

27<sup>th</sup>

ANNUAL REPORT  
2014-15



**Infodrive**\*  
CREATING VALUE

# CORPORATE INFORMATION

<b>Board of Directors</b>	Mr. V. N. Seshagiri Rao	Independent Director
	Mr. ANL Madhavann	Director
	Mr. Jaffer Sadiq Ameer	Independent Director
	Mr. Pramod Manoharlal Jain	Independent Director
	Ms. Smitha Ramachandran	Director
	Ms. Lakshmi Sankarakrishnan	Independent Director
<b>Company Secretary</b>	Mr. Ajay K Mehta	FCA, FCS
<b>Manager</b>	Mr. A. S. Giridhar	
<b>Statutory Auditor</b>	M/s. K. S. Reddy Associates	No.201 (Old No.75/2), First Floor Chartered Accountant Habibullah Road, T. Nagar Chennai - 600 017, India
<b>Secretarial Auditor</b>	Mr. S Hari Krishnan	No.6/17 ,Nancy Street, Purasawalkam, Chennai, Tamilnadu - 600007
<b>Bankers</b>	Axis Bank Ltd. State Bank of India Kotak Mahindra Bank Indian Overseas Bank	
<b>Depository Services Share Transfer Agents</b>	Cameo Corporate Services Limited	"Subramanian Building" No. 1, Club House Road Chennai - 600 002, India Tel.: +91 - 44 - 2846 0390 Fax: +91 - 44 - 2846 0129
<b>Registered Office</b>	Info-Drive Software Limited	Buhari Buildings, Second Floor No. 3, Moores Road Chennai - 600 006, India Tel.: +91 - 44 - 2821 2368 Fax: +91 - 44 - 2821 2609 Website:www.infodriveservices.com E-mail: info@infodriveservices.com



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# NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 27th Annual General Meeting ("AGM") of the Members of Info-Drive Software Limited will be held on Wednesday, September 30, 2015 at 10.15 A.M. at 39, The Auditorium, Mylapore Club, Luz Church Road, Chennai-600004, India, to transact the following business:

## AGENDA

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone & Consolidated Audited Financial Statements of the Company for the year ended March 31, 2015 including Audited Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To appoint a Director in place of Mr. Alavur Lakshmi Narasimhan Madhavann (DIN 03551989), who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify the appointment of M/s K. S .Reddy Associates, Chartered Accountants, Chennai (Firm's Registration No 009013S) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 29<sup>th</sup> Annual General Meeting, and to fix their remuneration.

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to provisions of Sections 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Smitha Ramachandran (DIN: 02535610), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31st March, 2015, and who holds office upto the date of the forthcoming Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation."
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 provisions of Sections 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Lakshmi Sankarakrishnan Ramlingam (DIN :02576900 ), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31st March, 2015, and who holds office upto the date of the forthcoming Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 1 (One) year for a term upto the conclusion of the 28th Annual General Meeting of the Company to be held in the calendar year 2016, subject to Ms. Lakshmi Sankarakrishnan Ramlingam satisfying the criteria of independence in terms of the Companies Act 2013, Rules made there under and the Listing Agreement, and shall not be liable to retire by rotation."
6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and in pursuance of all earlier Resolutions passed in this regard under the Companies Act, 1956 the consent of the Company, be and is hereby accorded to the Board of Directors of the Company and/or any Committee thereof to borrow at its discretion, either from the Company's Bank or any other Indian or Foreign Bank(s), Financial Institution(s) and/or any other Lending Institutions or persons from time to time such sum(s) of money(s) and the sum(s) to be borrowed together with the money(s) already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers/FIs in the ordinary course of business) with or without security on such terms and conditions as they may think fit shall exceed the aggregate of the paid-up capital and free reserves of the Company that is to say, reserves not set apart for any specific purpose, provided that the total amount of borrowing together with the money(s) already borrowed by the Board of Directors shall not exceed the sum of Rupees 500 Crores (Rupees Five Hundred Crores Only) at any one time."

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

“RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999 (“FEMA”), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000 as amended up to date, Companies Act, 2013, and the Rules made thereunder including any Statutory modification(s) or re-enactment(s) thereof for the time being in force (“the Act”) and subject to approvals, permissions and sanctions of the Foreign Investment Promotion Board (“FIPB”), Ministry of Corporate Affairs, Government of India and other concerned authorities/regulatory bodies and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions, sanctions which may be agreed to by the Board of Directors of the Company (the “Board”, which expression shall include its duly authorised Committee thereof for the time being exercising the powers conferred by the Board) consent of the Company be and is hereby accorded to increase the limit of investments by Foreign Institutional Investors (“FIIs”) including their sub accounts in the equity shares of the Company under the Portfolio Investment Scheme under FEMA, to 100% of the paid up Equity Share Capital of the Company.”

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, a new set of Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in total exclusion, substitution and superseding of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to these resolutions.”

9. 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 143 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors be and is hereby authorised to appoint Branch Auditor(s) of any Branch office(s) of the company, whether existing or may be opened hereafter in India or abroad, any person(s) qualified to act as Branch Auditor (s) within the provisions of Section 143 of the said Act and to fix their remuneration.”

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

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 203, and all other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), the appointment of Mr. A. S. Giridhar, as the Manager of the Company within the meaning of Section 2(53) of the said Act, for a period of one year commencing from 1st April 2015 to 31st March 2016 be and is hereby ratified.”

RESOLVED FURTHER THAT Mr. A. S. Giridhar, appointment be ratified as made by the Board as Manager to carry out such duties and responsibilities as may be assigned to him by the Board from time to time, under the superintendence and control of the Board.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby severally authorized to file the necessary forms with the Registrar of Companies and to do all such acts, deeds and things in order to give effect to the above resolution and also to forward a certified copy of the aforesaid resolution wherever necessary.”

By Order of the Board

Place: Chennai

Date: August 14, 2015

Sd/-

**Ajay K Mehta**

Company Secretary

Regd. Office:

Buhari Building, Second Floor

No.3, Moores Road

Chennai – 600006

CIN: L36999TN1988PLC015475

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
3. The instrument appointing a proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed signed and stamped, not later than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. Members/proxies should bring Attendance Slips along with their copy of Annual Report to attend the meeting.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
6. The relevant details as required under Clause 49 of the Listing Agreement with the stock exchanges, of persons seeking appointment/re-appointment relating to item Nos. 2, 4 and 5 of the Notice are also annexed.
7. The Register of Directors Shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 24, 2015 to Wednesday, September 30, 2015 (both days inclusive).
9. Members holding shares in Electronic (demat) form are advised to inform the particulars of their bank account, change of address and email ids to their respective Depository Participants only. The Company or its Registrar and Share Transfer Agents i.e. Cameo Corporate Services Limited cannot act on any request received directly from the members holding shares in demat mode for changes in any bank mandates or other particulars etc., and such instructions shall be given directly to the depository participants by the members.
10. Members holding shares in physical form are advised to inform the particulars of their bank account, change of address and email ids to Cameo Corporate Services Limited (Unit: Info-Drive Software Limited), # 1, Subramanian Building, Club House Road, Anna Salai, Chennai, Tamil Nadu 600002.
11. Members holding shares in Electronic (demat) form or in physical mode are requested to quote their DPID & Client ID or Folio details, respectively in all correspondences, including dividend matters to the Registrar and Share Transfer Agents, (Unit: Info-Drive Software Limited), # 1, Subramanian Building, Club House Road, Anna Salai, Chennai, Tamil Nadu 600002.
12. To promote green initiative, Members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the Registrar & Transfer Agent, giving reference of their Folio Number.
13. Members are requested to note that as per section 124 and 125 of the Companies Act, 2013, the dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account, is liable to be transferred by the Company to the "Investor Education Protection Fund" (IEPF) established by the Central Government. The status of the dividends remaining unclaimed /unpaid with the respective due dates of transfer to IEPF is provided in the Corporate Governance report of this annual report.
14. Copies of Notice, Annual report are being sent by electronic mode to those members whose email ids are available with our Registrar and Share Transfer agents unless members request for physical copy. For members whose email ids are not available physical copy has been sent by permitted mode.
15. Members may note that 27th AGM notice, Annual Report, Attendance Slip, Proxy are also available on the company's website i.e. [www.infodriveservices.com](http://www.infodriveservices.com)
16. Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:30 am to 6.00 pm) on all working days except Saturdays and upto and including the date of the Annual General Meeting of the Company.
18. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their votes on resolutions through e-voting services provided by Central Depository Services (India) Limited (CDSL). For conducting this e-voting activity in a fair and transparent manner, the Board of Directors has appointed Mr. Srivatsan & Associates (FRN 014921S), Practicing Chartered Accountants as Scrutinizer.

19. The facility for voting through ballot papers shall be made available at the meeting and members attending the meeting who have not already casted their vote through remote e voting shall be able to exercise their right at the meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, September 27, 2015 at 9:00 a.m. IST and ends on Tuesday, September 29, 2015 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, September 23, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.p.m. September 29, 2015.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



## NOTICE

- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

#### Item No.2

##### Information pursuant to Clause 49 of the Listing Agreement.

##### Brief Profile of Mr. Alavur Lakshmi Narasimhan Madhavann is as follows:-

Mr.ANL Madhavann a qualified Chartered Accountant (FCA) and Company Secretary has three decades of experience on Corporate Mergers & Acquisitions, Strategic Management Solutions, Healthcare Business Analytics, Hospitals and Pharmacy Chains both in India and abroad. His extensive corporate experience includes inter alia financial closures for larger corporates, strategic funding and business development. Previously he was associated with Apollo Hospitals Group, Goldman Sachs, IFC Washington and has also served on Board of leading Corporates. He also holds Post graduate diploma in Business Management and Administration & Bachelor of General Laws.

Name	ANL Madhavann
Fathers Name	A V Narasimhan
Date of Birth	03.11.1959
Date of Appointment	14.02.2013
Qualifications	BSc., FCA, FCS, PGDBA, BGL
Chairmanships/Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	1. InfoSoft Analytics & Business Solutions Private Limited. 2. Neet Financial & Healthcare Analytics Private Limited
Chairmanships /Memberships Of Committees of other Public Companies	-
Number of shares held in the Company	Zero Shares
Relationship with other Directors	No

Except Mr.Alavur Lakshmi Narasimhan, who is seeking the appointment, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### Item No. 4

The Board of Directors has appointed Ms. Smitha Ramachandran (DIN: 02535610) as an Additional Director of the Company with effect from 31<sup>st</sup> March, 2015. As per the provisions of Section 161(1) of the Act, Ms. Smitha Ramachandran (DIN:02535610) shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing appointment of the candidature Ms. Smitha Ramachandran (DIN:02535610) for the office of Director of the Company.

The matter regarding appointment of Ms. Smitha Ramachandran (DIN: 02535610) as Director was placed before the Nomination and Remuneration Committee and it has recommended her appointment.

Ms. Smitha Iyer (DIN:02535610) has given a declaration to the Board that she is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given her consent to act as a Director. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules framed thereunder for her appointment.

In compliance with the provisions of Section 161 of the Act, the appointment of Ms. Smitha Ramachandran (DIN: 02535610) as a Director is now being placed before the Members for their approval.

**Brief Profile of Ms. Smitha Ramachandran is as follows:-**

Ms. Smitha Iyer has completed her General Management Programme from Indian Institute of Management (IIM, Ahmedabad) and is a Gold Medalist in Masters of Philosophy in Economics from University of Madras, India. She has about a decade of experience in handling functions at both Corporate and Strategy level out of which eight years in Info-drive as a member of the core corporate team. She has considerable experience over the years in handling corporate activities including Annual Business Reports, Press Releases, and Communication with regulatory bodies, Compliance matters of the company and its subsidiaries.

In addition, she has been part of the core team of Info-drive for its Rights Offering and Qualified Institutional Placement (QIP) and has experience in dealing with Merchant Banking agencies. During the initial stages in Info-drive, she has supported the global sales team by way of developing marketing collateral, knowledge management system, proposal response, customer outreach programs, website updates. Additionally, she has developed her core competency in Strategic Alliances relationship across various geographies of the operations of the Company. She was also involved in the process of Mergers & Acquisition of the company after its Rights Offering

Name	Smitha Ramachandran
Fathers Name	T. K. Ramachandran
Date of Birth	31-07-1980
Date of Appointment	31-03-2015
Qualifications	Masters of Philosophy in Economics-University of Madras
Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	-
Chairmanships /Memberships Of Committees of other Public Companies	-
Number of shares held in the Company	4580 Shares
Relationship with other Directors	No

Except Ms. Smitha Iyer, who is seeking the appointment, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

**Item No. 5:**

The Board of Directors has appointed Ms Lakshmi Sankarakrishnan Ramlingam (DIN: 02576900) as an Additional Director of the Company with effect from 31<sup>st</sup> March, 2015. As per the provisions of Section 161(1) of the Act, Ms Lakshmi Sankarakrishnan Ramlingam (DIN :02576900 ) shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as an Independent Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the appointment of candidature Ms Lakshmi Sankarakrishnan Ramlingam (DIN :02576900 ) for the office of Independent Director of the Company.

The matter regarding appointment of Ms Lakshmi Sankarakrishnan Ramlingam (DIN: 02576900) as an Independent Director was placed before the Nomination and Remuneration Committee and it has recommended her appointment.

Ms Lakshmi Sankarakrishnan Ramlingam (DIN :02576900 ) has given a declaration to the Board that she is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given her consent to act as a Director. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules framed thereunder for her appointment.

In compliance with the provisions of Section 161 of the Act, the appointment of Ms Lakshmi Sankarakrishnan Ramlingam (DIN: 02576900) as an Independent Director is now being placed before the Members for their approval.

## NOTICE

### Brief Profile of Ms. Lakshmi Sankar Krishnan Ramlingam is as follows:-

Ms. Lakshmi Sankar Krishnan Ramlingam an entrepreneur in Capital Markets has more than two decades of experience in business development and capital markets.

Name	Lakshmi Sankar Krishnan Ramlingam
Fathers Name	Srinivasan Samapth
Date of Birth	09.03.1963
Date of Appointment	31.03.2015
Qualifications	Senior School Graduate
Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	Aster Capital Advisory Services Private Limited
Chairmanships /Memberships Of Committees of other Public Companies	-
Number of shares held in the Company	35000 Shares
Relationship with other Directors	No

Except Ms. Lakshmi Sankar Krishnan Ramlingam, who is seeking the appointment, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

#### Item No.6

In the view of the existing borrowing and the additional fund requirements for meeting the capital expenditure for the ongoing/ future projects, capacity expansion, acquisitions and enhanced long term working capital needs of the Company, the Board of Directors had, in its meeting held on August 14, 2015, considered and approved the borrowing limits of the company to Rs. 500 crores subject to the approval of the shareholders and recommends Resolution no.6 of the accompanying Notice to the shareholder for their approval by way of special resolution.

Pursuant to Section 180(1) (c) of the Companies Act 2013, approval of the Shareholder by way of special resolution is required to authorize the Board of Director to borrow moneys up to the said limits.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6 of the Notice.

The Board commends the Special Resolution set out at Item No.6 of the Notice for approval by the shareholders.

#### Item No.7

In terms of the current FDI policy, foreign investment is allowed up to 100% in the Information Technology sector. Currently the FII limits in the company approved by the shareholders stands at 49% against which the actual holding of FII as on March 31, 2015 is 44%. The ceiling for FII investments can be raised up to sectoral cap/statutory ceiling, subject to approval of the shareholders of the Company. Considering the increasing interest of FII's in the company's shares, the Board of Directors have approved increasing the FII limits upto 100% of the paid up capital of the Company for the time being.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 7 of the Notice increasing the limits of FII investments.

None of the Directors / Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the Notice.

The Board commends the Special Resolution set out at Item No.7 of the Notice for approval by the shareholders.

#### Item No.8

In view of the recent notification of Companies Act, 2013 and rules there under in place of Companies Act, 1956, it is necessary to adopt new set of Articles of Association giving effect to the provisions and rules framed therein.

Various clauses in the existing Articles of Association necessitate amendment and/or alteration in order to reflectance-se, various provisions and rules framed therein. As per the provisions of Section 14 of the Companies Act, 2013, alteration in Articles of Association

of the Company will required to be approved by the shareholders of the Company by way of Special Resolution and hence placed for seeking approval of shareholders. Copy of existing and amended Articles of Association of the Company will be available for inspection by members during 11.00 a.m. to 2.00 p.m. at the Registered Office of the Company during Monday to Friday till the date of Annual General Meeting.

Your Board recommends this resolution to seek your approval for amendment for adoption of new set of Articles of Association.

None of the persons specified in Section 102 of the Companies Act, 2013, namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolutions financially or otherwise.

**Item No.9**

The company has branches in India and abroad and may also open new branches in India and abroad. It may be necessary to appoint Branch Auditors for carrying out the audit of the accounts of such branches. The members are requested to authorize the Board of Directors of the company to appoint Branch Auditors and to fix their remuneration from time to time.

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

Your directors recommend the said resolution for approval of the Members.

**Item No.10**

Mr. A. S. Giridhar was appointed as Manager of the Company for the period from April 1, 2015 to March 31, 2016 under Section 196 read with Schedule V of the Companies Act 2013 and rules thereon. The matter is being placed at this Annual General meeting for consideration of ratifying the appointment and the Board of Directors recommend passing of the resolution as Mr. A. S. Giridhar has been rendering services.

The terms as set out in the resolution and explanatory statement may be treated as an abstract of the terms of appointment pursuant to Section 196 of the Companies Act, 2013.

Except Mr. A. S. Giridhar, who is seeking the appointment, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

Your directors recommend the said resolution for approval of the Members.

By Order of the Board

Place: Chennai  
Date: August 14, 2015

Sd/-  
**Ajay K Mehta**  
Company Secretary

Regd. Office:  
Buhari Building, Second Floor  
No.3, Moores Road  
Chennai – 600006  
CIN: L36999TN1988PLC015475

# DIRECTORS REPORT

Your Directors are pleased to present the 27<sup>th</sup> Annual Report on the Business & Operations of Info-Drive Software Limited (hereafter referred to as 'InfoDrive') together with Audited Accounts for the financial year ended March 31, 2015.

## Company Performance

The highlights of Consolidated Financial Results of your Company and its Subsidiaries are as follows:

Rs . Lacs

Consolidated	2015	2014
Turnover / Income from operations	8757.31	6,319.53
Exchange Fluctuation Gain/(Loss)	(39.15)	378.33
Interest and finance charges	69.90	155.29
Profit after Tax (after Minority Interest adjustment) carried to Balance Sheet	344.19	12.68

The highlights of Financial Results of your Company as a Standalone entity are as follows:

Rs . Lacs

Stand Alone	2015	2014
Turnover / Income from operations	1805.12	1,212.99
Exchange Fluctuation Gain/(Loss)	(38.54)	385.60
Interest and finance charges	46.26	85.67
Profit after Tax carried to Balance Sheet	272.04	31.57

## BUSINESS OVERVIEW:

During the financial year ended 31 March 2015, your company recorded revenues of Rs. 180.51 million as compared to Rs. 121.29 million in the previous financial year. The profit earned by the Company for the year was Rs. 27.20 million as compared to Rs. 3.2 million in 2014.

A detailed discussion on the performance of your company, industry structure, threats, opportunities, risks, future outlook and strategy is given separately in the Management Discussion and Analysis (MDA) section, which forms a part of this Annual Report.

## DIVIDEND

Keeping the Company's growth plans in view, no dividend is being recommended by Board of Directors for the year.

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your Company has five wholly owned subsidiaries and one subsidiary-cum-joint venture across the globe.

The following table provides a list of all these Subsidiaries/Associates as on March 31, 2015:

Name of Subsidiary/ Associate	Country of Incorporation
Info-Drive Software Inc.	United States of America
Info-Drive Systems Sdn. Bhd.	Malaysia
Info-Drive Software LLC-Subsidiary cum Joint Venture	United Arab Emirates
Info-Drive Enterprises Pte Ltd, (Formerly known as Info-Drive Software Pte. Ltd.)	Singapore
Info-Drive Software Limited	Canada
Infodrive Mauritius Limited	Mauritius
Infodrive Technologies Ltd. - Associate Company	Thailand

A statement containing the salient features of the financial statement of our subsidiaries in the prescribed form AOC 1 is provided as Annexure A to this Directors' Report. The statement also provides the details of performance, financial position of each of the subsidiaries.

## INFODRIVE ENTERPRISES PTE. LTD.

Infodrive Enterprises Pte. Ltd., is based in Singapore. It was incorporated in 2007 for providing Software development, Infrastructure Management Services, Systems Integration and dealing/trading of commodities.

**INFODRIVE MAURITIUS LIMITED**

Infodrive Mauritius Limited., is based in Mauritius. It was incorporated in 2008 to expand business in the country and provide business consulting and Information technology services for clients in various industries which includes Conventional & Islamic banking, financial services and telecom.

**INFO-DRIVE SOFTWARE INC.**

Info-Drive Software Inc is based in USA. It was incorporated in 2007 to expand business in the country with object of providing product design, development & customization solutions to Large technology Companies and caters to Pension Service Providers.

**INFO-DRIVE SOFTWARE LLC**

Info-Drive Software LLC is based in Dubai, UAE. It was incorporated in 2007. The Company is engaged in the activity of reselling packaged software and implementation, System Integration & Data Analytics Infrastructure Management Services.

**INFO-DRIVE SOFTWARE LIMITED**

Info-Drive Software Limited is based in Canada and it was incorporated in 2008 to provide IT Consulting Services.

**INFO-DRIVE SYSTEMS SDN. BHD.**

Info-Drive Systems Sdn. Bhd is based in Malaysia and it was incorporated in 1994 and became a subsidiary of InfoDrive in 2007. The Company is providing a complete range of business consulting and Information technology services for clients in industries include Conventional & Islamic banking, financial services and telecom.

**INFO DRIVE TECHNOLOGIES CO., LTD**

Info Drive Technologies Co., Ltd is based in Thailand and the Company is engaged in IT Consulting, Software Development, Hardware, System Integration and BPO Services.

**CAPITAL STRUCTURE:****AUTHORISED CAPITAL:**

During the year under review, pursuant to the approval of the members at the Extra Ordinary General Meeting of the Company held on April 02, 2014 the Authorized Share Capital of the Company was increased from Rs 70,00,00,000 (Rupees Seventy crores) to Rs. 100,00,00,000 (Rupees One Hundred crores) divided into 10,00,00,000 Equity Shares of Rs. 10/- each. Foreign Currency Convertible Bonds (FCCBs).

**SUBDIVISION OF SHARES**

During the year, pursuant to the approval of the members at the 26th Annual General Meeting of the Company held on September 30, 2014 to the sub-division of the Equity Shares of the Company, each equity share of nominal face value of Rs. 10 (Rupees ten) each was sub-divided to 10 (ten) Equity Share of the face value of Re. 1 (Rupee one) each. The effective date for the said sub-division was December 26, 2015 (record date).

The authorised equity share capital of the Company after sub- division of the face value of Equity Shares is Rs. 100,00,00,000 (Rupees One Hundred crores) divided into 100,00,00,000 Equity Shares of Re. 1/- each.

**FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBs):**

During the year, the Company has issued 91 Zero Coupon Foreign Currency Convertible Bonds of US\$ 100,000 each due 2019 pursuant to Offering Circular dated December 12, 2014. The bonds are mandatorily convertible with Bondholders having an option to convert each bond into fully paid up equity shares of Re.1 each at the conversion price of Re.1 per share translated from US\$ at the fixed exchange rate of Rs. 60.09 per US\$ at any time up to the Close of Business on December 12, 2019 except during the 'closed period' as defined in the Offering Circular.

During the year under review, the Company has converted 18 FCCBs into 10,81,62,000 equity shares of Re.1 each in terms of conversion notices received from the Bondholders. As on March 31, 2015, 73 (Seventy Three) FCCBs are outstanding.

**ALLOTMENT OF SHARES:-**

During the year under review, the Company has allotted 10,81,62,000 equity shares consequent to the conversion notice(s) received from the Bondholders for conversion of the Foreign Currency Convertible Bonds ("FCCB") for total value of US\$ 1.8 million at a conversion price of Re.1 per share translated from US\$ at the fixed exchange rate of Rs. 60.09 per US\$, in accordance with the terms of the Offering Circular dated December 12, 2014 for issue of US\$ 9.1 million unsecured Zero Coupon Foreign Currency Convertible Bonds.

Consequently the paid up share capital of the Company has increased from Rs. 45,09,02,200 aggregating 45,09,02,200 equity shares of Re.1 each to Rs. 55,90,64,200 aggregating 55,90,64,200 equity shares of Re.1 each.

The Company has received approval from BSE Limited for listing and dealing of all the above Equity Shares of the Company.

## DIRECTORS' REPORT

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### MATERIAL EVENTS OCCURRING AFTER BALANCE SHEET DATE

There were no material changes and commitments affecting the financial position between the end of the Financial Year and the date of this Report.

### FIXED DEPOSITS

In terms of the provision of Sections 73 and 74 of the Companies Act, 2013 read with the relevant rules, your Company has not accepted any fixed deposits during the year under review

### AUDITORS:

#### STATUTORY AUDITORS

The Members of the Company at the Annual General Meeting of the Company held on September 30, 2014 appointed M/s. K. S. Reddy Associates, Chartered Accountants (Firm Registration No. 009013S) as the Statutory Auditor of the Company to hold such office till the conclusion of the Annual General Meeting in the calendar year 2017.

M/s. K. S. Reddy Associates has confirmed their eligibility and willingness to accept office, if appointment is ratified by the Members of the Company. Further, in terms of the Clause 41(1)(h) of the Listing Agreement, the statutory auditors of your Company are subjected to the Peer Review Process of the Institute of Chartered Accountants of India (ICAI). M/s. K. S. Reddy Associates has confirmed that they hold a valid certificate issued by 'Peer Review Board' of ICAI; and have provided a copy of the said certificate to your Company for reference and records. The ratification of appointment of Statutory Auditors is subject to the approval of the Members of the Company. Your Directors propose ratification of appointment of M/s. K. S. Reddy Associates as the Statutory Auditor of your Company.

The observation in the Auditors' Report (in italics) are followed by appropriate reply and explanation (in bold) as under.

- a) *As certified by the management the financial statements of Technoprism LLC being the subsidiary company of Info-Drive Software Inc., USA are not made available and hence not included in the consolidated financial statements. In the absence of any financial information non provision for diminution in value of investments, if any, I am unable to quantify the effect of such non provision on the value of investments and the net worth of the respective companies.*

**In view of revival of operations of Subsidiary, provision for diminution in value of investments as per the requirements of Accounting Standard -13 (Accounting for Investments) is not considered necessary and hence not made.**

- b) *Confirmation of balances in respect of the subsidiary companies that have been incorporated in the consolidated financial statements of the Company have not been obtained and completely relied upon the information and explanations provided by the management as audited financial statements of these entities as at 31st March 2015 were not available.*

**Audit is not mandatory to our overseas subsidiaries according to the legal provisions of respective host countries. Hence, the Audited Financial Statements are not made available**

- c) *According to the information and explanations given to me and in accordance with the provisions of the Companies Act, 2013, the Annual e-filing forms and event based forms with regards to increase in authorised share capital, sub-division of equity shares of the company, allotment of Foreign Currency Convertible Bonds (FCCBs) and allotment of equity shares consequent upon conversion of FCCBs were pending filing as on 31st March 2015.*

**The Company is taking all necessary steps to file the same.**

#### Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013, the Board of Directors had appointed S. Hari Krishnan, (Membership No.29583, COP.13740) Practising Company Secretary as the Secretarial Auditor of the Company for the financial year 2014-15. Accordingly, the Secretarial Auditor has given his report, which is annexed hereto as Annexure B. The comments of the Board on the observations of the Secretarial Auditor are given after Annexure B above.

#### Internal Auditor

Mr. ANL Madhavann, CFO of the Company has been appointed as Internal Auditor to carry out the Internal Audit of various operational areas of the Company for the financial year ended March 31, 2015.

#### Board Meetings

The details pertaining to the composition, terms of reference, etc. of the Board of Directors of the Company and the meetings thereof held during the financial year are given in the Report on Corporate Governance section forming part of this Annual Report.



**Directors and Key Managerial Personnel**

In the last Annual General Meeting, Mr. V N Seshagiri Rao, (DIN:00338930) Mr. Jaffer Sadiq Ameer (DIN:06523268) and Mr. Pramod Manoharlal Jain (DIN:02711188) were appointed as Independent Directors on the Board of the Company. The appointment of all the 3 (Three) Independent Directors was made for a period of 5 (Five) consecutive years for a term up to conclusion of the 31<sup>st</sup> Annual General Meeting to be held in the calendar year 2019, Pursuant to the provisions of the Companies Act, 2013, they are not liable to retire by rotation.

During the year under review, N. Viswanathan, Independent Director and Mr. K. Chandrasekaran, Non Executive Director stepped down from the Board. The Board wishes to place on record its deep sense of appreciation for the valuable contributions made by them to the Board and the Company during their tenure as Directors.

Ms. Lakshmi Sankarakrishnan (DIN:02576900) was appointed as an Additional Director (Independent) on the Board with effect from March 31, 2015. We seek your confirmation for appointment of Ms. Lakshmi Sankarakrishnan as Independent Director for a term of one year i.e. from September 30, 2015 to September 30, 2016 respectively on non-rotational basis.

Ms. Smitha Iyer (DIN:02535610) was appointed as Additional Director on the Board with effect from March 31, 2015. We seek your confirmation for appointment of Ms. Smitha Ramachandran as Non Executive Director liable to retire by rotation.

At present, your Company has 6 (Six) Non-Executive Directors out of which 4 (Four) are Independent Directors pursuant to the provisions of the Clause 49 of the Listing Agreement. Pursuant to Section 149 of the Companies Act, 2013, every listed company shall have at least one-third of its total strength of the Board of Directors as Independent Directors. Based on the present composition of the Board of Directors and the number of Independent Directors, the Company complies with this requirement.

In terms of Section 152 of the Companies Act, 2013 and pursuant to Articles of Association of your Company, Mr. ANL Madhavann, Director is liable to retire by rotation at the Twenty-Seventh Annual General Meeting.

At the Board Meeting held on May 13, 2014, Mr. A.S. Giridhar, as Manager, Mr. ANL Madhavann as Chief Financial Officer and Mr. Ajay K Mehta as Company Secretary were designated as "Key Managerial Personnel" of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Subsequent to the financial year, Mr. A S Giridhar was appointed as Chief Financial Officer of the Company in place of Mr. ANL Madhavann w.e.f 29th May 2015.

In terms of the Listing Agreement, the Company conducts the Familiarization Program for Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the company, etc., through various initiatives. The details of the same can be found at: [http://infodrivservices.com/investors/pdfs/pdfs/Policy\\_Committee\\_New/FAMILIARIZE\\_POLICY\\_FOR\\_INDEPENDENT\\_DIRECTORS.pdf](http://infodrivservices.com/investors/pdfs/pdfs/Policy_Committee_New/FAMILIARIZE_POLICY_FOR_INDEPENDENT_DIRECTORS.pdf)

**Independent Directors**

The Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of Independence.

Separate Meeting of Independent Directors was held on February 13, 2015.

**Committees of the Board**

During the year under report, the Board of Directors of your Company reconstituted the Committees of the Board. The details of the powers, functions, composition and meetings of the Committees of the Board held during the year are given in the Report on Corporate Governance section forming part of this Annual Report.

**1. Audit Committee**

The details pertaining to the composition, terms of reference, etc. of the Audit Committee of the Company and the meetings thereof held during the financial year are given in the Report on Corporate Governance section forming part of this Annual Report. The recommendations of the Audit Committee were accepted by the Board of Directors of the Company from time to time.

**2. Nomination and Remuneration Committee**

The Board of Directors at its meeting held in May 2014 named this Committee as the Nomination and Remuneration Committee for the purpose of provisions under the Companies Act, 2013 with respect to the terms of the Nomination and Remuneration Committee of the Company covered under the statutory terms of the Nomination and Remuneration Committee. The details pertaining to the composition, terms of reference, etc. of the Nomination and Remuneration Committee of the Board of Directors of the Company and the meetings thereof held during the financial year are given in the Report on Corporate Governance section forming part of this Annual Report.

**3. Stakeholders Relationship Committee**

The details pertaining to the composition, terms of reference, etc. of Stakeholders Relationship Committee of the Company and the meetings thereof held during the financial year are given in the Report on Corporate Governance section forming part of this Annual Report.



### 4. Issue Management Committee

The details pertaining to the composition, terms of reference, etc. of Issue Management Committee of the Company and the meetings thereof held during the financial year are given in the Report on Corporate Governance section forming part of this Annual Report.

#### Institutional Holding

As on March 31, 2015, the total institutional holding in your Company stood at 44.14 % of the total share capital.

#### Particulars required as per Section 134 of the Companies Act, 2013

As per Section 134 of the Companies Act, 2013, your Company has provided the Consolidated Financial Statements as on March 31, 2015. Your Directors believe that the consolidated financial statements present a more comprehensive picture as compared to standalone financial statements. These documents will also be available for inspection during the business hours at the Registered Office of your Company and the respective subsidiary companies. A statement showing financial highlights of the subsidiary companies is attached to the consolidated financial statements.

The Annual Report of your Company though does not contain full financial statements of the subsidiary companies, your Company will make available the annual accounts and related information of the subsidiary companies, upon request by any Member of your Company.

#### Consolidated Financial Statements

Consolidated financial statements of your Company and its subsidiaries as at March 31, 2015 are prepared in accordance with the Accounting Standard 21 (AS - 21) on 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, and form part of this Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries', Associates' and Joint Ventures (in Form AOC-1) is as Annexure A. The Policy for determining material subsidiaries of the Company is available on the Company's website at [http://infodrivservices.com/investors/pdfs/pdfs/Policy\\_Committee\\_New/POLICY FOR MATERIAL SUBSIDIARY.pdf](http://infodrivservices.com/investors/pdfs/pdfs/Policy_Committee_New/POLICY FOR MATERIAL SUBSIDIARY.pdf)

#### Particulars of Loans given, Guarantees given and Investments made

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

#### Related Party Transactions

The Policy to determine materiality of related party transactions and dealing with related party transactions as approved by the Board of Directors is available on the Company's website at [http://infodrivservices.com/investors/pdfs/pdfs/Policy\\_Committee\\_New/POLICY FOR RELATED TRANSACTIONS.pdf](http://infodrivservices.com/investors/pdfs/pdfs/Policy_Committee_New/POLICY FOR RELATED TRANSACTIONS.pdf)

During the year under review, the Company had not entered into any material transaction with any party who is related to it as per the Companies Act, 2013. There were certain transactions entered into by the Company with its foreign subsidiaries and other parties who are related within the meaning of Accounting Standard (AS - 18). Attention of Members is drawn to the disclosure of transactions with such related parties set out in Note No. L of the Standalone Financial Statements, forming part of this Annual Report. The Board of Directors confirms that none of the transactions with any of related parties were in conflict with the Company's interest and all transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year ended on 31.03.2015 were in the ordinary course of business and on basis of arms length pricing and do not attract the provisions of Section 188 of the Companies Act, 2013. Thus disclosure in form AOC 2 is not applicable.

The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries.

#### Adequacy of Internal Financial Controls

The Board is responsible for establishing and maintaining adequate internal financial control as per section 134 of the Companies Act, 2013. The Board has laid down policies and processes in respect of internal financial controls and such internal financial controls were adequate and were operating effectively. The internal financial controls covered the policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business including adherence to the Company's policies, safeguarding of the assets of the Company, prevention and detection of fraud and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

#### Code of Conduct

The Code of Conduct as approved by the Board of Directors is available on the Company's website at [http://infodrivservices.com/investors/pdfs/pdfs/Policy\\_Committee\\_New/CODE OF CONDUCT.pdf](http://infodrivservices.com/investors/pdfs/pdfs/Policy_Committee_New/CODE OF CONDUCT.pdf)

**Extract of Annual Return**

Pursuant to the provisions of the Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual return of the Company for the financial year ended on March 31, 2015 is provided in the Annexure C to the Directors' Report.

**Corporate Governance**

A separate section on Corporate Governance with a detailed compliance report as stipulated under the Listing Agreement and any other applicable law for the time being in force forms an integral part of this Report.

**Management Discussion and Analysis**

Report on Management Discussion and Analysis as stipulated under the Listing Agreement and any other applicable law for the time being in force based on audited, consolidated financial statements for the financial year 2014-15 forms part of this Annual Report.

**Conservation Of Energy, Research and Development (R&D), Technology Absorption and Foreign Exchange Earnings & Outgo**

**(A) Conservation of energy**

The nature of your company's operations is not energy intensive. Your company believes that it forms part of the duty to save energy and also install necessary apparatus which will help conserve energy. Your company's computer terminals, air conditioning systems, lighting and utilities are modern technology-enabled to facilitate the optimal use of energy and power.

**(B) Research and Development (R&D)**

Your company is actively engaged in the research and development of IT Consulting Services. Your company's management team performs an end-to-end function by acting as the sounding board and mentors for the R & D team to develop their ideas to facilitate market launch. The teams will develop a unique approach and strengthen our positioning through tools, frameworks and methodologies to provide value-added services to clients.

**(C) Technology absorption**

Your company believes that in addition to progressive thought, it is imperative to invest in research and development to ascertain future exposure and prepare for challenges. In its endeavour to obtain and deliver the best, our company entered into alliances with major global players in the industry to harness and tap the latest and the best of technology in its field, upgrade itself in line with latest technology globally and deploy / absorb technology wherever feasible, relevant and appropriate. Your company also attached tremendous importance to indigenous development and technology up gradation through its extensive Research and Development operations. The benefits derived from these processes are phenomenal and improved the quality of your company's world-class services.

**(D) Foreign Exchange Earnings and Outgo**

The particulars of foreign exchange earnings and outgo, based on actual inflows and outflows are as follows:

Rs . Lacs

Particulars	March 31, 2015	March 31, 2014
Earnings	Nil	34.06
Outgo	Nil	2.62

**Directors Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of section 134 state that—

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

## DIRECTORS' REPORT

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Explanation.-For the purposes of this clause, the term “internal financial controls” means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information;

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Details of Policy Developed and Implemented By the Company on Its Corporate Social Responsibility Initiatives**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

### **Vigil Mechanism (Whistle Blower Policy)**

The details of the vigil mechanism (whistle blower policy) are given in the Report on Corporate Governance forming part of this Annual Report. The Company has uploaded the policy on its website at [http://infodrivservices.com/investors/pdfs/pdfs/Policy\\_Committee\\_New/POLICY\\_FOR\\_WHISTLE\\_BLOWER.pdf](http://infodrivservices.com/investors/pdfs/pdfs/Policy_Committee_New/POLICY_FOR_WHISTLE_BLOWER.pdf)

### **Risk Management Policy**

Report on Risk Management based on the risk management policy developed and implemented by the Company for the financial year 2014-15 forms part of this Annual Report.

### **Performance Evaluation of the Board, its Committees and Directors**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors including Independent directors pursuant to the provisions of the Act under and Companies Act 2013 as per the criteria laid down .Evaluation of Independent Directors has been done by entire Board as per Schedule IV of the Companies Act 2013.

In pursuance of Clause 49 of the Listing Agreements (“Clause 49”) the Board shall monitor and review entire Board evaluation framework.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

#### **Criteria for evaluation of Director**

- Leadership initiative
- Initiative in terms of new ideas and planning for the Company
- Professional skills, problem solving, and decision-making
- Compliance with policies of the Company, ethics, code of conduct, etc.
- Reporting of frauds, violation etc.
- Safeguarding of interest of whistle blowers under vigil mechanism
- Timely inputs on the minutes of the meetings of the Board and Committee, if any

#### **Criteria for evaluation of Independent Director**

- Attendance and participations in the meetings
- Raising of concerns to the Board
- Safeguard of confidential information
- Rendering independent, unbiased opinion and resolution of issues at meetings
- Initiative in terms of new ideas and planning for the Company
- Safeguarding interest of whistle-blowers under vigil mechanism
- Timely inputs on the minutes of the meetings of the Board and Committee’s, if any

#### **Criteria for evaluation of Board /Committee**

- The Board of Directors /Committee members of the company is effective in decision making
- The Board of Directors /Committee members are effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
- The Board of Directors /Committee members review the organization’s performance in carrying out the stated mission on a regular basis.
- The Board of Directors /Committee members are effective in providing necessary advice and suggestions to the company’s management.
- Are the Board of Directors /Committee members as a whole up to date with latest developments in the regulatory environment and the market?
- Board meetings/Committee Meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues etc
- The Board/Committee oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor’s qualifications and performance.

**Details of the Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as follows:

Rs. Lacs

S #	Name of Director / KMP and Designation	Remuneration of KMP for FY 2014-15	% increase in Remuneration in the FY 2014-15	Ratio of remuneration of each KMP to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1	A S Giridhar	3	N.A.	3.69	Profit Before tax increased by 308 % and Profit after tax increased by 761.7 % during FY 2014-2015
2	ANL Madhavann	19.8	N.A.	6.09	
3	Ajay K Mehta	6	N.A.	1.85	
	<b>Total</b>	<b>28.8</b>	-		

During the financial year 2014-15, none of the Directors was drawing any remuneration except sitting fees.

During the financial year 2014-15, there was no increase in the remuneration of Key Managerial Personnel(s) and Employees. Hence, the ratio of their remuneration is not provided.

The median remuneration of employees of the Company during the financial year 2014-15 was 3.25 Lakhs p.a. As on March 31, 2015, there were 139 permanent employees who were on the roll of the Company (on consolidated basis).

**Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:** The total remuneration of the Key Managerial Personnel(s) is Rs. 28.8 Lakhs in 2013-14 and Rs. 28.8 Lakhs in 2014-15 whereas Profit after Tax increased by 761.7 % from Rs.31.57 Lakhs in 2013-14 to Rs.272.04 in 2014-15.

Variations in the Market Capitalization of the Company. The Market Capitalization as on 31st March, 2015 stood at Rs.3246.49 Lakhs (Rs.2782.60 Lakhs 31st March, 2014)

Price Earnings Ratio of the Company as on 31st March 2015 Rs.0.05 as compared to 0.07 as on 31st March 2014

Market Quotation % decreased compared on 31.03.2014 was 38.3 % compared IPO issue price. Market Quotation % decreased compared on 31.03.2015 was 0.28 % compared IPO issue price.

The key parameters for the variable component of remuneration availed by the KMPs are considered by the Board of Directors based on recommendations of Nomination and Remuneration Committee and as per the Remuneration Policy for Key Managerial Personnel and other employees.

During the financial year 2014-15, none of the Directors was drawing any remuneration. Hence, the ratio of their remuneration to the remuneration of highest paid director is not provided. It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

No employee throughout the financial year was in receipt of remuneration of Rs. 60 Lakhs p.a. or more, or employed for part of the year and in receipt of Rs. 5 Lakhs or more a month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**Listing with the Stock Exchanges**

The Equity Shares of the Company are listed on BSE Limited (BSE) and Madras Stock Exchange Limited (MSE).

Listing fees for 2014-15 have been paid to BSE

The Equity Shares of the Company were permitted to be traded and admitted to dealing on National Stock Exchange of India Limited (NSE) w.e.f. January 08, 2010 under Permitted Category by virtue of its listing on Madras Stock Exchange Limited (MSE).

In terms of SEBI Circular dated May 22, 2014, MSE has been derecognized and consequently the trading permission of the Company's Shares on NSE has been withdrawn by NSE vide circular dated January 06, 2015 with effect from January 30, 2015.

## DIRECTORS' REPORT

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### Secretarial Standards

The Company will comply with the Secretarial Standards as and when they are made effective.

### Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti Sexual Harassment Policy in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Internal Complaints Committee(s) (ICC) has been set up to redress complaints received regarding sexual harassment. During the year, there was no case of anti-harassment reported to the Committee(s).

### Other Matters

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under report:

1. No KMP of the Company receives any remuneration or commission from any of its subsidiaries.
2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

### ACKNOWLEDGEMENTS

The Directors are thankful to the Members and Investors for their confidence and continued support. The Directors are grateful to the Central and State Government, Stock Exchanges, Securities & Exchange Board of India, Reserve Bank of India, Software Technology Parks of India, Banks, Lenders, FCCB holders and last but not the least, its trusted clients for their continued support.

The Directors would like to express their gratitude for the profuse support and guidance received from alliance partners and vendors. The Directors would also like to express their sincere thanks and appreciation to all the employees across the globe for their commendable work and professionalism.

For and on behalf of the Board of Directors

Sd/-  
**V. N. Seshagiri Rao**  
Director  
DIN 00338930

Sd/-  
**Pramod Manoharlal Jain**  
Director  
DIN 02711188

Date: May 29, 2015  
Place: Chennai

**FORM NO. AOC-1**

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**  
*(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)*

**Part "A": Subsidiaries**

		(Information in respect of each subsidiary to be presented with amounts in Rs Lacs)					
1	2	3	4	5	6		
Sl. No.	Name of the subsidiary	1	2	3	4	5	6
		Info-Drive Software Inc. (USA)	Info-Drive Systems Sdn. Bhd (Malaysia)	Info-Drive Software LLC (UAE)	Info drive Enterprises Pre. Ltd (Singapore)	Info-Drive Software Limited (Canada)	Infodrive Mauritius Limited (Mauritius)
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2015
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD & 60.06	MYR & 18.44	AED 16.97	USD 62.33	CAN\$ 49.16	USD 59.90
5	Share capital	188.03	168.30	50.91	397.00	0.01	62.33
6	Reserves & surplus	(571.65)	762.59	2152.51	113.27	(3.91)	195.04
7	Total assets	1628.15	1837.05	11748.28	4306.69	1.00	2761.06
8	Total Liabilities	2011.77	906.16	9544.86	3796.42	4.90	2503.69
9	Investments (other than Investment in Subsidiaries)	-	-	-	-	-	-
10	Turnover	1.94	236.58	6968.97	52.18	-	-
11	Profit before taxation	(0.48)	(4.87)	97.15	35.35	(0.33)	(54.66)
12	Provision for taxation	-	-	-	-	-	-
13	Profit after taxation	(0.48)	(4.87)	97.15	35.35	(0.33)	(54.66)
14	Proposed Dividend	-	-	-	-	-	-
15	% of shareholding	100%	100%	80%	100%	100%	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

**Secretarial Audit Report****Form No. MR-3**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**For the year ended on March 31, 2015**

The Members,  
Info-Drive Software Limited  
Buhari Buildings, Second Floor  
No.3, Moores Road, Chennai-600006  
Tamil Nadu, India.  
CIN: L36999TN1988PLC015475

We have conducted the secretarial audit of the compliance of statutory provisions under the Companies Act, 2013, regulations laid down by Securities and Exchange Board of India, Foreign Exchange Regulations, EXIM Laws, STPI / SEZ Scheme, Customs and Labour Laws listed hereinafter and the adherence to good corporate practices by Info-Drive Software Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**Management's Responsibility**

Management is responsible for the preparation and filing of all the forms, returns, documents for the compliances under the Companies Act, 2013, regulations laid down by Securities and Exchange Board of India, Foreign Exchange Regulations, EXIM Laws, STPI/SEZ Scheme, Customs and Labour Laws listed hereinafter, and to ensure that they are free from material non-compliance, whether due to fraud or error.

**Secretarial Auditor's Responsibility:**

Secretarial Audit is a process of verification of records and documents on sample basis to check compliance with the provisions of laws and rules/procedures under the Companies Act, 2013, regulations laid down by Securities and Exchange Board of India, Foreign Exchange Regulations, EXIM Laws, STPI / SEZ Scheme, Customs and Labour Laws listed hereinafter.

The procedure for secretarial audit is selected on the secretarial auditor's judgment, including the assessment of the risks of material non-compliance of the documents filed. In making those risks assessments, the secretarial auditor considers internal control relevant to the Company's preparation and fair presentation of the documents in order to design secretarial audit procedures that are appropriate in the circumstances.

Our responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. We have conducted our audit solely on the basis of the compliances and filing done by the Company under the aforesaid laws.

Based on our verification of books, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that in our opinion, the Company has, during the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, minutes' book, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

**6. The Exim Laws, STP Scheme, SEZ and Customs Laws:**

- (a) The Foreign Trade Policy (Exim Policy) and Procedures thereunder;
- (b) Foreign Trade (Development and Regulation) Act, 1992;
- (c) Software Technology Parks Scheme;
- (d) Special Economic Zones Act, 2005 and Special Economic Zones Rules, 2006 (State Acts, Rules and Policies made thereunder);
- (e) The Customs Act, 1962.

**7. Labour Laws:**

- (a) The Apprentices Act, 1961 and Apprenticeship Rules, 1992;
- (b) The Child Labour (Prohibition and Regulation) Act, 1986 and the Child Labour (Prohibition and Regulation) Rules, 1988;
- (c) The Contract Labour (Regulation and Abolition) Act, 1970 and The Contract Labour (Regulation and Abolition) Central Rules, 1971;
- (d) The Employees' Provident Funds and [Miscellaneous Provisions] Act, 1952, The Employees' Provident Fund Scheme, 1952, Employees' Pension Scheme, 1995, and Employees' Deposit-linked Insurance Scheme, 1976;
- (e) The Employees' State Insurance Act, 1948; The Employees State Insurance (General) Regulations, 1950 and The Employees' State Insurance (Central) Rules, 1950;
- (f) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and The Employment Exchanges (Compulsory Notification of Vacancies) Rules, 1960;
- (g) The Industrial Employment (Standing Orders) Act, 1946 and The Industrial Employment (Standing Orders) Central Rules, 1946;
- (h) The Maternity Benefit Act, 1961 and The State Rules made thereunder;
- (i) The Minimum Wages Act, 1948 and The Minimum Wages (Central) Rules, 1950;
- (j) The Payment of Bonus Act, 1965 and The Payment of Bonus Rules, 1975;
- (k) The Payment of Gratuity Act, 1972 and The Payment of Gratuity (Central) Rules, 1972;
- (l) The Payment of Wages Act, 1936 and the Rules made thereunder;
- (m) The Sexual Harassment of Women At Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- (n) The State Shops and Establishments Act and the State Rules made thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. Secretarial Standards have not been approved by the Government of India for implementation during the financial year 2014-15. Hence the current Para is not applicable for the year under audit.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s);

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

**1. The Companies Act, 2013:**

- a) Pursuant to the provisions of the Companies Act, 2013, the Annual E-forms and event based forms in regards to increasing in authorised capital, sub-division of equity shares of the Company, Allotment of Foreign Currency Convertible Bonds (FCCBs), Allotment of equity shares consequent upon conversion of FCCBs, change in top ten shareholders of the Company, list of unpaid and unclaimed shareholders for the financial year ended March 31, 2014 were pending filing as on March 31, 2015.
- b) As required under Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has not published an advertisement in a newspaper regarding availability of e-voting facility.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

Based on inspection of the minutes of the Board of Directors and its Committees, there were no dissenting views mentioned by the member of the Board of Directors and its Committees.

**2. Listing Agreement with the Stock Exchanges:**

- a) Pursuant to Clause 31, the Company had filed the Annual Reports to the Stock Exchanges, however the applicable Form-A has filed beyond the prescribed time.



### 3. Foreign Exchange Management Act, 1999:

- a) In terms of Notification No. FEMA.120/RB-2004 dated July 7, 2004, the Company had submitted the Annual Performance Reports for the financial year ended March 31, 2014, in respect of its subsidiaries beyond the prescribed time:
- b) In terms of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004 ('FEMA Regulations'), as amended from time to time, the Company had submitted ODI forms in respect of loan/investments made in various tranches to its subsidiary beyond the prescribed time and Annual Return on Foreign Liabilities and Assets (FLA) for the financial year ended March 31, 2014 was pending filing as on March 31, 2015.
- c) The company had received an advance of Rs.4,00,12,568/- to provide services to a company called M/s. Persian Dam Keshte Aria located in Tehran, Iran. However, while remitting the advance by the remitter the swift message for the advance was wrongly mentioned as 'Feed Corn Purchase'. RBI approval was accorded in the month of June 2014 for refund of advance remittance, which is yet to be refunded as on the financial year ended 31st March 2015.

### 4. Exim Policy, Software Technology Parks Scheme, SEZ Act and Rules:

- a) The Company has undertaken in the "Legal Agreement for software exports by the units registered with the Software Technology Parks of India", Chennai executed with STPI, to file Quarterly Progress Reports (QPRs) within 10 days of the close of each quarter. QPR, Monthly Progress Report and Annual Performance Report were pending filing as on March 31, 2015.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. A quarterly compliance certificate is submitted by the respective department heads of the Company which are placed before the Board in their meeting along with the action taken report.

We further report that during the audit period the company has signed the Financial and Technical Collaboration agreement with Alchemy International FZC, UAE but the precise impact of such collaboration cannot be reasonably estimated for the time being.

During the year, the Company has issued 91 Zero Coupon Foreign Currency Convertible Bonds of US\$ 100,000 each due 2019 pursuant to Offering Circular dated December 12, 2014. The bonds are mandatorily convertible with Bondholders having an option to convert each bond into fully paid up equity shares of Re.1 each at the conversion price of Re.1 per share translated from US\$ at the fixed exchange rate of Rs. 60.09 per US\$ at any time up to the Close of Business on December 12, 2019.

We further report that during the audit period the Company has converted 18 FCCBs into 10,81,62,000 equity shares of Re.1 each in terms of conversion notices received from the Bondholders. As on March 31, 2015, 73 (Seventy Three) FCCBs were outstanding.

Sd/-

**S. Hari Krishnan**

Practising Company Secretary

Membership No. 29583

Certificate of Practice No. 13740

Place: Chennai

Date: May 29, 2015

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

The Members,  
 Info-Drive Software Limited  
 Buhari Buildings, Second Floor  
 No.3, Moores Road, Chennai-600006  
 Tamil Nadu, India.  
 CIN: L36999TN1988PLC015475

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

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

Sd/-  
**S. Hari Krishnan**  
 Practising Company Secretary  
 Membership No. 29583  
 Certificate of Practice No. 13740

Place: Chennai  
 Date: May 29, 2015

Comments of the Board of Directors on the observations pointed out in the Secretarial Audit Report are as follows:

Sr. No.	Observations by Secretarial Auditors	Comments by the Board of Directors
1.	Pursuant to the provisions of the Companies Act, 2013, the Annual E-forms and event based forms in regards to increasing in authorised capital, sub-division of equity shares of the Company, Allotment of Foreign Currency Convertible Bonds (FCCBs), Allotment of equity shares consequent upon conversion of FCCBs, change in top ten shareholders of the Company, list of unpaid and unclaimed shareholders for the financial year ended March 31, 2014 were pending filing as on March 31, 2015	The Company is taking all necessary steps to file the same.
2.	As required under Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has not published an advertisement in a newspaper regarding availability of e-voting facility	The Company will ensure that henceforth the advertisement of e voting facility will be published
3.	Pursuant to Clause 31, the Company had filed the Annual Reports to the Stock Exchanges, however the applicable Form-A has filed beyond the prescribed time	The Company inadvertently missed to file Form A with the Stock Exchange. In future, the Company will take care of the same.
4.	In terms of Notification No. FEMA.120/RB-2004 dated July 7, 2004, the Company had submitted the Annual Performance Reports for the financial year ended March 31, 2014, in respect of its subsidiaries beyond the prescribed time	In future, the Company will take care of the same and file it on time.
5.	In terms of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004 ('FEMA Regulations'), as amended from time to time, the Company had submitted ODI forms in respect of loan/investments made in various trances to its subsidiary beyond the prescribed time and Annual Return on Foreign Liabilities and Assets (FLA) for the financial year ended March 31, 2014 was pending filing as on March 31, 2015.	In future, the Company will take care of the same and file it on time.
6.	The Company has undertaken in the "Legal Agreement for software exports by the units registered with the Software Technology Parks of India", Chennai executed with STPI, to file Quarterly Progress Reports (QPRs) within 10 days of the close of each quarter. QPR, Monthly Progress Report and Annual Performance Report were pending filing as on March 31, 2015.	In future, the Company will take care of the same and file it on time.
7.	The company had received an advance of Rs.4,00,12,568/- to provide services to a company called M/s. Persian Dam Keshte Aria located in Tehran, Iran. However, while remitting the advance by the remitter the swift message for the advance was wrongly mentioned as 'Feed Corn Purchase'. RBI approval was accorded in the month of June 2014 for refund of advance remittance, which is yet to be refunded as on the financial year ended 31st March 2015.	The Company is taking necessary steps to rectify the same.

**Annual Return**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31st March 2015**

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) **CIN:** - L36999TN1988PLC015475  
 ii) **Registration Date:** - 16/03/1988  
 iii) **Name of the Company:** - INFO-DRIVE SOFTWARE LIMITED  
 iv) **Category / Sub-Category of the Company:** - Company limited by shares/ Indian- non Government Company  
 v) **Address of the registered office and contact details**  
 Buhari Building, 2<sup>nd</sup> Floor, No.3, Moores Road, Chennai-600006, Tamil Nadu, India  
 Tel.: +91 - 44 - 2821 2368  
 Fax: +91 - 44 - 2821 2609  
 info@infodriveservices.com  
 vi) **Whether listed company:-** Yes  
 vii) **Name, Address and Contact details of Registrar and Transfer Agent:-**  
 Cameo Corporate Services Ltd, Subramanian Building, No . 1, Club House Road, Chennai, Tamil Nadu,600002  
 Phone: +91 44 2846 0390  
 Fax: +91 44 2846 0129

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	INFORMATION TECHNOLOGY,IT CONSULTING, SOFTWARE DEVELOPMENT & BUSINESS PROCESS OUTSOURCING	62091 & 62099	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Infodrive Enterprises Pte. Ltd. 33, Ubi Avenue 3, #01 - 55 Vertex, Singapore - 408868	N.A	WOS	100%	2(87)
2	Infodrive Mauritius Limited Ninth Floor, Ebene Tower, 52 Cybercity, Ebene. Mauritius	N.A	WOS	100%	2(87)
3	Info-Drive Software Inc. 250, Park Avenue, Suite 7009, New York City, New York, 10022, United States of America.	N.A	WOS	100%	2(87)
4	Info-Drive Software LLC P. O. Box No: 82049, Deira, Dubai, United Arab Emirates	N.A	Subsidiary cum Joint Venture	80%	2(87)
5	Info-Drive Software Ltd., Canada.	N.A	WOS	100%	2(87)
6	Info-Drive Systems Sdn. Bhd. 8-8-1, Menara Mutiara Bangsar, Jalan Liku Off Jalan Riong, Bangsar-59100, Kulalumpur, Malaysia	N.A	WOS	100%	2(87)
7	Info Drive Technologies Co., Ltd, 506/139-140, Soi Ramkamhang 39 Lane (Tepleela 1) Wangthonglang, Bangkok-10310 Thailand	N.A	Associate	30%	2(6)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a. Individual/ HUF	258715	-	258715	0.57	9508	-	9508	0.0017	(0.5683)
b. Central government	-	-	-	-	-	-	-	-	-
c. State govt (s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	417400	-	417400	0.93	1174000	-	1174000	0.2100	(0.7200)
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	676115	-	676115	1.50	1183508	-	1183508	0.2117	(1.2883)
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
a. NRIs Individuals	-	-	-	-	-	-	-	-	-
b. other Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	676115	-	676115	1.50	1183508	-	1183508	0.2117	(1.2883)
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	-	800	800	-	-	8000	8000	0.0014	0.0014
c. Central Govt	-	-	-	-	-	-	-	-	-
d. State Govt (s)	-	-	-	-	-	-	-	-	-
e. Venture Capital funds	-	-	-	-	-	-	-	-	-
f. Banks / FI	-	7400	7400	0.02	-	74000	74000	0.0132	0.0132
g. FIs	13941372	-	13941372	30.92	246823320	-	246823320	44.1494	13.220
h. Insurance companies									
i. Others (specify Foreign Portfolio Investors)	-	-	-	-	752400	-	752400	0.1346	0.1346
<b>Sub-total (B)(1):-</b>	13941372	8200	13949572	30.94	247575720	82000	247657720	44.2986	13.3586
<b>2. Non-Institutions</b>									
a. Bodies Corp.	2743444	4900	2748344	6.10	31680858	48000	31728858	5.6754	(0.4246)
b. Individual									

## DIRECTORS' REPORT

i) Individuals shareholders holding nominal share capital upto Rs. 1 lakh	3233469	741368	3974837	8.82	36703156	7319680	44022836	7.8744	(0.9456)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	21225095	40500	21265595	47.16	192965809	405000	193370809	34.5883	(12.571)
c. Others (specify)									
Clearing Members	25768	-	25768	0.05	188588	-	188588	0.0337	(0.0163)
HUF	1345930	-	1345930	2.98	13796437	-	13796437	2.4678	(0.5122)
Non Resident Indian	1012559	91000	1103559	2.45	26200444	910000	27110444	4.8493	2.3993
Trust	500	-	500	0.00	5000	-	5000	0.0009	-
Sub-total (B)(2)	29586765	877768	30464533	67.56	301540292	8682680	310222972	55.4897	(12.070)
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>43528137</b>	<b>885968</b>	<b>44414105</b>	<b>98.50</b>	<b>549116012</b>	<b>8764680</b>	<b>557880692</b>	<b>99.7883</b>	<b>1.2883</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>44204252</b>	<b>885968</b>	<b>45090220</b>	<b>100</b>	<b>550299520</b>	<b>8764680</b>	<b>559064200</b>	<b>100.00</b>	

*\*Change of Shares on account of Sub-division of Equity Shares, Conversion of FCCB Bonds into Equity shares and sale/ purchase*

### (ii) Share Holding of Promoter's

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	EH Building Consultancy Private Ltd	417400	0.92	-	1174000*	0.21	-	0.71
2.	Mr. K .Shivakumar	258715	0.57	-	9508*	0.0017	-	0.57
	Total							

*\*Change of Shares due to Stock Split and Market Sale*

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year		Increase/Decrease
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	EH Building Consultancy Private Ltd	417400	0.92	1174000	0.21	(756600*)
2.	Mr. K. Shivakumar	258715	0.57	9508	0.0017	(249207*)

*\*Change of Shares due to Stock Split and Market Sale*

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

Sl.No	Name of the Shareholder	Shareholding at the beginning of the year		Change in Share Holding		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	The Indiaman Fund (Mauritius) Limited.	3788250	8.40.	34094250	1.69	37882500	6.78
2.	India Max Investment Fund Limited	3004033	6.66	27036297	1.29	30040330	5.37
3.	Bridge India Fund	2719330	6.03	24473970	1.17	27193300	4.86
4.	Marshal India Select Fund Limited	2250000	4.99	20250000	0.97	22500000	4.02
5.	S. S. Sudanthiram	1119900	2.48	10079100	0.48	11199000	2.00
6.	K Chandrasekaran	1541598	3.42	13874382	0.67	15415980	2.75
7.	Sparrow Asia Diversified Opportunities Fund	2104519	4.67	36967671	2.31	39072190	6.98
8.	Arif Buhary Rahman	1239977	2.75	(8146970)	1.99	4252800	0.76
9.	R Sridhar	911338	2.02	(870585)	0.55	8242795	1.47
10.	A R Murugappan	860929	1.91	492470	0.28	9101760	1.63

**1 to 6- Change of Shares & % on account of Sub-division of Equity Shares & Conversion of FCCB Bonds into Equity shares respectively**

**7- Change of Shares & % on account of Sub-division of Equity Shares, Allotment of Equity Shares & Conversion of FCCB Bonds into Equity respectively**

**8 to 10 Change of Shares & % on account of Sub-division, Purchase/Sale of Equity Shares & Conversion of FCCB respectively**

**(v) Shareholding of Directors and Key Managerial personnel**

Sl No	Name of the Shareholder	Shareholding at the beginning of the year		Change in Share Holding		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Smitha Ramachandran	458	0.00	4122*	0.00	4580*	0.00
2	Lakshmi Sankarakrishnan Ramlingam	3500	0.00	31500*	0.00	35000*	0.00

**\* Change of Shares due to Stock Split**

**V. INDEBTEDNESS**

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

Rs. Lacs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
<b>i) Principal Amount</b>	385.00	316.73	—	701.73
<b>ii) Interest due but not paid</b>	28.59	54.62	-	83.21
<b>iii) Interest accrued but not due</b>	—	—	—	—
<b>Total (i+ ii + iii)</b>	413.59	371.35	—	784.94

## DIRECTORS' REPORT

Change in Indebtedness during the financial year				
<b>Addition</b>	—	5691.68	—	5691.68
<b>Reduction</b>	413.59	1081.62	—	1495.21
<b>Net Change</b>	413.59	4610.06	—	5023.65
Indebtedness at the end of the financial year				
<b>i) Principal Amount</b>	—	4906.59	—	4906.59
<b>ii) Interest due but not paid</b>	—	74.82	—	74.82
<b>iii) Interest accrued but not due</b>	—	—	—	—
<b>Total (i + ii + iii)</b>	—	4981.41	—	4981.41

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors:

**The Company has no Managing Director or Whole-time Directors. Hence Remuneration doesn't arise.**

B. Remuneration to other directors:

Rs. Lacs

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Fee for attending board / committee meetings	Commission	Others, please specify	
	<b>Independent Directors</b>				
1	V N Seshagiri Rao	0.3	-	-	0.3
2	Pramod Manoharlal Jain	0.05	-	-	0.05
3	Jaffer Sadiq Ameer	0.3	-	-	0.3
4	Lakshmi Sankarakrishnan*	-	-	-	-
	Total (1)				
	<b>Other Non-Executive Directors</b>				
1	Smitha Ramachandran*	-	-	-	-
	Total (2)	-	-	-	-
	Total B =(1+2)	0.65	-	-	0.65
	Total Managerial Remuneration	3.65			
	Overall Ceiling as per the Act	11.66 Lacs			

\*Appointed w.e.f 31.03.2015

Except sitting fees no remuneration /commission was paid to any Directors during the FY 2014-15.

C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Rs . Lacs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		A.S.Giridhar CEO /Manager	Ajay K Mehta Company Secretary	ANL Madhavann CFO	Total
1.	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3	6	19.8	28.8
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	<b>Stock Option</b>	-	-	-	-
3.	<b>Sweat Equity</b>	-	-	-	-
4.	<b>Commission</b> - as % of profit - others, specify...	-	-	-	-
5.	<b>Others</b> , please specify	-	-	-	-
	<b>Total</b>	<b>3</b>	<b>6</b>	<b>19.8</b>	<b>28.8</b>

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B.DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



# CORPORATE GOVERNANCE REPORT

In compliance with Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company presents the report on Corporate Governance as mentioned in the said Clause for the financial year ended on 31st March 2015.

## 1. COMPANY PHILOSOPHY AND CODE OF GOVERNANCE

The Company is committed to ensure high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The Company follows all the principles of Corporate Governance in its true spirit and at all times.

The structure of the company broadly comprises of the Board of Directors and the Committees of the Board. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction to operational level to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable growth.

The Company is in compliance with the requirements of the guidelines on Corporate Governance as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, from time to time and as applicable.

## 2. BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of the Company comprises 6 Directors that includes 2 Women Director.

### (i) Composition and Category of Directors as of 31<sup>st</sup> March, 2015 is as follows:

Category	No. of Directors	%
Executive Directors	1	16.66
Non Executive & Independent Directors	4	66.66
Non Executive & Non Independent Director	1	16.68
Total	6	100

### (ii) Number of Board Meetings held, dates on which held:

The Board of Directors duly met 8 times during the financial year from April 01, 2014 to March 31, 2015. The dates on which the meetings were held are as follows:

May 13, 2014, May 30, 2014, July 31, 2014, August 14, 2014, August 27, 2014, November 14, 2014, December 15, 2014 and February 13, 2015

Name of Director	Category	Number of board meetings during the year 2014-15	Board Meetings Attended	Whether attended last AGM held on
V N Seshagiri Rao	Non Executive Independent Director	8	8	Yes
ANL Madhavann	Director and CFO	8	4	Yes
Jaffer Sadiq Ameer	Non Executive Independent Director	8	8	Yes
Pramod Manoharlal Jain (Appointed w.e.f from 13.05.2014)	Non Executive Independent Director	8	1	N.A.
Lakshmi Sankar Krishnan (Appointed w.e.f from 31.03.2015)	Non Executive Independent Director - Women Director	8	-	N.A.
Smitha Ramachandran (Appointed w.e.f from 31.03.2015)	Non Executive Director – Women Director	8	-	N.A.
K. Chandrasekaran (Resigned w.e.f from 13.05.2014)	Non-Executive Director	8	1	No
N. Viswanathan (Resigned w.e.f from 11.07.2014)	Independent Non Executive	8	1	No

**(iii) Particulars of Directorships of other Companies**

S #	Name of the Director	Other Directorship
1	V N Seshagiri Rao	<ul style="list-style-type: none"> <li>➤ Gulf Outsourcing Services Limited</li> <li>➤ Info-Drive Analytics Private Limited.</li> </ul>
2	Alavur Lakshmi Narasimhan Madhavann	<ul style="list-style-type: none"> <li>➤ InfoSoft Analytics &amp; Business Solutions Private Limited</li> <li>➤ Neet Financial &amp; Healthcare Analytics Private Limited</li> </ul>
3	Lakshmi Sankarakrishnan	<ul style="list-style-type: none"> <li>➤ Aster Capital Advisory Services Private Limited</li> </ul>

**(iv) Committees of the Board and its Members**

Audit Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee	Issue Management Committee
V.N. Seshagiri Rao	V.N. Seshagiri Rao	V.N. Seshagiri Rao	V.N. Seshagiri Rao
Jaffer Sadiq Ameer	Jaffer Sadiq Ameer	Jaffer Sadiq Ameer	Jaffer Sadiq Ameer
Pramod Manoharlal Jain	Pramod Manoharlal Jain	Pramod Manoharlal Jain	Pramod Manoharlal Jain
ANL Madhavann	-	-	-

**(v) Independent Directors**

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

**3. AUDIT COMMITTEE****Composition**

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under the Listing Agreement pertaining to the Audit Committee.

It consists of three Non-Executive Independent Directors. All members of the Committee are financially literate and have the requisite financial management expertise. The Chairman of the Audit Committee is an Independent Director; The Chairman of the Audit Committee was present at the last Annual General Meeting held on 30th September, 2014.

No. of Meetings held during the year

During the year the Committee had 4 Meetings i.e. on 30th May 2014, 14th August 2014, 14th November 2014 and 13th February 2015.

Name of Member	Category	Position	No. of Meetings Attended
V.N. Seshagiri Rao	Non executive Independent Director (Chairman)	4	4
Jaffer Sadiq Ameer	Non executive Independent Director	4	4
Pramod Manoharlal Jain	Non executive Independent Director	4	1
ANL Madhavann	Director and CFO	4	2

**Terms of reference:**

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the terms of reference stipulated by the Board of Directors for the Audit Committee are:

**Powers of the Audit Committee:**

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employees.
- c. To obtain outside legal or other professional advice.
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Role of the Audit Committee:

- a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommendation for appointment, remuneration and terms of appointment of Internal Auditors and Statutory Auditors of the company.
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. Matters to be included in the Director's Responsibility Statement for the inclusion in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
  - iv. Significant adjustments made in the financial statements arising out of audit findings.
  - v. Compliance with listing and other legal requirements relating to financial statements.
  - vi. Disclosure of Related Party Transactions.
  - vii. Qualifications in the draft audit report.
- e. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- f. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- g. Approval or any subsequent modification of transactions of the company with related parties.
- h. Evaluation of internal financial controls and risk management systems.
- i. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- j. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- k. Discussion with internal auditors of any significant findings and follow up there on.
- l. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- m. To look 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.
- n. To review the functioning of the Whistle Blower mechanism.
- o. Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- p. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

### 4. NOMINATION AND REMUNERATION COMMITTEE

The Company complies with Section 178 of the Companies Act, 2013 as well as requirements under the Listing Agreement.

#### Composition:

The Nomination and Remuneration Committee of the Company consists of 3 Non-Executive and Independent Directors including Chairman.

No. of Meetings held during the year:

During the year the Committee had 1 meeting i.e. on March 23, 2015.

Name of Member	Position	No. of Meetings held	No. of Meetings Attended
V.N. Seshagiri Rao	Non executive Independent Director	1	1
Jaffer Sadiq Ameer	Non executive Independent Director	1	1
Pramod Manoharlal Jain	Non executive Independent Director	1	-

### Policy on Nomination & Remuneration Committee

Info-Drive Software Limited recognizes Human Resource as invaluable asset of the organization and for the purpose of motivating and retaining its personnel, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing agreement as amended from time to time policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee .

### Appointment and Removal of Director, Key Managerial Personnel and Senior Management

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the position.
- iii. The Company shall not appoint or continue the employment of any person as Whole-time Director/ Managing Director/ Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

### Term/Tenure

#### Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company or such other number as may be prescribed under the Act.

### Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

### Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

### POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

#### Remuneration to Managing Director /Manager/ Whole-time Directors:

- a. The Remuneration/ Commission etc. to be paid to Managing Director /Manager/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

#### Remuneration to Non-Executive / Independent Directors:

- a. Remuneration / Commission: The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- b. Sitting Fees: The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.
- c. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- d. All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- e. Any remuneration paid to Non-Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
- f. The Services are rendered by such Director in his capacity as the professional; and
- g. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### Remuneration to Key Managerial Personnel and Senior Management:

- a. The remuneration / compensation / commission etc. to KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b. The remuneration and commission to be paid to Key Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force and accordance with the Companies Policy.
- c. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board.
- d. KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

### Evaluation

As per Companies Act 2013 and Listing agreement the committee shall carry out performance evaluation of all Directors including Independent Director based on the criteria followed by the Board so as to enable collating the results and arriving to conclusion on easy basis.

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

### Composition of the Committee:

The Stakeholders Relationship Committee of the Company consists of 3 Non-Executive and Independent Directors including Chairman.

No. of meetings held and attended during the year:

During the financial year 2014 -2015, one Stakeholders Relationship Committee meeting was on June 10, 2014. The details of Members' attendance at the meeting of Stakeholders Relationship Committee are as under:

Name of Member	Position	No. of Meetings held	No. of Meetings Attended
V.N. Seshagiri Rao	Non executive Independent Director	1	1
Jaffer Sadiq Ameer	Non executive Independent Director	1	1
Pramod Manoharlal Jain	Non executive Independent Director	1	-

The primary objective of the Stakeholders Relationship Committee is to oversee all the matters concerned with the securities and to look into shareholders complaints relating to transfer of shares, non-receipt of Annual Reports, non-receipt of dividend, dematerialization of shares, etc. The Committee in turns looks after the performance of the Secretarial Department and the working of the Registrar and Transfer Agents and recommends the measure to improve the quality services to the Investors.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement.

## 6. ISSUE MANAGEMENT COMMITTEE

Composition of the Committee:

The Committee consists of 3 Non-Executive and Independent Directors including Chairman.

During the year the Committee had 3 Meetings i.e. on 4th December 2014, 12th December 2014 and 23rd March 2015.

Name of Member	Position	No. of Meetings held	No. of Meetings Attended
V.N. Seshagiri Rao	Non executive Independent Director	3	3
Jaffer Sadiq Ameer	Non executive Independent Director	3	3
Pramod Manoharlal Jain	Non executive Independent Director	3	-

This Committee meets whenever there is a requirement of allotment of shares consequent upon conversion rights exercised by the FCCB holders from time to time and the basis of allotment is finalized by the members of this committee in consultation with the stock exchanges.

## 7. GENERAL BODY MEETINGS:

### Location and time for the last three AGMs:

Year	Date	Venue	Time	Special Resolution
2014	30 <sup>th</sup> September, 2014	The Auditorium Mylapore Club, No.39, Luz Church Road, Mylapore, Chennai-600004 Tamil Nadu, India	10.15 A.M	Alteration of Existing Article 3 of the Articles of Association and substituting "The Authorized Share Capital of the Company is as per Clause V of the Memorandum of Association."
2013	30 <sup>th</sup> December, 2013	The Auditorium Mylapore Club, No.39, Luz Church Road, Mylapore, Chennai-600004 Tamil Nadu, India	11.00A.M	Resolution passed under Section 314 of the Companies Act, 1956 in respect of Mr ANL Madhavann holding office or place profit as Director & Company Secretary in the Company
2012	28 <sup>th</sup> September, 2012	Mini Hall, Narada Gana Sabha, TTK Road, Chennai-600018, Tamil Nadu, India	10.15 A.M	Appointment of Mr. V. Gopal Rao, as Director and Company Secretary of the Company in terms of provisions of Section 314 of the Companies Act, 1956. Resolution passed under Section 314 of the Companies Act, 1956 in respect of Mr K Chandrasekaran holding office or place profit in Info-Drive Software Pte.Ltd., a WOS of the Company

### Location, date and time where last three Extra-Ordinary General Meetings were held

Year	Date	Venue	Time	Special Resolution
2014	2 <sup>nd</sup> April, 2014	The Auditorium Mylapore Club, No.39, Luz Church Road, Mylapore, Chennai-600004 Tamil Nadu, India	11.30 A.M	To raise additional Capital not exceeding Rs.100 Crores by way of QIP/Warrants/FCCB/FCEB/Private Placements/ADR/GDR Altered the Articles of Association by Substituting New Article "3" in place of the Existing Article "3"
2010	10 <sup>th</sup> August, 2010	Mini Hall, Narada Gana Sabha, TTK Road Chennai-600018 Tamil Nadu, India.	10.15 A.M	Approval for the increase in limit for investment by FII in the Company within the applicable Sectoral capital of the revised paid up Equity Capital
	01 <sup>st</sup> February, 2010	Mini Hall, Narada Gana Sabha, TTK Road Chennai-600018 Tamil Nadu, India.	10.30 A.M	Altered the Articles of Association by Substituting New Article "3" in place of the Existing Article "3" Approval obtained under Section 81,81 (1A) under Companies Act 1956 for raising additional Capital to the tune of USD 20 Million or its rupee equivalent by issuing several class(es) of the instruments
2008	14 <sup>th</sup> August 2008	Mini Hall, Narada Gana Sabha, TTK Road Chennai-600018 Tamil Nadu, India.	10.30 A.M	Approval obtained under Section 81,81 (1A) for issuing several classes of instruments to raise additional capital upto USD 100 Million

## 8. DISCLOSURES

- There have been no materially significant related party transactions with the Company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors were taken wherever required in accordance with the Policy.

## CORPORATE GOVERNANCE

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- b. None of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company
- c. The Independent Directors have confirmed that they meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- d. There were no instances of non-compliance and no strictures and penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authorities, on any matters related to capital markets, during the last three years.
- e. The Company has in place a mechanism to inform the Board members about the Risk Assessment and mitigation plans to ensure that the critical risks are controlled by the management
- f. Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the Company's website under the web link [http://infodrivservices.com/investors/pdfs/pdfs/Policy\\_Committee\\_New/POLICY\\_FOR\\_WHISTLE\\_BLOWER.pdf](http://infodrivservices.com/investors/pdfs/pdfs/Policy_Committee_New/POLICY_FOR_WHISTLE_BLOWER.pdf) and circulated to all the Directors / employees.

### 9. MANDATORY REQUIREMENTS

The Company has complied with mandatory as stipulated in clause 49 of the Listing Agreement entered into with the Stock Exchange.

### 10. NON-MANDATORY REQUIREMENTS

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

#### The Board

Independent Directors possess the requisite qualification and experience to contribute effectively to the Company in their capacity as independent director.

#### Audit Qualifications

Auditors observations are answered in Directors Report.

#### Separate posts of Chairman and CEO

The Company has no permanent Chairman, however Mr. V. N. Seshagiri Rao, Non Executive Independent Director was appointed as Chairman for the Board Meetings and Audit Committee Meetings respectively held during the financial year ended 31st March 2015.

Mr. A.S.Giridhar who was appointed as Manager of the Company in terms of Section 203 of the Companies Act, 2013 and he is CEO in terms of Listing Agreement.

#### Reporting of Internal Auditor

The Internal Auditor of the Company directly reports to the Audit Committee.

### 11. MEANS OF COMMUNICATION:

#### Quarterly result

Quarterly, Half-yearly and Annual Financial Results of the Company are communicated to the Stock Exchanges immediately after the same are considered by the Board.

The results and official news releases of the Company are also made available on the Company's website i.e. <http://infodrivservices.com/investors/>

### 12. GENERAL SHAREHOLDER'S INFORMATION:

#### AGM date, time and venue

Wednesday September 30, 2015, 10.15 AM

#### Financial Year:

April 1, 2014 to March 31, 2015

#### Book Closure Date:

September 24, 2015 to September 30, 2015  
(Both days inclusive)

**Listing on Stock Exchanges:** Bombay Stock Exchange Ltd

**Stock Code:** BSE: 530703, Scrip ID: INFODRIVE **ISIN:** INE804D01029 The Company has paid listing fees for the year 2015-16 to BSE Limited.

**MARKET PRICE DATA**

Monthly High and Low quotations along with the volume of shares traded at Bombay Stock Exchange Ltd during the financial year 2014-15:

Month & Year	BSE		
	Month	High	Low
Apr 2014	7.08	5.34	196778
May 2014	6	4.7	210520
Jun 2014	6.09	4.41	558548
Jul 2014	7.62	4.01	423310
Aug 2014	6.85	5.01	135908
Sep 2014	6.24	4.65	188924
Oct 2014	4.99	3.44	274903
Nov 2014	5.26	3.75	270618
Dec 2014	8.09	0.76	827286
Jan 2015	0.98	0.64	2835313
Feb 2015	0.94	0.66	6719342
Mar 2015	0.88	0.61	3821355

**REGISTRAR AND TRANSFER AGENTS**

M/s Cameo Corporate Services Limited is Registrar and Transfer Agent of the Company. Any request pertaining to investor relations may be addressed to the following address:

**M/s Cameo Corporate Services Limited**

Subramanian Building  
# 1, Club House Road, Fifth Floor, Chennai - 600 002, India.

Phone: +91 44 2846 0390

Fax: +91 44 2846 0129

**Ms.Vetriselvi**

[vetri@cameoindia.com](mailto:vetri@cameoindia.com)

**SHARE TRANSFER SYSTEM:**

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

All requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Ltd (NSDL) and Central Depository Services Limited (CDSL) within 15 days.

**DISTRIBUTION OF SHARE HOLDINGS:**

No. of Equity Shares Held	As on 31 <sup>st</sup> March ,2015		
	No of Shareholders	No of Shares	%of Shareholding
1 to1000	3278	2171456	41.26
1001 to 5000	2656	7982525	33.43
5001 to 10000	749	6470410	9.43
10001 to 20000	441	6924903	5.55
20001 to 30000	155	4030808	1.95
30001 to 40000	80	2911171	1.01
40001 to 50000	125	5961984	1.57
50001 to 100000	157	12090432	1.98
> 100000	308	510520511	3.81
<b>Total</b>	<b>7949</b>	<b>559064200</b>	<b>100</b>



## CORPORATE GOVERNANCE

### SHAREHOLDING PROFILE

Mode of Holding	As on March 31 <sup>st</sup> 2015			As on March 31 <sup>st</sup> 2014		
	No. of holders	No. of Shares	% to Equity	No. of holders	No. of Shares	% to Equity
Demat	4994	550299520	98.43	2997	44204252	98.04
Physical	2955	8764680	1.57	4454	885968	1.96
<b>Total</b>	<b>7949</b>	<b>559064200</b>	<b>100</b>	<b>7451</b>	<b>45090220</b>	<b>100</b>

### SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH 2015

Particulars	Number of Share holders	Shares held in Physical form	Shares held in dematerialized form	Total Number of shares held	% of capital
<b>Promoter and Promoter Group</b>					
a. Bodies Corporate	2	-	1174000	1174000	0.2100
b. Individual	1	-	9508	9508	0.0017
<b>Public Shareholding</b>					
<b>I. Institutions</b>					
a. Mutual Funds/UTI	1	8000	-	8000	0.0014
b. Financial Institutions/Banks	1	74000	-	74000	0.0132
c. Foreign Institutional Investors	10	-	246823320	246823320	44.1494
d. Foreign Portfolio Investors	1	-	752400	752400	0.1346
<b>II. Non Institutions</b>					
a. Bodies Corporate	151	48000	31680858	31728858	5.6754
b. Individuals	7555	7724680	229668965	237393645	42.4627
c. Non Resident Indians	104	91000	26200444	27110444	4.8493
d. Clearing Members	7	-	188588	188588	0.0337
e. HUF	115	-	13796437	13796437	2.4678
f. Trusts	1	-	5000	5000	0.0009
<b>Total</b>	<b>7949</b>	<b>8764680</b>	<b>550299520</b>	<b>559064200</b>	<b>100.000</b>

### CAPITAL STRUCTURE

Given below are the details of the periodic increase in the Issued and paid-up capital of the Company since Inception.

Sl. No.	Date	No. of Equity Shares	Value (in Rs.)	Cumulative increase in Share Capital (In Rs.)
1.	16.03.1988	200	2,000	2,000
2.	01.12.1989	7,500	75,000	77,000
3.	26.04.1991	2,300	23,000	1,00,000
4.	29.07.1991	20,000	2,00,000	3,00,000
5.	27.03.1992	50,000	5,00,000	8,00,000
6.	29.05.1992	3,20,000	32,00,000	40,00,000
7.	04.06.1993	6,00,000	60,00,000	1,00,00,000
8.	04.11.1994	500	5,000	1,00,05,000
9.	31.01.1995	3,50,000	35,00,000	1,35,05,000
10.	03.06.1995	26,49,500	2,64,95,000	4,00,00,000

11.	14.02.2000	10,00,000	1,00,00,000	5,00,00,000
12.	18.07.2007	2,00,00,000	20,00,00,000	25,00,00,000
13.	10.12.2007	42,38,890	4,23,88,900	29,23,88,900
14.	11.11.2010	15,851,330	15,85,13,300	45,09,02,200
15.	12.12.2014	45,09,02,200*	45,09,02,200	45,09,02,200
16.	23.03.2015	10,81,62,000#	10,81,62,000	55,90,64,200

\* Stock Split

# FCCB Conversion

#### DETAILS OF SHAREHOLDING OF DIRECTORS/KMP's AS ON 31ST MARCH 2015

As on 31st March 2015, the Company had one executive director and five non-executive directors. Of the one executive director, Mr. ANL Madhavann does not hold any shares in the Company. Among the non-executive directors Ms. Smitha and Ms. Lakshmi holds 4580 & 35000 equity shares in the Company respectively. The other non-executive directors and KMP's do not hold any shares in the Company.

#### ADDRESS OF REGISTERED OFFICE

Info -Drive Software Limited  
CIN: L3699TN1988PLC015475  
Buhari Buildings, Second Floor,  
No.3, Moores Road, Chennai - 600006, Tamil Nadu,  
India

Tel.: +91 - 44 - 2821 2368

Fax: +91 - 44 - 2821 2609

[info@infodrivservices.com](mailto:info@infodrivservices.com)

[www.infodrivservices.com](http://www.infodrivservices.com)

#### OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has issued 91 FCCBs out of which 18 FCCBs are converted into Equity Shares and 73 FCCBs are remaining.

#### UNCLAIMED DIVIDEND AMOUNTS:

Pursuant to the provisions of Section 123 of the Companies Act, 2013, the dividend for the following years, which remain unclaimed for seven years, will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants in writing to the Company's Registrar and Transfer Agents Cameo Corporate Services Limited, immediately. Members are requested to note that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings in electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

Information in respect of such unclaimed dividends due for transfer to the Investor Education and Protection Fund (IEPF) is as follows.

Financial Year	Date of Declaration of Dividend	Last date of Claiming Dividend	Unclaimed Amount as on 31 <sup>st</sup> March 2015	Due date for transferring Dividend to IEPF
2007-2008	September 23,2008	September 22,2015	277734	October 21,2015
2008-2009	September 23,2009	September 22,2016	236194	October 21,2016
2009-2010	September 23,2010	September 22,2017	247785	October 21,2017

#### CODE OF CONDUCT:

##### DECLARATION

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub-clause (II) E of Clause 49 of the Listing Agreement with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2015.

##### RISK MANAGEMENT:

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided elsewhere in this annual report in Management Discussion and Analysis.

### CEO / CFO CERTIFICATION:

As required by Clause 49 of the Listing Agreement, the CEO / CFO Certification is provided in the Annual Report.

### CEO AND CFO CERTIFICATION

I A.S.Giridhar, Manager & Chief Financial Officer responsible for the finance function certify that:

- a) I have reviewed the financial statements and cash flow statement for the year ended 31st March, 2015 and to the best of our Knowledge and belief:
  - i) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of my Knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2015 are fraudulent, illegal or violate the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
  - iii) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

**A.S.Giridhar**

Manager & Chief Financial Officer

Date: May 29, 2015

Place: Chennai

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

The Members of

Info-Drive Software Limited

We have examined the compliance of conditions of Corporate Governance by Info-Drive Software Limited, for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2015, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders Committee.

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 M/s K.S.Reddy Associates**

Chartered Accountants

Firm's Registration No 009013S

Sd/-

**K. Subba Reddy (Proprietor)**

M.No.208754

Date: May 29, 2015

Place: Chennai

### Management's Discussion and Analysis

*Management's discussion and analysis of the financial condition and results of operations include forward-looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate. Although the Management has considered future risks as part of the discussions, future uncertainties are not limited to Management perceptions.*

#### Company Background

Info-Drive Software Limited, incorporated on 16 March 1988, is an Information Technology Services Company, headquartered in Chennai, Tamil Nadu, India.

The Company is a global Information Technology and Business Process Outsourcing (BPO) services company offering specialized services across the realm of Information Technology (IT), IT Infrastructure and IT Consulting. The Company offers specialized expertise in information technology applications deployment, Remote Infrastructure Maintenance at enterprise level, Risk Management & Data Analytics- Implementation Services.

By adopting a unique synthesis of organic and inorganic growth models on top of highly specialized offerings in the realm of IT, Infrastructure and Business Process Management, the Company has established a well-balanced portfolio of services catering to the mainstream, uncontested as well as the emerging market spaces on a global basis. The Company has service delivery centres in Chennai, Mumbai - India, Kuala Lumpur- Malaysia and in Dubai- UAE supporting the business development centres that cater to Middle East and North Africa (MENA) region.

The Company has diversified business portfolio focused on multiple business verticals each with its own growth trajectory, which increases the range of offerings to its customers, business enterprises and retail consumers.

#### The IT business is broadly divided into the following business segments:

- IT Solutions
- IT Consulting Services (ICS)
- IT Infrastructure Services
- Risk Management and Data Analytics
- Business Process Outsourcing

#### Portfolio of Service Offerings:

##### ➤ IT SOLUTIONS

- Community Connectivity Solutions
- Custom Application Development
- Web Hosted Solutions in Cooperative Credit Societies and Micro Finance Institutions.

##### ➤ IT CONSULTING (Global market)

- Business Consulting (Strategic):
- Demand Forecasting
- Lean Process Improvement
- Organization Change Management
- Profitability and Financial Strategy
- Balanced Score card
- Commercial and Strategy Planning
- Technology Consulting:
- ICT-focused services (Middle East)- Project Management and Technical Support services for the Telecom segment in the Middle-east market.

##### ➤ IT INFRASTRUCTURE SERVICES (India, Middle East and Malaysia)

- Infrastructure Management Services

##### ➤ RISK MANAGEMENT AND DATA ANALYTICS (India, Middle East, Africa and Australia)

- Implementation Services

#### A. INDUSTRY STRUCTURE AND DEVELOPMENT- IT & IT ENABLED SERVICES

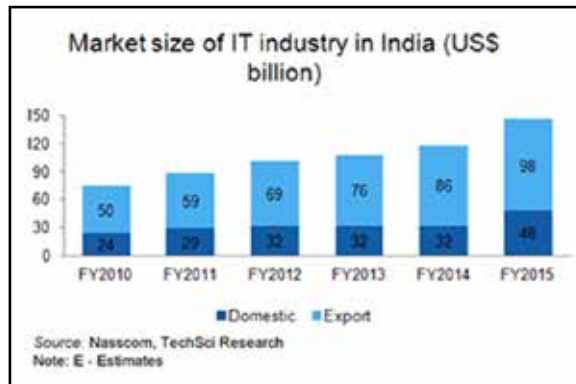
*The information presented in this section has been obtained from publicly available documents from various sources, including officially prepared materials from Government bodies and industry websites/publications. Industry websites/publications generally state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be*

assured. Although it is believed that industry, market and government data used is reliable, it has not been independently verified. Certain information has been relied on, based on the data available on the data from NASSCOM and other website. These websites do not provide any assurance, as to the reliability of such information.

According to Gartner report Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2013-2019, 1Q15 Update, worldwide IT Services spending in 2014 was \$948 billion, a growth of 1.8% over the previous year. Global IT service providers offer a range of end to end software development, IT business solutions, research and development services, business process services, consulting and related support functions.

India's technology and BPM sector (including hardware) is estimated to have generated US\$ 146 billion in revenue during FY15 compared to US\$ 118 billion in FY14, implying a growth rate of 23.72 per cent

- The contribution of the IT sector to India's GDP rose to approximately 9.5 per cent in FY15 from 1.2 per cent in FY98
- The top six firms contribute around 36 per cent to the total industry revenue, indicating the market is fairly competitive, with TCS being the leader accounting for about 10.1 per cent

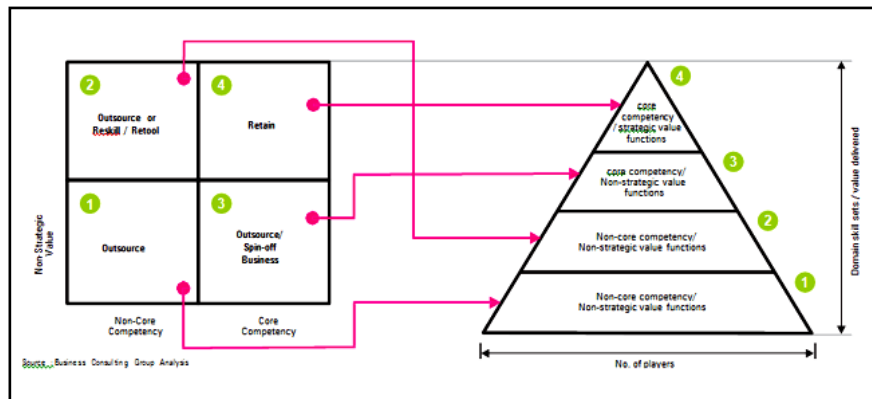


Over the past two decades, India has risen to become the leading destination for global IT services sourcing, business process services and research and development services. Global IT services providers, based in India, have a proven track record for providing business and technology solutions, offering a large, high quality and English-speaking talent pool and a friendly regulatory environment. These factors have facilitated the emergence of India as a global sourcing hub.

According to the NASSCOM report, revenues for fiscal year 2015 for the IT-BPM industry based in India is estimated to be US\$146 billion, which would represent growth of approximately 13% over fiscal year 2014. According to the NASSCOM Report, IT export revenues from India, including hardware, are expected to grow at a year-on-year rate of 12% in fiscal year 2015, driven by greater demands for social, mobile, analytics and cloud based solutions. While exports remain the focus area for the IT industry in India, the IT services market in India represents approximately 18% of the total business of India-based IT services industry and is also expected to be a key growth driver.

In FY 2015, NASSCOM estimates that the Indian IT industry will account for revenues of USD 146 billion, an increase of 13 percent over the previous year. Industry exports will be more than USD 98 billion, a growth of 12.3 per cent, while the domestic segment, which has benefited from the inclusion of ecommerce and mobile app industry, is estimated to touch USD 48 billion. Software products, Engineering Research and Development (ER&D) and product development segments together have over 16 per cent market share (Source: NASSCOM Strategic Review 2015)

IT and ITES companies have moved up the value chain and have expanded their product and service portfolios gravitating towards higher value processes and achieving increased traction in engineering and product development services. India's edge in the off shoring domain was based on factors such as availability of people's skills, a conducive business environment, focus on information security and operational excellence by leading IT-ITES vendors and relevant financial structures.



### BUSINESS OF THE COMPANY

#### Portfolio of Service Offerings

- IT Solutions
- Community Connectivity Solutions
- Custom Application Development
- Web Hosted Solutions for Cooperative Credit Societies and Micro Finance Institutions
- IT Consulting (Global market)
- Business Consulting (Strategic)
- Demand Forecasting
- Lean Process Improvement
- Organization Change Management
- Profitability and financial strategy
- Balanced Scorecard
- Commercial and Strategy Planning
- Technology Consulting
- ICT-focused services (Middle East)- Project Management and Technical , Commercial and Sales Support services for the Telecom segment in the Middle-east market
- Enterprise Sales Support
- Enterprise and Transmission Service Provisioning
- Voice Products
- Business Line
- Business Fax
- Business Trunk Line
- ISDN 2
- Data Products
- Broadband Internet
- Managed LAN
- National IP VPN
- Managed TV
- VAS Products
- Hosted Email
- Hosted Web
- Domain Name Requests
- Order Management Desk (OMD)
- Enterprise Service Provisioning: Fixed Line
- Field Operations
- Installation of CPE and Mediatrixes
- Testing services for provisioning
- On-site troubleshooting
- Activation
- Activation of services(Data&Voice) on network.
- Integrating between the Network Operations Centre (NOC), IP core team, Change Management team
- Transmission Service Provisioning: Fixed Line
- End to end telecom service provisioning of Fixed Line Transmission.
- Order Management Desk (OMD)
- Field Operations
- Activation
- IPLC
- ISDN PRI
- IT Infrastructure Services (India, Middle East and Malaysia)

- Infrastructure Management Services
- Risk Management and Data Analytics (India, Middle East, Africa and Australia)
- Implementation Services

### SERVICES

The Company is in IT business that can be broadly divided into various business segments as explained below:

#### IT SERVICES

The Company helps clients to derive maximum value from IT investments to bring together advanced technology, robust infrastructure, a large pool of talent and a proven global delivery model to provide a range of cost-effective and seamless technology services to companies around the world. From technology optimization to mitigating risks, there is a constant demand to evaluate, deploy and manage flexible, responsive and economical solutions. Outsourcing non-core operations can help transform business into a leaner and smarter organization with greater adaptability to changing economic and business trends.

It custom design, develop and install software for a variety of client needs. The projects range from single platform, single site systems to multi-platform, multiple-site systems and typically include new development and/or functional enhancements to existing software applications to offer a range of services, including requirements analysis, design, implementation, integration and testing.

The services also include the integration of distinct IT solutions and software systems, and often include procurement of various hardware and software products, development of software that enhances the compatibility between various components of the overall IT infrastructure and management of programs, vendors and consortia during this process. Its delivery model is backed by industry standard project management and quality practices, a state of the art infrastructure and by a team of highly skilled professionals.

#### COMMUNITY CONNECTIVITY SOLUTIONS

Info-Drive specializes in eLiving solutions such as Distributed Audio-Video technology, Pervasive Grid Computing Technology, Recommender Technology, Network and Media Convergence Systems, Master System Integration with other eLiving and Security subsystems. These solutions are utilized in home automation, community connectivity, telecom -internet-media convergence and other requirements for state - of-the-art unified infotainment solutions. Info-Drive's eLiving services categorizes into technology horizontals and Industry verticals.

#### HORIZONTALS ARE

Home Automation

- Home Theatre Solutions
- Equipment and Lighting control
- Intelligent Home System Integration
- Media Storage and Search Services
- Wireless Personal Area Network
- Custom Entertainment Solutions

#### Community Connectivity and Datacenter Apps

- eConcierge Applications - Travel Desk, Event Planning & Centralized Billing Apps
- Broadcast Automation - Media Streaming Services for Opera, Contest and Talk shows
- Standard & High Definition Video Conferencing
- Linking world's Smart-Communities [xNet : Exclusive -Network for Lifestyle interaction/gaming]
- Ad Live: interactive advertisements direct to living rooms, AdTitlers, Large Screen Digital Hoardings , opinion polls
- NEWS: Community Radio FM Station, TV Station Broadcaster Solution
- Health and Happiness - Telemedicine and TalkshowTelecom -Internet-Media Convergence
- Home Gateway
- Community Gateway
- Business Gateway
- Misc Unified Infotainment Solution

#### OUR INDUSTRY VERTICALS ARE:

##### Realty

- Shopping Malls
- Residential Villa
- Smart Communities



## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Travel

- Public infotainment systems for mass transit– airport, Metro rail system.

### CO-OPERATIVE CREDIT SOCIETY AUTOMATED SOLUTION

Employees' Cooperative Thrift and Credit Society is a non-agricultural credit society, started mainly for saving the employees from the hands of money lenders. Separate Employees' Cooperative Thrift and Credit societies have been organized for different categories of workers. The objectives of the societies are to encourage thrift and cooperation among the members, to borrow funds from the members for being utilized as loans to members and to act as agents for joint purchase of domestic and other requirements of the members. The successful financial performances of these societies are very essential to the employees to save their money.

The regulation of co-operative societies (other than those operating in more than one State) is a State subject and is governed by the State laws on co-operative societies. In the case of co-operatives with objects not confined to one State, their regulation is governed by the Multi-State Co-operative Societies Act, 2002. As the vast majority of co-operative societies are operating only in one State, the State Government and the Registrar of Co-operative Societies appointed by the State are the main regulatory authorities for the cooperative societies. Since the functioning of these have grown rapidly and some Data of state controlled Societies and almost all of them need a strong connectivity support with current technology.

Info-Drive sensed this opportunity and is channeling its efforts into exploring and utilizing excellence especially in the areas of computerization of Cooperative Credit Societies scattered in India (e-governance).

The Company has come up with the concept of a cost effective web enabled solution on cloud wherein comprehensive end to end web enabled solution which would facilitate societies to just plug in , configure , load data and start using the solution.

On the strength of the above concept the Company has been able to secure an order from the Registrar of Cooperative Societies in Chennai region on a BOT basis for a period of (5) years . The company would be the system integrator for the solution.

### IT CONSULTING:

Info-Drive offers both Business and Technology consulting services that supports strategic business objectives in this competitive business environment. Organizations move up the value chain that helps drive the business momentum in the light of challenges arising from globalization, competition and the dynamics of customer loyalty. The various consulting practices enable to achieve execution excellence, cost leadership and business agility through IT, resulting in sustainable business leadership.

### IT INFRASTRUCTURE SERVICES:

Its comprehensive, industry-leading portfolio of infrastructure management services guarantees high reliability, round-the-clock availability, remote manageability, and optimum scalability. The services include:

#### Onsite Infrastructure Management Services

- Datacenter Support Services
- Network Support Services
- Security Support Services
- End-user Support Services

#### Converged Communication Solutions

- Campus and Premise Cabling
- Data Center Infrastructure
- Routing and Switching
- IP Telephony

#### Enterprise Management Solutions

- Service Desk and Asset Management
- Network and Systems Management
- Remote Support Tools

#### Information Security Solutions

- Network Perimeter Security
- Mobile Perimeter Security
- Application Security
- End Point Security

#### Technology and Process Consulting Services

- Consulting and Auditing Services
- Vulnerability Assessment and risk mitigation solutions

Management Services are designed to provide comprehensive coverage for technology infrastructure while maintaining a straightforward 'menu' of service level choices. Info-Drive offers customers the flexibility to evaluate each service and derive measurable benefits for their organization. The current target geographies are Philippines, Australia and Far East Asia. Its target business vertices in these countries are BFSI, telecom, retail and IT-ITES.

**RISK MANAGEMENT/ DATA ANALYTICS:**

Risk management solution implementation consulting and BASEL compliance:

- Market Risk
- Credit Risk
- Operational Risk
- Asset Liability Management
- Anti-Money Laundering and Fraud detection
- Solution implementation for customer and marketing analytics
- End-To-End technical support and maintenance of implemented solutions
- Analytical model building in the area of financial modeling and Know Your Customer (KYC) analytics
- Credit portfolio default and recovery model building and forecasting
- Modeling and forecasting market driven factors I.e. Interest rates, foreign exchange rates, etc.
- Parametric and simulation models for risk measurement
- Target Customer profiling for execution of marketing strategies.

Industries catered to with above-mentioned services are Banking and Financial Institutions and Telecom.

**COMPETITIVE STRENGTHS**

Info-Drive's competitive strengths are as under:

➤ **Enhancement of solution set**

The Company seek to continually enhance its portfolio of solutions as a means of developing and growing its business. To differentiate its services, the focus is on emerging trends, new technologies and pervasive business issues that confront its clients. The Company has added new service offerings such as Business and Technology consulting which have been significant contributors to its growth. The Company has established atruly unique 'e-Living' Practice that provides automation, digital life-style, community networking and unified integration of media, telecom and internet for homes and community.

➤ **Growth platforms**

The Company's growth platforms - systems integration and technology, business consulting and outsourcing - are the engines through which the Company develops its knowledge capital; build world class skills and capabilities; create, acquire and manage key assets to the development of solutions for its clients. The professionals within these areas work closely with operating groups to deliver those integrated services and solutions to clients.

➤ **Geography Spread**

The Company operates globally with a wide array of specialized services with an ROI-centric value proposition. This geographic dimension is critical to the proper execution of its strategy and the Company operates in a way that is both globally efficient and locally responsive to its clients and its people. The Company markets and sells its services across different geographies such as India, Australia, Middle Eastern countries and Africa that enable it to address various opportunities in key market segments such as Banking, Financial, Hospitality, Real Estate and Telecom.

➤ **Successful Client Relationship**

The client centric approach is built on in-depth understanding of customers' needs in order to provide high value, cutting edge technology solutions. The Company leverages its capability as an integrated solutions provider, with appropriate technology expertise and domain knowledge, to deepen its relationships with its clients.

➤ **Business Strategy**

The Company has different strategies to enhance stakeholder value in each of business services offered. The Company has established a strong client footprint across all the major emerging market segments in Far East, Middle East, North Africa and Australia. All major support functions for Sales, Marketing and Service Delivery are consolidated through the regional hub offices and an optimal offshore-onsite mix depending upon the kind of services.

### ➤ **Continue to grow Systems Integration and IT services business**

The Company continues to focus on emerging trends and new technologies in specific business verticals to develop market leading solutions for clients, in its target business verticals including telecommunications, banking, and financial services sectors. It continues to invest significant resources to develop customized product, service and solutions offerings that differentiate us from the competition, and generate repeat business. The Company intends to continue to focus on expanding its system integration offerings by increasing its share of business from the private sector and entering new sectors, including e-governance, health and education.

The Company intends to grow its IT infrastructure management service offerings, including long-term managed outsourcing services, which have been and expect will continue to be major contributors to our growth in MENA region. The Company also intends to offer new service delivery models that minimize risks and improve efficiency of processes and productivity.

### ➤ **Enhance capabilities through technology alliances and acquisitions**

The Company has established a dedicated in-house team to explore strategic acquisition opportunities to gain access to specific technologies, target new markets and customers as well as catalyse synergies with existing business. It believes that acquisition will support long-term strategic direction, strengthen competitive position, particularly in acquiring new domain expertise, expand customer base, increase ability to expand service offerings, reduce time to market and provide greater scale to grow earnings and increase shareholder value. The Company also intends to pursue acquisitions of companies outside India to expand global footprint by leveraging domain expertise and low cost offshore delivery model to move a significant portion of the work offshore to India.

The Company also intends to continue to explore the formation of new alliances as well as strengthen existing partnerships with key technology vendors to enable it to leverage its partners' strengths.

## **B. Opportunities and Threats**

According to Gartner report Forecast: Enterprise IT Spending by Vertical Industry Market, Worldwide, 2013-2019, 1Q15 Update, worldwide IT Services spending in 2014 was \$948 billion, a growth of 1.8% over the previous year. Global IT service providers offer a range of end to end software development, IT business solutions, research and development services, business process services, consulting and related support functions.

Over the past two decades, India has risen to become the leading destination for global IT services sourcing, business process services and research and development services. Global IT services providers, based in India, have a proven track record for providing business and technology solutions, offering a large, high quality and English-speaking talent pool and a friendly regulatory environment. These factors have facilitated the emergence of India as a global sourcing hub.

Information technology is one of the most dynamic, fast-changing and fiercely competitive industries in the world, characterized by relentless cycles of innovation and commoditization. The Indian IT industry has been primarily identified with software services, while the software products segment has mostly remained in the background. More recently the world is observing a change in this segment growth. Emerging technologies present a range of exciting new opportunities for IT firms in India. According to the software product think-tank iSpirt, software products could be a \$100 billion industry in India by 2025. This affirms our faith that a new generation of Indian software products will have a sizeable impact on improving productivity and the way businesses are run.

Info-Drive's recent business focus is on niche domains like providing e-Governance solutions to the Employees Cooperative Thrift & Credit Societies across India. Employees' Cooperative Thrift and Credit Society is a non-agricultural credit society, started mainly for saving the employees from the hands of money lenders. Separate Employees' Cooperative Thrift and Credit societies have been organized for different categories of workers. The objectives of the societies are to encourage thrift and cooperation among the members, to borrow funds from the members for being utilized as loans to members and to act as agents for joint purchase of domestic and other requirements of the members. The successful financial performances of these societies are very essential to the employees to save their money.

The regulation of co-operative societies (other than those operating in more than one State) is a State subject and is governed by the State laws on co-operative societies. In the case of co-operatives with objects not confined to one State, their regulation is governed by the Multi-State Co-operative Societies Act, 2002. As the vast majority of co-operative societies are operating only in one State, the State Government and the Registrar of Co-operative Societies appointed by the State are the main regulatory authorities for the cooperative societies. Since the functioning of these have grown rapidly and some Data of state controlled Societies and almost all of them need a strong connectivity support with current technology.

Info-Drive sensed this opportunity and is channeling its efforts into exploring and utilizing excellence especially in the areas of computerization of Cooperative Credit Societies scattered in India (e-governance). The Company has tied up with a comprehensive end to end solution on cloud computing model. This would result in the societies just having to Plug-In, Configure, Load Data and Start Using the solution. While e-Governance has attracted a lot of focus from the IT industry in last couple of years, Info-Drive is working in this sector since two years. Success of e-Government projects depends not only on the technological skills but also on deep knowledge of Government processes.

One of the top concerns of the industry is on outstanding payments. Issues pertaining to various clauses in Contracts are causing concerns to Company, particularly relating to unlimited liabilities, dispute resolution and arbitration, payments etc., most of which were felt to be one-sided, with risk overload on the Implementation partner.

Technology is changing at such a fast pace while the government speed is rather slow. Within a matter of months these days, the entire technologies change – old ones become obsolete and new ones become standard.

**C. Segment-wise or product-wise performance.**

The entire operations of the company are related to one segment viz., Information Technology.

**D. Outlook**

Infodrive believes that with its recent change in its strategy and newer opportunities, the company has the potential to achieve growth as it has

- continued to invest and focus on Greenfield initiatives and newer markets like Australia and Indonesia.
- strengthen capabilities for competitive differentiation in technology horizontals and expanded to new Industrial verticals.
- continue to invest in domain expertise to enhance productivity and operational efficiency for ROI-centric offerings like cash conservancy services and Supply Chain Management that deliver tangible savings for our customers.
- continue to drive growth through cross-selling and stronger account mining to optimize the cost of new business acquisition.
- focus on emerging mid-market opportunities in the North Africa & Middle East where Company has established a strong sales & marketing footprint

We believe in a brighter future and with our vision to expand service offerings, we have the potential to achieve growth. During the year under review, we have created a strong branding and established customer base. Your Company is extremely confident that its specialized service offerings and its transformational initiatives, executed by inexperienced and energized global management team, will continue to surpass stakeholder expectations in both short and long-term horizons.

**E. Risk and Concerns**

In Provisions of Companies Act 2013, Cyclical Economic Situation and common risks like economic, political, legal/regulatory, and business risks the Company has Formulated its own Risk Management Policy. Risk management, by and large involves reviewing the operations of the organization followed by identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats.

**The basic activities in any risk management system are:**

- (I) Risk identification
- (II) Risk assessment and finally
- (III) Risk control.

The Company uses Risk matrix for assessment of Risk. Risk matrix is the table in which rows show the risk and column shows their likelihood of occurrence.

The Company has adopted suitable measures related to development and implementation of a Risk Management Policy after identifying the following elements of risks which in the opinion of the Board can impact the performance of Company. The various Risks identified by the Company are given below:-

**Cost pressures:** Increasing operations expenses as well as rising employee cost can pose risk to the company. The company has internal controls to monitor costs and escalate any abnormal increase for taking corrective actions. Project level and Business Unit level costs are monitored through a regular MIS on budgets and variances for timely corrective action.

**Operational efficiency:** The operational risks are mainly associated with client acquisition, execution of projects, information security and continuity of customer's business operations. The Company has project level monitoring where such risks are identified and escalated to board for suitable corrective measures on time.

**Compliance Risk:** Increasing regulatory requirements has made Compliance part tough. The Company regularly monitors and reviews the changes in regulatory framework and has separate Legal & Secretarial to look after regulatory norms.

**Foreign Exchange Risk:** Your Company has many cross border transaction. Any volatility in the currency market can impact the overall profitability. The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways.

**Competition Risk:** Your Company is always exposed to competition Risk from Asian Countries like Sri Lanka, China, Taiwan, and other Countries. The increase in competition can create pressure on margins, market share etc. By continuous efforts to enhance the brand image of the Company by focusing on R&D, quality, Cost, timely delivery and customer service. By introducing new product range commensurate with demands your company plans to mitigate the risks so involved.

**F. Internal Control Systems and their Adequacy**

Internal control systems are a set of policies, processes and procedures put in place to help achieve the strategic objectives of an organization. Good controls encourage operational efficiency and compliance with laws and regulations, as well as minimizing the chance of errors, theft and fraud. At the same time internal controls also enhance reliability and accuracy of accounting data.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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The Company has an Internal Control System commensurate with the size, scale and complexity of operations. Internal Auditors recommended by the Audit Committee are then appointed by the Board with a well-defined internal audit scope. The Internal Auditor reports to the Chairman of the Audit Committee and presents significant audit observations to the Audit Committee. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

The CEO/CFO certification provided elsewhere in this report also places responsibility on the CEO and CFO to continuously ensure adequacy of our internal control systems and procedures.

### **G. Discussion on Financial Performance With Respect To Operational Performance**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("2013 Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Company has six subsidiary companies, out of which five wholly-owned subsidiaries. The Company discloses stand-alone un-audited financial results on a quarterly basis and stand-alone & consolidated audited financial results on an annual basis.

The financial results of the Company are follows:

#### **Consolidated Operational Performance**

Your Company's Income from Operations for the year 2014-15 is Rs.8757.31 Lacs, reflecting a growth of 38.57 % over the previous year. The Company's profit before tax increased from Rs. 55.52 Lacs (Previous FY-2013-14) to Rs. 556.70 Lacs(Current FY- 2014-15). Net profit after minority interest rose from Rs.12.68 Lacs to Rs.344.19 Lacs as compared to previous Financial Year.

#### **Standalone Operational Performance**

Your Company's Income from Operations for the year 2014-15 is Rs.1805.12 Lacs, reflecting a growth of 48.82 % over the previous year. The Company's profit before tax increased from Rs.56.61 Lacs (Previous FY-2013-14) to Rs.230.93 Lacs(Current FY- 2014-15). Net profit for the year rose from Rs.31.57 Lacs to Rs.272.04 Lacs as compared to previous Financial Year.

#### **Standalone Financial Position**

The Authorized Share capital of the Company was increased from Rs.7000 Lacs (Previous FY-2013-14) to Rs.10000 Lacs(Current FY- 2014-15). Issued, Subscribed and Paid up Share capital increased from Rs. 4509.02 Lacs (Previous FY-2013-14) toRs. 5590.66 Lacs(Current FY- 2014-15) due to Allotment of Shares in pursuance of Conversion of 18 FCCB. Reserves and Surplus increased from Rs.5386.10 Lacs (Previous FY-2013-14) to Rs.5898.09 Lacs(Current FY- 2014-15), Noncurrent Liabilities Increased from Rs 371.35 Lacs (Previous FY-2013-14) to Rs. 4981.41 Lacs (Current FY- 2014-15)and this was mainly due to raising of money by issuing 91, Zero coupon Foreign Currency Convertible Bonds (FCCB) of USD 1, 00,000 each aggregating to USD 9.1 Million at par on 12.12.2014. Current Liabilities decreased from Rs.1081.32 Lacs (Previous FY-2013-14) to Rs.734.86 Lacs(Current FY- 2014-15).

Non Current Assets increased from Rs.9166.91 Lacs (Previous FY-2013-14) to Rs.15006.19 (Current FY-2014-15) Lacs due to increase in Non Current Investment. Current Asset decreased from Rs. 2220.29 (Previous FY-2013-14) Lacs to Rs.2209.95 Lacs (Current FY- 2014-15) due to decrease in Cash and cash equivalents.

### **H. Material Developments in Human Resources**

Your company feels that human Resource is very vital as part of its continuous man power development. For this various trainings have been organized for employees whenever necessary.

### **I. Cautionary Statement**

*Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward-looking statements.*

**Independent Auditor's Report**

To the Members of Info-Drive Software Limited

**Report on the Financial Statements:**

I have audited the accompanying standalone financial statements of Info-Drive Software Limited ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the 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:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility:**

My responsibility is to express an opinion on these standalone financial statements based on my audit. I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there-under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

**Opinion:**

1. According to the information and explanations given to me and in accordance with the provisions of the Companies Act, 2013, the Annual e-filing forms and event based forms with regards to increase in authorised share capital, sub-division of equity shares of the company, allotment of Foreign Currency Convertible Bonds (FCCBs) and allotment of equity shares consequent upon conversion of FCCBs were pending filing as on 31<sup>st</sup> March 2015.
2. Without qualifying my opinion:
  - a. I draw attention to Note e of Notes forming part of financial statements for the year ended March 31, 2015 in connection with the value of investments:
 

The value of investments in Info-Drive Software Inc, USA (wholly owned subsidiary) have diminished and eroded the entire capital of the company as on the date of balance sheet. No provision for such diminution in value of investments is made in the books of the company.
  - b. I draw attention to Note u of Notes forming part of financial statements for the year ended March 31, 2015 in connection with the advance received from M/s. Persian Dam Keshte Aria, Tehran, Iran.

The company had received an amount of Rs.4,00,12,568/- from the above said company towards 'Feed Corn Purchases.' As the swift message for advance amount received had a wrong mention of purpose, RBI approval was accorded in the month of June 2014 for refund of advance remittance received to the remitter in Iran and the amount is yet to be remitted.

## AUDITORS' REPORT

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Subject to the above, in my opinion and to the best of our information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its 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, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, I report that:
  - a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - b. in my opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d. in my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
    - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For K.S. Reddy Associates**  
Chartered Accountants  
F.R.N: 009013S

Place: Chennai  
Date: 29 May 2015.

Sd/-  
**K. Subba Reddy (Proprietor)**  
M.No.208754



## Annexure to the Auditors' Report

The Annexure referred to in my Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, I report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals. No discrepancies were noticed on such verification. In my opinion, the physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable.
- (iii) (a) The Company has granted interest free loans to three wholly owned subsidiary companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (b) In the case of the loans granted to the wholly owned subsidiary companies listed in the register maintained under section 189 of the Act, the terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3 (iii) (b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (c) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the wholly owned subsidiary companies listed in the register maintained under section 189 of the Act.
- (iv) In my opinion and according to the information and explanations given to me, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. I have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) a) The company is not regular in depositing the tax deducted at source (TDS) in to the Government Account. Subject to that according to the records, information and explanations provided to me, the company is generally regular in depositing with appropriate authorities undisputed amount of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax and any other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they become payable.
- b) According to the information and explanations given to me, there are no dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute except the following.

Name of Statute	Nature of the Dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income-tax	Income-tax	0	AY 2004-05	Commissioner of Income-tax, Appeals III
Income-tax	TDS	33,44,226/-	AY 2010-11	Income-tax Appellate Tribunal (ITAT)
Income-tax	TDS	1,65,15,087/-	AY 2011-12	Income-tax Appellate Tribunal (ITAT)
Income-tax	Income-tax	3,18,73,620/-	AY2010-11	Commissioner of Income-tax, Appeals III
Income-tax	Income-tax	3,18,78,250/-	AY2009-10	Commissioner of Income-tax, Appeals III

- c) According to the information and explanations given to me the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.



## ANNEXURE TO THE AUDITORS' REPORT

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- (x) In my opinion and according to the information and the explanations given to me, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) According to the information and explanations given to me, no material fraud on or by the Company has been noticed or reported during the course of my audit.

For **K.S. Reddy Associates**

Chartered Accountants

F.R.N: 009013S

Place: Chennai

Date: 29 May 2015.

Sd/-

**K. Subba Reddy (Proprietor)**

M.No.208754

# BALANCE SHEET AS AT 31ST MARCH 2015

Rs Lacs

Particulars	Note No	As at March 31, 2015	As at March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
Shareholder's Funds			
(a) Share Capital	3	5,590.64	4,509.02
(b) Reserves and Surplus	4	5,898.09	5,386.10
<b>Non-Current Liabilities</b>			
(a) Long-term borrowings	5	4,981.41	371.35
(b) Long-term provisions	5 (a)	6.76	33.56
(c) Deferred tax liabilities (Net)	6 (a)	4.38	5.84
<b>Current Liabilities</b>			
(a) Short-term borrowings	7	-	413.59
(b) Trade payables	8	121.10	113.90
(c) Other current liabilities	9	561.40	551.43
(d) Short-term provisions	10	52.36	2.41
		<b>17,216.14</b>	<b>11,387.20</b>
<b>II. Assets</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	321.82	354.42
(b) Non-current investments	12	9,798.05	3,607.01
(c) Deferred tax assets (net)	6 (b)	90.00	14.46
(d) Long term loans and advances	13	4,740.12	5,191.03
(e) Other Non-current assets	14	56.20	-
<b>Current assets</b>			
(a) Inventories	15	85.92	85.15
(b) Trade receivables	16	1,439.80	1,632.69
(c) Cash and cash equivalents	17	27.59	366.58
(d) Short-term loans and advances	18	656.64	135.87
		<b>17,216.14</b>	<b>11,387.20</b>
<b>III. Notes Forming Part of the Financial Statements</b>	1-29		

For and on behalf of Board

Sd/-  
**ANL Madhavann**  
Director  
DIN: 03551989

Sd/-  
**Pramod Manoharlal Jain**  
Director  
DIN :02711188

Sd/-  
**A.S. Gridhar**  
Manager & Chief Financial Officer

Sd/-  
**Ajay K Mehta**  
Company Secretary

As per my report of even date  
**for K.S.REDDY ASSOCIATES**  
Chartered Accountants  
FRN 009013S

Sd/-  
**K. SUBBA REDDY (Proprietor)**  
M.No.208754

Place : Chennai  
Date : May 29, 2015

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2015

Rs Lacs

Particulars	Note No	2014-15	2013-14
<b>I. Revenue from operations</b>	19	1,805.12	1,212.99
<b>II. Other Income</b>	20	197.74	442.50
<b>Total Revenue (I + II)</b>		<b>2,002.86</b>	<b>1,655.49</b>
<b>III. Expenses:</b>			
a) Cost of materials/services consumed	21	1,577.80	1,058.58
b) Employee benefit expenses	22	31.75	47.40
c) Finance costs	23	46.26	85.67
d) Depreciation and amortization expenses	24	33.34	24.35
e) Other expenses	25	82.78	382.89
<b>Total Expenses</b>		<b>1,771.93</b>	<b>1,598.88</b>
<b>IV. Profit before tax (I+II-III)</b>		<b>230.93</b>	<b>56.61</b>
<b>V. Tax expense:</b>			
(1) Current tax		50.06	16.77
(2) Deferred tax/Adjustment for MAT		(77.00)	8.27
(3) Prior Period Item		(14.17)	-
<b>VI. Profit carried to balance sheet</b>		<b>272.04</b>	<b>31.57</b>
<b>VII. Earning per equity share:</b>	26		
(1) Basic		0.05	0.07
(2) Diluted		0.05	0.07
<b>VIII. Notes Forming Part of the Financial Statements</b>	1-29		

For and on behalf of Board

Sd/-  
**ANL Madhavann**  
Director  
DIN: 03551989

Sd/-  
**Pramod Manoharjal Jain**  
Director  
DIN :02711188

Sd/-  
**A.S. Gridhar**  
Manager & Chief Financial Officer

Sd/-  
**Ajay K Mehta**  
Company Secretary

As per my report of even date  
**for K.S.REDDY ASSOCIATES**  
Chartered Accountants  
FRN 009013S

Place : Chennai  
Date : May 29, 2015

Sd/-  
**K. SUBBA REDDY (Proprietor)**  
M.No.208754

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Rs Lacs

Particulars	2014-15	2013-14
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxes	230.93	56.61
<u>Adjustments for</u>		
Depreciation	33.34	24.35
Interest Income	(8.96)	(56.20)
Loss on sale of assets	0.59	3.90
Liabilities written back	(216.67)	-
Issue expenses written off	14.05	-
Interest paid	44.35	75.19
Exchange Fluctuation	38.54	(385.60)
<b>Operating profit before working capital changes</b>	<b>136.17</b>	<b>(281.75)</b>
<u>Adjustments for increase/ (-) decrease in</u>		
Trade receivables	310.07	15.27
Loans, advances and other current assets	(892.40)	(991.51)
Inventories	(0.77)	(85.15)
Current Liabilities & Provisions	58.47	427.48
Cash generated from/(used in) operations	(388.46)	(915.65)
Exchange Fluctuation	(38.54)	385.60
Liabilities written back	216.67	
Issue expenses written off	(14.05)	
Prior period items	14.17	
Taxes paid	26.94	(25.04)
<b>Net cash from operating activities</b>	<b>(183.27)</b>	<b>(555.10)</b>
<b>B. Cash flow from investing activities:</b>		
Investment in Subsidiary Companies	(5,617.44)	-
Proceeds from sale/withdrawn of fixed assets	4.65	5.74
Withdrawal of depreciation	0.60	(1.00)
Interest Income	8.96	56.20
Interest paid	(44.35)	(75.19)
Foreign currency translation	214.37	88.48
<b>Net cash flow from/(used in) investing activities</b>	<b>(5,433.21)</b>	<b>74.23</b>
<b>C. Cash flow from financing activities:</b>		
Increase in share capital	1,081.63	-
Proceeds from Long term borrowings (Net)	4,610.05	39.14
Proceeds from Short term borrowings (Net)	(413.59)	56.08

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	2014-15	2013-14
Loss on sale of assets	(0.59)	(3.90)
<b>Net cash from financing activities</b>	<b>5,277.50</b>	<b>91.32</b>
Net increase/decrease in cash and cash equivalents	(338.98)	(389.55)
Cash & Cash equivalents (Opening Balance)	366.58	756.13
Cash & Cash equivalents (Closing Balance)	27.60	366.58
Component of Cash and Cash equivalents		
Cash on hand	0.01	0.02
Balance with Banks		
i. Available with the company for day to day operations	16.97	346.93
ii. Amount available in unclaimed dividend accounts	7.62	7.63
iii. Earmarked bank deposits	3.00	12.01

For and on behalf of Board

Sd/-  
**ANL Madhavann**  
Director  
DIN: 03551989

Sd/-  
**Pramod Manoharlal Jain**  
Director  
DIN :02711188

Sd/-  
**A.S. Gridhar**  
Manager & Chief Financial Officer

Sd/-  
**Ajay K Mehta**  
Company Secretary

### Auditor Certificate:

The above Cashflow statement has been prepared on the basis of audited account by the Board of Director and is in agreement with the statement of profit and loss and balance sheet.

As per my report of even date  
**for K.S.REDDY ASSOCIATES**  
Chartered Accountants  
FRN 009013S

Sd/-  
**K. SUBBA REDDY (Proprietor)**  
M.No.208754

Place : Chennai  
Date : May 29, 2015

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes attached to and forming part of the Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2015

### 1. GENERAL INFORMATION:

Info-Drive Software Limited (the Company) is a juristic person incorporated under the Companies Act, 1956. The address of its Registered Office and principal place of business is Buhari Buildings, No.3, Moores Road, Chennai – 600 006. The principal activities of the Company are development of computer software, business process outsourcing (BPO), hardware and software consultancy services. The Company is a software exporter registered under Software Technology Parks of India (STPI).

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### a. Basis of Preparation:

The financial statements are prepared under the historical cost convention under accrual method of accounting and as a going concern, in accordance with the Generally Accepted Accounting Principles (GAAP) prevalent in India and the mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and according to the provisions of the Companies Act, 1956.

#### b. Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts. Revenues from contracts priced on time and material basis are recognised when services are rendered and related costs are incurred.

Software services: Where the outcome of a turnkey contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the Balance Sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion.

#### c. Fixed Assets:

Fixed assets are stated at historical cost of acquisition and improvements thereon less accumulated depreciation.

The company had paid an amount of Rs.269.82 lacs to Kashi Infotech Private Limited to acquire/take over the assets and the same has been shown under fixed assets. This is due to the fact that during the offer document for Rights Issue in July 2007 Kashi Infotech delivering healthcare business was proposed to be acquired. Kashi Infotech is stabilizing their business in health care with firm orders and the same would be firmed up in the next financial year.

#### d. Depreciation:

The company has revised its estimates of providing depreciation on fixed assets effective 1<sup>st</sup> April 2014. The carrying amount as on 1<sup>st</sup> April 2014 is depreciated over the revised remaining useful life. The effect relating to the period prior to 1<sup>st</sup> April 2014 is Rs.14.17 lacs, which has been shown as 'exceptional item' for the financial year 2014-15 in the statement of profit and loss. Depreciation on fixed assets have been provided on Straight Line Method at the rates and in the manner prescribed in Part C of Schedule II of the Companies Act, 2013 and on pro-rata basis of the assets acquired during the year.

Class of asset	Previous useful life (Years)	Revised useful life (Years)
Plant & Equipment:		
- Computers & servers	6	4
- Others	6	10
Furniture & Fittings	15	5
Office equipments	21	5

#### e. Investments:

Investments are classified as current or long term in accordance with Accounting Standard 13 on 'Accounting for Investments'.

- Long term investments are stated at cost to the company. The company provides for diminution in the value of long term investments other than those temporary in nature.

The value of investments in Info-Drive Software Inc. USA though diminished as on the date of balance sheet, management is confident of augmenting resources against firm orders to mitigate any further erosion and hence carried at cost.

- Current investments

Info-Drive Software LLC-JV advance - Rs 6,145.95 Lacs

In case of foreign investments

- the cost is the rupee value of the foreign currency on date of balance sheet.
- the face value of the foreign investments is shown at the face value reflected in the foreign currency of that country.

#### f. Employee benefits:

Short term employee benefits are measured at cost. Long term employee benefits and post employment benefits such as gratuity are reviewed and provided at each balance sheet date.

**g. Taxation :**

**Income Tax:** Provision for Income Tax is made as per the applicable rules under the Income-tax Act, 1961. Income tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or exempt in earlier years and it further excludes items that are never taxable or exempt. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax:** Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred Tax resulting from timing difference between book profits and taxable profits are accounted for to the extent deferred tax liabilities are expected to crystallise with reasonable certainty. However in case of deferred tax assets (representing minimum alternate tax) are recognised, if and only if there is virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realised. Deferred tax is recognised on adjustments to revenue reserves to the extent the adjustments are allowable as deductions in determination of taxable income and they would reverse out in future periods.

**h. Secured Loans:**

(i) Secured loan Working Capital (Cash Credit facility) from Axis Bank Ltd against bills receivable and book debts was closed under one time settlement (OTS). The surplus arises on account of such settlement has been appropriately dealt in the books of accounts.

(ii) Secured Loan includes outstanding dues to Indian Overseas Bank against undertakings.

**i) Inventories and WIP (Projects):** Rs. 85.92 Lacs (Rs.85.15 Lacs)

**j) Preliminary and Issue Expenses:** Expenses incurred in connection with issue of FCCB of Rs 70.25 Lacs have been amortised over a period of 5 years. Accordingly during the year an amount of Rs.14.05 lacs was written off (Previous year – Nil)

**k) Segment reporting:**

The company operates only in one segment viz. Information Technology.

**l) Related Party Disclosures:**

List of related parties where control exists and other related parties with whom the company had transactions and their relationship is as below.

Sl.No.	Name of the related party	Nature of relationship
1.	Info-Drive Software Inc. USA	Subsidiary Companies
2.	Info-Drive Software LLC, Dubai	
3.	Infodrive Enterprises Pte Ltd., Singapore	
4.	Info-Drive Systems Sdn Bhd, Malaysia	
5.	Info-Drive Software Limited, Canada	
6.	Infodrive Mauritius Limited, Mauritius	
Sl.No.	Name of the related party	Nature of relationship
7.	Technoprism LLC, USA	Fellow Subsidiary Company (Subsidiary of Info-Drive Software Inc, USA)
8.	Info Drive Technologies Co., Ltd, Thailand	Associate Company (Associate company of Infodrive Enterprises Pte Ltd., Singapore)
9.	ANL Madhavann	Key Management personnel
10.	Ajay K Mehtha	
11.	A.S.Girdhar	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Sl.No.	Nature of Transaction	Name of the related party	31.03.2015 (in Rs.)	31.03.2014 (in Rs.)
1.	Investment in Equity	Info-Drive Software Inc., Info-Drive Software LLC., Infodrive Enterprises Pte Ltd., Info-Drive Systems Sdn Bhd., Info-Drive Software Ltd., Canada 45/- Infodrive Mauritius Limited, Mauritius 62,33,000/-	1,88,02,654/- 5,76,98,000/- 3,72,52,599/- 24,52,21,842/- 45/- 62,33,000/-	1,81,17,880/- 5,55,90,000/- 3,91,38,600/- 24,18,48,643/- 54/- 60,06,000/-
2.	Advance given	Info-Drive Software Inc., Info-Drive Software LLC advance for JV investment Info-Drive Software Ltd., Canada 68,323/- Infodrive Mauritius Limited, Mauritius. 4,74,20,664/- Infodrive Enterprises Pte Ltd, Singapore 30,02,91,002/-	6,40,44,075/- 61,45,95,665/- 68,323/- 4,74,20,664/- 30,02,91,002/-	6,17,11,650/- 5,73,60,313/- 75,563/- 4,56,93,648/- 26,11,28,546/-
3.	Sales & Others	Info-Drive Software Inc., Info-Drive Software LLC.,	Nil Nil	Nil Nil
4.	Corporate Guarantee (CG)	Infodrive Enterprises Pte Ltd., Singapore	27,09,50,300 SGD 5.925 Mio	27,09,50,300 SGD 5.925 Mio

**m) Foreign Currency Translation Reserve:**

Exchange differences on account of fluctuations in foreign currency rates are treated as under:

- Exchange difference gain/ (loss) recognised in the Statement of Profit and Loss relating to exports/services during the year.
- Exchange difference gain/ (loss) recognised in the Balance Sheet relating to investments as Foreign Currency Translation Reserve.
- As per the Accounting Standard (Integral foreign operations) issued by the Institute of Chartered Accountants of India the impact of exchange difference gain or loss has not been considered in respect of branch operations in Singapore.

**n) Auditors Remuneration**
*In Rs.*

	2015	2014
As auditors	6,00,000	4,00,000
As tax auditors	1,00,000	75,000
For other services	50,000	25,000

**o) Contingent Liabilities:**

- SBLC (stand by letter of credit) renewed in favour of Indian Overseas Bank, Singapore has been pre-maturely invoked. However corporate guarantee (CG) issued would be nullified after settlement of all dues by the subsidiary company in Singapore.
- The appeal filed by the company with the Commissioner of Income-tax, Appeals III in respect of the disallowance of claim under section 35D (issue expenses) of Rs.4,50,296/- for the assessment year 2004-2005 has not been disposed off as yet; However, there is no demand of tax.
- The company has preferred an appeal before the Income Tax Appellate Tribunal (ITAT) for the demands raised on account of TDS on international transactions by CIT (A) for AY 2010-11 Rs.33,44,226 and for AY 2011-12 of Rs.1,65,15,087 respectively. No provision has been made for this contingency on demands as the company is confident of winning the appeal.
- The company has filed appeal with the Commissioner of Income-tax, Appeals (II) in respect of the assessment year 2010-11 for Rs. 3,18,73,620/- which arose on account of denial of deduction u/s.10B and u/s 115JB for section 80HHC of the Income Tax Act 1961 . In view of confident of winning the appeal no provision has been made in the books of account.
- The company has filed appeal with the Commissioner of Income-tax, Appeals (II) in respect of the assessment year 2009-10 for Rs. 3,18,78,250/- which arose on account of denial of deduction u/s.10B and u/s 115JB for section 80HHC of the Income Tax Act 1961 . In view of confident of winning the appeal no provision has been made in the books of account.

**p) Due to SSI's:**

As at 31<sup>st</sup> March 2015 the company has no outstanding dues to Micro Enterprises, Small Enterprises and Small Scale Industrial Undertakings.



**a. Foreign Currency Transactions:**

Monetary current assets and current liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the exchange rates prevailing at the date of balance sheet.

	Rs. lacs	
	<b>2015</b>	<b>2014</b>
Earnings in Foreign Currency	Nil	34.06
Expenditure in Foreign Currency	Nil	2.62
Investment in Foreign Currency	Nil	Nil

**b. Unclaimed Dividend**

For the earlier three financial years the total unclaimed dividends amounted to Rs.7,61,713/-comprising of Rs.277,734/- (2007-2008), Rs 236,194/- (2008-2009) and Rs.2,47,785/- (2009-2010) respectively.

**c. Confirmations from Trade Receivables , Payables, Loans and Advances**

Confirmation of balances from Trade Receivables, Payables and loans and advances are yet to be received in some cases though the company has sent letters for confirmation by them. The balances adopted are as appearing in the books of accounts of the Company.

**d. Advance received for services:**

The company had received an advance of Rs.4,00,12,568/- to provide services to a company called M/s. Persian Dam Keshte Aria located in Tehran, Iran. However, while remitting the advance by the remitter the swift message for the advance was wrongly mentioned as 'Feed Corn Purchase'. RBI approval was accorded in the month of June 2014 for refund of advance remittance received from the above said company in Iran and the company is taking steps to remit the amount as early as possible.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particular	Rs Lacs	
	As at March 31,2015	As at March 31,2014
<b>3. Share Capital</b>		
<b>Authorised capital</b>		
100,00,00,000/7,00,00,000 equity shares of Re.1/-(Rs.10/-) each	10,000.00	7,000.00
Issued, subscribed and paid up capital		
55,90,64,200/4,50,90,220 equity shares of Re.1/-(Rs.10/-) each	5,590.64	4,509.02
	<b>5,590.64</b>	<b>4,509.02</b>

During the year the company had sub divided the equity shares face value of Rs.10/- per share into 10 equity shares having a face value of Re.1/- each with effect from 26.12.2014

a) Reconciliation of number of shares

**Equity shares**

Opening balance 4,50,90,220

Changes during the year

Closing balance 55,90,64,200/-

4,509.02	4,509.02
1,081.62	-
<b>5,590.64</b>	<b>4,509.02</b>

b) Rights and restrictions attached to shares

**Equity Shares:**

The company has one class of equity shares having a par value of Rs. 10/- each. Each share holder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential payments, in proportion to their shareholding.

c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

The Indiaman Fund (Mauritius) Ltd

37,882,500

3,788,250

6.78%

8.40%

India Max Investment Fund Ltd

30,040,330

3,004,033

5.37%

6.66%

Sparrow Asia Diversified Opportunities Fund

39,072,190

2,104,519

6.99%

4.67%

d) Aggregate number and class of shares allotted as fully paid up by way of preferential allotment (during 5 years preceding March 31, 2015)

Nil

**4. Reserves & Surplus**

a) Share premium account

**3,866.57**

**3,866.57**

b) Foreign currency translation reserve Opening balance

759.13

475.46

Additions during the year (Net)

239.96

283.67

**999.09**

**759.14**

c) Surplus in Statement of Profit and loss

Opening balance

760.39

728.83

Add: Profit for the year

272.04

31.57

**1,032.43**

**760.40**

**5,898.09**

**5,386.10**

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Lacs

Particulars	As at March 31,2015	As at March 31,2014
<b>Non Current Liabilities</b>		
<b>5 Long Term Borrowings</b>		
Un-secured Loans		
Corporate borrowings	594.84	371.35
Coupon Foreign Currency Convertible Bonds due 2019	4,386.57	-
	<b>4,981.41</b>	<b>371.35</b>

The company has issued 91, 0 coupon Foreign Currency Convertible Bonds (FCCB) of USD 1,00,000 each aggregating to USD 9.1 Million at par on 12.12.2014. These bonds are convertible at the option of bond-holders into equity shares of Re.1/- each fully paid up at the conversion price of Re.1/- per share, subject to the terms of issue, with a fixed rate of exchange of Rs.60.09 equal to USD 1 at any time after 12.12.2014 and prior to the close of business on 12.12.2019.

During the year 18 FCCBs of USD 1,00,000 each aggregating to USD 1.8 Million were converted into 10,81,62,000 equity shares of Re.1/- each. Unless earlier converted, the remaining bonds are redeemable at maturity on 12.12.2019.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particular	Rs Lacs	
	As at March 31,2015	As at March 31,2014
<b>5 (a) Long Term Provisions</b>		
Provision for employee benefits	6.76	33.56
	<b>6.76</b>	<b>33.56</b>
<b>6 (a) Deferred tax Liabilities (Net)</b>		
Depreciation and amortisation	4.38	5.84
	<b>4.38</b>	<b>5.84</b>
(b) Deferred tax assets (net)		
Minimum Alernate Tax	90.00	14.46
	<b>90.00</b>	<b>14.46</b>
<b>Current Liabilities</b>		
<b>7. Short-term borrowings</b>		
From banks Cash Credit-Secured on book debts	-	413.59
	-	413.59
<b>8. Trade payables</b>		
Trade payables	121.10	113.90
	<b>121.10</b>	<b>113.90</b>
<b>9. Other current liabilities</b>		
Current maturities of hire purchase obligations		
Unclaimed Dividend	7.62	7.62
Advance received for projects	505.22	505.22
Expenses Payable	48.56	38.59
	<b>561.40</b>	<b>551.43</b>
Outstanding liabilities comprise:		
- Statutory liabilities	15.19	11.14
- Others	33.37	27.45
<b>10. Short-term provisions</b>		
Provision for taxation	52.36	2.41
	<b>52.36</b>	<b>2.41</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 11.Fixed Assets

Fixed assets consist of the following											Rs Lacs
Net Block as at March 31,2014	Description	Gross Block as at April1,2014	Additions	Deletion	Gross Block as at March 31,2015	Accumulated Depreciation as at April 1,2014	Depreciation for the year	Deletions	Accumulated Depreciation as at March 31, 2015	Net Block as at March 31,2015	
	Tangible assets										
-	Plant & Machinery	17.57	-	-	17.57	17.57	-	-	17.57	-	
40.26	Furniture & Fittings	72.62	-	-	72.62	35.65	5.92	3.45	38.12	34.50	
23.38	Office Equipments	30.49	-	-	30.49	8.35	9.98	(6.96)	25.29	5.20	
13.15	Electrical Installations	15.99	-	-	15.99	3.21	2.14	0.57	4.78	11.21	
7.81	Computers	125.11	-	4.65	120.46	120.46	1.25	2.34	119.37	1.09	
-	Software Package	35.04	-	-	35.04	35.04	-	-	35.04	-	
269.82	Advance for assets	269.82	-	-	269.82	-	-	-	-	269.82	
354.42	Total	566.64	-	4.65	561.99	220.28	19.29	(0.60)	240.17	321.82	

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Rs Lacs	
	As at March 31,2015	As at March 31,2014
<b>Non Current Assets</b>		
<b>11. Fixed assets</b>		
i) Tangible assets	321.82	354.42
	<b>321.82</b>	<b>354.42</b>
<b>12. Non Current Investments</b>		
Info-Drive Software Inc., USA (301,663 shares of US\$ 1 each fully paid up)	188.03	181.18
Info-Drive Systems Sdn Bhd., Malaysia (10,00,000 shares of RM 1 each fully paid up)	2,452.22	2,418.49
Info-Drive Software LLC., Dubai (240 shares of Dirhams 1000 each fully paid up)	576.98	555.90
Info-Drive Software LLC-JV advance	6,145.95	-
Info-Drive Software Pte Ltd., Singapore (820,000 shares of SGD \$ 1 each fully paid up)	372.53	391.37
Infodrive Mauritius Limited -Mauritius (1,00,000 shares of US\$ 1 each fully paid up)	62.33	60.06
Info-Drive Software Limited, Canada (100 shares of CAD 1 each fully paid up)	0.01	0.01
	<b>9,798.05</b>	<b>3,607.01</b>
<b>13. Long term loans and advances</b>		
Considered good		
Corporate advances	4,740.12	5,191.03
	<b>4,740.12</b>	<b>5,191.03</b>
<b>Corporate advances comprise:</b>		
- Related parties		
Info-Drive Software Inc., USA	640.44	617.12
Info-Drive Software LLC., Dubai	-	573.60
Info-Drive Software Limited, Canada	0.68	0.76
Infodrive Mauritius Limited, Mauritius	474.20	456.94
Info-Drive Software Pte Ltd, Singapore	3,002.91	3,156.19
- Others	621.88	386.43
<b>14. Other non current assets</b>		
Issue Expenses - FCCB	70.24	-
Less: 1/5th written off during the year	14.04	-
	<b>56.20</b>	<b>-</b>
<b>Current Assets</b>		
<b>15. Inventories</b>		
Closing Stock (WIP)	85.92	85.15
<b>16. Trade receivables (Un-secured)</b>		
Debtors due for > 6 Months (Considered good)	1,339.30	1,592.43
Other debtors (Considered good)	100.50	40.26
	<b>1,439.80</b>	<b>1,632.69</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rs Lacs

Particulars	As at March 31,2015	As at March 31,2014
<b>17. Cash and cash equivalents</b>		
(a) Cash in hand	0.01	0.02
(b) Balance in banks in current accounts	16.97	346.93
	<b>16.97</b>	<b>346.95</b>
(c) Other bank balances		
Earmarked balances with banks-unclaimed dividend	7.62	7.63
Earmarked term deposits with banks-Guarantees	3.00	12.01
	<b>27.59</b>	<b>366.58</b>
<b>18. Short-term loans and advances (Considered good)</b>		
Staff advances	0.64	-
Other advances	66.71	135.87
Advances for Services	589.29	
	<b>656.64</b>	<b>135.87</b>
Particulars	2014-15	2013-14
<b>19. Revenue from operations</b>		
Sale of goods and services	1,805.12	1,212.99
	<b>1,805.12</b>	<b>1,212.99</b>
<b>20. Other income</b>		
Interest income	8.96	56.20
Exchange fluctuation gain/(loss)	(38.54)	385.60
Misc.Income	10.65	0.55
Liabilities no longer required written back	216.67	0.15
	<b>197.74</b>	<b>442.50</b>
<b>Expenses</b>		
<b>21. Cost of Material/services consumed</b>		
Opening stock	85.15	-
Add: Material/services	1578.57	1,143.73
Less: Closing stock	85.92	85.15
	<b>1,577.80</b>	<b>1,058.58</b>
<b>22. Employee benefit expenses</b>		
Salary & allowances	30.45	38.60
EPF & ESI Payments	0.22	0.33
Gratuity	-	5.93
Leave Salary	-	1.38
Staff welfare	1.08	1.16
	<b>31.75</b>	<b>47.40</b>
<b>23. Finance costs</b>		
Bank Charges	1.91	10.48
Interest paid	44.35	75.19
	<b>46.26</b>	<b>85.67</b>
<b>24. Depreciation and amortisation expenses</b>		
Depreciation	19.29	24.35
FCCB Expenses written off	14.05	
	<b>33.34</b>	<b>24.35</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	2014-15	2013-14
<b>25. Other expenses</b>		
Rent & Amenities	22.23	23.08
Printing & Stationery	2.53	2.75
Postage Expenses	1.85	0.62
Telephone Expenses	1.77	1.62
Travelling & Conveyance	11.74	13.09
Rates & Taxes	0.26	0.32
Electricity Expenses	4.86	7.18
Insurance	-	0.07
Audit Fees	7.50	5.00
<b>Repairs &amp; Maintenance</b>		
- Vehicle Maintenance	0.15	1.48
- Computer maintenance	0.23	-
- Office maintenance	5.58	4.64
Filing charges & Listing Fees	2.50	2.46
Security Charges	2.31	2.68
Meeting Expenses	1.60	0.98
Professional & Legal Expenses	17.08	4.68
Loss on sale of assets	0.59	3.90
General expenses	-	4.73
Bad Debts written off	-	303.59
	82.78	382.89

## 26. Earnings Per Share

In determining the earnings per share, the company considers the net profit after tax and extraordinary items.

Particulars	31.03.2015	31.03.2014
Profit after tax and extraordinary items	Rs.2,72,03,743/-	Rs.31,56,938/-
No. of equity shares outstanding during the year	55,90,64,200	4,50,90,220
Basic & Diluted Earnings Per Share	Re.0.05	Re.0.07

## 27. Quantitative information:

The quantitative information as required to be disclosed under paragraph 3 & 4 of Part II of Schedule VI of the Companies Act, 1956, have not been given pursuant to the exemption given under the notification dated 8th February 2011 issued by the Ministry of Corporate affairs, Government of India.

28. The figures for the current year and previous year have been rounded off to the nearest lac.

29. Previous year figures have been rearranged or regrouped wherever necessary to conform to current year's classification.

For and on behalf of Board

Sd/-  
**ANL Madhavann**  
Director  
DIN: 03551989

Sd/-  
**Pramod Manoharlal Jain**  
Director  
DIN :02711188

Sd/-  
**A.S. Gridhar**  
Manager & Chief Financial Officer

Sd/-  
**Ajay K Mehta**  
Company Secretary

As per my report of even date  
**for K.S.REDDY ASSOCIATES**  
Chartered Accountants  
FRN 009013S

Sd/-  
**K. SUBBA REDDY (Proprietor)**  
M.No.208754

Place : Chennai  
Date : May 29, 2015



# CONSOLIDATED FINANCIAL STATEMENT - AUDITORS' REPORT

## AUDITORS' REPORT

To the Board of Directors of INFO-DRIVE SOFTWARE LIMITED

I have audited the accompanying consolidated financial statements of INFO-DRIVE SOFTWARE LIMITED, and its subsidiaries, which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March 2015 and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the group for the year ended on that date annexed thereto, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the consolidated financial statements:

The management is responsible for the preparation and presentation 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. This responsibility includes the design, implementation and maintenance internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from all material misstatement, whether due to fraud or error.

### Auditor's responsibility:

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that I 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 risks 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, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls systems over financial reporting and the operating effectiveness of such controls. 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion:

1. I did not audit the financial statements of subsidiary companies Infodrive Software LLC, Dubai, Infodrive Software Mauritius Limited, Mauritius, Infodrive Software Limited, Canada, Infodrive Software Inc, USA, Infodrive Systems Sdn Bhd, Malaysia and Infodrive Enterprises Pte Ltd (formerly known as Infodrive Software Pte Ltd) whose financial statements reflect total assets Rs.22,282.25 lakhs as at March 31, 2015, total revenues of Rs.7,259.67 lakhs and cash inflows amounting to Rs.35.18 lakhs for the year ended on that date and I have not audited the Branch at Singapore. These financial statements and other financial informations have been incorporated in the consolidated financial statements based on un-audited financial statements as certified by the management of the Company as audited financial statements of these entities as at 31<sup>st</sup> March 2015 were not available.
2. *As certified by the management the financial statements of Technoprism LLC being the subsidiary company of Info-Drive Software Inc., USA are not made available and hence not included in the consolidated financial statements. In the absence of any financial information non provision for diminution in value of investments, if any, I am unable to quantify the effect of such non provision on the value of investments and the net worth of the respective companies.*
3. *Confirmation of balances in respect of the subsidiary companies that have been incorporated in the consolidated financial statements of the Company have not been obtained and completely relied upon the information and explanations provided by the management as audited financial statements of these entities as at 31<sup>st</sup> March 2015 were not available.*
4. *According to the information and explanations given to me and in accordance with the provisions of the Companies Act, 2013, the Annual e-filing forms and event based forms with regards to increase in authorised share capital, sub-division of equity shares of the company, allotment of Foreign Currency Convertible Bonds (FCCBs) and allotment of equity shares consequent upon conversion of FCCBs were pending filing as on 31st March 2015.*
5. Without qualifying my opinion, I draw attention to Note aa of Notes forming part of the consolidated financial statements for the year ended 31<sup>st</sup> March 2015 in connection with carrying value of net assets as regards investment in Info-Drive Software Inc, USA. Though the entity have been incurring losses since the commencement of commercial operations based on management's internal assessment, the management is of the view that the carrying value of the net assets as regards to investments in Info-Drive Software Inc. are appropriate.

# CONSOLIDATED FINANCIAL STATEMENT - AUDITORS' REPORT

6. I draw attention to Note ab of Notes forming part of financial statements for the year ended March 31, 2015 in connection with the advance received from M/s. Persian Dam Keshte Aria, Tehran, Iran.
7. The company had received an amount of Rs.4,00,12,568/- from the above said company towards 'Feed Corn Purchases.' As the swift message for advance amount received had a wrong mention of purpose, RBI approval was accorded in the month of June 2014 for refund of advance remittance received to the remitter in Iran and the amount is yet to be remitted.
8. Based on my audit and on consideration of reports of the management on separate financial statements and on the financial information of other companies in the Group, and to the best of my information and according to the explanations given to me, I am of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) in the case of the Consolidated Balance Sheet, of the state of affairs of the company as at March 31, 2015;
  - ii) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
  - iii) in the case of Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Chennai  
Date: 29 May, 2015

**For K.S.Reddy Associates**  
Chartered Accountants  
FRN: 009013S

Sd/-  
**K. Subba Reddy (Proprietor)**  
M.No.208754

# CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

Rs Lacs

Particulars	Note No	As at March 31,2015	As at March 31,2014
<b>I. EQUITY AND LIABILITIES</b>			
Shareholder's Funds			
(a) Share Capital	3	5,590.64	4,509.02
(b) Reserves and Surplus	4	7,456.66	7,128.93
(c) Minority Interest	5	548.25	499.00
<b>Non-Current Liabilities</b>			
(a) Long-term borrowings	6(a)	11,692.57	1,032.60
(b) Long-term provisions	6 (b)	124.71	33.56
(c) Deferred tax liabilities (Net)	7(a)	4.38	5.84
<b>Current Liabilities</b>			
(a) Short-term borrowings	8	293.01	692.43
(b) Trade payables	9	1,919.85	359.57
(c) Other current liabilities	10	512.84	512.84
(d) Short-term provisions	11	57.17	21.42
<b>Total</b>		<b>28,200.08</b>	<b>14,795.20</b>
<b>II.Assets</b>			
<b>Non-current assets</b>			
(a) Fixed assets	12		
(i) Tangible assets		329.52	377.90
(ii) Intangible assets		1,706.41	-
(b) Non-current investments	13	7,134.57	2,605.67
(c) Deferred tax assets (net)	7(b)	90.01	14.46
(d) Long term loans and advances	14	1,583.01	2,951.90
(e) Other non-current assets	15	1,798.32	1,678.68
<b>Current assets</b>			
(a) Trade receivables	16	8,715.78	5,990.05
(b) Inventories		85.92	85.15
(c) Cash and cash equivalents	17	62.78	404.92
(d) Short-term loans and advances	18	6,692.76	685.01
(e) Other current assets	19	1.00	1.47
<b>Total</b>		<b>28,200.08</b>	<b>14,795.20</b>
III. Notes Forming Part of the Financial Statements	1-36		

For and on behalf of Board

Sd/-  
**ANL Madhavann**  
Director  
DIN: 03551989

Sd/-  
**Pramod Manoharlal Jain**  
Director  
DIN :02711188

Sd/-  
**A.S. Gridhar**  
Manager & Chief Financial Officer

Sd/-  
**Ajay K Mehta**  
Company Secretary

As per my report of even date  
**for K.S.REDDY ASSOCIATES**  
Chartered Accountants  
FRN 009013S

Sd/-  
**K. SUBBA REDDY (Proprietor)**  
M.No.208754

Place : Chennai  
Date : May 29, 2015

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Note No	2014-15	2013-14
<b>I. REVENUE FROM OPERATIONS</b>	20	8,757.31	6,319.53
<b>II. OTHER INCOME</b>	21	452.72	450.26
<b>Total Revenue (I + II)</b>		<b>9,210.03</b>	<b>6,769.79</b>
<b>III. EXPENSES:</b>			
a) Cost of materials/services consumed	22	8,018.81	5,834.37
b) Employee benefit expenses	23	70.25	225.03
c) Finance costs	24	69.90	155.29
d) Depreciation and amortization expense	25	44.70	39.82
e) Other expenses	26	449.67	459.77
<b>Total Expenses</b>		<b>8,653.33</b>	<b>6,714.27</b>
<b>IV. PROFIT BEFORE TAX (I+II-III)</b>		<b>556.70</b>	<b>55.52</b>
<b>V. Tax expense:</b>			
(1) Current tax		50.06	-
(2) Deferred tax		(77.00)	16.77
(3) Excess provision in earlier period		(7.29)	8.27
<b>VI. PROFIT(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (IV-V)</b>		<b>590.93</b>	<b>30.48</b>
<b>VII. MINORITY INTEREST</b>		24.29	17.80
<b>VIII. PRIOR PERIOD ADJUSTMENTS</b>		222.45	-
<b>IX. PROFIT CARRIED TO BALANCE SHEET</b>		<b>344.19</b>	<b>12.68</b>
<b>X. EARNING PER EQUITY SHARE:</b>	29		
(1) Basic		0.06	0.03
(2) Diluted		0.06	0.03
<b>XI. NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1-36		

For and on behalf of Board

Sd/-  
**ANL Madhavann**  
Director  
DIN: 03551989

Sd/-  
**Pramod Manoharlal Jain**  
Director  
DIN :02711188

Sd/-  
**A.S. Gridhar**  
Manager & Chief Financial Officer

Sd/-  
**Ajay K Mehta**  
Company Secretary

As per my report of even date  
**for K.S.REDDY ASSOCIATES**  
Chartered Accountants  
FRN 009013S

Place : Chennai  
Date : May 29, 2015

Sd/-  
**K. SUBBA REDDY (Proprietor)**  
M.No.208754

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Rs Lacs

Particulars	2014-15	2013-14
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxes	556.70	55.52
<u>Adjustments for</u>		
Depreciation	30.32	39.82
Misc. Expenses written off	14.38	0.36
Interest Income	(8.97)	(58.44)
Other Income	(266.23)	(13.49)
Loss on sale of assets	0.59	3.90
Interest paid	69.90	155.29
Exchange Fluctuation	39.15	(378.33)
Operating profit before working capital changes	435.84	(195.37)
Adjustments for increase/ (-) decrease in Trade receivables	(2,725.73)	964.36
Loans, advances and other current assets	1,249.72	(925.14)
Short Term Loans & advances	(6,007.75)	842.50
Inventories	(0.77)	(85.15)
Current Liabilities & Provisions	1,687.19	(1,153.89)
Cash generated from/(used in) operations	(5,361.50)	(552.69)
Adjustment for misc. exp. Written off	(14.38)	(0.36)
Exchange Fluctuation	(39.15)	378.33
Taxes paid/provided	(84.29)	(25.04)
Interest Income	8.97	58.44
Other Income	266.23	13.49
"Exchange difference on Foreign currency translation cash and cash equivalents"	829.59	808.69
<b>Net cash from operating activities</b>	<b>(4,394.53)</b>	<b>680.85</b>
<b>B. Cash flow from investing activities:</b>		
Investment advance to Subsidiary Company	(6,145.95)	-
Purchase/advance for fixed assets	-	-
Proceeds from sale/withdrawn of fixed assets	40.04	8.15
Withdrawal of depreciation	(30.31)	(3.41)
Net cash flow from/(used in) investing activities	<b>(6,136.22)</b>	<b>4.74</b>
<b>C. Cash flow from financing activities:</b>		
Proceeds from issue of capital	1,081.62	-
Proceeds from Long term borrowings (Net)	10,658.52	(1,203.83)
Proceeds from Short term borrowings (Net)	(399.42)	(74.67)

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Rs Lacs

Particulars	2014-15	2013-14
Interest paid	(69.90)	(155.29)
Loss on sale of assets	(0.59)	(3.90)
Net cash from financing activities	<b>10,188.61</b>	<b>(1,437.69)</b>
Net increase/decrease in cash and cash equivalents	(342.14)	(752.10)
Cash & Cash equivalents (Opening Balance)	404.92	1,157.02
Cash & Cash equivalents (Closing Balance)	62.78	404.92
Component of Cash and Cash equivalents		
Cash on hand	0.85	0.19
Balance with Banks		
i. Available with the company for day to day operations	54.31	397.11
ii. Amount available in unclaimed dividend accounts	7.62	7.62
iii. Earmarked bank deposits	-	-

For and on behalf of Board

Sd/-  
**ANL Madhavann**  
Director  
DIN: 03551989

Sd/-  
**Pramod Manoharlal Jain**  
Director  
DIN :02711188

Sd/-  
**A.S. Gridhar**  
Manager & Chief Financial Officer

Sd/-  
**Ajay K Mehta**  
Company Secretary

## Auditor Certificate:

The above Cashflow statement has been prepared on the basis of audited account by the Board of Director and is in agreement with the statement of profit and loss and balance sheet.

As per my report of even date  
**for K.S.REDDY ASSOCIATES**  
Chartered Accountants  
FRN 009013S

Sd/-  
**K. SUBBA REDDY (Proprietor)**  
M.No.208754

Place : Chennai  
Date : May 29, 2015

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. **GENERAL INFORMATION**

Info-Drive Software Limited (the Company) is a juristic person under the Companies Act, 1956. The address of its Registered Office and principal place of business is Buhari Buildings, No.3, Moores Road, Chennai 600 006. The principal activities of the Company and its subsidiaries (the Group) are computer software, business process outsourcing (BPO), hardware and software consultancy services.

### 2. **SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) in India and the provisions of the Companies Act, 2013 and on the going-concern basis.

The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of Consolidated Financial Statements as laid down under the Accounting Standard on Consolidated Financial Statements issued by the ICAI.

#### a) **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) except Malaysia and USA. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired during the year are included in the consolidated financial statements.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the holding company.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets on consolidation are disclosed separately in the Balance Sheet.

#### b) **Business combinations**

The acquisition of subsidiaries have been based on the cost that are measured at the aggregate of the fair values on the date of exchange of assets given, liabilities incurred or assumed, plus any costs directly attributable to the business combination. The acquirer's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised.

#### c) **Goodwill/Capital Reserve**

Goodwill/Capital Reserve arising on the acquisition of subsidiaries represents the excess or deficit of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiaries and is recognised at the date of acquisition. Goodwill/Capital Reserve is initially recognised as an asset/liability at cost and is subsequently measured at cost less any accumulated impairment losses or otherwise. The exchange translations and fluctuations arising on consolidation are adjusted against Goodwill/Capital Reserve.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating divisions expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

#### d) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts.

Revenues from contracts priced on time and material basis are recognised when services are rendered and related costs are incurred.

#### e) **Software services**

Where the outcome of a turnkey contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion.

#### f) **Foreign currencies**

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Currency Units, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising if any on the retranslation of non-monetary items when carried at fair value would be included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Currency Units using exchange rates prevailing on the balance sheet date. Income and expense items (including comparatives) are translated at the closing exchange rates for the year.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### g) **Retirement benefits**

Short term employee benefits are measured at cost.

Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

### h) **Taxation**

#### **Income Tax**

Income tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

#### **Deferred Tax**

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

### i) **Property, plant and equipment**

Plant and Machinery, Fixtures and equipment are stated at carrying amounts less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### j) **Patents and trademarks**

There are no patents and trademarks owned by the company.

### k) **Impairment of tangible and intangible assets excluding goodwill**

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### **l) Inventories and WIP (Projects): Rs. 85.92 Lacs (Previous year Rs 85.15 Lacs)**

#### **m) Financial instruments**

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

#### **n) Trade receivables**

Trade receivables are measured at initial recognition cost. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. No interest is charged on trade receivables till the date of recovery. The directors consider that the carrying amount of trade and other receivables approximates their fair value.

#### **o) Cash and cash equivalents**

Cash and cash equivalents comprise of cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

#### **p) Financial liabilities and equity**

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

#### **q) Trade payables**

Trade payables are initially measured at fair value.

#### **r) Equity instruments**

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### **s) Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

#### **t) Share-based payments**

The Group has not issued any equity-settled and cash-settled share-based payments to any employee.

#### **u) Impairment of goodwill**

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the balance sheet date was Rs.21.28 crores (Rs.23.50 Crores). No impairment has been recognised in view of estimated future cash flows from the activities to which the goodwill has been allocated.

#### **v) Reconciliation of balances between subsidiaries**

Reconciliation of balances between subsidiaries is under final stages of completion.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### w) Debtors, Loans & Advances

Confirmation of balances from Debtors, Creditors and for Loans and Advances are yet to be received in some cases though the company has sent letter of confirmation to them. The balances adopted are as appearing in the books of accounts of the company.

### x) Bank balances and cash

Bank balances and cash comprise cash held by the Group and bank deposits. The carrying amount of these assets approximates their fair value.

### y) Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables.

The Group's credit risk is primarily attributable to its trade receivables. An allowance for impairment is made where there is an identified loss or event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

### z) Minority Interest

Minority interest is that part of the net profit attributable to third party ownership interests in the company's subsidiaries. The step subsidiaries' minority interest has been reclassified / adjusted against other subsidiaries' minority interest wherever necessary.

### aa) Investments

The value of investments in Info-Drive Software Inc. USA though diminished as on the date of balance sheet, management is confident of augmenting resources against firm orders to mitigate any further erosion and hence carried at cost.

As regards the investments in Technoprism LLC by the subsidiary company Infodrive Software Inc, the subsidiary company has initiated legal course for recovery of the investments. The company is confident of winning the case and therefore, no provision has been made to the extent of investment of Rs.855.49 lacs (USD 1.58 million).

### ab) Advance received for services:

The company had received an advance of Rs.4,00,12,568/- to provide services to a company called M/s. Persian Dam Keshte Aria located in Tehran, Iran. However, while remitting the advance by the remitter the swift message for the advance was wrongly mentioned as 'Feed Corn Purchase'. RBI approval was accorded in the month of June 2014 for refund of advance remittance received from the above said company in Iran and the company is taking steps to remit the amount as early as possible.

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs . Lacs

Particulars	As at March 31,2015	As at March 31,2014
<b>Shareholders Funds</b>		
<b>3. Share Capital</b>		
<b>Authorised capital</b>		
100,00,00,000/7,00,00,000 equity shares of Re.1/-(Rs.10/-) each	10,000.00	7,000.00
Issued, subscribed and paid up capital		
55,90,64,200/4,50,90,220 equity shares of Re.1/-(Rs.10/-) each	5,590.64	4,509.02
	<b>5,590.64</b>	<b>4,509.02</b>

During the year the Company had sub divided its equity shares face value of Rs.10/- per share into 10 equity shares having a face value of Re.1/- each with effect from 26.12.2014

a) Reconciliation of number of shares

**Equity shares**

Opening balance 4,50,90,220

Changes during the year

Closing balance 5,59,06,420

4,509.02	4,509.02
1,081.62	-
<b>5,590.64</b>	<b>4,509.02</b>

b) Rights and restrictions attached to shares

**Equity Shares:**

The company has one class of equity shares having a par value of Rs.10/- each. Each share holder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential payments, in proportion to their shareholding.

c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

The Indiaman Fund (Mauritius) Ltd

India Max Investment Fund Ltd

Sparrow Asia Diversified Opportunities Fund

37,882,500	3,788,250
6.78%	8.40%
30,040,330	3,004,033
5.37%	6.66%
39,072,190	2,104,519
6.99%	4.67%

d) Aggregate number and class of shares allotted as fully paid up by way of preferential allotment (during 5 years preceding March 31, 2015)

Nil

**4. Reserves & Surplus**

a) Share premium account

b) Capital Reserve

c) Surplus in Statement of Profit and Loss

Opening balance

Add: Profit for the year

<b>3,866.57</b>	<b>3,866.57</b>
-	<b>453.63</b>
3,245.89	2,796.06
344.20	12.68
<b>3,590.09</b>	<b>3,262.37</b>
<b>7,456.66</b>	<b>7,128.93</b>

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Rs . Lacs	
	As at March 31,2015	As at March 31,2014
<b>5. Minority Interest</b>		
Info-Drive Software LLC,Dubai	548.25	498.06
	548.25	498.06
<b>Non Current Liabilities</b>		
<b>6. (a) Long Term Borrowings</b>		
FCCB's	4,386.57	-
Advance for JV	6,114.06	-
Corporate borrowings	1,191.94	1,032.60
	<b>11,692.57</b>	<b>1,032.60</b>

The Company has issued 91, 0 coupon Foreign Currency Convertible Bonds (FCCB) of USD 1,00,000 each aggregating to USD 9.1 Million at par on 12.12.2014. These bonds are convertible at the option of bond-holders into equity shares of Re.1/- each fully paid up at the conversion price of Re.1/- per share, subject to the terms of issue, with a fixed rate of exchange of Rs.60.09 equal to USD 1 at any time after 12.12.2014 and prior to the close of business on 12.12.2019.

During the year 18 FCCBs of USD 1,00,000 each aggregating to USD 1.8 Million were converted into 10,81,62,000 equity shares of Re.1/- each. Unless earlier converted, the remaining bonds are redeemable at maturity on 12.12.2019.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs . Lacs

Particulars	As at March 31,2015	As at March 31,2014
<b>6. (b) Long Term Provisions</b>		
Provision for employee benefits	124.71	33.56
	<b>124.71</b>	<b>33.56</b>
Provision for employee benefits is provision for gratuity		
<b>7. (a) Deferred tax Liabilities (Net)</b>		
Depreciation and amortisation	4.38	5.84
	<b>4.38</b>	<b>5.84</b>
<b>7. (b)Deferred tax assets (net)</b>		
Minimum Alternate Tax (MAT)	90.01	14.46
	<b>90.01</b>	<b>14.46</b>
<b>Current Liabilities</b>		
<b>8. Short-term borrowings</b>		
Hire purchase creditors-Secured	-	0.95
From Banks Overdraft-Secured on book debts	293.01	691.49
	<b>293.01</b>	<b>691.49</b>
<b>9. Trade payables</b>		
Trade payables	1,919.85	359.57
	<b>1,919.85</b>	<b>359.57</b>
<b>10. Other current liabilities</b>		
Current maturities of hire purchase obligations		
Unclaimed Dividend	7.62	7.62
Outstanding liabilities	505.22	505.22
	<b>512.84</b>	<b>512.84</b>
<b>11. Short-term provisions</b>		
Provision for taxation	57.17	21.42
	<b>57.17</b>	<b>21.42</b>
<b>Non current assets</b>		
<b>12. Fixed assets</b>		
i) Tangible assets	329.52	377.90
	<b>329.52</b>	<b>377.90</b>
ii) Intangible assets-goodwill	1,706.41	-
	<b>1,706.41</b>	<b>-</b>

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## 12.Fixed Assets

Fixed assets consist of the following

Rs Lacs

Net Block as at March 31,2014	Description	Gross Block as at April 1,2014	Additions	Deletion	Translation Exchange Difference	Gross Block as at March 31,2014	Accumulated Depreciation as at March April 1,2013	Depreciation for the year	Deletion	Translation Exchange Difference	Accumulated Depreciation as at March 31,2015	Net Block as at March 31,2015
	i)Tangible assets											
(0.01)	Plant & Machinery	17.57	-	-	-	17.57	17.57	-	-	-	17.57	-
40.76	Furniture & Fittings	73.55	-		0.04	73.59	36.08	6.01	3.45	0.02	38.66	34.93
23.36	Office Equipments	30.47			-	30.47	8.35	9.98	(6.96)		25.29	5.18
13.15	Electrical Installations	15.99	-	-	-	15.99	3.21	2.14	0.57	-	4.78	11.21
21.94	Vehicles	55.23	-	35.39	2.09	21.93	33.29	10.30	29.73	1.26	15.12	6.81
8.87	Systems	136.05	-	4.65	0.35	131.75	130.33	1.88	2.34	0.31	130.18	1.57
269.82	Advance for Assets	269.82	-	-	-	269.82	-	-	-	-	-	269.82
377.89		598.68	-	40.04	2.48	561.12	228.83	30.31	29.13	1.59	231.60	329.52

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Rs . Lacs

Particulars	As at March 31,2015	As at March 31,2014
<b>13. Non current investments</b>		
<u>Held by subsidiary companies</u>		
Info-drive Software LLC-JV advance	6,145.97	
Technoprism LLC,USA	982.37	-
Info-Drive Technologies Co., Ltd, Bangkok	6.23	6.01
	<b>7,134.57</b>	<b>6.01</b>
<b>14. Long term loans and advances</b>		
Corporate Advances	1583.01	2,951.90
	<b>1,583.01</b>	<b>2,951.90</b>
<b>15. Other non-current assets</b>		
Advance for Investment	1,798.32	1,678.68
	<b>1,798.32</b>	<b>1,678.68</b>
<b>16. Trade receivables (Un-secured)</b>		
Debtors due for > 6 Months (Considered good)	7,124.35	5,904.32
Other debtors (Considered good)	1,591.43	85.73
	<b>8,715.78</b>	<b>5,990.05</b>
<b>17 (a) Cash and cash equivalents</b>		
(a) Cash in hand	0.85	0.19
(b) Balance in banks		
in current accounts in	51.31	385.10
in fixed deposits	3.00	12.01
(c) Other bank balances		
Earmarked balances with banks-unclaimed dividend	7.62	7.62
	<b>62.78</b>	<b>404.92</b>
<b>18. Short-term loans and advances</b>		
Staff advances	0.70	9.95
Deposits	2.60	3.13
Prepaid expenses	4.67	4.79
Other advances	6,684.79	667.14
	<b>6,692.76</b>	<b>685.01</b>
<b>19. Other current assets</b>		
Preliminary expenses (to the extent neither written off nor adjusted)	1.00	1.47
	<b>1.00</b>	<b>1.47</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs . Lacs

Particulars	2014-15	2013-14
<b>20. Revenue from operations</b>		
Sale of goods and services	8,757.31	6,319.53
	<b>8,757.31</b>	<b>6,319.53</b>
<b>21. Other income</b>		
Interest income	8.97	58.44
Exchange fluctuation gain/(loss)	(39.15)	378.33
Liabilities no longer required written back	216.67	-
Other Income	266.23	13.49
	<b>452.72</b>	<b>450.26</b>
<b>Expenses</b>		
<b>22. Cost of Material/services consumed</b>		
Opening stock	85.15	-
Add: Material/services	8,019.58	5,919.52
Less: Closing stock	85.92	85.15
	<b>8,018.81</b>	<b>5,834.37</b>
<b>23. Employee benefit expenses</b>		
Salary & allowances	68.95	174.87
Employees contribution to PF, ESI, Gratuity	0.22	7.64
Staff welfare	1.08	1.16
Managerial remuneration	-	41.35
	<b>70.25</b>	<b>225.02</b>
<b>24. Finance costs</b>		
Interest & Bank Charges	69.90	155.29
	<b>69.90</b>	<b>155.29</b>
<b>25. Depreciation and amortization expenses</b>		
Depreciation	30.32	39.46
Preliminary expenses written off	14.38	0.36
	<b>44.70</b>	<b>39.82</b>
<b>26. Other expenses</b>		
Books & Periodicals	-	0.07
Business Promotion	-	0.02
Rent & Amenities	37.11	35.33
Printing & Stationery	2.76	3.07
Postage Expenses	1.97	0.62
Telephone Expenses	3.07	1.78
Rates & Taxes	5.94	0.50



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Rs . Lacs

Particulars	2014-15	2013-14
Electricity Expenses	4.86	7.18
Insurance	-	0.07
Audit Fees	13.07	8.78
Repairs & Maintenance	0.23	5.36
Vehicle Maintenance	4.54	1.48
Advertisement	-	0.24
Sitting Fees	-	0.50
Filing charges & Listing Fees	2.5	2.46
Security Charges	2.31	2.68
Meeting Expenses	1.65	0.24
Consultancy Expenses	70.33	3.28
Professional & Legal Expenses	40.27	17.43
Travelling Expenses	15.63	34.94
Loss on sale of assets	0.59	3.90
General expenses	0.05	11.08
Office Maintenance	7.17	-
Bad debts written off	235.62	318.74
	<b>449.67</b>	<b>459.77</b>

### 27. BUSINESS SEGMENT

The Company operates in only one segment viz Information Technology.

### 28. INCOME TAX EXPENSES

Domestic Income tax is to be calculated at the effective rate applicable on the assessable profit for the year. Provision for tax has been adequately made for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction.

### 29. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share from continuing operations attributable to the ordinary equity holders of the parent entity is based on the following data.

Earnings figures are calculated as follows:

	Year ended 31.03.2015	Year ended 31.03.2014
Profit for the year attributable to equity holders of the parent	Rs. 344.19 Lacs	Rs. 12.68 Lacs
Number of shares	5,59,06,420	4,50,90,220
Earnings per share before extraordinary item	Rs. 0.06	Rs. 0.03
Earnings per share after extraordinary items	Rs. 0.06	Rs. 0.03

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 30. SUBSIDIARIES AND ASSOCIATES

Details of the Company's subsidiaries as at 31st March, 2015 are as follows:

Name of the Subsidiary	Place of Incorporation & Operation	Proportion of ownership & interest	Type of business
Infodrive Mauritius Limited, Mauritius	Mauritius	100%	IT Consulting, Software Development, hardware and System Integration
Info-Drive Systems Sdn Bhd.	Malaysia	100%	IT Consulting, Software Development, hardware and System Integration
Info-Drive Software Inc.	USA	100%	IT Consulting, Software Development, Hardware, System Integration and BPO Services
Info –Drive Software Pte Ltd.	Singapore	100%	IT Consulting, Software Development, hardware and System Integration
Info-Drive Software LLC	Dubai	80%	IT Consulting, Software Development, hardware and System Integration
Info-Drive Software Limited	Canada	100%	IT Consulting, Software Development, Hardware, System Integration and BPO Services
Technoprism LLC, USA (Subsidiary Company of Info-Drive Software Inc, USA)	USA	51%	IT Consulting, Software Development, Hardware, System Integration and BPO Services
Info Drive Technologies Co., Ltd, Bangkok, Thailand (Associate company of Info-Drive Software Pte. Ltd. Singapore)	Bangkok	30%	IT Consulting, Software Development, Hardware, System Integration and BPO Services

- As at 31st March 2015 Infodrive Enterprises Pte Ltd, Singapore has invested up to 30% equity in ordinary shares Info-Drive Technologies Co., Limited, Bangkok, Thailand (Associate Company). As the associate company has not commenced its commercial operations, no financial statements are incorporated in the consolidated financials for the year under review.

### 31. TRADE AND OTHER PAYABLES

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

The directors consider that the carrying amount of trade payables approximates their fair value.

### 32. CONTINGENT LIABILITIES

- SBLC (stand by letter of credit) renewed in favour of Indian Overseas Bank, Singapore has been pre-maturely invoked resulting in reduction of entire security of fixed deposits. However corporate guarantee (CG) issued would be nullified after settlement of all dues by the subsidiary company in Singapore.
- The appeal filed by the company with the Commissioner of Income-tax, Appeals III in respect of the disallowance of claim under section 35D (issue expenses) of Rs.4,50,296/- for the assessment year 2004-2005 has not been disposed off as yet; However, there is no demand of tax.
- The company has preferred an appeal before the Income Tax Appellate Tribunal (ITAT) for the demands raised on account of TDS on international transactions by CIT (A) for AY 2010-1 Rs.33,44,226 and for AY 2011-12 of Rs.165,15,087 respectively. No provision has been made for this contingency on demands as the company is confident of winning the appeal.
- The company has filed appeal with the Commissioner of Income-tax, Appeals (II) in respect of the assessment year 2010-11 for Rs. 3,18,73,620/- which arose on account of denial of deduction u/s.10B and u/s 115JB for section 80HHC of the Income Tax Act 1961 . In view of confident of winning the appeal no provision has been made in the books of account.
- The company has filed appeal with the Commissioner of Income-tax, Appeals (II) in respect of the assessment year 2009-10 for Rs. 3,18,78,250/- which arose on account of denial of deduction u/s.10B and u/s 115JB for section 80HHC of the Income Tax Act 1961 . In view of confident of winning the appeal no provision has been made in the books of account.

### 33. SHARE-BASED PAYMENTS

Equity-settled share option scheme

The Company does not have a share option scheme for any employees of the Group.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 34. RELATED PARTY TRANSACTIONS

The transactions between the company and its subsidiaries which are related parties of the company have been eliminated on consolidation.

### 35 RECLASSIFICATION AND REGROUPING OF ACCOUNTS

Certain accounts in the financial statements for the year ended 31<sup>st</sup> March, 2014 have been reclassified and regrouped to conform to the presentation in the financial statements for the year ended 31<sup>st</sup> March, 2015.

### 36 APPROVAL OF FINANCIAL STATEMENTS

The present financial statements drawn in accordance with Generally Accepted Accounting Principles in India were approved by the Board of Directors and authorised for issue on 29<sup>th</sup> May 2015

For and on behalf of Board

Sd/-  
**ANL Madhavann**  
Director  
DIN: 03551989

Sd/-  
**Pramod Manoharlal Jain**  
Director  
DIN :02711188

Sd/-  
**A.S. Gridhar**  
Manager & Chief Financial Officer

Sd/-  
**Ajay K Mehta**  
Company Secretary

As per my report of even date  
**for K.S.REDDY ASSOCIATES**  
Chartered Accountants  
FRN 009013S

Sd/-  
**K. SUBBA REDDY (Proprietor)**  
M.No.208754

Place : Chennai  
Date : May 29, 2015

INFO-DRIVE SOFTWARE LIMITED  
CIN: L36999TN1988PLC015475  
Regd Off: Buhari Building, 2nd Floor, No 3 Moores Road, Chennai, Tamil Nadu, 600006  
Email: investorcell@infodriveservices.com Website: www.infodriveservices.com

Form MGT-11  
Proxy form  
[Pursuant to section 105(6) of the Companies Act, 2013 and  
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Regd. Folio No. : \_\_\_\_\_ \*DP ID : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_ \*Client ID : \_\_\_\_\_

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name & Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
2. Name & Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
3. Name & Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

and whose signatures are appended below as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 27th Annual General Meeting ("AGM") of the Members of Info-Drive Software Limited will be held on Wednesday, 30th September, 2015 at 10.15 A.M. at 39, The Auditorium, Mylapore Club, Luz Church Road, Chennai-600004, India and at any adjournment thereof in respect of resolutions are indicated below:

\* Applicable for investors holding shares in Electronic form.

Signed \_\_\_\_\_ this day of \_\_\_\_\_ 2015

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Signature Across the revenue stamp

Note

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the company



INFO-DRIVE SOFTWARE LIMITED  
CIN: L36999TN1988PLC015475  
Regd Off: Buhari Building, 2nd Floor, No 3 Moores Road, Chennai, Tamil Nadu, 600006  
Email: investorcell@infodriveservices.com Website: www.infodriveservices.com

**ATTENDANCE SLIP**  
**(To be handed over at the entrance of the meeting hall)**

Full name of the member attending \_\_\_\_\_

Member's Folio No/ Client ID: \_\_\_\_\_ No. Of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the Proxy attends instead of the member)

I hereby record my presence at the 27th Annual General Meeting ("AGM") of the Members of Info-Drive Software Limited will be held on Wednesday, 30th September, 2015 at 10.15 A.M. at 39, The Auditorium, Mylapore Club, Luz Church Road, Chennai-600004, India.

.....  
Member's / Proxy's Signature

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



[www.infodriveservices.com](http://www.infodriveservices.com)

**Registered Office**

Info-Drive Software Limited, Buhari Buildings, Second Floor,  
No. 3, Moores Road, Chennai - 600 006, India