executive Independent Director	Member	4
Cmdr. Navin Chandra	Executive Director	Member	3

Mr. Sanjeev Gulati, Sr. Vice President (Finance) acted as the Compliance Officer and Mr. Rajat Kalra as the Company Secretary of the Company for the Financial Year 2012-13.

### III. Subsidiary Companies

The Company does not have any material non-listed Indian Subsidiary, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the Company.

However the Company does provide updates on major decisions of its Unlisted Subsidiary Companies to the Audit Committee. The minutes of the unlisted subsidiary companies, wherever applicable, as also any significant transaction or arrangement entered into by any of its unlisted subsidiary companies, are placed before the Board for its noting.

### IV. Disclosures

#### A. Basis of related party transactions

The related party transactions are placed before quarterly audit committee meetings.

#### B. Disclosure of accounting treatment

The Company has not followed any differential treatment from that prescribed under accounting standards, for preparation of financial statements during the year.

#### C. Board disclosures – Risk management

The Company has laid down systems to inform Board about the risk assessment and minimization procedures. The risks and company's mitigation strategies are periodically discussed and reviewed by Board of Directors to ensure effective controls.

#### D. Proceeds from public issues, rights issues, preferential issues etc

The details pertaining to the utilization of the proceeds of the fresh issue of Equity Shares under the Initial Public Offering of the Company in the financial year 2012-13 are specified herein below:

Table 7

(₹ in Million)

Particulars	Projection in Prospectus	Actual Funds utilized till March 31, 2013
Capital Expenditure	257.45	190.69
Acquisition(s)	380.00	380.00
Repayment of Debt	84.97	83.00
General Corporate Purposes	225.00	148.02
Expenses related to Fresh Issue	71.86	70.72
Internal Accruals (Balancing Figure)		72.85
Amount Invested in Mutual Funds		0
Amount Invested in Fixed Deposit		73.46
Amount kept in a Separate Bank Account		0.54
<b>TOTAL</b>	<b>1019.28</b>	<b>1019.28</b>

#### E. Remuneration of Directors

The table below shows the amount paid to the Executive Directors of the Company for the Financial Year 2012-13:

Table 8

Name	Upinder Zutshi	Navin Chandra
Designation	Managing Director & CEO	Whole Time Director
Salary & Allowances	1,10,00,000	19,29,996
Bonus/Performance Incentive	81,12,000	-
Perquisites		-
Retiral Benefits*	9,360	-
Stock options	As detailed below	-
Tenure	Upto March 31, 2013	Upto March 31, 2014
Notice Period & Severance Pay	Two months notice period and a severance pay of twelve months salary plus 1.5 months' salary for every year of service from the start day of this employment contract i.e. April 01, 2008	Two months notice period with no severance pay unless otherwise agreed by the Board.
Performance Criteria	As determined by the Remuneration & Compensation Committee	As determined by the Remuneration & Compensation Committee

\*The above figures do not include provisions for gratuity and premium paid for Group Health Insurance as separate actuarial valuation/premium paid is not available.

Mr. Upinder Zutshi also holds certain stock options granted under the ESOP Scheme of the Company. The details of the same as on March 31, 2013 are as under:

Grant Date	No. of options granted	Grant Price for the options (in Rs.)	Vesting Details#	
			No. of options vested / to be vested	Vesting Dates
September 06, 2010	875,000	160.65	218,750	September 05, 2011
			218,750	September 05, 2012
			218,750	September 05, 2013
			218,750	September 05, 2014

# the options are exercisable within 5 years from the date of vesting



Non-Executive Directors are not entitled to any remuneration except sitting fees being paid to Independent Directors for attending the Board and Committee Meetings. The details of the number of shares held by the Non Executive Directors are given in Table 2 above.

**F. Management**

A detailed report on Management Discussion and Analysis is given as a separate section in this Annual Report. During the year, there have been no material financial and commercial transactions made by the management, where they have personal interest that may have a potential conflict with the interest of the Company at large.

**G. Shareholders**

**i. Disclosure regarding appointment or re-appointment of Directors**

According to the provisions of the Companies Act, 1956 and Articles of Association, one-third of the Directors retire by rotation and if eligible offer themselves for re-appointment at the Annual General Meeting. Accordingly Mr. Ravindra RamaRao Turaga, Director of the Company shall retire at the ensuing Annual General Meeting of the Company. The Board has recommended his re-appointment to the shareholders for approval.

The term of Mr. Upinder Zutshi as the Managing Director & CEO of the Company expired on March 31, 2013. The Board has recommended his re-appointment to the shareholders for a further period of 5 years i.e. till March 31, 2018.

Detailed resumes of the above Directors are provided in the notes appended to the Notice of the Annual General Meeting under the heading “Details of Directors seeking re-appointment in the Fourteenth Annual General Meeting pursuant to Clause 49 of the Listing Agreement.”

**ii. Communication to Shareholders**

The Company’s quarterly financial results and any presentation made to the analysts are posted on the Company’s website (www.infinite.com). The quarterly financial results are generally published in the Business Standard (English & Hindi) editions. Financial Results and all material information are also regularly provided to the Stock Exchanges after these are taken on record by the Board.

**iii. General Body Meetings**

Details in respect of the last three Annual General Meetings (AGMs) of the Company are as mentioned below:

Table 9

Year	Date of AGM	Venue	Time	Special Resolutions Passed
2009-10	August 09, 2010	Air Force Auditorium, Subroto Park, New Delhi - 110010,	10.00 A.M.	<ol style="list-style-type: none"> <li>1. Increasing the remuneration of Cmde. Navin Chandra, WholeTime Director of the Company, w.e.f. April 01, 2010 for the remaining period of his tenure</li> <li>2. Introducing &amp; Implementing “Key Executives Performance Option Plan 2010 (ESOP 2010)”</li> <li>3. Extending the benefit of ESOP 2010 to the eligible employees of the Subsidiary Companies.</li> <li>4. Granting Stock Options not exceeding 2% of the total paid up capital of the Company to the following eligible employees:               <ol style="list-style-type: none"> <li>a. Upinder Zutshi, Managing Director &amp; CEO</li> <li>b. Neeraj Tewari, Chief Operating Officer</li> </ol> </li> </ol>

Year	Date of AGM	Venue	Time	Special Resolutions Passed
				5. Granting of Stock Options, not exceeding 1,00,000 to any one or all of the Non-Executive Directors including Independent Directors of the Company under ESOP 2010.
2010-11	September. 19 2011	Air Force Auditorium, Subroto Park, New Delhi - 110010	2.30 P.M.	1. Re-appointment of Cmde. Navin Chandra as Whole time Director of the Company w.e.f. April 01, 2011 for a period of three years.  2. Partial Modification of the Vesting Criteria and Appraisal Process for determining the eligibility of employees under "Key Executives Performance Option Plan 2010".  3. Extension of the benefits of the above item (point no. 2) above to eligible employees of Subsidiary Companies.
2011-12	August 23, 2012	Air Force Auditorium, Subroto Park, New Delhi - 110010	3.00 P.M.	None

#### iv. Special Resolution through Postal Ballot

During the Financial Year 2012-13, no resolution was passed through postal ballot and presently, no resolution has been proposed to be passed through Postal Ballot.

v. The details of Investors'/Shareholders' Grievance Committee are given elsewhere in this report.

vi. The details of Share Transfer Systems are given elsewhere in this report.

#### H. Details of Non-Compliance

There were no non-compliances by the Company, nor were any penalty, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the period from April 1, 2012 to March 31, 2013.

#### I. Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 49 of the Listing Agreement with the Stock Exchanges, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.

### V. CEO/CFO Certification

As required under Clause 49 of the Listing Agreement, the Certificate from CEO/Sr. Vice President Finance ("Head of Finance") to the Company's Board is given elsewhere in this annual report.

### VI. Compliance

The Company has complied with all the mandatory requirements under Clause 49 of the Listing Agreement and has adopted non-mandatory requirements as per details given below:

#### 1. The Board

The Company maintains the Office of the Chairman at its Corporate Office at Plot No. 157, EPIP Zone, Phase II, Whitefield, Bangalore – 560 066 and also reimburses the expenses incurred in performance of his duties.

There is no fixed tenure for Independent Directors.



**2. Remuneration Committee**

The Company has constituted a Remuneration & Compensation Committee as detailed above. The Chairman of the Compensation Committee is an independent director and was present at the last Annual General Meeting.

**3. Shareholder Rights**

The quarterly financial results are published in newspapers as mentioned above under the heading “Communication to Shareholders” and also displayed on the website of the Company. The results are not separately circulated to shareholders.

**4. Audit Qualifications**

There are no audit qualifications in the Company's financial statements for the year under reference.

**5. Training of Board**

No specific training programme was arranged for Board Members.

**6. Mechanism for evaluating Non-Executive Board Members**

The Company has not adopted any mechanism for evaluating individual performance of Non-Executive Directors.

**7. Whistle Blower Policy**

A mechanism for the employees to have direct one on one access to the Managing Director & CEO has been put in place. This mechanism focuses on reporting by the employees, any concerns on unethical behavior, actual/suspected fraud, or any such issue to the Managing Director & CEO.

However, no person has approached the Managing Director & CEO / Chairman of the Audit Committee during the year.

**General Shareholders Information**

1. Date of Incorporation	: September 06, 1999	
2. Registration No./CIN No.	: L72200DL1999PLC171077	
3. Corporate Office Address	: Plot No. 157, EPIP Zone, Phase II, Whitefield, Bengaluru-560066	
4. Registered Office/Address for Correspondence	: 155, Somdutt Chambers II, 9, Bhikaji Cama Place, New Delhi-110066 Tel No.: 011-46150845,46,47, Fax No.: 011-46150830 Email Id: shareholder@infinite.com Website: www.infinite.com	
5. Date, Time and Venue of 14th AGM	: August 30, 2013; 10.30 A.M. Air Force Auditorium, Subroto Park, New Delhi-110010	
6. Book Closure Dates	: August 21, 2013 to August 30, 2013 (both days inclusive)	
7. Dividend Payment Date	: On and from September 12, 2013 onwards	
8. Financial Year	: April 01, 2012 – March 31, 2013	
9. Financial Calendar for 2013-14 (tentative and subject to change)	: Financial reporting for the first quarter ending June 30, 2013,	2nd week of August 2013
	: Financial reporting for the second quarter ending September 30, 2013	2nd week of November 2013
	: Financial reporting for the third quarter ending December 31, 2013	2nd week of February 2014
	: Financial reporting for the year ending March 31, 2014	2nd week of May 2014
	: Annual General Meeting for the financial year ending March 31, 2014	August 2014



10. **Listing on Stock Exchanges** : The shares of the company are listed on the following stock exchanges  
 The Bombay Stock Exchange Limited : Stock Code: 533154  
 National Stock Exchange of India Limited : Stock Code: INFINITE  
 ISIN Number of the Company : INE486J01014  
 The Company has paid the Annual Listing Fee for the Financial Year 2013-14 to both the Stock Exchanges.

11. **Registrar and Transfer Agent** : Bigshare Services Private Limited  
 (For share transfers and other communication relating to share certificates and change of address) E-2 & 3, Ansa Industrial Estate, Sakivihar Road Sakinaka, Andheri (E), Mumbai - 400 072  
 Tel: 022-40430200, Fax: 022-28475207  
 Contact Person: Mr. Ashok Shetty  
 Email: info@bigshareonline.com

12. **Share Transfer System** : With a view to expedite the process of share transfers, the Shareholder / Investor Grievance Committee of the Company has delegated the power of Share Transfer to Managing Director & CEO with appropriate limit. The Managing Director & CEO attend(s) to and approves the share transfers received by the Company and reports the same to the Shareholder/Investor Grievance Committee at their periodical meetings.

13. **Dematerialization of Equity Shares** : The shares of the Company are compulsorily traded in dematerialized form and are available for trading in the depository systems of both NSDL & CDSL. As of March 31, 2013, 42,479,178 equity shares of the Company, forming 99.81% of the share capital of the Company, stands dematerialized.

14. **Share holding Pattern of the Company as of March 31, 2013**

Category of Shareholders	No. of Shares Held	% to total
Promoters	28,716,891	67.47
Corporate Bodies	698,694	1.64
Foreign Inst. Investor	4,458,409	10.48
Mutual Fund & UTI	446,175	1.05
Non Resident Indians	1,848,233	4.34
Indian Public & Others	6,391,593	15.02
<b>TOTAL</b>	<b>42,559,995</b>	<b>100.00</b>

15. **Distribution Schedule as of March 31, 2013**

No. of Shares	No. of Shareholders	% of total	No. of Shares Held	% of total	
1	500	18,579	93.12	1,204,570	2.83
501	1000	576	2.89	454,128	1.07
1001	2000	334	1.67	488,589	1.15
2001	3000	163	0.82	408,235	0.96
3001	4000	69	0.35	245,496	0.58
4001	5000	50	0.25	233,376	0.55
5001	10000	89	0.44	662,614	1.55
10001	& above	91	0.46	38,862,987	91.31
<b>TOTAL</b>	<b>19,951</b>	<b>100</b>	<b>42,559,995</b>	<b>100.00</b>	



#### 16. Shareholder Complaints received during the year 2012-13

The Company gives utmost priority to the interests of the shareholders. All the requests/complaints of the shareholders have been resolved to the satisfaction of the shareholders within the statutory time limits. The status of the shareholders' complaints received during the financial year are as follows:

Particulars	Pending as on April 01, 2012	Received during the year	Disposed of during the year	Pending as of March 31, 2013
Complaints	0	38	38	0

The complaints received were mainly in the nature of non receipt of share certificates after transfer, non receipt of refund orders, non receipt of dividend and non receipt of Annual Report.

#### 17. Details of shares held in Suspense Account

Pursuant to Clause 5A of the Listing, every Company that comes with a Public Issue/Initial Public Offering (IPO) shall make the following disclosure of shares, which remain unclaimed and lie in the escrow Account of the Company:

S.No.	Description	No. of Shareholders	No. of Shares.
1.	Aggregate No. of shareholders & shares pending at the beginning of the year	9	488
2.	No. of shareholders who approached for transfer of shares from suspense account during the year	Nil	Nil
3.	No. of shareholders and shares transferred from suspense account during the year	Nil	Nil
4.	No. of shareholders and shares outstanding at the end of year.	9	488

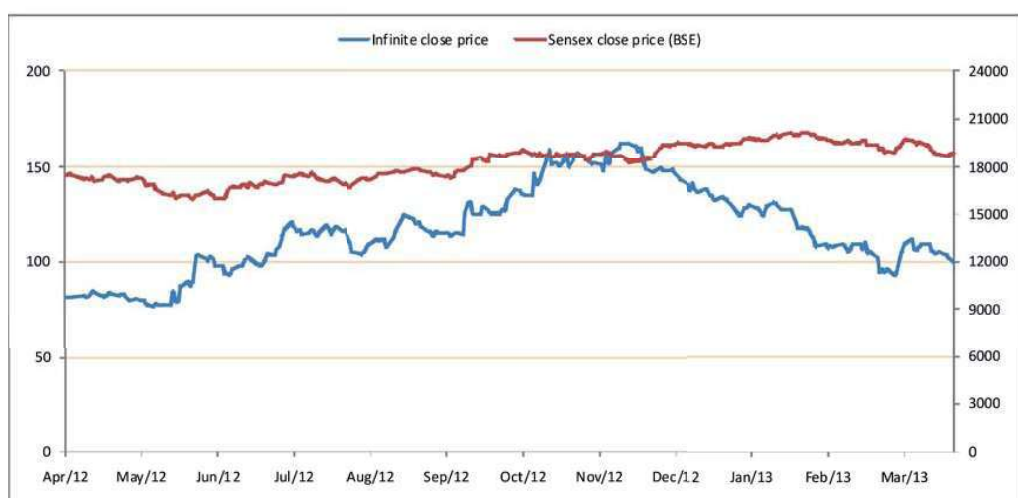
The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

#### 18. Market Price Data

The monthly high and low quotations of the Company's equity shares traded on The Bombay Stock Exchange Limited and National Stock Exchange of India Limited during each month of the Financial Year ended March 31, 2013, are as follows:

Month	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2012	86.00	77.10	90.90	77.00
May 2012	108.40	66.00	108.55	75.20
June 2012	120.60	92.15	119.00	92.15
July 2012	126.95	100.70	123.90	100.50
August 2012	127.65	104.50	128.00	104.05
September 2012	136.50	112.50	136.70	112.20
October 2012	161.00	131.00	160.70	131.00
November 2012	167.00	146.50	166.85	146.00
December 2012	155.50	119.80	152.60	120.25
January 2013	135.95	100.00	135.80	105.55
February 2013	121.00	91.10	120.80	91.10
March 2013	114.80	92.55	115.00	92.35

19 Share performance chart of the Company in comparison to broad based indices



20. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as of March 31, 2013.

21. Plant Locations

The Company is in software business and does not require any manufacturing plants but has developments centers in India and Abroad.



Infinite Computer Solutions (India) Limited

# Auditors' Certificate

on  
Compliance with the conditions of Corporate  
Governance under clause 49 of the listing agreements

To the Members of  
Infinite Computer Solutions (India) Limited

We have examined the compliance of conditions of corporate governance by Infinite Computer Solutions (India) Limited ("the company") for the year ended on March 31, 2013, as stipulated in Clause 49 of the listing agreement of the said Company with the Stock Exchanges.

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 abovementioned Listing Agreement.

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 **Amit Ray & Co.**  
Chartered Accountants

**CV Savit Kumar Rao**  
Partner  
Membership No. 70009  
Firm ICAI Registration No. 000483C

Place: Gurgaon  
Date: May 16, 2013



# Code of Conduct

## Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct pursuant to Clause 49 of the Listing Agreement.

I, Upinder Zutshi, Managing Director & Chief Executive Officer of Infinite Computer Solutions (India) Limited ("the Company") confirm that the Company has adopted a Code of Conduct ("Code") for its Board Members and senior management personnel and the Code is available on the Company's website.

I, further confirm that the Company has in respect of the financial year ended March 31, 2013, received from its Board Members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

For Infinite Computer Solutions (India) Limited

Place: Gurgaon  
Date: May 16, 2013

Upinder Zutshi  
Managing Director & CEO



Infinite Computer Solutions (India) Limited

## CEO / CFO Certification

### Certificate by the Chief Executive Officer and Senior Vice President (Finance) pursuant to Clause 49 of the Listing Agreement

We, Upinder Zutshi, Managing Director & Chief Executive Officer and Sanjeev Gulati, Senior Vice President (Finance) certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2013 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps which have been taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee that-
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Gurgaon  
Date : May 16, 2013

**Upinder Zutshi**  
Managing Director & CEO

**Sanjeev Gulati**  
Senior Vice President (Finance)

# Management Discussion & Analysis

## Overview

The Consolidated Financial Statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements prescribed by the Companies (Accounting Standards) Rules, 2006 and in accordance with the Indian Generally Accepted Accounting Principles (GAAP), and the provisions of the Companies Act, 1956, to the extent applicable. Our management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments related to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner, the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

## Synopsis

Infinite Computer Solutions (India) Limited is a global service provider of Mobility & Messaging Solutions, Infrastructure Management Services, Intellectual Property (IP) Leveraged Solutions and Application Management Services, focused on Telecom & Media, Financial Services, Manufacturing, Energy & Utilities and Healthcare industries. Our services span from Application Management Outsourcing, Packaged Application Services, Independent Validation and Verification, Product Development and Support to higher value-added offerings including Managed Platform and Product Engineering Services.

With Telecom as our key vertical, we aim to be a dominant player in the market for provision of services to the Telecom and Media industry, providing IT services to service providers, equipment manufacturers and software vendors.

Our footprint spans several countries in four continents offering onsite, offsite, and near-shore capabilities in major international markets. We have established our presence in most of the large telecom, and IT services markets of the world, with offices at multiple locations in the U.S, U.K, India, Singapore, Malaysia, and China.

We recorded a revenue growth of 15.8% (in USD terms) in FY 2013, amidst a challenging year for the Indian IT Industry. This year the company's revenue (in Indian Rupee terms) grew 31.7% to Rs. 13,906 Million. The IT Industry Revenue for the same period, as reported by NASSCOM grew at near 10%.

## Economic Environment & Industry Outlook

2012 was the year when the industry witnessed its IT spending increase by 2.1% however compared to 2011 which grew by 7.9% it has been a disappointing performance. The growth in 2012 was mainly hampered due to uncertainties in the macroeconomic conditions worldwide. However in spite of the uncertainties pertaining to the global economy, the worldwide IT spending going ahead is projected to be \$3.8 trillion in 2013, a 4.1% increase from 2012 spending of \$3.6 Trillion. The growth is expected to be mainly driven by Devices segment which is expected to increase by 7.9% to US\$ 718 Billion in 2013 as compared to US\$ 665 Billion in 2012, followed by Enterprise Software segment which will grow by 6.4% to US\$ 297 Billion in 2013 as compared to US\$ 279 Billion in 2012. IT services segment which constitutes 24% of the total spend, is expected to increase by 4.5% to US\$ 918 Billion in 2013 as compared to US\$ 878 Billion in 2012.

With the shift expected from a traditional human capital-intensive model to a software capital-intensive model over time, the demand for cloud services have been increasing than the software and IT services. Usage of Public cloud computing has been increasing in Enterprises with a higher spending witnessed in infrastructure-related services including Infrastructure-as-a-Service (IaaS). Global spending on Public cloud services is expected to grow by 18.5% growth in 2013, with the expected total market size of US\$131 Billion worldwide as compared to US\$ 110 Billion in 2012. Whereas in India, Public cloud services market is forecast to grow 36% in 2013 to total US\$ 443 Million compared to US\$ ~325 Million. Infrastructure as a service (IaaS), including cloud computing, storage and print services is expected to grow 39.6% in 2013 to \$ 60.2 Million.



However with the increasing competition from several emerging countries in the BPO sector, India has lost about 10% share of the global BPO market in the last five years to destinations like China, the Philippines and Brazil.

According to Nasscom, in FY13, IT services would contribute US\$ 50 Billion, while Business Process Management (BPM or BPO) and Engineering services would contribute US\$ 20 Billion and US\$ 10 Billion, respectively. In spite of the concerns with the increase of competition and other challenges, India's IT and BPO sector exports are expected to grow by 12-14% in FY14 to touch US\$ 84 Billion - US\$ 87 Billion.

With the growth in technology which is now playing a vital role in every industry and trends such as mobility, social media, big data and the cloud, industry experts believe in spite of the challenges like macroeconomic instability, marked by slower economic growth, the Euro Zone crisis, unemployment, uncertainty fuelled by currency volatility and inflationary trends, the Indian industry is likely to keep its head up.

Indian IT and ITES industry which has always maintained its performance in being the consistent growth driver for the economy has grown at a remarkable pace. A majority of the Fortune 500 and Global 2000 corporations are sourcing IT and ITES from India and it is the premier destination for the global sourcing of IT and ITES accounting for 55% of the global market in offshore IT services and garnering 35% of the ITES/BPO market.

Unlike the past where the growth drivers for this sector were manufacturing, telecommunication, insurance, banking, finance and retail; the future growth of IT and ITeS will be from Mobile Applications, Healthcare, Climate Change, Energy Efficiency and Sustainable Energy. In 2013, average IT budget of large Indian enterprises are expected to increase to US\$ 12 Million. The Indian IT Infrastructure market is projected to grow by 9.7% Y-O-Y to reach US 2.1 Billion in 2013.

Besides the growth from key areas, the government potential which is expected to be in excess of INR 200 Billion, is primarily on the back of the demand from Applications Development and Maintenance (ADM), managed services, cloud computing, open source, and mobility. Industry experts expect that SMBs are projected to create opportunities worth INR 336 Billion whereas Large businesses meanwhile, is expected to generate at over INR 623 Billion, with organisations aligning IT to their business goals and leveraging hi-tech to expand, optimise their supply chains, lower overheads and time-to-market, and enhance global competitiveness.

## Business Strategy / Technology Focus/ Services Portfolio

With realization of the commoditization in IT services, coupled with the need for remaining flexible and relevant in a dynamic macro-economic structure, we continue down the path of differentiating ourselves through our expertise and experience in non-conventional areas such as Enterprise Mobility, Next-Gen Messaging, Product Engineering etc that we believe will be our growth drivers in the coming future. In order to enhance our value proposition in our areas of expertise, we continue to invest in our capability through building Centers of Excellence, in offering Next-generation services through Platform based delivery & in our sales and marketing engine to ensure that we are able to capitalize on the new trends and areas of growth.

We realize a shift in requirements from our global clients towards business outcomes based engagements and take pride in being ahead of the curve in offering leading Risk-reward, Revenue share engagements. We continue to remain relevant to our clients through partnership based engagements, leveraging on our Intellectual Property Solutions and Platforms, freeing up valuable resources from non-core areas into areas of future growth. In order to respond to marketing opportunities we have restructured the company into three independent entities, each headed by a senior executive and run as independent businesses with a dedicated structure – IT services (including Applications Management & Infrastructure Management), Product Engineering Services and Mobility & Messaging Platforms and Solutions.

Our Messaging platform supports in excess of 100 Million users and handles 700 billion+ messages a year through standards based, ACTA compliant delivery with 6 nines (99.9999%) availability. The platform provides services to multiple Tier-1 and Tier-2 Telecom Operators. In FY 2012-13, we completed all product investments and launched several peripheral offerings based on the technology. We have three next-gen products – Rich Communication Services, cloud based Enterprise Messaging Services and Personal Messaging Cloud in the market and we intend to invest US \$6 Million in enhancing the Sales & Marketing team across USA, Europe, APAC and for Product Enhancements. Our messaging platform is seen as one of the best, and we have received Industry recognition from multiple quarters. For example, we received the Customer Magazine CRM excellence award and were the finalist in the NPG Hot Companies & Technologies Awards for 2 years running. We continue to see high demand for our mobility products worldwide.





Our Product Engineering practiced is focused on wireless technology and we continue to enhance our expertise and offering in this high growth area through a US\$ 1 Million investment in building a Center of Excellence (CoE) in wireless technologies. We have received recognition for re-building the datacom business in China and as the product that continues to thrive in Japan post the 2011 Tsunami. We aim to continue to target Tier-1 Telecom OEMs for our Product Engineering Solutions and Services.

In IT Services, we continue to see high potential in new areas and aim to capitalize on this through a US\$ 3 Million investment in building competencies & platforms in the area of Mobility, Cloud & Analytics and US\$ 2 Million in enhancing the Sales & Marketing Engine for IT Services. Further we also aim to start operations in Europe. We already offer Cloud Platform based Infrastructure Management Solutions through the ITaaS product and would further enhance platform based delivery for the Healthcare and Publishing Industries.

## Risks and Concerns

Concerns emanating from the prevalent macro-economic conditions continue to linger for the forthcoming financial as well. The Eurozone economy looks stable but growth rates are stagnating. However, we currently have minimal exposure to the European Area and the Company therefore enjoys a position of safety in this regard. However, since business from the European Area may increase in the future, this could become a concern until full recovery is witnessed in the region. The US economy continues to show promise with IT budgets continuing to thaw but a wait and watch approach is warranted for the region. A decline in US economic outlook can affect demand for IT services. The Company also draws revenues from the APAC region (including India) and economic conditions, though in a better state than the rest of the world, can pose a threat to future business.

Our progress is also linked to the movements in domestic currency, which has depreciated significantly over the past year. Whilst a depreciating rupee enhances our margins, currency volatility could have an impact on the hedges taken by us.

The US immigration law has posed several challenges for the Indian IT industry but the impact on the company remains minimal almost all of our US employees are locals. Anti-Outsourcing rhetoric could have an adverse impact on our business delivery model and margins.

Our work with and governmental agencies exposes us to further operational and financial risk due to the possibility of delays that are frequently associated while dealing with such agencies.

The global scourge of terrorism may affect our ability to deliver services to our clients. Such acts may cause clients to delay decisions on Information Technology spending and this may adversely impact our growth. These events also pose significant risks to our people and to physical facilities and operations around the world, whether the facilities are ours or those of our clients, which could affect our financial results.

The Company has differentiated itself and has attempted to create a niche position through key investments and continues to reduce dependence on conventional IT services. Dilution in differentiation can occur if our competitors develop similar capabilities or due to our inability to introduce value-enhancing service offerings and innovative business engagement models.

Lastly, the company operated in a talent-dependent industry and we face risks if we are not able to continue to attract and retain talented employees.

## Financial Performance

The financial performance discussed below is based on the consolidated financial results for the year ended March 31, 2013.

## Share Capital

The authorized share capital of the Company is Rs 500 Million consisting of 50 Million equity shares of Rs 10 each. The paid up share capital stands at Rs 425.6 Million as on March 31, 2013.

## Reserves and Surplus

### General Reserve

General Reserve stands at Rs 264.4 Million on March 31, 2013 compared to Rs 158.2 Million in the previous year. The increase in general reserves over the previous year is on account of mandatory transfer of profit to reserves on declaration of Interim and Final Dividend that was made during the current year.



## Capital Redemption Reserve

Capital redemption reserve stands at Rs 15 Million on March 31, 2013 and has not changed compared to the previous year.

## Profit & loss Account

The balance retained in the profit and loss account as of March 31, 2013 is Rs 4,196.7 Million compared to Rs 3,534.6 Million as of March 31, 2012.

## Forex Translation Reserve

The balance retained in the Forex translation reserve as of March 31, 2013 is Rs 385.0 Million compared to Rs 280.30 Million as of March 31, 2012.

## Shareholder's Fund

The total shareholders' funds increased to Rs 5,962.6 Million as of March 31, 2013 from Rs 5,089.4 Million as of the previous year. The book value per share increased to Rs 140.10 as of March 31, 2013 as compared to Rs 119.58 as of March 31, 2012.

## Long Term Borrowings

Our Long Term Borrowings have decreased to Rs 20.1 Million as of March 31, 2013 from Rs 43.5 Million as of the previous year. This decrease is mainly due to repayment of long term borrowings of Rs 23.3 Million.

## Deferred Tax Liabilities

Deferred tax liabilities as on March 31, 2013 were Rs 311.3 Million as compared to Rs 229.4 Million as of March 31, 2012.

## Current Liabilities and Provisions

Current liabilities and provisions were Rs 5674 Million as of March 31, 2013 as compared to Rs 4,802.9 Million as of March 31, 2012.

Our working capital related borrowings have increased to Rs 812.4 Million as of March 31, 2013 as compared to Rs 496.9 Million in the previous year.

Trade Payables have increased to Rs 1,662.4 Million from Rs 1,256.4 Million in the previous year.

Other Current Liabilities have increased to Rs 689.1 Million from Rs 618.2 Million in the previous year.

## Fixed Assets

The movement in the Fixed Assets is shown in the table below:

₹ in Million

Assets	Gross Block as on March 31, 2013	Gross Block as on March 31, 2012
Land	225.6	110.6
Buildings	246.7	165.5
Computers	378.7	329.2
Office Equipment	141.1	119.0
Furniture & Fixtures	145.7	129.4
Vehicles	37.9	38.5
Leasehold Improvements	124.7	60.8
IT & Networking Equipments	612.5	550.6
Plant & Machinery	40.3	38.8
Electrical Installations	67.6	56.7
<b>Intangible assets</b>		
Software	1334.0	1,160.3
Good will	26.2	-
<b>TOTAL</b>	<b>3,381.0</b>	<b>2,759.4</b>

The net block of fixed assets, capital work in progress and intangible assets under development increased to Rs 2,607.4 Million from Rs 2,153.4 Million as on March 31, 2012. This increase is due to an increase of Rs 263.3 Millions in Tangible and Intangible Assets, a reduction of Rs 11.7 Million in capital work in progress and an increase of Rs 202.4 Million in Intangible Assets under Development.

## Goodwill

Opening goodwill as shown in the Consolidated Balance Sheet was Rs 646 Million in respect of acquisition of 100% stock of Comnet International Company by Infinite Computer Solutions Inc. which has decreased to Rs 546.5 Million as on March 31, 2013, decrease of Rs 99.50 Million over the previous year's balance this decrease is attributable to recognition of Goodwill on merger of one of our subsidiary to the extent of Rs. 26.2 Million and Rs. 73.3 Million due to exchange difference.

## Investments

The Company has made several strategic investments in a number of wholly owned 100 % subsidiaries, the details of which are as per the table below.

Sl.No.	Name of the subsidiary company	Country of Incorporation	Percentage of Ownership Interest as at	
			31st March 2013	31st March 2012
1.	Infinite Computer Solutions Pte. Ltd.	Singapore	100%	100%
2.	Infinite Computer Solutions Inc.	USA	100%	100%
3.	Infinite Computer Solutions Sdn, Bhd	Malaysia	100%	100%
4.	Infinite Computer Solutions (Shanghai) Co. Ltd	China	100%	100%
5.	Infinite Computer Solutions Ltd	United Kingdom	100%	100%
6.	Comnet International Company	USA	Amalgamated w.e.f 01.04.2012 with Sr. No. 2	100% Subsidiary of Sr. No. 2
7.	India Comnet International Pvt Ltd	India	100% Subsidiary of Sr. No. 2	100% Subsidiary of Sr. No. 6
8.	Infinite Infosoft Services Pvt. Ltd.	India	Amalgamated w.e.f 01.04.2012 with Parent Company	100%
9.	Infinite Data Systems Pvt. Ltd.	India	Amalgamated w.e.f 01.04.2012 with Parent Company	100%
10.	Infinite Data Systems UK Ltd.	UK	100%	100% Subsidiary of Sr. no.9
11.	Infinite Convergence Solutions Inc.	USA	100%	100%
12.	Infinite Infocomplex Pvt. Ltd.	India	100%	100%
13.	Infinite Infoworld Ltd.	India	100%	100%
14.	Infinite Infopark Ltd.	India	100%	100% (Incorporated on December 2011)
15.	Infinite TechHub Limited	India	100% (Incorporated in November 2012)	
16.	Infinite TechWorld Limited	India	100% (Incorporated in November 2012)	
17.	Infinite Infocity Limited	India	100% (Incorporated in November 2012)	



The Infinite Computer Solutions Inc., USA has a contingent liability of USD 325,000 with respect to the Investment in Servesharp Inc. In accordance with the "Second Closing" clause of the share purchase agreement, this amount shall be payable subject to Servesharp Inc meeting the criteria set forth in the said agreement. As of the balance sheet date, it cannot be ascertained or estimated with reasonable accuracy whether Servesharp Inc would or would not meet the set criteria. Considering the nature of the transaction, this liability has not been included in the value of investment in Servesharp Inc. Consequently this liability is being disclosed as a contingency, via this note.

During the year 2012-13, Infinite TechHub Limited, Infinite TechWorld Limited & Infinite Infocity Limited have been incorporated, which is are all wholly owned subsidiaries of Infinite Computer Solutions (India) Limited.

## Deferred Tax Asset

Deferred tax asset as on March 31, 2013 was Rs 118.2 Million as compared to Rs 200.4 Million as of March 31, 2012.

## Current Assets

### Trade Receivables

Trade Receivables increased to Rs 3,256.7 Million after provision for doubtful debts amounting to Rs 118.7 Million as of March 31, 2013 from Rs 2,322.2 Million after provision for doubtful debts amounting to Rs 50.9 Million as of March 31, 2012.

Included in the debtors are those pertaining to pass-through revenue Rs 753 Million and Rs 1151.5 Million for the year ended March 31, 2013 and 2012, respectively.

The Days Sales Outstanding (DSO) as appearing in the financials is 126 days for the year ended March 31, 2013 as compared to 135 days for the previous year.

The DSO of the core business (excluding pass through) has increased from 98 days in FY'12 to 109 in FY'13.

## Cash and Cash Equivalents

The cash and cash equivalents at the end of March 31, 2013 are Rs 1,650.9 Million as compared to Rs 1,506 Million as on March 31, 2012. The bank balances in India include both rupee accounts and foreign currency accounts. The bank balances in overseas current accounts are of the Company's overseas subsidiaries, its branches and an overseas collection account.

## Short Term Loans and Advances

Loans and advances as on March 31, 2013 were Rs 1,344.5 Million as compared to Rs 1,026.6 Million as on March 31, 2012. The increase is mainly due to the increase in advance tax paid.

## Other Current Assets

Other Current Assets increased to Rs 2,132.5 Million as of March 31, 2013 from Rs 1,984.3 Million on March 31, 2012. The increase in this is mainly due to increase in unbilled receivables. Unbilled receivables pertain to services provided to customers during the financial year but have been invoiced after March 31, 2013. The unbilled receivables as on March 31, 2013 were Rs 2,059.1 Million as compared to Rs 1,940.9 Million for the previous year.

## Consolidated Revenue

The financial year 2013 was a great one for Infinite as the Company made remarkable progress in its business performance. The year saw Infinite grow its top line by 31.7% in INR terms to Rs 13,906 Million and about 15.7% in USD terms to USD 255.5 Million. We have classified our revenues into four geographic segments comprising the Americas, Europe, Asia Pacific and Domestic (India). The geographic breakdown of revenues contained in the following table, is based on the location of the specific client entity for which the project has been executed, irrespective of the location where the invoice is raised or whether the work is performed onsite or from our offshore delivery centers in India.

Geographical location	31st March 2013	31st March 2012
Domestic	1,322.5	1,330.4
Americas	11,813.8	8,085.3
Europe	20.6	442.2
APAC	749.3	700.2

Our revenues are generated from Time and Material, Fixed Price and Revenue share projects. On time-and-material contracts revenues are recognized as the related services are rendered. Revenue from fixed price contracts is recognized as per the proportionate completion method. Revenue from revenue share contracts is recognized as and when it accrues.

The segmentation of software services by project type is as follows:

Project Type	FY 2013	FY 2012
Fixed Price / SOW	23.6 %	27.1 %
Revenue Share	16.2 %	16.5 %
Time and Material	60.2 %	56.4 %

Our revenues are also segmented into onsite and offshore revenues. Onsite revenues are those where the services are provided at our clients locations while offshore revenues are those where the services are provided from our software development centers located in India. This segmentation is as follows:

Revenue Mix	FY 2013	FY 2012
Onsite	72.7 %	64.8 %
Offshore / Domestic	27.3 %	35.2 %

The services performed onsite typically generate higher revenues per-capita, but at a lower gross margin in percentage as compared to services performed at our own facilities. Therefore, any increase in onsite effort impacts our margins. The growth in revenue is due to an all-round growth in various segments of the business mix and is mainly due to growth in business volumes.

## Other Income

Other income for the year ended March 31, 2013 is Rs 74.75 Million, as compared to the previous year's income of Rs 124.1 Million. Decrease of Rs 49.3 Million is mainly due to decrease in exchange gain in the current year of Rs. 61.8 Million, increase in interest income of Rs. 24.3 Million and decrease in dividend income of Rs. 10.6 Million.

## Expenses

The overall expenditure of the company grew by 36.2% over the last year to Rs 12,356 Million. The expenses mainly consist of manpower cost, other expenses, financial cost and depreciation. The increase is due to increase in business volume, increase in number of office locations in India and overseas and overall growth in business activity.

## Manpower Related Expenses

Manpower related expenses include salaries, wages and bonus, contribution to provident fund and other funds, staff welfare costs and expenses towards contractual Services. These expenses grew by 43.1% in the fiscal year 2013 over fiscal year 2012.

## General and Administration Expenses

The administration and other expenses have decreased by 10.2% in fiscal 2013. Increase in depreciation is mainly due to increase in investment in computers, infrastructure and equipment, as well as amortization of software to service our growing business.

The Company incurred interest expense of Rs 27.5 Million in fiscal 2013 on borrowings as compared to Rs 18.7 Million in fiscal 2012. The increase is due to increase in working capital loans taken during the year.



## EBITDA Margins

This period saw our EBITDA rise by 19.03% in INR terms to Rs 2,184.2 Million and by 4.76% in USD terms to USD 40.11 Million. EBITDA margins as a percentage of revenue was 15.7% in fiscal 2013 as compared to 17.38% in fiscal 2012.

## Profit before Tax

Profit before tax, prior period and extraordinary items increased by 1.1% to Rs 1,624.5 Million in fiscal 2013 from Rs 1,606.8 Million in fiscal 2012. Profit before tax as a percentage of revenue was 11.68% in fiscal 2013 as compared to 15.22% in fiscal 2012.

## Taxes

The provision of current tax and deferred tax for the year ended March 31, 2013 is Rs 317.1 Million as compared to Rs 399.8 Million in the previous year. The effective tax rate in these years is 19.52% and 24.88% respectively. The reduction is due to accounting of higher MAT credit in fiscal 2013 of Rs 8.05 Million.

## Net Profit

The Profit after Tax (PAT), for the year ended March 31, 2013 was up by 8.32% in INR terms to Rs 1,307.5 Million and by 15.42% in USD terms to USD 29.12 Million. Profit after tax as a percentage of revenue was 9.40% in fiscal 2013 and 11.4% fiscal 2012.

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Source: NASSCOM: Indian IT-BPM Industry – FY 2013 Performance review, FY 2014 Outlook. Available:  
<http://www.nasscom.in/sites/default/files/userfiles/file/FY13%20Performance%20Review%20and%20FY14%20Outlook.PDF>



Financial Section





## Independent Auditors' Report on the Consolidated Financial Statements

To the Board of Directors of Infinite Computer Solutions (India) Limited

We have audited the annexed Consolidated Financial Statements of Infinite Computer Solutions (India) Limited (the company), and its subsidiaries, comprising of the consolidated Balance Sheet as at March 31<sup>st</sup>, 2013, the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other notes to accounts.

### Managements Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated 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 accounting principles generally accepted in India, including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements of the subsidiaries, as stated below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the consolidated Balance Sheet, of the state of affairs of the company as at March 31<sup>st</sup>, 2013;
- b. in the case of the consolidated Profit and Loss Account, of the Profit of the company for the year ended on that date; and
- c. in the case of the consolidated Cash Flow Statement, of the cash flows of the company for the year ended on that date.

#### Other matters

We did not audit the financial statements of subsidiaries, whose financial statements reflect the company's share of total assets of Rs 7815 million as at March 31<sup>st</sup>, 2013, and the company's share of total revenues of Rs. 11215 million and net cash inflow amounting to Rs. 330 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements and other information of the subsidiaries have been audited by other auditors, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of other auditors.

For and on behalf of  
**Amit Ray & Co.,**  
Chartered Accountants

**C V Savit Kumar Rao**  
Partner

Membership No: 70009  
Firm Reg. No. 483C

Place : Gurgaon  
Date : May 16, 2013



## Consolidated Balance Sheet as at March 31st, 2013

Particulars	Notes	As at 31st March 2013 Rs.	As at 31st March 2012 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
a. Share Capital	1	425,599,950	425,599,950
b. Reserves and Surplus	2	5,536,999,053	4,663,847,040
		<b>5,962,599,003</b>	<b>5,089,446,990</b>
<b>2. Non Current Liabilities</b>			
a. Long term borrowings	3	20,144,820	43,454,676
b. Deferred tax liabilities (Net)	4	311,287,816	229,458,837
c. Other Long term liabilities	5	-	-
d. Long-term provisions	6	36,801,935	38,807,787
		<b>368,234,571</b>	<b>311,721,300</b>
<b>3. Current liabilities</b>			
a. Short-term borrowings	7	838,496,271	547,840,522
b. Trade payables	8	1,662,443,517	1,256,359,262
c. Other current liabilities	9	689,060,657	618,156,401
d. Short-term provisions	10	2,447,236,467	2,341,727,509
		<b>5,637,236,912</b>	<b>4,764,083,693</b>
<b>TOTAL</b>		<b>11,968,070,486</b>	<b>10,165,251,983</b>
<b>II. ASSETS</b>			
<b>1. Non current assets</b>			
a. Fixed Assets	11		
i. Tangible assets		1,413,396,702	1,117,959,688
ii. Intangible assets		808,305,383	840,419,749
iii. Capital work-in-progress		8,493,671	20,167,562
iv. Intangible assets under development		377,244,877	174,826,028
		<b>2,607,440,633</b>	<b>2,153,373,027</b>
b. Goodwill		546,468,337	646,046,834
c. Non current investments	12	12,237,750	11,511,000
d. Deferred tax assets	13	118,243,303	200,423,099
e. Long term loans and advances	14	231,982,633	213,892,701
<b>2. Current assets</b>			
a. Current investments	15	67,131,719	100,847,167
b. Trade receivables	16	3,256,680,999	2,322,213,829
c. Cash and cash equivalents	17	1,650,928,755	1,506,040,736
d. Short-term loans and advances	18	1,344,492,425	1,026,581,482
e. Other current assets	19	2,132,463,932	1,984,322,107
		<b>8,451,697,830</b>	<b>6,940,005,322</b>
		<b>11,968,070,486</b>	<b>10,165,251,983</b>
See accompanying notes to the financial statements	25		

Subject to our report of even date

For Amit Ray & Co.

Chartered Accountants

CV Savit Kumar Rao

Partner (M. No. 70009)

Firm ICAI Reg. No: 483C

Place : Gurgaon

Date : May 16, 2013

For and on behalf of the Board of Directors

Ravindra Rama Rao Turaga

Director

Upinder Zutshi

Managing Director & CEO

Rajat Kalra

Company Secretary

## Consolidated Profit and Loss Account for the year ended March 31, 2013

Particulars	Notes	Year ended 31 March 2013 Rs.	Year ended 31st Mar 2012 Rs.
<b>INCOME</b>			
I. Revenue from operations	20	13,906,117,997	10,558,027,495
II. Other Income	21	74,753,490	124,092,555
<b>III. Total Revenue (i + ii)</b>		<b>13,980,871,487</b>	<b>10,682,120,049</b>
<b>IV Expenses</b>			
Manpower expense	22	10,435,714,669	7,290,847,834
Finance costs	23	27,472,989	18,691,982
Depreciation and amortization expense	10	433,117,902	328,533,874
Other expenses	24	1,460,109,874	1,437,228,771
<b>Total Expenses</b>		<b>12,356,415,434</b>	<b>9,075,302,461</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		1,624,456,053	1,606,817,589
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		1,624,456,053	1,606,817,589
VIII. Extraordinary items		-	-
IX. Profit before tax (VII- VIII)		1,624,456,053	1,606,817,589
X. Tax Expenses			
1. Current tax		249,011,766	411,181,921
2. Deferred tax		163,023,076	3,050,936
3. MAT Credit		(94,977,558)	(14,444,524)
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		1,307,398,769	1,207,029,256
XII. Profit/(loss) from discontinuing Operations		-	-
XIII. Tax expense of discontinuing Operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit (Loss) for the period (XI + XIV) Earnings per Equity Share		1,307,398,769	1,207,029,256
1. Basic (Rs.)		30.72	28.05
2. Diluted (Rs.)		30.72	28.05

Subject to our report of even date

For and on behalf of the Board of Directors

For **Amit Ray & Co.**  
Chartered Accountants

**Upinder Zutshi**  
Managing Director & CEO

**Ravindra Rama Rao Turaga**  
Director

**CV Savit Kumar Rao**  
Partner (M. No. 70009)  
Firm ICAI Reg. No: 483C

**Rajat Kalra**  
Company Secretary

Place : Gurgaon  
Date : May 16, 2013



## Consolidated Statement of Cash flow for the year ended March 31, 2013

Particulars	Year ended 31 March 2013 Rs.	Year ended 31 March 2012 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax	1,624,456,053	1,606,817,549
Adjusted for:		
Depreciation	433,117,902	328,533,874
Interest Income	(67,979,765)	(43,099,145)
Interest Expense	29,065,011	19,105,147
(Profit)/Loss on sale of fixed assets	354,103	4,909,457
(Profit)/Loss on sale of Investment	-	(550,516)
Provision for Doubtful Debts	14,086,971	13,175,417
Wealth Tax	150,571	122,653
Dividend income	(4,737,733)	(13,777,573)
Effect of Exchange Differences on translation of foreign currency cash and cash equivalents	(14,759,801)	(48,541,561)
<b>Operating Profit before working capital changes</b>	<b>2,013,753,312</b>	<b>1,866,695,303</b>
Adjusted for:		
Accounts Receivable	(852,480,416)	3,464,721
Loans and Advances	(7,340,506)	241,010,630
Other Current Assets	(119,831,182)	(756,895,650)
Current Liabilities and Provisions	394,484,614	102,416,128
<b>Cash Generated from Operations</b>	<b>1,428,585,822</b>	<b>1,456,691,132</b>
Income Tax paid	(450,194,718)	(260,153,292)
Income Tax Refund	88,766,904	18,884,115
<b>NET CASH FROM OPERATING ACTIVITIES [A]</b>	<b>1,067,158,008</b>	<b>1,215,421,955</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(794,523,010)	(481,788,945)
Proceeds on Sale of Fixed Assets	962,025	1,390,276
Purchase of Investment	(136,938,422)	(776,046,842)
Proceeds on sale of Investments	170,653,870	832,742,313
Interest received	84,484,637	60,034,547
Interest paid	(29,065,011)	(19,105,147)
Dividend Income	4,737,733	13,777,573
<b>NET CASH USED IN INVESTMENT ACTIVITIES [B]</b>	<b>(699,688,178)</b>	<b>(368,996,225)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Issue of Equity Shares	-	-
Payment for Share buy back	-	(163,017,673)
Proceeds from Borrowings	482,539,202	492,379,200
Repayment of Borrowings	(245,252,896)	(362,427,072)
Dividend Paid	(446,879,949)	(170,507,980)
Dividend Distribution Tax Paid	(72,495,099)	(27,661,955)
<b>NET CASH USED IN FINANCING ACTIVITIES [C]</b>	<b>(282,088,742)</b>	<b>(231,235,480)</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents ([A]+[B]+[C])</b>	<b>85,381,088</b>	<b>615,190,250</b>
Effect of Exchange Difference on translation of foreign currency	59,506,931	56,422,004
Cash & Cash equivalents at the beginning of the period	1,506,040,736	834,428,482
Cash & Cash equivalents at the end of the period	1,650,928,755	1,506,040,736
<b>Increase/(Decrease) in cash and cash equivalent</b>	<b>85,381,088</b>	<b>615,190,250</b>

Subject to our report of even date

For and on behalf of the Board of Directors

For Amit Ray & Co.

Chartered Accountants

C V Savit Kumar Rao

Partner (M. No. 70009)

Firm ICAI Reg. No: 483C

Upinder Zutshi

Managing Director & CEO

Rajat Kalra

Company Secretary

Ravindra Rama Rao Turaga

Director

Place : Gurgaon

Date : May 16, 2013

## Notes forming part of the Consolidated Balance Sheet as at 31st March 2013

Particulars	As at 31 March 2013 Rs.	As at 31 March 2012 Rs.
<b>Note 1 Share Capital</b>		
<b>Authorised</b>		
50,000,000 Equity shares @ Rs. 10 each. (Previous year 50,000,000 Equity shares @ Rs. 10 each)	500,000,000	500,000,000
<b>Issued, Subscribed and Paid up Capital</b>	<b>500,000,000</b>	<b>500,000,000</b>
Opening balance	425,599,950	439,599,950
Less : Shares bought back	-	14,000,000
42,559,995 equity shares of Rs. 10 each fully paid.	425,599,950	425,599,950
<b>Note 2 Reserves and Surplus</b>		
<b>1. Share Premium</b>		
As per last Balance Sheet	675,791,280	824,808,953
Add : Received during the year	-	-
	675,791,280	824,808,953
Less: Utilized for share buy-back	-	149,017,673
	675,791,280	675,791,280
<b>2. General Reserve</b>		
As per last Balance Sheet	158,165,860	63,500,395
Add: Additions during the year	106,267,359	94,665,465
	264,433,219	158,165,860
<b>3. Capital Redemption Reserve</b>		
As per last Balance Sheet	15,049,800	1,049,800
Add: Additions during the year	-	14,000,000
	15,049,800	15,049,800
<b>4. Profit &amp; Loss Account</b>		
As per last Balance Sheet	3,534,581,464	2,856,976,914
Add: Profit for the period	1,307,398,769	1,207,029,256
Less: Dividend Paid by Holding Company	383,039,956	362,027,958
Less: Dividend distribution tax Paid	63,124,984	58,731,283
Less: Reduction due to merger of Comnet International with ICS Inc USA	92,839,705	-
Less: Transfer to Capital Redemption Reserve	-	14,000,000
Less: Transfer to General Reserve	106,267,359	94,665,465
	4,196,708,229	3,534,581,464
<b>5. Forex Translation Reserve</b>		
As per last Balance Sheet	280,258,636	(23,142,698)
Add : Forex difference eliminations	(25,522,016)	(20,558,951)
Add: For the period	130,279,905	323,960,285
	385,016,525	280,258,636
	5,536,999,053	4,663,847,040
<b>Note 3 Long Term Borrowings</b>		
Secured Loans	-	-
Unsecured Loans	20,144,820	43,454,676
	20,144,820	43,454,676



## Notes forming part of the Consolidated Balance Sheet as at 31st March 2013

Particulars	As at 31st Mar 2013 ₹	As at 31st Mar 2012 ₹
<b>Note 4 Deferred Tax Liabilities</b>		
Deferred Tax Liabilities		
As per last Balance Sheet	229,458,837	161,161,486
Add : Adjustments for the current year	81,828,979	68,297,351
	<b>311,287,816</b>	<b>229,458,837</b>
<b>Note 5 Other Long Term Liabilities</b>		
Others	-	-
<b>Note 6 Long-Term Provisions</b>		
Provision for employee benefits	36,801,935	38,807,787
	<b>36,801,935</b>	<b>38,807,787</b>
<b>CURRENT LIABILITIES</b>		
<b>Note 7 Short-Term Borrowings</b>		
Secured		
Working Capital Loan	812,442,893	496,960,719
Unsecured		
Form others	26,053,378	50,879,803
	<b>838,496,271</b>	<b>547,840,522</b>
<b>Note 8 Trade Payables</b>		
Trade payables - others	1,662,443,517	1,256,359,262
	<b>1,662,443,517</b>	<b>1,256,359,262</b>
<b>Note 9 Other Current Liabilities</b>		
Unearned revenue	44,532,302	11,166,760
Unpaid dividends	687,200	190,478
Share application money refundable	727,980	780,780
Advances from customers	67,570,059	128,435,234
Other liabilities	575,543,116	477,583,149
	<b>689,060,657</b>	<b>618,156,401</b>
<b>Note 10 Short Term Provisions</b>		
Taxation	910,829,266	768,125,261
Proposed dividend	127,679,985	191,519,978
Tax on dividend	21,699,213	31,069,328
Warranty provision	24,475,500	23,022,000
Provision for employee benefits	68,259,959	41,307,696
Provision for other expenses	1,294,292,544	1,286,683,246
	<b>2,447,236,467</b>	<b>2,341,727,509</b>

## Consolidated fixed assets as on March 31, 2013 - for the year

### Note 11

Particulars	GROSS BLOCK AT COST				DEPRECIATION			NET BLOCK		
	As at 01.04.2012 ₹	Additions during the Year ₹	Adjustments/ Sold during Year ₹	As at 31.03.13 ₹	Upto 01.04.2012 ₹	Provided during the Year ₹	Adjustments Sold during Year ₹	As at 31.03.13 ₹	As at 31.03.13 ₹	As at 31.03.12 ₹
<b>Tangible Assets</b>										
Land	110,631,571	115,157,013	148,850	225,639,734	-	-	-	-	225,639,734	110,631,571
Buildings	165,505,038	81,198,897	-	246,703,935	16,128,648	3,459,501	-	19,588,149	227,115,786	149,376,390
Computers	329,166,321	102,861,225	53,294,297	378,733,249	165,684,283	43,134,014	48,872,805	159,945,492	218,787,757	163,482,038
Office Equipment	118,959,800	23,282,425	1,120,471	141,121,754	30,595,137	6,390,219	779,542	36,205,814	104,915,940	88,364,663
Furniture & Fixtures	129,350,841	17,959,464	1,651,688	145,658,617	43,958,520	7,628,499	2,112,276	49,474,743	96,183,874	85,392,321
Vehicles	38,540,839	1,588,962	2,193,077	37,936,724	14,407,734	3,474,718	1,947,687	15,934,765	22,001,959	24,133,105
Leasehold Improvements	60,844,955	63,788,319	(49,156)	124,682,430	18,051,766	19,559,786	224,804	37,386,748	87,295,682	42,793,189
IT & Networking Equipments	550,593,269	34,173,219	(27,723,553)	612,490,411	165,713,986	91,948,074	-	257,662,060	354,827,981	384,879,283
Plant & Machinery	38,781,116	1,524,400	-	40,305,516	13,280,657	1,888,502	-	15,169,159	25,136,357	25,500,459
Electrical Installations	56,729,998	10,841,611	(72,843)	67,644,452	13,323,403	2,829,366	-	16,152,769	51,491,683	43,406,595
<b>Total of Tangible Assets (A)</b>	<b>1,599,103,748</b>	<b>452,375,535</b>	<b>30,562,831</b>	<b>2,020,916,452</b>	<b>481,144,134</b>	<b>180,312,679</b>	<b>53,937,114</b>	<b>607,519,699</b>	<b>1,413,396,753</b>	<b>1,117,959,614</b>
<b>Intangible Assets</b>										
Software	1,160,284,487	148,243,819	(25,494,148)	1,334,022,454	319,864,738	250,199,104	20,786,133	549,277,709	784,744,745	840,419,749
Goodwill	-	26,166,757	-	26,166,757	-	2,606,119	-	2,606,119	23,560,638	-
<b>Total of Intangible Assets (B)</b>	<b>1,160,284,487</b>	<b>174,410,576</b>	<b>(25,494,148)</b>	<b>1,360,189,211</b>	<b>319,864,738</b>	<b>252,805,223</b>	<b>20,786,133</b>	<b>551,883,828</b>	<b>808,305,383</b>	<b>840,419,749</b>
<b>GRAND TOTAL (A+B)</b>	<b>2,759,388,235</b>	<b>626,786,111</b>	<b>5,068,683</b>	<b>3,381,105,663</b>	<b>801,008,872</b>	<b>433,117,902</b>	<b>74,723,248</b>	<b>1,159,403,526</b>	<b>2,221,702,136</b>	<b>1,958,379,363</b>
<b>As at March 31, 2012</b>										
<b>Tangible Assets</b>	<b>1,248,125,045</b>	<b>300,625,484</b>	<b>(50,353,219)</b>	<b>1,599,103,748</b>	<b>360,546,837</b>	<b>133,974,380</b>	<b>13,377,157</b>	<b>481,144,060</b>	<b>1,117,959,688</b>	<b>887,578,208</b>
<b>Intangible Assets</b>	<b>923,186,044</b>	<b>216,592,123</b>	<b>(20,506,320)</b>	<b>1,160,284,487</b>	<b>125,316,964</b>	<b>194,559,494</b>	<b>11,720</b>	<b>319,864,738</b>	<b>840,419,749</b>	<b>797,869,080</b>
<b>Total</b>	<b>2,171,311,089</b>	<b>517,217,607</b>	<b>(70,859,539)</b>	<b>2,759,388,235</b>	<b>485,863,801</b>	<b>328,533,874</b>	<b>13,388,877</b>	<b>801,008,798</b>	<b>1,958,379,437</b>	<b>1,685,447,288</b>



## Notes forming part of the Consolidated Balance Sheet as at March 31, 2013

Particulars	As at 31st Mar 2013 ₹	As at 31st Mar 2012 ₹
<b>NON-CURRENT ASSETS</b>		
<b>Note 12 Non Current Investments</b>		
In shares	12,237,750	11,511,000
	<b>12,237,750</b>	<b>11,511,000</b>
<b>Note 13 Deferred Tax Assets</b>		
Deferred Tax Asset		
As per last Balance Sheet	200,423,099	135,176,692
Add : Effect of forex variation due to merger of Comnet International Inc., USA with Infinite Computer Solutions Inc., USA		9,85,699-
Add : Adjustments for the current year	(81,194,097)	65,246,407
	<b>118,243,303</b>	<b>200,423,099</b>
<b>Note 14 Long Term Loans And Advances</b>		
Unsecured, considered good		
Capital Advances	230,657,953	212,598,070
Advances recoverable in cash or in kind or for value to be received or pending adjustments	1,324,680	1,294,631
	<b>231,982,633</b>	<b>213,892,701</b>
<b>Note 15 Current Investments</b>		
In Mutual Funds	67,131,719	100,847,167
	<b>67,131,719</b>	<b>100,847,167</b>
<b>Note 16 Trade Receivables</b>		
Unsecured, considered good		
More than 6 months	292,088,441	138,339,079
Others	2,964,592,558	2,183,874,750
Unsecured, considered doubtful	11,874,113	50,954,220
Less : Provision for doubtful debts	(11,874,113)	(50,954,220)
	<b>3,256,680,999</b>	<b>2,322,213,829</b>
<b>Note 17 Cash And Cash Equivalents</b>		
Cash in Hand [includes foreign currencies]	874,226	3,404,408
Balance with Scheduled Banks	-	
In Current Accounts	221,091,770	237,916,701
In EEFC Account	89,132,257	46,901,923
Balances with Bank accounts - outside India	701,916,239	417,019,195
In Unpaid Dividend Account	687,199	200,775
In Fixed Deposit Accounts - maturity within 12 months*	632,509,219	681,803,384
In Fixed Deposit Accounts - maturity after 12 months*	-	115,000,000
Bank Deposits held against Guarantees	3,989,865	3,013,569
In Share application money refund account	727,980	780,780
	<b>1,650,928,755</b>	<b>1,506,040,736</b>

\* These can be withdrawn at any point of time without prior notice or exit cost on the principal amount



## Notes forming part of the Consolidated Balance Sheet as at March 31, 2013

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
<b>Note 18 Short Term Loans And Advances</b>		
Deposits	62,760,569	64,097,303
Advances recoverable in cash or in kind or for value to be received or pending adjustments	258,711,856	288,100,855
Advance Income Tax	913,597,918	659,938,800
MAT Credit Recoverable	109,422,082	14,444,524
	<b>1,344,492,425</b>	<b>1,026,581,482</b>
<b>Note 19 Other Current Assets</b>		
Interest accrued but not due	12,197,268	23,928,797
Unbilled Receivables	2,059,085,805	1,940,916,197
Other Receivables	61,180,859	19,477,113
	<b>2,132,463,932</b>	<b>1,984,322,107</b>



## Notes forming part of the Consolidated Profit & Loss Account for the year ended March 31st 2013

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
<b>Note 20 Revenue From Operations</b>		
Domestic Sales	1,328,596,755	1,330,364,437
Export Sales	12,577,521,242	9,227,663,058
	<b>13,906,117,997</b>	<b>10,558,027,495</b>
<b>Note 21 Other Income</b>		
Interest income	66,597,753	42,310,312
Dividend Income	4,737,733	15,334,034
Profit on Sale of Investments (net)	-	550,516
Profit on Sale of Fixed Assets	16,572	-
Miscellaneous Income	3,401,432	4,147,481
Exchange Gain (net)	-	61,750,212
	<b>74,753,490</b>	<b>124,092,555</b>
<b>Note 22 Manpower Expense</b>		
Salaries & Wages	6,287,584,749	5,065,352,497
Contribution to Provident Fund and Other funds	60,317,753	51,818,083
Staff Welfare Expenses	224,209,121	204,693,022
Contractual Services	3,863,603,046	1,968,984,232
	<b>10,435,714,669</b>	<b>7,290,847,834</b>
<b>Note 23 Finance Costs</b>		
Interest on Loan	27,472,989	18,691,982
	<b>27,472,989</b>	<b>18,691,982</b>
<b>Note 24 Other Expenses</b>		
Rent & Hire Charges	165,999,922	154,724,146
<b>Repairs &amp; Maintenance</b>		
Building	8,345,337	7,682,307
Plant & Machinery	10,072,851	10,826,692
Vehicles	321,487	414,899
Others	45,070,065	33,991,888
Security Charges	19,327,816	16,857,410
Insurance	39,603,238	42,127,838
Communication Expenses	57,797,076	60,343,467
Recruitment Expenses	33,372,278	27,667,288
Legal & Professional Charges	157,728,004	178,996,148
Software Expenses	68,734,424	51,134,516
Project Expenses	294,547,086	523,728,224
Business Promotion	30,020,074	19,772,637
Traveling & Conveyance	154,016,411	156,400,470
Printing & Stationery	16,262,730	10,658,406
Electricity & Water Charges	52,554,256	50,344,986
Seminar & Training Expenses	64,387,548	8,298,615
Provision for Doubtful Debts	2,719,417	13,175,417
Bad Debts	11,367,554	2,022,191
Loss on sale of Fixed Assets	354,103	4,909,457

## Notes forming part of the Consolidated Profit & Loss Account for the year ended March 31st 2013

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
<b>Auditors' Remuneration</b>		
Statutory Audit	3,387,692	3,799,416
Tax Audit Fee	124,720	100,000
Reimbursement of Expenses	-	3,810
Other certification	1,229,699	960,000
Bank charges	12,851,695	15,591,027
Directors' sitting fees	1,154,268	1,198,014
Rates & Taxes	20,992,478	19,038,653
Exchange Loss (Net)	173,682,962	-
Miscellaneous Expenses	14,084,683	22,460,849
	<b>1,460,109,874</b>	<b>1,437,228,771</b>



## INFINITE COMPUTER SOLUTIONS (INDIA) LIMITED (Consolidated)

### Note 25

#### 1. Significant Accounting Policies

##### a. Basis of Preparation

The Consolidated Financial Statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements prescribed by the Companies (Accounting Standards) Rules, 2006 and in accordance with the Indian Generally Accepted Accounting Principles (GAAP), and the provisions of the Companies Act, 1956, to the extent applicable.

##### b. Background

Infinite Computer Solutions (India) Limited ('the Company'), a Public Limited Company, is a global service provider of Application Management Outsourcing, Remote Infrastructure Management Services, R&D and Intellectual Property Leveraged Solutions and related IT Services.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year ended March 31, 2013.

##### c. Principles of Consolidation

These consolidated financial statements relate to Infinite Computer Solutions (India) Limited, the Parent Company, and its subsidiaries, together referred to in these financial statements as "The Group", which are as below:

Name of the Subsidiary Company	Country of Incorporation	Percentage of Ownership Interest as at	
		31 March 2013	31 March 2012
1 Infinite Computer Solutions Pte. Ltd.	Singapore	100%	100%
2 Infinite Computer Solutions Inc.	USA	100%	100%
3 Infinite Computer Solutions, Sdn, Bhd,	Malaysia	100%	100%
4 Infinite Computer Solutions (Shanghai) Co. Ltd	China	100%	100%
5 Infinite Computer Solutions Ltd	United Kingdom	100%	100%
6 Comnet International Company	USA	Amalgamated with 2 w.e.f 1st April 2012	100% Subsidiary of Sr. No. 2
7 India Comnet International Pvt Ltd	India	100% Subsidiary of Sr. No. 2	100% Subsidiary of Sr. No. 7
8 Infinite Infosoft Services Pvt. Ltd.	India	Amalgamated with holding Company w.e.f 1st April 2012	100%
9 Infinite Data Systems Pvt. Ltd.	India	Amalgamated with holding Company w.e.f 1st April 2012	100%
10 Infinite Data Systems UK Ltd.	UK	100%	100% Subsidiary of Sr. No. 9
11 Infinite Convergence Solutions Inc.	USA	100%	100%
12 Infinite Infocomplex Pvt. Ltd.	India	100%	100%
13 Infinite Infoworld Ltd.	India	100%	100%
14 Infinite Infopark Ltd.	India	100%	100%
15 Infinite TechHub Limited	India	100%	N.A.
16 Infinite TechWorld Limited	India	100%	N.A.
17 Infinite Infocity Limited	India	100%	N.A.



Subsidiary companies are those in which Infinite Computer Solutions (India) Limited, directly or indirectly, has an interest of more than 50% of the voting power or otherwise has power to exercise control over the operations.

During the current year Infinite Techhub Limited, Infinite TechWorld Limited and Infinite Infocity Limited has been incorporated. Which are wholly owned subsidiary of Infinite Computer Solutions (India) Limited.

All material inter-company transactions, balances and unrealized surplus and deficit on transactions between group companies are eliminated. Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable.

**d. Basis of Accounting**

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956, as adopted consistently by the company.

The Company follows the mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

**e. Use of Estimates**

The preparation of financial statements are in conformity with the generally accepted accounting principles and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates.

**f. Revenue Recognition**

Revenue from software development contracts priced on a time and material basis is recognized on the basis of billable time spent by employees working on the project, priced at the contracted rate.

Revenue in respect of services on fixed price contracts is recognized on milestones achieved as per the terms of specific contracts. Revenue from incomplete contracts is recognized on the proportionate completion method and where no significant uncertainty exists regarding the amount of consideration that will be derived on completion of the contract.

Dividend income is recognized when the right to receive payment is established.

Interest on bank deposits is recognised on accrual basis.

**g. Note on disclosure in accounts regarding presentation of certain items of consultant labour expenditure**

The following expenses incurred by Infinite Computer Solutions Inc., USA during the year have not been separately shown as forming part of Consultant Labour Expense but have been netted off and reduced from the Consulting and Project Revenue in the Profit and Loss Account. The netting-off of expenses as aforesaid is primarily in respect of revenue yielding transactions with clients where the Company is a Core Vendor and where under other sub-tier vendors who provide services to such clients are also required to route their billing and collection transactions through the Company as per the internal policies of such clients. The Company does not expend any marketing effort nor does it exercise any direct control or supervision on the subsidiary vendor resources. The Company charges and retains an agreed margin in the nature of a fee from such clients where the Company is a core vendor for allowing the subsidiary vendors to route their business through the Company. Considering the nature of the above-referred business, the Company is of the opinion that only the margin from these transactions should be recognized as the turnover of the Company and not the gross revenue from these transactions for more appropriate presentation of the financial statements. Accordingly, the expenses incurred by the subsidiary vendors are not separately shown but netted-off from the Consulting and Project Revenues. The particulars of such pass-through transactions along with balances in debtors and creditors relating thereto are as follows:-



₹ in Millions

	Year ended 31 March 2013	Year ended 31 March 2012
Pass-through Revenue	4976.94	5,385.78
Cost of Pass-through Revenue	4804.72	5,158.15
Margin of Pass-through Revenue	172.23	227.63
Debtors Pertaining to Pass-through Revenue	614.15	753.08
Pass through debtors in unbilled revenue	143.14	295.62
Creditors Pertaining to Pass-through revenue	665.46	755.80
Pass-through creditors lying in provision	215.36	300.76

#### h. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

The company does not capitalize the cost of software acquired specifically for client projects and where there is no enduring benefit to the company following conclusion of the project. Such software is charged to the Profit & Loss Account in the year in which the software is acquired.

#### i. Depreciation

Depreciation on all fixed assets is provided on the straight-line method over the estimated useful life of the assets at rates specified in Schedule XIV to the Companies Act, 1956.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale/deduction from fixed assets is provided for upto the dates of sale, deduction, discard, as the case may be.

All assets costing Rs. 5,000 or below are depreciated in full by way of a onetime depreciation charge. Leasehold improvements are amortized over the period of lease.

#### j. Intangibles

Product development costs

Product development cost represents direct cost incurred by the Group for developing new product. Research costs are expensed as incurred. Development expenditure incurred on an individual product is carried forward when its future recoverability can reasonably be regarded as assured. The expenditure incurred is carried forward under capital work in progress till the product is ready to be marketed. Expenditure carried forward is charged off over the expected useful life of product beginning in the month when revenue from the product starts accruing.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

#### k. Leases

Lease rentals are expensed with reference to lease terms.

#### l. Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. The financial statements of foreign branches of the company are translated and recorded in the functional currency of the company.

Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences either on settlement or on translation of transactions other than those relating to fixed assets acquired from sources outside India is recognized in the Profit and Loss Account. Gain or loss on translation of long-term liabilities incurred to acquire fixed assets from sources outside India is treated, as an adjustment to the carrying cost of related fixed assets.

Foreign operations of the Company are non-integral in nature. The translation of the functional currency in to the reporting currency is performed for balance sheet accounts using the exchange rates in effect at the balance sheet date and for revenue and expense accounts using an appropriate daily simple average exchange rate for the respective period. The gain or loss resulting from such translations is accumulated in a foreign currency translation reserve.

The following forward contracts are outstanding as on 31<sup>st</sup> March 2013:

For USD – 37.50 Million (Rs.2,039.63 Million)

#### m. Statement of Utilization of IPO Funds

	₹ in Rs Million
	As on 31 March 2013
Amount raised through IPO	946.43
Share Issue expenses paid	70.72
<b>Net proceeds</b>	<b>875.71</b>
<b>Deployment</b>	
Repayment of Debts	83.00
Acquisition	380.00
Capital expenditure	190.69
General Corporate Purpose	148.02
Current Investment in Mutual Funds	-
Kept in Fixed Deposits	73.46
Kept in Separate Bank Account	0.54
<b>Total</b>	<b>875.71</b>

#### n. Retirement Benefits

##### Holding Company and its Indian Subsidiary

a. Provident Fund eligible employees receive benefits from Provident Fund which is a defined contribution plan. Both the employees and the company make monthly contributions to the provident fund authorities, equal to specified percentage of eligible covered employees' salary. The company has no other obligation other than the monthly contribution.

b. Gratuity in the case of the holding company the gratuity payable to employee is accounted for on the basis of an actuarial valuation as at the balance sheet date.

In the case of its Indian subsidiary India Comnet International Pvt. Ltd. the liabilities with regard to gratuity plan are determined by actuarial valuation as at the Balance Sheet date based upon which the company contributes all the ascertained liabilities to LIC, who are the trustees / administrator of the plan.

c. Leave Encashment

Liabilities on account of encashment of leave to employees is provided on the basis of actuarial valuation.

##### Subsidiaries in US

The company has a saving and investment plan under section 401(k) of the internal revenue code of the United States of America. This is a defined contribution plan. Contributions are charged to income in the period in which they accrue.

##### Subsidiary in Singapore

As per the local laws of Singapore, employers are required to contribute up to 13% of the basic salary of the employees. The company contributes to the fund approved by the government of Singapore.



**o. Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Amount in ₹

Particulars	Year ended 31st March 2013	Year ended 31st March 2012
Net Profit /(Loss) (Rs.)	1,307,398,769	1,207,029,256
Weighted average number of equity share outstanding	42,559,995	43,026,351
Nominal value of Equity shares (Rs.)	10	10
Basic Earnings per share (Rs.)	30.72	28.05
Diluted Earnings Per Share (Rs.)	30.72	28.05

**p. Impairment of Assets**

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal. A provision for impairment loss is recognized where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

**q. Income Taxes**

Income taxes consist of current taxes, adjustment to Minimum Alternate Tax (MAT) recoverable and changes in deferred tax liabilities and assets.

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Timing differences between the taxable income and the accounting income as at March 31, 2013 that reverse in one or more subsequent years are recognized if they result in taxable amounts. Deferred tax assets or liabilities are provided at the enacted tax rates. Changes in the enacted rates are recognized in the period of enactment.

Deferred tax assets are recognized only if there is a reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying, values at each balance sheet date.

**r. Miscellaneous Expenditure**

Preliminary expenses incurred on incorporation of the company are deferred and amortized over a period of ten years.

**s. Material Events**

Material events occurring after the Balance Sheet date are taken into cognizance.

**2. Notes to the consolidated financial statements**

Notes to these consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding. Recognising this purpose, the company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.

**a. Commitment and Contingencies**

Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has been paid Rs 227.58 Million (Previous year Rs 123.57 Million).

Contingent Liability towards Bank Guarantees and LCs given to customers and other business related requirements is Rs 281.40 million (Previous year Rs 288.31 Million).



A bank guarantee for an amount of Rs. 6.50 Million in respect of a contract for software services has been invoked by a customer. The company also has counter claims against the customer, and in order to recover its dues it has opted to go for arbitration. Pending conclusion of such arbitration proceedings no provisions have been made in the accounts.

The company ICS US Inc has a contingent liability of USD 325,000 (Rs.17.68 Million) with respect to the Investment in Servesharp Inc. In accordance with the "Second Closing" clause of the share purchase agreement, this amount shall be payable subject to Servesharp Inc meeting the criteria set forth in the said agreement. As of the balance sheet date, it cannot be ascertained or estimated with reasonable accuracy whether Servesharp Inc would or would not meet the set criteria. Considering the nature of the transaction, this liability has not been included in the value of investment in Servesharp Inc. Consequently this liability is being disclosed as contingency, via this note.

Infinite Computer Solutions Inc, USA, the Company's subsidiary has established a Line of credit of USD 10 million, secured by charge on fixed assets and working capital assets, from PNC Bank, National Associations, USA. This loan is to be used primarily for working capital requirements. The balance as at the end of the year is USD 6,937,358/- (Rs. 377.32 Million).

#### **b. Share capital:**

Share holding in excess of 5%

The following is the list of shareholders holding equity shares in excess of 5 percent of the aggregate share capital of the company as on 31<sup>st</sup> March, 2013:

1. M/s. Mahavi Holdbull Inc. holding 2,58,23,336 shares forming 60.68%
2. M/s T.Rowe Price International Inc holding 22,02,278 shares forming 5.17 %

#### **c. Amalgamation of Subsidiary Companies**

Accounting entries have been passed during the year, for the scheme of amalgamation, appointed date 1st April, 2012, of two of its wholly owned subsidiaries M/s Infinite Infosoft Services Private Limited and M/s Infinite Data Systems Private Limited, upon completion of all related formalities.

Regarding amalgamation of Comnet International Company with ICS INC USA, the company has evaluated the fair value of assets, mainly comprising of the investment in equity shares of India Comnet International Pvt Ltd. with the assistance of experts. Accordingly, the excess consideration arising on amalgamation, aggregating to USD 4,81,095 (Rs.26.17 Million) has been disclosed as goodwill under intangible assets, as per para 36 of Accounting Standard-AS 14. The said Goodwill is amortized over a period of 10 years.

#### **d. Stock Option Plan**

The Board of Directors and the Shareholders of the Company approved the Key Executives Performance Option Plan 2010 ("ESOP 2010") for grant of 3,500,000 options convertible into 3,500,000 equity shares, at their meeting in May 2010 and in August 2010 respectively. Pursuant to this approval, the Company instituted the Performance ESOP 2010 in September 2010. The Remuneration and Compensation Committee of the Company administers this Plan. The options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The particulars of the options granted are as follows:



	31 March 2013		31 March 2012	
	No. of Options	Exercise Price (₹)	No. of Options	Exercise Price (₹)
Options outstanding at the beginning of the year	1,300,000	160.65	1,600,000	160.65
	60,000	74.50	-	-
Granted during the year	60,000	105.95	60,000	74.50
Exercised during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	30,000	105.95	300,000	160.50
Options outstanding at the end of the year				
• Opening Balances	1,300,000	160.65	1,300,000	160.65
	60,000	74.50		
• Granted during the year	30,000	105.95	60,000	74.50

	31 March 2013	31 March 2012
Exercise Price for 1,300,000 options granted in F.Y 10-11	160.65	160.65
Exercise Price for 60,000 options granted in FY 11-12	74.50	74.50
Exercise Price for 30,000 options granted in FY 12-13	105.95	-
Weighted Average remaining contractual life (in years)	5.50	6.50

**e. Assignment and Assumption Agreement**

On January 10, 2001, the Company's subsidiary Infinite Computer Solutions Inc, USA had executed an Assignment and Assumption Agreement with INSTOS, Inc ("INSTOS"), which is wholly owned by the majority shareholder of Infinite Computer Solutions (India) Ltd, for normal consideration.

Pursuant to the Assignment and Assumption agreement, Infinite Computer Solutions Inc, USA has been assigned the economic benefits and has assumed the related costs of the customers, customer agreements and related costs of INSTOS. As a result, all such revenue and related costs have been transferred from INSTOS to Infinite Computer Solutions Inc, USA, in the accompanying financial statements as in the earlier years. The Assignment and assumption agreement provides for the direct transfer of customer agreements from INSTOS to Infinite Computer Solutions Inc, USA as practicable and until such time as all contracts are transferred, INSTOS will provide billing services to such customers for the services performed by Infinite Computer Solutions Inc, USA at a specified fee, subject to a maximum fee of USD 120,000 (Rs.6.53 million) per year.

No other assets of INSTOS, including cash, accounts receivable and other amounts owing to, earned by or accruing to INSTOS were assigned or transferred to Infinite Computer Solutions Inc, USA. However, the Company is allowed to utilize the Computers and other office equipments of INSTOS which were not transferred to Infinite Computer Solutions Inc, USA, without any cost

**f. Leases**

The Company is a lessee under various operating leases. Details of rental expenses for operating leases are as follows :

	31 March 2013	31 March 2012
Operating lease rent	165,999,922	154,380,185

#### g. Segment Reporting

The Company provides software consultancy and information technology support services. The disclosures as required under Accounting Standard AS – 17 on segment reporting have not been provided as the Company deals only in one business segment.

As the Company also exports its products and services, the secondary segment for the Company is based on the location of its customers. Information on the geographic segment is as follows:-

Geography	Year ended 31 March 2013	Year ended 31 March 2012
Domestic	1,322,504,452	1,330,364,437
Americas	11,813,758,979	8,085,296,650
Europe	20,569,068	442,181,358
APAC	749,285,498	700,185,051

Information on operating income, net income, assets and liabilities has not been provided by location of customers as such information is not realistically allocable and identifiable.

#### h. Related Party Transactions

In the normal course of business, the Company enters into transactions with affiliated Companies. The names of related parties of the Company as required to be disclosed under Accounting Standard 18 are as follows:-

Subsidiary Companies	Infinite Computer Solutions Inc., USA
	Infinite Computer Solutions Pte Ltd, Singapore
	Infinite Computer Solutions Sdn, Bhd, Malaysia
	Infinite Computer Solutions (Shanghai) Co. Ltd
	Infinite Computer Solutions Ltd, U.K
	India Comnet International Pvt. Ltd.
	Infinite Infopark Ltd.
	Infinite Data Systems UK Ltd.
	Infinite Convergence Solutions, Inc.
	Infinite Infocomplex Pvt. Ltd.
	Infinite Infoworld Pvt. Ltd.
	Infinite TechHub Limited
	Infinite TechWorld Limited
	Infinite InfoCity Limited
Managing Director of the Company	Upinder Zutshi
Whole time Director of the Company	Navin Chandra
Non-Whole time director who is able to exercise significant influence	Sanjay Govil
Enterprises in which key management personnel & their relatives are able to exercise significant influence	N.C. Data Systems Private Limited Instos Inc. USA (formerly International Computer Solutions Inc, USA)

Included in the financial Statements are the following amounts relating to transactions with related parties:



Amount in ₹

Sl.	Year ended 31 March 2013	Year ended 31 March 2012
<b>a. Revenue</b>		
<b>Consulting and Project Revenue</b>		
Enterprises over which key management Personnel is able to exercise significant Influence Instos Inc, USA-	-	
<b>b. Expenses</b>		
<b>Directors of the Company :</b>		
• Managerial Remuneration	31,160,847	57,381,998
• Rent	2,221,254	2,316,809
Enterprises over which key management Personnel is able to exercise significant Influence		
Instos Inc, USA		
• Purchased services		
• Rent	15,577,640	14,388,298
N.C Data Systems Pvt Ltd		
• Rent	10,573,740	-
<b>c. Advances given to Key Management Personnel</b>		
Sanjay Govil	62,899,926	4,314,870
<b>d. Advances repaid by Key Management Personnel</b>		
Sanjay Govil	62,715,000	
<b>e. Balances outstanding at the end of the year</b>		
<b>Receivables</b>		
Enterprises over which key management Personnel is able to exercise significant Influence		
• Instos Inc, USA	12,999,210	11,511,000
Key Management Personnel		
• Sanjay Govil	7,853,916	7,213,560

**i. Goodwill on Consolidation:**

Goodwill as shown in the Consolidated Balance Sheet for an amount of Rs. 546,468,337 is the excess of cost of shares over book values of net assets and liabilities.

Previous year's figures have been regrouped / recast to conform to current year's classification.

Subject to our report of even date

For and on behalf of the Board of Directors

For **Amit Ray & Co.**  
Chartered Accountants

**Upinder Zutshi**  
Managing Director & CEO

**Ravindra Rama Rao Turaga**  
Director

**CV Savit Kumar Rao**  
Partner (M. No. 70009)  
Firm ICAI Reg. No: 483C

Place : Gurgaon  
Date : May 16, 2013

**Rajat Kalra**  
Company Secretary

# Statement pursuant to Section 212 of the Companies Act, 1956

(₹ in Million)

Sl. No.	Particulars	Infinite Computer Solutions Inc.	Infinite Computer Solutions Limited.	Infinite Computer Solutions Pre. Ltd.	Infinite Computer Solutions Sdn Bhd.	Infinite Computer Solutions (Shanghai) Co.Ltd.	India Connet International Pvt. Ltd.	Infinite Data Systems UK Limited	Infinite Convergence Solutions Inc.	Infinite Infocomplex Pvt. Ltd.	Infinite Infoworld Ltd.	Infinite Infopark Limited	Infinite Techhub Ltd.	Infinite Techworld Ltd.	Infinite Infocity Ltd.
1.	Financial Year ending of the Subsidiary	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13	31-MAR-13
2.	Holding Company's Interest														
2a.	Shares held by the Holding Company in the Subsidiary	50,50,000 shares of USD 1 each	206,942 ordinary shares of £ 1 each	999,910 shares of Singapore Dollar 1 each	300,000 Ordinary Shares of MYR 1 each	Investment of RMB 1,613,282	1,00,000 Equity Shares of Rs.10/- each	70,000 ordinary shares of £ 1 each	9,50,000 shares of USD 1 each	3,020,000 Equity Shares of Rs. 10/- each	4,330,000 Equity Shares of Rs. 10/- each	4,950,000 Equity Shares of Rs. 10/- each	4,950,000 Equity Shares of Rs. 10/- each	750,000 Equity Shares of Rs. 10/- each	1,060,000 Equity Shares of Rs. 10/- each
2b.	Extent of Holding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3.	Net Aggregate amount of profits/ (losses) for the above financial year of the subsidiary so far as it concerns members of the holding company:														
3a.	Dealt with or provided for in the accounts of the holding company	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3b.	Not dealt with or provided for in the accounts of the holding company	72.20	(0.60)	24.37	14.70	(1.19)	33.24	(0.38)	104.97	(0.03)	(0.21)	(0.60)	(0.45)	(0.44)	(0.45)
4.	Net aggregate amount of profits/ (losses) for the previous financial years of the subsidiary so far as it may concern the members of the holding company														
4a.	Dealt with or provided for in the accounts of the holding company	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4b.	Not dealt with or provided for in the accounts of the holding company	749.52	(10.44)	8.68	24.43	(3.91)	127.43	3.97	291.07	(0.50)	(0.65)	(0.48)	-	-	-

## Notes

- India Connet International Private Limited is a wholly owned subsidiary of Infinite Computer Solutions Inc. which in turn is a wholly owned subsidiary of the company.
- Infinite Computer Solutions Ltd., BVI has been incorporated on 13th Dec 2012. Investments are yet to be made.
- Unified Convergence Limited, Mauritius has been incorporated on 11th Jan 2013. Investments are yet to be made.
- Infinite Computer Solutions Limited, Hongkong has been incorporated on 28th Feb 2013. Investments are yet to be made.

For and on behalf of the Board of Directors

**Upinder Zutshi**  
Managing Director & CEO  
**Rajat Kalra**  
Company Secretary

**Ravindra Rama Rao Turaga**  
Director

Place: Gurgaon  
Date : May 16, 2013





Statement pursuant to general exemption under Section 212(8) of the Companies Act, 1956 relating to subsidiary Companies

(₹ in Million)

Sl. No.	Name of Subsidiary	Country	Reporting Currency	Closing exchange rate against Indian Rupee as on Mar 31, 2013	% of Holding	Capital	Reserves	Total Assets	Total Liabilities (excluding (6) & (7))	Investment (except in case of investment in subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend (incl. dividend tax)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1.	Infinite Computer Solutions Inc.	USA	USD	54.89	100%	274.67	821.72	4,745.07	3,648.69	12.24	8859.99	124.56	52.36	72.20	-
2.	Infinite Computer Solutions Limited.	UK	GBP	82.32	100%	17.03	(11.03)	6.90	0.91	-	-	(0.60)	-	(0.60)	-
3.	Infinite Computer Solutions Pte. Ltd.	Singapore	SGD	43.81	100%	43.81	33.05	160.33	83.48	-	510.94	24.37	-	24.37	-
4.	Infinite Computer Solutions Sdn Bhd.	Malaysia	MYR	17.43	100%	5.23	39.13	78.15	33.79	-	220.80	14.70	-	14.70	-
5.	Infinite Computer Solutions (Shanghai) Co.Ltd.	China	RMB	8.65	100%	13.95	(5.10)	16.36	7.51	-	11.32	(1.19)	-	(1.19)	-
6.	India Comnet International Pvt. Ltd.	India	INR	1.00	100%	1.00	160.67	2497.3	88.06	-	284.36	48.24	15.00	33.24	-
7.	Infinite Data Systems UK Limited	UK	GBP	82.32	100%	5.76	3.59	9.35	-	-	-	(0.38)	-	(0.38)	-
8.	Infinite Convergence Solutions Inc.	USA	USD	54.39	100%	516.71	396.04	2,084.80	1,172.05	-	1,955.10	171.46	66.49	104.97	-
9.	Infinite Infocomplex Pvt. Ltd.	India	INR	1.00	100%	30.20	(0.53)	29.69	0.02	-	-	(0.03)	-	(0.03)	-
10.	Infinite Infoworld Ltd.	India	INR	1.00	100%	43.30	(0.86)	42.46	0.02	-	-	(0.21)	-	(0.21)	-
11.	Infinite Infopark Ltd.	India	INR	1.00	100%	49.50	(1.08)	48.44	0.02	-	-	(0.60)	-	(0.60)	-
12.	Infinite Techhub Ltd.	India	INR	1.00	100%	49.50	(0.45)	49.06	0.01	-	-	(0.45)	-	(0.45)	-
13.	Infinite Techworld Ltd.	India	INR	1.00	100%	7.50	(0.44)	7.07	0.01	-	-	(0.44)	-	(0.44)	-
14.	Infinite Infocity Ltd.	India	INR	1.00	100%	10.60	(0.45)	10.16	0.01	-	-	(0.45)	-	(0.45)	-

Notes

- India Comnet International Private Limited is a wholly owned subsidiary of Infinite Computer Solutions Inc. which in turn is a wholly owned subsidiary of the company.
- Infinite Computer Solutions Ltd., BVI has been incorporated on 13th Dec 2012. Investments are yet to be made.
- Unified Convergence Limited, Mauritius has been incorporated on 11th Jan 2013. Investments are yet to be made.
- Infinite Computer Solutions Limited, Hongkong has been incorporated on 28th Feb 2013. Investments are yet to be made.

For and on behalf of the Board of Directors

Place: Gurgaon  
Date : May 16, 2013

**Upinder Zutshi**  
Managing Director & CEO  
**Rejat Kalra**  
Company Secretary

**Ravindra RamaRao Turaga**  
Director

## Auditors' Report to the Members of Infinite Computer Solutions (India) Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of INFINITE COMPUTER SOLUTIONS (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have 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 here been kept by the company, so far as appears from our examination of those books.



**Infinite Computer Solutions (India) Limited**

- c. The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.

For **Amit Ray & Co.,**  
Chartered Accountants

**C V Savit Kumar Rao**  
Partner  
Membership No: 70009  
Firm Reg. No. 483C

Place : Gurgaon  
Date : May 16, 2013

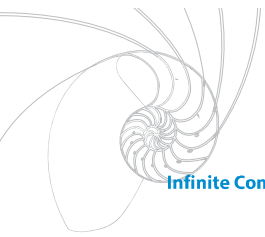


## The Annexure referred in the Auditors' Report to the Members of Infinite Computer Solutions (India) Limited for the year ended March 31st 2013.

### Annexure to the Auditors' Report

We report as follows:

1. In respect of its fixed assets
  - a. The company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.
  - b. As explained to us, all the fixed assets have been physically verified by the management and no material discrepancies have been noticed on such physical verification.
  - c. The fixed assets disposed off during the year are not substantial and such disposal has not affected the ability of the company to continue as a going concern.
2. The company being a service company and providing software consulting services does not hold any inventories. Accordingly clause (ii)(a), (ii)(b) and (ii)(c) of paragraph 4 of the order is not applicable to the company.
3. The company has not granted any unsecured loans to companies listed in the register maintained under Section 301 of the Companies Act, 1956.
4. The company has not taken any unsecured loans, from companies listed in the register maintained under section 301 of the Companies Act, 1956.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the business for purchase of the fixed assets, and also for the provision of services and man hours billed for the development of software.
6. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts and arrangements the particulars of which need to be entered in the register required to be maintained under Section 301 of the Companies Act, 1956. Accordingly clauses (v) (b) of paragraph 4 of the order is not applicable to the Company.
7. The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA or any of the relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
8. In our opinion, the company has an internal audit system, commensurate with the size of the company and the nature of its business.
9. According to the information and the explanations given to us, the Central government has not prescribed the maintenance of the cost records under Section 209(1)(d) of the Companies Act, 1956 for the business activities of the Company.
10. According to the records of the company, the company is generally regular in depositing undisputed statutory dues payable in respect of provident fund, employees' state insurance, income tax, wealth tax, sales tax, customs duty and other statutory dues applicable to it, with the appropriate authorities during the year. According to the information and the explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at 31<sup>st</sup> March, 2013, for more than six months from the date they became payable.
11. According to the information and the explanations given to us, there are no dues of income tax, service tax, customs duty, wealth tax, and cess that have not been deposited on account of any dispute.
12. The company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.
13. According to the records of the company and the information and explanations given to us, the company has not defaulted in repayment of dues to any bank or financial institution. The company does not owe any amounts to debenture holders.
14. According to the information and the explanations given to us, the company has not granted any loans and advances on the basis of any security by way of pledge of shares, debentures, and other securities.



**Infinite Computer Solutions (India) Limited**

15. In our opinion and according to the information and explanations given to us, the company is not a chit fund company or a nidh / mutual benefit fund/society.
16. According to the information and the explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments.
17. According to the information and the explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
18. According to the information and the explanations given to us and an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
19. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
20. The company has not issued any debentures during the year.
21. We have verified the end-use of money raised by public issue as disclosed in the notes to the financial statements.

For Amit Ray & Co.,  
Chartered Accountants

**CV Savit Kumar Rao**  
Partner  
Membership No: 70009  
Firm Reg. No. 483C

Place : Gurgaon  
Date : May 16, 2013

## Balance Sheet as at March 31, 2013

₹ in Million

Particulars	Notes	As at 31 March 13	As at 31 March 12
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
a. Share Capital	1	425,599,950	425,599,950
b. Reserves and Surplus	2	3,940,758,311	2,545,940,784
<b>2. Non-current liabilities</b>			
a. Long-term borrowings	3	-	-
b. Deferred tax liabilities (Net)	4	87,475,552	63,721,717
c. Other Long term liabilities		-	-
d. Long-term provisions	5	37,235,303	32,892,053
<b>3. Current liabilities</b>			
a. Short-term borrowings	6	-	-
b. Trade payables	7	205,070,659	171,738,557
c. Other current liabilities	8	219,263,665	244,353,957
d. Short-term provisions	9	919,080,352	729,323,404
<b>TOTAL</b>		<b>5,834,483,792</b>	<b>4,213,570,421</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
a. Fixed Assets			
i. Tangible assets	10	717,744,508	564,444,491
ii. Intangible assets	10	133,572,727	144,273,213
iii. Capital work-in-progress		1,146,793	20,167,562
iv. Intangible assets under development		-	-
b. Non-current investments	11	916,063,758	812,857,958
c. Long-term loans and advances	12	229,582,744	211,998,070
d. Other non-current assets		-	-
<b>2. Current assets</b>			
a. Current investments	13	67,131,719	-
b. Trade receivables	14	1,033,309,515	490,510,021
c. Cash and cash equivalents	15	915,009,118	554,188,020
d. Short-term loans and advances	16	829,966,787	566,736,124
e. Other current assets	17	990,956,123	848,394,962
<b>TOTAL</b>		<b>5,834,483,792</b>	<b>4,213,570,421</b>
Notes on Accounts	23		

Subject to our report of even date

For and on behalf of the Board of Directors

For Amit Ray & Co.  
Chartered Accountants

Upinder Zutshi  
Managing Director & CEO

Ravindra Rama Rao Turaga  
Director

CV Savit Kumar Rao  
Partner (M. No. 70009)  
Firm ICAI Reg. No: 483C

Place : Gurgaon  
Date : May 16, 2013

Rajat Kalra  
Company Secretary



## Profit and Loss Account for the year ended March 31, 2013

₹ in Million

Particulars	Notes	Year ended 31 March 2013	Year ended 31 March 2012
I. Revenue from operations	18	4,458,592,350	3,447,057,682
II. Other income	19	88,652,906	262,147,206
<b>III. Total Revenue (I + II)</b>		<b>4,547,245,256</b>	<b>3,709,204,888</b>
<b>IV. Expenses</b>			
Manpower expense	20	2,294,137,288	1,821,567,166
Finance costs	21	704,440	18,765,242
Depreciation and amortization expense	10	115,237,734	81,476,785
Other expenses	22	891,402,350	872,926,529
<b>Total expenses</b>		<b>3,301,481,812</b>	<b>2,794,735,722</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		1,245,763,444	914,469,166
VI. Exceptional items	-	-	-
VII. Profit before extraordinary items and tax (V - VI)		1,245,763,444	914,469,166
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		1,245,763,444	914,469,166
X. Tax Expenses			
1. Current taxes		248,301,322	148,951,530
2. Previous Year taxes		14,553,467	-
3. Deferred tax		15,212,620	13,377,945
4. MAT Credits		(94,977,558)	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		1,062,673,593	752,139,691
XII. Profit/(loss) from discontinuing Operations		-	-
XIII. Tax expense of discontinuing Operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)"		-	-
XV. Profit (Loss) for the period (XI + XIV)		1,062,673,593	752,139,691
XVI. Earnings per equity share:			
1. Basic		24.97	17.48
2. Diluted		24.97	17.48
Notes on Accounts	23		

Subject to our report of even date

For and on behalf of the Board of Directors

For **Amit Ray & Co.**  
Chartered Accountants

**Upinder Zutshi**  
Managing Director & CEO

**Ravindra Rama Rao Turaga**  
Director

**CV Savit Kumar Rao**  
Partner (M. No. 70009)  
Firm ICAI Reg. No: 483C

Place : Gurgaon  
Date : May 16, 2013

**Rajat Kalra**  
Company Secretary

## Statement of Cash flow for the year ended March 31, 2013

₹ in Million

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Income before tax and extraordinary items	1,245,763,444	914,469,166
Adjusted for:		
Depreciation	115,237,734	81,476,785
(Profit)/Loss on sale of fixed assets	343,605	(79,048)
(Profit)/Loss on Sale of Investments (net)	-	(550,516)
Provision for Doubtful Debts	2,719,417	13,175,417
Provision for Wealth Tax	150,571	166,547
Interest on deposits	(64,695,811)	(20,958,457)
Interest Paid	704,440	18,765,242
Dividend Income from Investments	(4,737,733)	(177,508,493)
Effect of Exchange Differences on translation of foreign currency cash and cash equivalents	(9,047,921)	(22,537,657)
<b>Operating profit before working capital changes</b>	<b>1,286,437,746</b>	<b>806,418,986</b>
Adjusted for:		
Accounts Receivable	(499,928,851)	119,320,906
Loans & Advances	(3,121,278)	191,044,674
Other Current Assets	(64,531,340)	(666,958,125)
Current Liabilities & Provisions	29,136,857	(4,026,923)
<b>Cash generated from Operations</b>	<b>747,993,134</b>	<b>445,799,518</b>
Income Tax Paid	(290,700,550)	(79,859,027)
Income Tax Refund	40,086,476	18,498,638
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>497,379,060</b>	<b>384,439,129</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(197,128,640)	(229,441,087)
Proceeds on sale of Fixed Assets	813,175	79,048
(Acquisition) / Sale in Subsidiaries Investment	(88,100,000)	(30,396,241)
Purchase of Current Investments	(136,938,422)	(620,681,984)
Sale of Investment	170,653,870	727,180,354
Dividend Income	4,737,733	177,508,493
Interest on Deposits	81,200,681	37,893,859
Interest Paid	(704,440)	(18,765,242)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(165,466,043)</b>	<b>43,377,200</b>



## Statement of Cash flow for the year ended March 31, 2013

₹ in Million

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment for Share buy back	-	(163,017,673)
Repayment of Bank Loan	-	(48,802,000)
Repayment of Loan from Subsidiary Company	-	89,440,000
Dividend Payment	(446,879,949)	(170,507,980)
Dividend Distribution Tax	(72,495,099)	(83,705)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(519,375,048)</b>	<b>(292,971,358)</b>
Effect of Exchange Differences on translation of foreign currency cash and cash equivalents	9,047,921	22,537,657
Net (Decrease) Increase in Cash & Cash Equivalents (A+B+C)	(187,462,031)	134,844,971
Cash and Cash Equivalents at the beginning of the year	1,093,423,228	396,805,392
<b>Cash and Cash Equivalents at the end of the year</b>	<b>915,009,118</b>	<b>554,188,020</b>

Subject to our report of even date

For and on behalf of the Board of Directors

For **Amit Ray & Co.**  
Chartered Accountants

**CV Savit Kumar Rao**  
Partner  
Membership No. 70009  
Firm ICAI Reg. No: 483C

**Upinder Zutshi**  
Managing Director & CEO

**Ravindra Rama Rao Turaga**  
Director

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Date : May 16, 2013

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**j at K r a**  
Company Secretary

## Notes forming part of the Balance Sheet as at March 31, 2013

₹ in Million

Particulars	As at 31 March 2013	As at 31 March 2012
<b>Note 1 Share Capital</b>		
<b>Authorised</b>		
50,000,000 Equity shares @ Rs. 10 each.	500,000,000	500,000,000
Nil 0% Convertible	-	-
Redeemable Preference shares of Rs. 10 each		
	500,000,000	500,000,000
<b>Issued, Subscribed and Paid up</b>		
42,559,995 equity shares of Rs. 10 each fully paid.	425,599,950	425,599,950
(Previous year 43,959,995 shares of Rs 10 each fully paid)	425,599,950	425,599,950
<b>Note 2 Reserves and Surplus</b>		
<b>1. Share Premium</b>		
As per last Balance Sheet	675,791,280	824,808,953
Less: Utilization for Share buy back	-	149,017,673
	675,791,280	675,791,280
<b>2. General Reserve</b>		
As per last Balance Sheet	158,165,860	63,500,395
Add: Transfer from Profit and Loss Account	106,267,359	75,213,969
	264,433,219	138,714,364
<b>3. Capital Redemption Reserve</b>		
As per last Balance Sheet	15,049,800	1,049,800
Add: Transfer from Profit & Loss Account	-	14,000,000
	15,049,800	15,049,800
<b>4. Profit &amp; Loss Account</b>		
As per last Balance Sheet	2,475,242,718	1,446,640,608
Add: Transfer from Profit & Loss Account	1,062,673,593	752,139,691
Less: Dividend Paid	383,039,956	362,027,958
Less: Dividend Distribution Tax Paid	63,124,984	31,153,033
Less: Amount transfer to Capital Redemption Reserve	-	14,000,000
Less: Amount transfer to General Reserve	106,267,359	75,213,969
	2,985,484,012	1,716,385,340
	3,940,758,311	2,545,940,784
<b>Note 3 Long - Term Borrowings</b>		
Bank Loan	-	-
<b>Note 4 Deferred Tax Liabilities (Net)</b>		
As per last Balance Sheet	72,262,932	50,343,772
Add : Adjustments for the current year	15,212,620	13,377,945
	87,475,552	63,721,717



## Notes forming part of the Balance Sheet as at March 31, 2013

₹ in Million

Particulars	As at 31 March 2013	As at 31 March 2012
<b>Note 5 Long Term Provisions</b>		
Provision for Employee Benefits - Gratuity and Leave encashment	37,235,303	32,892,053
	<b>37,235,303</b>	<b>32,892,053</b>
<b>Note 6 Short Term Borrowings</b>		
<b>Secured</b>		
Working Capital Loan from bank	-	-
Term Loan from Bank (Repayable within 12 months)	-	-
<b>Unsecured</b>		
Loan from Subsidiary Company	-	-
	-	-
<b>Note 7 Trade Payables</b>		
Trade Payables - others	203,765,921	126,355,934
Trade Payables - Subsidiary Companies	1,304,738	45,382,623
	<b>205,070,659</b>	<b>171,738,557</b>
<b>Note 8 Other Current Liabilities</b>		
Advances from Customers	41,188,107	89,224,982
Unpaid Dividend	687,200	190,478
Share Application money refundable	727,980	780,780
Other liabilities	5,177,511	3,989,482
Unearned Revenue	-	-
Taxes Payable - Sales Tax, Service Tax and Withholding Tax	8,902,279	4,599,424
Other Payables to Employees	162,580,588	145,568,811
	<b>219,263,665</b>	<b>244,353,957</b>
<b>Note 9 Short - Term Provisions</b>		
For Expenses	186,909,550	145,892,885
For Dividend	127,679,985	191,519,978
For Dividend Distribution Tax	21,699,213	31,069,328
Taxes	582,791,604	360,841,213
Staff Benefits	-	-
	<b>919,080,352</b>	<b>729,323,404</b>



## Schedule of Fixed assets as on March 31, 2013

### Note 10

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at 01.04.2012 Rs.	Additions during the Year Rs.	Adjustments/ Sold during Year Rs.	As at 31.03.13 Rs.	Upto 01.04.2012 Rs.	Provided during the Year Rs.	Adjustments Sold during Year Rs.	As at 31.03.13 Rs.	As at 31.03.13 Rs.	As at 31.03.12 Rs.
<b>Tangible Assets</b>										
Leasehold Land	44,196,800	-	-	44,196,800	-	-	-	-	44,196,800	44,196,800
Buildings	165,505,038	81,198,897	-	246,703,935	16,128,648	3,459,501	-	19,588,149	227,115,786	149,376,390
Computers	191,158,229	66,785,636	8,761,988	249,181,877	99,788,166	26,559,571	8,761,988	117,585,749	131,596,123	91,370,063
Office Equipment	76,094,935	7,416,181	1,928,418	81,582,698	20,546,036	3,812,920	771,638	23,587,318	57,995,380	55,548,899
Furniture & Fixtures	77,475,729	1,610,805	-	79,086,534	28,476,863	4,409,191	-	32,886,054	46,200,480	48,998,866
Vehicles	33,405,471	1,588,962	-	34,994,433	11,424,371	3,169,886	-	14,594,257	20,400,176	21,981,100
Leasehold Improvements	55,195,331	44,045,674	-	99,241,005	13,095,947	15,717,887	-	28,813,834	70,427,171	42,099,384
IT & Networking Equipments	108,236,794	322,663	-	108,559,457	34,701,872	13,829,983	-	48,531,855	60,027,602	73,534,922
Plant & Machinery	38,781,116	1,524,400	-	40,305,516	13,280,657	1,888,502	-	15,169,159	25,136,357	25,500,459
Electrical Installations	49,478,044	-	-	49,478,044	12,486,174	2,343,237	-	14,829,411	34,648,633	36,991,870
<b>Total of Tangible Assets (A)</b>	<b>839,527,487</b>	<b>204,493,218</b>	<b>10,690,406</b>	<b>1,033,330,299</b>	<b>249,928,734</b>	<b>75,190,678</b>	<b>9,533,626</b>	<b>315,585,786</b>	<b>717,744,508</b>	<b>589,598,753</b>
<b>Intangible Assets</b>										
Software	268,468,539	11,656,191	-	280,124,730	106,504,951	40,047,056	-	146,552,007	133,572,727	161,963,588
<b>Total of Intangible Assets (B)</b>	<b>268,468,539</b>	<b>11,656,191</b>	<b>-</b>	<b>280,124,730</b>	<b>106,504,951</b>	<b>40,047,056</b>	<b>-</b>	<b>146,552,007</b>	<b>133,572,727</b>	<b>161,963,588</b>
<b>GRANT TOTAL (A+B)</b>	<b>1,107,996,026</b>	<b>216,149,409</b>	<b>10,690,406</b>	<b>1,313,455,029</b>	<b>356,433,685</b>	<b>115,237,734</b>	<b>9,533,626</b>	<b>462,137,793</b>	<b>851,317,235</b>	<b>751,562,341</b>

#### Notes:

- The execution of the absolute sale deed for the land measuring 18,640 sq meters is pending with the KIADB

## Notes forming part of the Balance Sheet as at 31st March 2013

₹ in Million

Particulars	As at 31 March 2013	As at 31 March 2012
<b>Note 11 Non - Current Investments</b>		
Investment in Subsidiary Companies Shares (at cost)	916,063,758	812,857,958
	<b>916,063,758</b>	<b>812,857,958</b>
<b>Note 12 Long Term Loan and advances</b>		
Capital Advances	229,582,744	211,998,070
	<b>229,582,744</b>	<b>211,998,070</b>
<b>Note 13 Current Investment</b>		
Investment in Mutual Funds	67,131,719	-
	<b>67,131,719</b>	<b>-</b>



## Notes forming part of the Balance Sheet as at March 31, 2013

₹ in Million

Particulars	As at 31 March 2013	As at 31 March 2012
<b>Note 14 Trade Receivables</b>		
Unsecured Considered Good		
More than 6 months	113,444,815	40,568,300
Others	919,864,700	449,941,721
Unsecured Considered Doubtful	2,719,417	24,941,100
	1,036,028,932	515,451,121
Provision for Bad and doubtful debts	2,719,417	24,941,100
	<b>1,033,309,515</b>	<b>490,510,021</b>
<b>Note 15 Cash and Cash Equivalents</b>		
Cash in Hand	242,623	305,367
Balances with Noted Banks in Indian Rupees		
In Current Accounts	193,719,272	176,460,699
In EEFC Account	72,276,593	5,197,413
Balances with Bank accounts - outside India	11,562,231	36,086,708
Balance in Bank account kept for Dividend Payment	687,199	190,478
Balance in Bank account kept for Share Application money refund	727,980	780,780
Bank Deposits		
Maturity within 12 months*	632,509,219	332,331,073
Maturity after 12 months*		
Bank Deposits held against Guarantees	3,284,001	2,835,502
	<b>915,009,118</b>	<b>554,188,020</b>
<b>Note 16 Short - Term Loans and Advances</b>		
Unsecured Considered Good		
Advances recoverable and Pending adjustment with Vendors	70,838,578	50,853,283
Advances recoverable from employees	21,315,930	16,788,727
Prepaid expenses	74,366,266	128,042,501
Deposits	55,912,478	49,332,153
Advance Income Tax and TDS	498,111,453	321,719,460
MAT Credit Recoverable	109,422,082	-
	<b>829,966,787</b>	<b>566,736,124</b>
* There can be withdrawn at any point of time without prior notice or exit cost on principle amount.		
<b>Note 17 Other Current Assets</b>		
Interest accrued but not due	12,197,268	12,589,452
Unbilled Receivables	964,468,876	835,805,510
Other Receivables	14,289,979	-
	<b>990,956,123</b>	<b>848,394,962</b>

## Notes forming part of the Profit & Loss Account for the year ended March 31, 2013

₹ in Million

Particulars	As at 31 March 2013	As at 31 March 2012
<b>Note 18 Revenue From Operations</b>		
<b>Sale of Services</b>		
Domestic Sales	1,328,596,755	1,330,364,437
Export Sales	3,129,995,595	2,116,693,245
	<b>4,458,592,350</b>	<b>3,447,057,682</b>
<b>Note 19 Other Income</b>		
Interest on Loans and Deposits	64,695,811	20,958,457
Dividend Income	4,737,733	177,508,493
Profit on Sale of Investment	-	550,516
Profit / (Loss) on Sale of Assets	(343,605)	79,048
Miscellaneous Income	962,345	488,625
Exchange (Loss) / Gain - Net	18,600,622	38,562,067
Rental Income	-	24,000,000
	<b>88,652,906</b>	<b>262,147,206</b>
<b>Note 20 Manpower Expense</b>		
Salaries & Wages	1,566,650,004	1,233,164,590
Contribution to Provident Fund and Other funds	42,383,121	32,164,897
Staff Welfare Expenses	106,816,954	98,885,388
Contractual Services	578,287,209	457,352,291
	<b>2,294,137,288</b>	<b>1,821,567,166</b>
<b>Note 21 Finance Costs</b>		
Interest on Loans	704,440	18,765,242
	<b>704,440</b>	<b>18,765,242</b>
<b>Note 22 Other Expenses</b>		
Rent & Hire Charges	92,241,378	75,294,083
<b>Repairs &amp; Maintenance</b>		
Building	2,437,645	3,338,896
Plant & Machinery	9,423,436	7,596,698
Vehicles	321,487	388,191
Others	33,555,528	24,060,431
Security Charges	18,353,705	13,996,844
Insurance	9,201,540	8,617,023
Communication Expenses	32,954,814	29,374,915
Recruitment Expenses	12,661,608	7,302,005
Legal & Professional Charges	31,141,688	27,169,863
Software Expenses	38,502,894	35,674,728
Project Expenses	265,238,716	481,624,697
Business Promotion	3,023,188	5,767,158
Traveling & Conveyance	77,965,994	77,238,114
Printing & Stationery	8,825,982	6,137,635



## Notes forming part of the Profit & Loss Account for the year ended March 31, 2013

₹ in Million

Particulars	As at 31 March 2013	As at 31 March 2012
Electricity, Water and Fuel	37,622,215	29,607,345
Seminar & Training Expenses	9,742,918	8,057,099
Bad Debts	-	2,022,191
Provision for Bad Debts	2,719,417	13,175,417
<b>Auditors' Remuneration</b>		
Statutory Audit	1,089,612	791,715
Tax Audit Fee	124,720	100,000
Review & Other Certification Fee	1,229,699	960,000
Rates & Taxes	4,176,859	2,118,558
Directors Sitting Fee	933,000	1,120,000
Exchange Loss / (Gain) - Net	191,194,853	
Bank Charges	6,074,667	9,298,178
Miscellaneous Expenses	644,787	2,094,745
	<b>891,402,350</b>	<b>872,926,529</b>

## Notes to the Financial Statements

### Note 23

#### 1. Background

Infinite Computer Solutions (India) Limited ('the Company'), a Public Limited Company, is a global service provider of Application Management Outsourcing, Remote Infrastructure Management Services, R&D and Intellectual Property Leveraged Solutions and related IT Services.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year ended Mar 31, 2013.

#### 2. Summary of Significant Accounting Policies

##### i. Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the accounting standards issued under the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956, as adopted consistently by the company.

The Company follows the mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

##### ii. Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates.

##### iii. Revenue Recognition

Revenue from software Service contracts priced on a time and material basis is recognised on the basis of billable time spent by employees working on the project, priced at the contracted rate.

Revenue in respect of services on fixed price contracts is recognised on milestones achieved as per the terms of specific contracts. Revenue from incomplete contracts is recognized on the proportionate completion method and where no significant uncertainty exists regarding the amount of consideration that will be derived on completion of the contract.

Dividend income from units in mutual funds and from subsidiary companies is recognised upon receipt.

Interest on bank deposits is recognised on accrual basis.

##### iv. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

The company does not capitalize the cost of software acquired specifically for client projects and where there is no enduring benefit to the company following conclusion of the project. Such software is charged to the Profit & Loss Account in the year in which the software is acquired.

##### v. Depreciation

Depreciation on all fixed assets is provided on the straight-line method over the estimated useful life of the assets at rates specified in Schedule XIV to the Companies Act, 1956.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale, deduction, discernment as the case may be.

All assets costing Rs. 5,000 or below are depreciated in full by way of a onetime depreciation charge. Leasehold improvements are amortized over the period of lease.



## Intangibles

Product development costs

Product development cost represents direct cost incurred by the Company for developing new products. Research costs are expensed as incurred. Development expenditure incurred on an individual product is carried forward when its future recoverability can reasonably be regarded as assured. The expenditure incurred is carried forward under capital work in progress till the product is commercially completed thereafter it is charged off over the expected useful life of product.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

## vi. Leases

Lease rentals are expensed with reference to lease terms.

## vii. Investments

Long term investments are stated at cost, less provision for diminution in value of investments, which is considered to be permanent. Current investments are stated at lower of cost or fair market value (determined on the specific identification basis). Cost includes original cost of acquisition, including brokerage and stamp duty.

## viii. Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. The financial statements of foreign branches of the company are translated and recorded in the functional currency of the company.

Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates in accordance with AS 11. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences either on settlement or on translation of transactions other than those relating to fixed assets acquired from sources outside India is recognized in the Profit and Loss Account. Gain or loss on translation of long-term liabilities incurred to acquire fixed assets from sources outside India is treated, as an adjustment to the carrying cost of related fixed assets.

## ix. Retirement Benefits

Company's contribution to Provident Fund is charged to the Profit & Loss Account.

Gratuity and Leave eligibility payable to employees is accounted for on the basis of an actuarial valuation as at the balance sheet date.

## x. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the quarter attributable to equity shareholders by the weighted average number of equity shares outstanding during the quarter.

For calculating diluted earnings per share, the net profit or loss for the quarter attributable to equity shareholders and the weighted average number of shares outstanding during the quarter are adjusted for the effects of all dilutive potential equity shares.

## xi. Impairment of Assets

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal. A provision for impairment loss is recognised where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

Where at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and recognized.

## xii. Income Taxes

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Current income tax has been provided at the enacted tax rates on income not exempt under the tax holiday.

Income taxes consist of current taxes, adjustment to Minimum Alternate Tax (MAT) recoverable and changes in deferred tax liabilities and assets.

Deferred tax assets or liabilities in respect of timing differences which originate during the tax holiday quarter but reverse after the tax holiday are recognized in the year in which the timing differences originate if they result in taxable amounts. Deferred tax assets or liabilities are established at the enacted tax rates. Changes in the enacted rates are recognized in the quarter of enactment.

Deferred tax assets are recognized only if there is a reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

### xiii. Transfer Pricing Regulation

The Company has undertaken necessary steps to comply with transfer pricing regulations. The management is of the opinion that the international transactions are at arm's length & hence the aforesaid regulation will not have any impact on the financial statements, particularly on the amount of tax expense & that of the provision for taxation.

### xiv. Material Events

Material events occurring after the Balance Sheet date are taken into cognizance.

## 3. Share Capital

### Share holding in excess of 5%:

The following is the list of shareholders holding Equity shares in excess of 5 percent of the aggregate share capital of the company as on Mar 31, 2013.

1. M/s. Mahavi Holdbull Inc. holding 2,58,23,336 shares forming 60.68%
2. M/s T. Rowe Price International Inc holding 22,02,278 shares forming 5.17%

### Performance ESOP 2010

The Board of Directors and the Shareholders of the Company approved the Key Executives Performance Option Plan 2010 ("ESOP 2010") for grant of 35,00,000 options convertible into 35,00,000 equity shares, at their meeting in May 2010 and in August 2010 respectively. Pursuant to this approval, the Company instituted the Performance ESOP 2010.

The Remuneration and Compensation committee of the Company administers this Plan. The options have been granted to employees of the Company and its subsidiaries at an exercise price that is not less than the fair market value. The particulars of the options granted are as follows:

Particulars	31 March 2013		31 March 2012	
	No of Option	Exercise Price (Rs.)	No of Option	Exercise Price (Rs.)
Options outstanding at the beginning of the Year	1,300,000	160.65	1,600,000	160.65
	60,000	74.50	-	-
Granted during the Year	60,000	105.95	60,000	74.50
Exercised during the Year	-	-	-	-
Cancelled during the Year	-	-	-	-
Lapsed during the Year	30,000	105.95	300,000	160.65
Options outstanding at the end of the Quarter				
• Opening Balances	1,300,000	160.65	1,300,000	160.65
	60,000	74.50		
• Granted during the quarter / period	30,000	105.95	60,000	74.50
		31st Mar 2013		31st Mar 2012
Exercise Price for 1,300,000 options granted in FY 10-11		160.65		160.65
Exercise Price for 60,000 options granted in FY 11-12		74.50		74.50
Exercise Price for 30,000 options granted in FY 12-13		105.95		-
Weighted Average remaining contractual life(in years)		5.50		6.50



## 4. Amalgamation of Subsidiary Companies

During the year M/s Comnet International Company, a sub-subsidiary, has been merged w.e.f. 1<sup>st</sup> April, 2012, with the Company's subsidiary, Infinite Computer Solutions Inc., USA.

Further, two of the Company's subsidiaries have been amalgamated with the Company with the appointed date 1<sup>st</sup> April 2012 and the effective date 26<sup>th</sup> Sep 2012. The transactions and cashflows during this period are not disclosed separately as these are not material. Therefore previous year figures do not include the figures of these two subsidiary companies.

## 5. Commitment and Contingencies

Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has not been paid Rs. 227.58 Million (as at 31<sup>st</sup> Mar 12 Rs. 123.57).

Contingent liability towards Bank Guarantees and LC's given to customers and other business related requirements is Rs. 281.40 Million (as at 31<sup>st</sup> Mar 2012 Rs. 288.31 Million).

A bank guarantee for an amount of Rs. 6.5 Million in respect of a contract for software services had been invoked by a customer in FY 2009-10. The company also has counter claims against the customer, and in order to recover its dues it has opted to go for arbitration. Pending conclusion of such arbitration proceedings no provisions have been made in the accounts.

## 6. Accumulated Losses of Subsidiaries

The Investments in the subsidiary companies have been made considering strategic business expansion plans, & in view of the intrinsic value and the business potential of the subsidiaries, these have been carried at cost. Some of the subsidiaries have accumulated losses, but as these are considered temporary and the future operations in the near term will offset these losses, the company has carried the investments at cost.

## 7. Managerial Remuneration

Managerial Remuneration under Section 198 of the Companies Act, 1956 paid to the Managing and whole time directors of the company are as follows:

₹ in (Million)

	Year Ended 31 March 2013	Year Ended 31 March 2012
Salary	21.04	20.26
Monetary value of perquisites	-	-
<b>Total</b>	<b>21.04</b>	<b>20.26</b>

As no commission is payable to the Directors, the computation of net profits in accordance with Section 309 (5) read with section 349 of the Companies Act, 1956 has not been given.

## 8. Leases

The company is a lessee under various operating leases. Rental expense for operating leases for the year ended Mar 31, 2013 and year ended March 2012 was Rs. 92.24 Million and Rs. 75.29 Million respectively. Expected future minimum commitments for non-cancellable leases are as follows:

₹ in (Million)

Minimum future commitments	Year Ended 31 March 2013	Year Ended 31 March 2012
Due in next one year	53.08	30.49
Due in next one to Five year	88.39	95.28
Due in more then five year	-	-
	<b>141.47</b>	<b>125.77</b>



## 9. Segment Report

The company develops software products and provides software consulting services. The disclosures as required under accounting standard 17 on segment reporting would cover geographical regions, which is as follows :-

₹ in (Million)

Location	Revenue	
	Year Ended 31 March 2013	Year ended 31 March 2012
Domestic	1328.60	1,330.36
Americas	3115.52	2,116.69
Europe	14.48	-
APAC	-	-
<b>Total</b>	<b>4458.59</b>	<b>3,447.05</b>

Operating income, net income, assets and liabilities has not been provided by geographies as these are not realistically allocable and identifiable.

## 10. Earning Per Share

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

₹ in (Million)

	Year Ended 31 March 2013	Year Ended 31 March 2012
Net Profit/ Loss (Rs in Million)	1062.67	752.14
Weighted average number of equity shares outstanding	42,559,995	43,026,351
Nominal Value of Equity Shares (Rs)	10	10
Basic Earnings per Share (Rs)	24.97	17.48

## 11. Related Party Transaction

In the normal course of business, the company enters into transactions with affiliated companies. The names of related parties of the company as required to be disclosed under Accounting Standard 18 is as follows:

### a. Subsidiary Companies

Infinite Computer Solutions Inc., USA
Infinite Computer Solutions Ltd, U.K
Infinite Computer Solutions Pte Ltd, Singapore
Infinite Computer Solutions Sdn, Bhd, Malaysia
Infinite Computer Solutions (Shanghai) Co. Ltd.
India Comnet International Pvt. Ltd.
Infinite Convergence Solutions, Inc.
Infinite Data Systems UK Ltd.
Infinite Infocomplex Pvt Ltd
Infinite Infoworld Ltd
Infinite Infopark Ltd
Infinite Techhub Limited
Infinite Techworld Limited
Infinite Infocity Limited

### b. Whole Time Directors of the Company

Navin Chandra
Upinder Zutshi



c. Non-Whole Time Directors of the Company

Sanjay Govil

d. Enterprises in which key management personnel and their relatives are able to exercise significant influence

N C Data Systems Private Limited

Included in the financial statements are the following amounts relating to transactions with related parties:

₹ in Millions

	Year Ended 31 March 2013	Year Ended 31 March 2012
<b>a. Revenue</b>		
<b>Subsidiary Companies</b>		
<b>Sale</b>		
Infinite Computer Solutions Inc, USA	1205.63	706.58
Infinite Convergence Solutions, Inc.	802.13	404.65
<b>Interest on Loan</b>		
Infinite Computer Solutions Inc, USA	-	-
Infinite Data Systems Pvt Ltd *	-	0.03
Infinite Infosoft Services Pvt Ltd *	-	0.04
<b>Rental Income</b>		
Infinite Data Systems Pvt Ltd *	-	24.00
<b>b. Expenses</b>		
<b>Subsidiary Companies</b>		
Infinite Computer Solutions Inc, USA		
Contractual Services	77.83	98.84
Infinite Data Systems Pvt Ltd *		
Interest	-	14.79
Infinite Infosoft Services Pvt Ltd *		
Interest	-	3.16
N C Data Systems Pvt Ltd		
Rent	10.57	-
Directors of the company		
Managerial Remuneration	21.04	22.86
Rent	-	0.18
<b>c. Balance outstanding as at the period end</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b>Receivables</b>		
<b>Subsidiary Companies</b>		
Infinite Computer Solutions Inc, USA	347.81	338.47
Infinite Computer Solutions Ltd, U.K	0.70	0.66
Infinite Computer Solutions Pte Ltd, Singapore	4.71	4.43
Infinite Convergence Solutions, Inc.	271.95	138.13
Infinite Computer Solutions Sdn, Bhd, Malaysia	0.65	0.61
<b>Advances recoverable in cash or kind</b>		
<b>Subsidiary Companies</b>		
Infinite Computer Solutions Sdn, Bhd, Malaysia	-	0.22
Infinite Computer Solutions Pte Ltd, Singapore	5.49	5.30
Infinite Computer Solutions (Shanghai) Co. Ltd.	0.28	0.27
Infinite Techhub Limited	0.004	-
Infinite Techworld Limited	0.004	-

₹ in Millions

	Year Ended 31st March 2013	Year Ended 31st March 2012
Infinite Infocity Limited	0.004	-
<b>Investments</b>		
<b>In Subsidiary Companies</b>		
Infinite Computer Solutions Inc, USA	229.53	229.53
Infinite Computer Solutions Pte Ltd, Singapore	26.72	26.72
Infinite Computer Solutions (Shanghai) Co. Ltd.	8.51	8.51
Infinite Computer Solutions Ltd, U.K	16.88	16.88
Infinite Computer Solutions Sdn, Bhd, Malaysia	4.14	4.14
Infinite Data Systems Pvt Ltd *	-	10.00
Infinite Techhub Limited	49.50	
Infinite Techworld Limited	7.50	
Infinite Infocity Limited	10.60	
Infinite Data Systems UK Ltd.	5.11	
Infinite Infosoft Services Pvt Ltd *	-	10.00
Infinite Convergence Solutions, INC.	434.57	434.57
Infinite Infocomplex Pvt Ltd	30.20	30.20
Infinite Infoworld Ltd.	43.30	39.80
Infinite Infopark Ltd	49.50	2.50
<b>Payables</b>		
Infinite Computer Solutions Inc, USA (with Provision)	9.59	57.84
Infinite Computer Solutions Sdn, Bhd, Malaysia	2.16	2.35
Infinite Data Systems Pvt Ltd *	-	0.16
Infinite Infosoft Services Pvt Ltd *	-	0.64

\* Infinite Data Systems Pvt Ltd and Infinite Infosoft Services Pvt Ltd have been merged with Infinite Computer Solutions (India) Ltd w.e.f. 1<sup>st</sup> April 2012.

## 12. Income Taxes

Minimum Alternate Tax (MAT) recoverable has been recognized, of Rs 45.44 million relating to the company and Rs 49.54 million relating to its erstwhile subsidiary Infinite Data Systems Pvt Ltd, since merged with the Company.

In accordance with accounting standard 22 on accounting for taxes on income the deferred tax charge of Rs.15.21 Million (Rs. 13.38 Million for the year ended 31<sup>st</sup> March 2012) for the current year has been recognized in the profit & loss account. The tax effect of significant timing differences as of Mar 31, 2013 that reverse in one or more subsequent years gave rise to the following net deferred tax assets / (liability) as at Mar 31, 2013.

₹ in Millions

	Year Ended 31 March 2013	Year Ended 31 March 2012
<b>Deferred Tax Assets</b>		
Provision for Retirement benefits	1.83	3.07
	<b>1.83</b>	<b>3.07</b>
<b>Deferred Tax Liabilities</b>		
Depreciation	89.30	66.79
	<b>89.30</b>	<b>66.79</b>
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>(87.47)</b>	<b>(63.72)</b>



### 13. Transactions of Derivative Instruments & forwards contracts

All gains or losses in derivative instruments are recorded on the Balance Sheet date at mark to market value. The Company has accordingly provided for the Loss of Rs. Nil Million (previous year ended 31<sup>st</sup> Mar 2012 Rs. Nil Million) on such contracts in the books.

The following forward contracts are outstanding as on 31st Mar 2013: For USD – 37.50 Million USD.

### 14. Statement of utilisation of IPO funds

₹ in Million	
As on 31 March 2013	
Amount raised through IPO	946.43
Share Issue expenses paid	70.72
<b>Net proceeds</b>	<b>875.71</b>
<b>Deployment</b>	
Repayment of Debts	83.00
Acquisition	380.00
Capital Expenditure	190.69
General Corporate Purpose	148.02
Current Investment in Mutual Funds	-
Kept in Fixed Deposits	73.46
Kept in Separate Bank Account	0.54
<b>Total</b>	<b>875.71</b>

### 15. Information Pursuant To Clause 32 Of The Listing Agreements With Stock Exchange

Loans and advances in the nature of loans to wholly-owned subsidiary companies are as under:

₹ in Million		
	As at 31 March 2013	Maximum balance during the Year
Interest bearing with no specified payment schedule		
Infinite Convergence Solutions, Inc..	-	-

The above company is also a company under the same management as defined under Section 370 (IB) of the Companies Act, 1956.

### 16. Assumption on actuarial valuation

As required under Accounting Standard 15, the Company has adopted the following assumption for actuarial valuation of defined benefit and contribution plan:

Disclosure as per AS-15 - Revised	Gratuity	Leaves
Interest Rate	8.25%	8.25%
Discount Factor	8.25%	8.25%
Estimated rate of return on plan Assets	8.00%	0.00%
Salary increase	6.00%	6.00%
Attrition rate	5.00%	5.00%
Retirement Age	58	58
Actuarial gain/loss is recognized immediately.		
The estimate of salary increase take into account inflation, promotions etc.		

## 17. Reclassification

Previous year's figures have been regrouped and/or re-arranged wherever necessary to conform to current quarter's groupings and classifications.

## 18. Value of imports on C.I.F. basis

₹ in Million

	Year Ended 31 March 2013	Year Ended 31 March 2012
Capital Goods	Nil	Nil
Others	1.90	36.36

## 19. Earnings In Foreign Exchange

₹ in Million

	Year Ended 31 March 2013	Year Ended 31 March 2012
FOB Value of Exports *	3,102.80	2,116.69

\* Does not include receipts in convertible foreign exchange aggregating to Rs 303.61 Million (Previous Year ended 31st March 2012 Rs 161.47 Million) in respect of services provided in India.

## 20. Expenditure in foreign currency (on cash basis)

₹ in Million

	Year Ended 31 March 2013	Year Ended 31 March 2012
Travelling	60.40	39.15
Contractual Services	131.86	47.99
Legal & Professional Charges	0.04	0.06
Software Licenses	7.72	1.17
Others	-	0.06

Subject to our report of even date

For and on behalf of the Board of Directors

For **Amit Ray & Co.**  
Chartered Accountants

**Upinder Zutshi**  
Managing Director & CEO

**Ravindra Rama Rao Turaga**  
Director

**CV Savit Kumar Rao**  
Partner (M. No. 70009)  
Firm ICAI Reg. No: 483C

Place : Gurgaon  
Date : May 16, 2013

**Rajat Kalra**  
Company Secretary



## Notice of the 14th Annual General Meeting

Notice is hereby given that the Fourteenth Annual General Meeting of the members of Infinite Computer Solutions (India) Limited will be held on Friday, August 30, 2013 at 10.30 A.M. at Air Force Auditorium, Subroto Park, New Delhi-110010 to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013 and the Profit & Loss Account of the Company for the year ended March 31, 2013 together with Reports of Directors and Auditors thereon.
2. To declare dividend for the Financial Year ended March 31, 2013.
3. To appoint a Director in place of Mr. Ravindra Rama Rao Turaga, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s Amit Ray & Co., Chartered Accountants (Firm Registration No. 000483C) as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Amit Ray & Co., the retiring auditors, have expressed their willingness to be re-appointed.

### Special Business

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT" pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the Articles of Associations of the Company, consent of the Company be and is hereby accorded for the re-appointment of Mr. Upinder Zutshi as the Managing Director & CEO of the Company for a period of five years beginning from April 01, 2013, on the terms and conditions as set out in his Employment Agreement and which inter alia provides for the following Salary, Allowances & Perquisites:
  - a. Rs. 12.09 lakh per month with authority to the Board of Directors to revise it from time to time subject however to a ceiling of Rs.16.92 lakh per month.
  - b. Performance Bonus for each accounting year as may be decided by the Board of Directors upto a sum not exceeding Rs. 2.03 Crore per annum.

In addition to the above, he shall also be provided the following benefits as per policy / rules of the Company or as approved by the Board of Directors from time to time:

- Company Car including maintenance and fuel expenses, while employed with the Company along with a driver.
- Telephone / Internet Connection(s) at home.
- Company's Contribution to the Provident Fund, Gratuity and encashment of leaves as per the Company Policy
- Admission and Annual Membership Fee for Clubs.
- He and his qualified dependents will be eligible to receive health insurance coverage as per the Company's policy.
- He will also be eligible for other stock and non stock based incentives, as the Company may offer from time to time.

Allowances and perquisites will be valued as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, the remuneration by way of salary, performance evaluation payment, perquisites and other allowances payable to Mr. Upinder Zutshi shall not exceed the limits prescribed under the Companies Act, 1956 and the Rules made there under or any statutory modification or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to file necessary return(s) with the Registrar of Companies, NCT of Delhi & Haryana and to do all such acts, deeds and things as may be considered necessary or incidental to give effect to the above resolution."



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

**RESOLVED THAT** subject to the provisions of Section 61 and other applicable section(s) of the Companies Act, 1956 (including any amendment(s) to or re-enactment(s) thereof), provisions of the Memorandum and Articles of Association of the Company, rules, regulations and guidelines of the Securities and Exchange Board of India ("SEBI"), and other applicable provisions, if any, and in accordance with and subject to requisite approvals, consents, permissions and sanctions, if any, from Government of India, SEBI, the Stock Exchanges, the Reserve Bank of India, Institutions or bodies under any applicable laws and rules and terms, conditions and modifications as may be prescribed by the respective statutory, governmental and other authorities and departments while granting such approvals, sanctions, consents and permissions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall be deemed to include any Committee(s) constituted / to be constituted by the Board) consent of the Company be and is hereby accorded to the Board for partial modification of the utilisation of the proceeds of Initial Public Offering and for utilisation of Rs. 74.00 Million towards working capital requirements of the Company instead of proposed objects as envisaged in the Prospectus dated January 15, 2010 (the "Prospectus") issued by the Company and subsequent amended by shareholders resolution passed on December 14, 2010 through postal ballot (the "Postal Ballot").

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to decide the amounts to be utilized towards working capital of the company without seeking any further approval or consent of the shareholders in any manner.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to invest the funds, pending utilization for the purpose as described in the Prospectus.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to sign necessary documents, papers, instruments and writings and to do all such acts deeds and things, as may be required in this behalf.

**RESOLVED FURTHER THAT** the Board may constitute a Committee of Directors or authorize any Director to exercise all such powers as may be considered necessary or incidental to give effect to the above resolutions."

By Order of the Board  
For **Infinite Computer Solutions (India) Limited**

Place: Gurgaon  
Date : May 16, 2013

**Rajat Kalra**  
Company Secretary



## Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Additional information, pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Director(s) recommended for re-appointment at the Annual General Meeting and the Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto and forms a part of the notice.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from August 21, 2013 to August 30, 2013 (both days inclusive), in terms of the provisions of Section 154 of the Companies Act, 1956 and the applicable clauses of the Listing Agreement entered into with the Stock Exchanges.
4. Dividend on equity shares as recommended by the Board of Directors for the financial year ended March 31, 2013, if declared at the Annual General Meeting would be paid to such shareholders whose names appear in the Register of Members / Beneficiary Position, maintained by the Depositories as on August 20, 2013.
5. A Certificate from the Auditors of the Company certifying that the Executive Performance Option Plan 2010 (ESOP-2010) is being implemented in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and in accordance with the resolutions of the general body will be available for inspection by the members at the Annual General Meeting.
6. The Register of Directors' Shareholding will be available for inspection at the meeting
7. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representatives to attend and vote on their behalf at the meeting.
8. Members are requested to send their queries, if any on the operations of the Company, to reach the Company Secretary at the Company's Registered Office, at least 10 days before the meeting, so that the information can be compiled in advance.
9. Members/proxies are requested to kindly take note of the following:
  - i. Copies of the Annual Report will not be distributed at the venue of the meeting;
  - ii. Attendance Slip, as sent herewith, is required to be produced at the venue duly filled-in and signed, for attending the meeting;
  - iii. In all correspondence with the Company and/or the R&T Agent, Folio No. /DP ID and Client ID no. must be quoted.
10. Members who hold shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members are advised to avail of the nomination facility by filing Form 2B in their own interest. Blank Forms will be supplied by the Company on request. Members holding shares in demat form may contact their respective Depository Participants for recording of nominations.
11. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 10:00 a.m. to 2:00 p.m. except on holidays.



## Explanatory Statement(s) Pursuant To Section 173(2) of The Companies Act, 1956

### Item no. 5

Mr. Upinder Zutshi was appointed the Managing Director & CEO of the Company by the shareholders of the Company for a period of five years beginning from April 01, 2008.

In view of his experience and invaluable contribution made towards the growth of the Company and on recommendation of the Remuneration & Compensation Committee, Board of Directors in their meeting held on February 10, 2013, re-appointed Mr. Zutshi as the Managing Director & CEO of Company for a further period of five years beginning from April 01, 2013. The re-appointment is, however, subject to approval of the shareholders. The terms and conditions of his appointment are as follows:

1. Period of Re-appointment – Five Years beginning April 01, 2013 and ending March 31, 2018.
2. Details of Remuneration – As provided in the statement made in the resolution above.

No Director, except Mr. Upinder Zutshi, is deemed to be interested or concerned in his re-appointment and remuneration payable to him as the Managing Director & CEO. The terms of his re-appointment, as stated in the notice, may be treated as an abstract of the terms and conditions of re-appointment and memorandum of interest under Section 302 of the Companies Act, 1956.

The Board recommends the resolution set out at Item No. 5 of the notice for your approval.

### Item no. 6

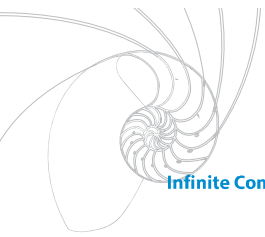
As disclosed in the Prospectus dated January 15, 2010 and subsequent amended by shareholders resolution passed on December 14, 2010 through postal ballot, the Company planned to use an aggregate sum of Rs. 946 Million raised through IPO towards objectives envisaged in the Prospectus of which the Company has already utilized an aggregate sum of Rs. 872 Million towards such objectives.

After using the funds as proposed, the unutilized amount to the extent of Rs. 74.00 Million is pending deployment towards the stated objects.

#### Business plan for the unutilized amount of Initial Public Offering using towards working capital (i.e. Rs. 74.00 Million)

The status of utilization of proceeds of the IPO of the Company as on March 31, 2013 is as under:

₹ in Millions		
Particulars	Projected	Actual
Amount received from IPO		946
Utilization of funds upto March 31, 2013		
Capital Expenditure	257	191
Acquisition(s)	380	380
Repayment of Debt	85	83
General Corporate Purpose Public Issue Expenses	152	148
Public Issue Expenses	72	71
<b>Total</b>	<b>946</b>	<b>872</b>
Unutilized amount		74
Temporary deployment of unutilized amount as follows:		
• Investment in Fixed Deposits with Bank		73.50
• Balance with bank		0.50
<b>Total</b>		<b>74</b>



**Infinite Computer Solutions (India) Limited**

The Board proposes to use the remaining amount of Rs. 74.00 Million towards the working capital requirement of the Company to reap greater benefits for the shareholders by utilizing such idle funds for business purpose.

The Prospectus dated January 15, 2010 empowers the Management, in response to the dynamic nature of the industry, to have the discretion to revise its business plan as well as the consequential change in funding requirement and deployment of funds, from time to time.

Accordingly, the Board in its Meeting held on May 16, 2013 decided to approach the shareholders of the Company seeking their approval to utilize the unutilized amount as aforesaid. The revised usage of Funds towards working capital requirement will not impact the performance of the Company, but is expected to improve the same.

The provisions of the Companies Act, 1956 require the company to obtain the approval of the shareholders for any variation in the contract referred to in the Prospectus. Hence the resolution at item no. 6 is proposed to be passed by the shareholders of the Company through special resolution.

Your Directors recommend the resolution for the approval of the shareholders. None of the Directors of the Company is interested in the aforesaid resolution.

## Details of Director(s) seeking Re-appointment in the Fourteenth Annual General Meeting pursuant to Clause 49 of the Listing Agreement

<b>Name of the Director</b>	<b>Mr. Ravindra Rama Rao Turaga</b>
Date of Birth	January 26, 1948
Brief Resume and Nature of Expertise in specific functional areas	<p>Mr. Ravindra Rama Rao Turaga is a member of the Institute of Chartered Accountants of India, Bombay Chartered Accountants Society and The Chambers of Tax Consultancy. He is also founder member of number of Philanthropic organizations.</p> <p>Mr. Turaga is into CA practice since last 32 years. He is heading a practicing CA firm T. Rama Rao &amp; Co. providing professional services in the field of Audit, Taxation, Accountancy, Company Law, Finance, Investments and Capital Market Services.</p>
List of other companies in which Directorships are held	Nil
List of Committees of the Board of Directors in which Chairmanship/Membership is held	Nil
No. of Equity Shares held in the Company	1,350

<b>Name of the Director</b>	<b>Mr. Upinder Zutshi</b>
Date of Birth	April 24, 1962
Brief Resume and Nature of Expertise in specific functional areas	<p>Upinder Zutshi is the Managing Director &amp; CEO of Infinite Computer Solutions (India) Limited, a global Information Technology service provider with expertise in provision of Application Management, Infrastructure Management, Product Engineering Services, Next-Gen Messaging Platforms &amp; Enterprise Mobility Solutions. An unconventional leader, Upinder has nurtured the growth of Infinite with a very hands-on approach. With his remarkable leadership, Upinder has defined the strategic direction of the Company, ensuring Infinite's revenue grows above the industry average. He has been instrumental in setting the vision for Infinite to be positioned as a Global Service Provider and moving the Company up the value chain by focusing on differentiated services and product based offerings in a non-conventional engagement and business models.</p> <p>Under Upinder's leadership, Infinite has grown to be in the Nasscom Top 20 IT providers in India, with a revenue of around US\$ 255 Million in FY 2013; around 5000 employees worldwide, has been named among the Top 5 employers of choice in India by Dataquest – IDC, appeared in the Forbes Asia 200 Best Under a Billion Companies in 2012; has been named among the Top 10 Global Telecom Outsourcing Providers by IAOP and has been recognized as among the technology thought leaders in emerging areas like Mobility, Messaging and Analytics. He spearheaded the IPO of Infinite, which was one of the most successful IPOs in 2010. The IPO was over-subscribed manifold in a stock market where the giants were struggling through a global economic-crisis.</p>



Upinder has over 29 years of experience in initiating and establishing startups and building an efficient management team under his guidance. His empathetic style makes him a very popular leader amongst the young and dynamic employees of Infinite. His leadership style encourages entrepreneurial culture that is goals driven, based on respect for people, freedom of thought, expression and action along with globalized business processes, practices and organizational structure that helps create transparency and drive accountability within Infinite globally. Upinder realized early on that the company needed a winning team to make the Infinite vision a reality. His leadership is evident in the progressive work environment at Infinite, where qualified and experienced people bring depth and maturity while retaining focus on flexibility, innovation and integrity which are the core elements of the entrepreneurial DNA of the organization. In his formative years, he has worked extensively in US, Europe, Middle East and India, with reputed companies holding key leadership positions. A greater part of his career, post his first job at CMC Limited, has included experience in building early stage companies, setting-up start-up ventures and developing them into growth organizations. Prior to joining Infinite,

Upinder was, for a period of six years, the Chief Executive Officer of Velocient Technologies Inc., a digital consulting & IT services company in the US. For five years preceding this, he was the co-founder and Vice President at Eastern Software Systems (ESS) Ltd., a leading software products and IT services company and was responsible for setting up and running the middle-eastern operations of the company. During his tenure with CMC Ltd., he spent eight years holding various functions in sales, marketing and program management.

He holds a Mechanical Engineering degree from the Birla Institute of Technology & Sciences (BITS), Pilani. He is an avid golfer and a photographer.

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List of other companies in which Directorships are held

1. India Comnet International Private Limited
2. Infinite Computer Solutions Ltd.; BVI
3. Infinite Computer Solutions Limited; UK
4. Infinite Computer Solutions Sdn. Bhd.
5. Infinite Computer Solutions Pte. Ltd.
6. Infinite Computer Solutions (Shanghai) Co. Limited
7. Infinite Data Systems UK Limited
8. Unified Convergence Limited
9. Infinite Convergence Solutions Inc.
10. Infinite Computer Solutions Limited; Hongkong

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List of Committees of the Board of Directors in which Chairmanship/Membership is held

Nil

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No. of Equity Shares held in the Company

15,18,144

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Infinite Computer Solutions (India) Limited

Regd. Office: 155, Somdutt Chamber II, 9, Bhikaji Cama Place, New Delhi 110066

**PROXY FORM**

**Fourteenth Annual General Meeting**

DPID..... Regd. Folio No./ Client ID.....

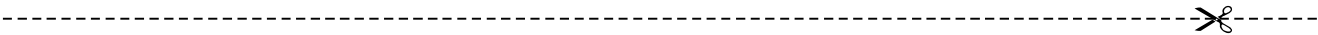
I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/members of the Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him /her \_\_\_\_\_ of \_\_\_\_\_ as my / our proxy to vote for me/us on my / our behalf at the Fourteenth Annual General Meeting of the Company to be held on Friday, August 30, 2013 at 10.30 A.M. at Air Force Auditorium, Subroto Park, New Delhi-110010 and at any adjournment(s) thereof.

Signed this \_\_\_\_ day of \_\_\_\_\_ 2013

Affix 15  
paise  
revenue  
stamp

Signature \_\_\_\_\_

Note: This form in order to be valid and effective should be duly stamped, completed and signed and must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.



**Infinite Computer Solutions (India) Limited**

Regd. Office: 155, Somdutt Chamber II, 9, Bhikaji Cama Place, New Delhi 110 066

**ATTENDANCE SLIP**

**Fourteenth Annual General Meeting**

DPID..... Regd. Folio No./ Client ID..... No. of shares held.....

I certify that I am a Member / Proxy for the Member of the Company.

I hereby record my presence at the Fourteenth Annual General Meeting of the Company on Friday, August 30, 2013 at 10.30 A.M. at Air Force Auditorium, Subroto Park, New Delhi-110010

\_\_\_\_\_  
Member's / Proxy's name  
(in BLOCK Letters)

\_\_\_\_\_  
Signature of Member / Proxy



# Global Presence

## INDIA

### Bengaluru

Infinite Computer Solutions (India) Ltd.  
Plot 157, EPIP Zone, Phase 2, Kundalahalli,  
Whitefield, Bengaluru-560066  
Phone: +91-80-4193-0000  
Fax: +91-80-4193-0009

GEIPL - SEZ, Global Axis, Block 2(A1),  
Upper Ground Floor, Plot No. 152, EPIP  
2nd Stage, Whitefield, Bengaluru-560066  
Phone: +91-80-6799-8000  
Fax: +91-80-6799-8009

### Delhi

Infinite Computer Solutions (India) Ltd.  
155 somduitt chamber-ii,  
9 Bhikaji Cama Place, New Delhi-110066  
Phone: +91-11-4615-0845/46/47  
Fax: +91-11-4615-0830

### Gurgaon

Infinite Computer Solutions (India) Ltd.  
Plot No. -21, Institutional Area, Sector-44,  
Gurgaon, Haryana-122001  
Phone: +91-124-3301-800  
Fax: +91-124-3301-867

### Hyderabad

Infinite Computer Solutions (India) Ltd.  
Floor no: 2, Block no: 1, My Home Hub,  
Madhapur, Hyderabad-500081  
Phone: +91-40-4402-1234

### Chennai

Infinite Computer Solutions (India) Ltd.  
Unit 19, 22, & 24, SDF Buildings, Phase 1  
MEPZ, Tambaram, Chennai-600045  
Phone: +91-44-4297-5900  
Fax: +91-44-4297-5911

## India Comnet International Private Limited

Unit 45/46, Block 3, SDF Buildings,  
Phase I, MEPZ Tambaram,  
Chennai-600045  
Phone: +91-44-2262-1232/33/34.  
Fax: +91-44-2262-9696

## USA

### Maryland

Infinite Computer Solutions Inc.  
15201 Diamondback Dr Suite 125,  
Rockville, MD - 20850, USA  
Phone: +1-301-355-7760  
Fax: +1-301-330-8501

### Illinois

Infinite Computer Solutions Inc.  
1 Trans Am Plaza Drive, Suite 520  
Oak Brook Terrace, IL 60181, USA  
Fax: +1-630-678-9219

### Tennessee

Infinite Computer Solutions Inc.  
9040 Executive Blvd, Suite 110  
Knoxville, TN 37923  
Phone: +1-865-394-9100

## UNITED KINGDOM

### London

Infinite Computer Solutions Limited  
Northumberland House  
11 The Pavement, Popes Lane, Ealing  
London W5 4NG  
Phone: +44-20-8832-7474  
Fax: +44-20-8832-7475

## SINGAPORE

Infinite Computer Solutions Pte. Ltd.  
20, Changi South Avenue 2  
Singapore - 486547  
Phone: +65-6221-1611  
Fax: +65-6221-2925

## MALAYSIA

Infinite Computer Solutions Sdn. Bhd  
Unit C-01-12A,  
SME Technopreneur Centre 2  
2260 Jalan Usahawan 1  
63000 Cyberjaya, Selangor Darul Ehsan  
Malaysia  
Phone: +60-38322-2800  
Fax: +60-38313-7397

## HONG KONG

Infinite Computer Solutions (India)  
Private Limited  
21/F, Sunshine Plaza, 353 Lockhart Road  
Wanchai, Hong Kong  
Phone: +852-2374-1211  
Fax: +852-2782-1147

## CHINA

Infinite Computer Solutions  
(Shanghai) Co. Ltd.  
Suite 666-05, Building 2  
No.351, Guoshoujing Rd.  
Zhangjiang High-Tech Park  
Shanghai  
Phone: +86-13817261980

## Board of Directors

**Sanjay Govil** | Chairman

**Upinder Zutshi** | Managing Director & CEO

**N K Agrawal** | Independent Director

**Ajai Kumar Agrawal** | Independent Director

**Ravindra Rama Rao Turaga** | Independent Director

## Corporate Office & Development Centre

Plot No. 157, EPIP, Phase 2, Kundalahalli, Whitefield,  
Bengaluru – 560066, Karnataka, India.

Phone: +91-80-4193-0000 | Fax: +91-80-4193-0009

Website: [www.infinite.com](http://www.infinite.com)

## Registered Office

155 Somdutt Chamber-II, 9 Bhikaji Cama Place,  
New Delhi – 110066, India.

Phone: +91-11-4615-0845/6/7 | Fax: +91-11-4615-0830

# Corporate Information

## Auditors

**M/s Amit Ray & Co.,**

Chartered Accountants, 102/103, Third Cross,  
Silver Oak Garden, J.P Nagar, 7th Phase,  
Puttenahalli East, Bengaluru – 560078,  
Karnataka, India.

## Registrar & Share Transfer Agent

**Bigshare Services Pvt. Ltd.**

E-2&3, Ansa Industrial Estate,

Sakivihar Road, Sakinaka, Andheri (East),

Mumbai – 400072, Maharashtra, India.

Phone: +91-22-4043-0200 | Fax: +91-22-2847-5207

## Company Secretary

Rajat Kalra



**FORM A**

1.	Name of the Company	Infinite Computer Solutions (India) Limited
2.	Annual Financial Statements for the year ended	March 31, 2013
3.	Type of Audit Observation	Unqualified
4.	Frequency of observation	Not Applicable



**Upinder Zutshi**  
CEO & Managing Director



**Sanjeev Gulati**  
Sr. Vice President Finance(CFO)



**Ravindra RamaRao Turaga**  
Audit Committee Chairman



**For Amit Ray & Co.**  
**CV Savit Kumar Rao**  
Partner  
(Statutory Auditors of Infinite  
Computer Solutions (India)  
Limited)