

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2014-15

CORPORATE GOVERNANCE PHILOSOPHY OF THE COMPANY

The Company's core values - Innovation, Insight and Integrity imbibe in themselves the Corporate Governance Philosophy. The Company strives to maintain high standards of business conduct and nurtures long term sustainable relationships with the various stakeholders of the organization. In order to achieve this objective, the Company promotes best practices of governance through the structure as mentioned below:

1. The Board and its Committees, consisting of professionals of repute who provide strategic planning and direction and
2. Executive Management consisting of domain and professional experts.

The Board and the Executive Management support and endorse Corporate Governance practices in accordance with Clause 49 of Listing Agreement and ensure that the Company's Code of Conduct is followed in letter and spirit.

I. BOARD OF DIRECTORS

a. Size and Composition of the Board:

The total strength of the Board on the date of this Report is 7 (seven). The Board consists of 4 (four) Independent Non-Executive Directors, including the Chairman. The composition of the Board and the directorships held by the Board Members as at the date of this Report are as under:

Name	Category	Designation	Date of appointment	Date of Resignation	Number of directorships in other companies @	Number of chairmanships in committees of Boards of other companies #	Number of memberships in committees of Boards of other companies #
Mr. Hoshang N. Sinor (DIN-00074905)	INED	Chairman	1-Apr-14 [^]	-	5	2	3
Dr. Ashok Jhunjhunwala* (DIN-00417944)	INED	Director	19-Oct-06	15-Sep-14	NA	NA	NA
Mr. Ashok Shah (DIN-01194846)	INED	Director	1-Apr-14 ^{^^}	-	-	-	-
Mr. K.M. Jayarao (DIN-01077289)	ND	Director	24-Mar-14	-	2	-	2
Mr. N.S. Venkatesh* (DIN-01893686)	ND	Director	8-May-12	1-Sep-14	NA	NA	NA
Ms. Sarojini Dikhale ^{\$} (DIN-02755309)	INED	Director	28-Jul-15	-	1	-	-
Mr. Shantanu Prasad ^{\$\$} (DIN-06972253)	ND	Director	16-Sep-14	-	-	-	-
Dr. Shashank Desai ^{\$\$} (DIN-00143638)	INED	Director	3-Nov-14	-	3	-	-
Mr. Madhivanan Balakrishnan (DIN-01426902)	ED	Managing Director & Global CEO	01-Jul-12	-	5	1	-
Mr. Charanjit Attra (DIN-05323757)**	ED	Executive Director	01-Jul-12	28-May-15	NA	NA	NA

Legend: INED - Independent Non-Executive Director, ND - Nominee Director, ED - Executive Director

@ Excludes Directorships in private limited companies, foreign companies and companies formed under Section 8 of the Companies Act, 2013 ("the Act").

Includes Membership/Chairmanship only in the Audit Committee and Stakeholders' Relationship Committee

* Resigned during the year

** Resigned on May 28, 2015

\$\$ Appointed during the year.

\$ Appointed w.e.f. July 28, 2015.

[^] Appointment date as per the Act. Mr. H. N. Sinor was appointed as a Director on the Board of the Company originally on July 24, 2003

^{^^} Appointment date as per the Act. Mr. Ashok Shah was appointed as a Director on the Board of the Company originally on December 1, 2011

None of the Directors of the Company are related to each other.

b. Board Meetings:

The Board, among other things, reviews key matters like operations and financial results, acquisitions, joint ventures, capital/ operating budgets, findings/comments of the statutory, internal and other auditors, risk management, internal controls, issue of capital and other resource mobilisation efforts, etc. The Board also regularly deliberates on the Company's positioning in the Indian and global IT scenario and adopts and approves the strategy for medium and long term growth.

During the financial year ended March 31, 2015, the Board met 5 (five) times on May 2, 2014; July 25, 2014; November 11, 2014; December 22, 2014 and February 10, 2015. The time gap between any two Meetings of the Board was less than 120 days.

In order to facilitate informed deliberations at the Meetings, a detailed agenda with necessary enclosures and reports is circulated well in advance of the Meeting. Further, presentations are made by Executive Management on various strategic and operational matters. On some occasions, experts are also invited who provide insights on complex matters.

Details of Meetings attended by the Directors during the year:

Director	Number of Meetings held during the tenure of the Director	Number of Meetings attended	
		In person	Through tele / video conference
Mr. Hoshang N. Sinor	5	5	-
Dr. Ashok Jhunjhunwala**	2	2	-
Mr. Ashok Shah	5	5	-
Mr. K.M.Jayarao	5	5	-
Mr. N. S. Venkatesh**	2	0	-
Mr. Shantanu Prasad@	3	3	-
Dr. Shashank Desai@	3	3	-
Mr. Madhivanan Balakrishnan	5	5	-
Mr. Charanjit Attra #	5	5	-

** Resigned during the year.

@ Appointed during the year

Resigned w.e.f. close of business hours on May 28, 2015

c. Appointment criteria, performance evaluation, age and remuneration of the Directors:

The policy of the Company for appointment, performance evaluation, age and remuneration of Directors is as mentioned below:

Appointment criteria:

The Nomination and Remuneration Committee consists of three Non-Executive Directors and one Nominee Director as on the date of this Report of which half are independent directors as per provisions of the Act. The Committee identifies, selects, nominates and recommends induction of Additional Directors on the Board. Based on the recommendations of this Committee, the Board approves the appointment (including re-appointment) of Directors on the Board and their remuneration.

The Company has also received necessary declarations from the concerned Independent Directors pursuant to Section 149 of the Act, regarding the compliance of independence criteria.

Remuneration Policy:

While deciding on the remuneration of Directors, the Board and the Nomination and Remuneration Committee ("Committee") take into consideration the performance of the Company, the current trends in the industry, the qualification of the appointee(s), their experience, past performance and other relevant factors. The Board/ Committee regularly keeps track of the market trends in terms of compensation levels and practices in relevant industries. This information is used to review the Company's remuneration policy(ies) from time to time.

Details of Remuneration / Compensation:

In the year 2014-15, the Company did not pay remuneration by way of Commission to the Non-Executive Directors of the Company for the year 2013-14. The Nomination and Remuneration Committee evaluates the performance of the Non-Executive Directors every year on the basis of well defined parameters and discussions and the recommendations are placed before the Board. The Board considers the recommendations while deciding the remuneration to be paid to the Non-Executive Directors. The quantum of sitting fee paid to Directors has been increased to ₹50,000 per meeting of the Board and ₹25,000 per meeting of the Committees of the Board effective May 2, 2014 taking into consideration the increased limits of upto ₹100,000 per meeting under the Act. The details of the sitting fees paid to the Directors during the year 2014-15 are as given below:

Name of the Non-Executive Director	Total Sitting Fees (in ₹)		
	Gross	TDS	Net
Mr. Hoshang N. Sinor [§]	-	-	-
Mr. Ashok Shah	500,000	50,000	450,000
Dr. Ashok Jhunjhunwala [#]	225,000	22,500	202,500
Mr. N. S. Venkatesh [#]	-	-	-
Dr. Shashank Desai	225,000	22,500	202,500
Mr. Shantanu Prasad [^]	200,000	20,000	180,000
Mr .K.M.Jayarao [^]	325,000	32,500	292,500

[§] Considering the financial position of the Company, Mr. Hoshang N. Sinor, has relinquished his right to receive sitting fees for attending the Board and Committee Meetings.

[#] Resigned during the year

[^] The sitting fees in respect of these Nominee Directors is paid to their respective employers as per their terms of appointment.

As per provisions of Section 149(8) of the Act read with Schedule - IV - Code of Independent Directors, performance evaluation of non-independent directors was carried out at the meeting of Independent Directors, which was further reviewed by the Board as a whole.

During the year, the Company paid remuneration to its Whole Time Directors in accordance with and within the overall limits as per the provisions of Section 197 and other applicable provisions of the Act as under:

(₹ in Crores)

Particulars	Salary, Allowances, Incentives & bonus*	PF & contribution	Perquisites	Total
Mr. Madhivanan Balakrishnan	1.664	0.099	0.015	1.778
Mr. Charanjit Attra [#]	0.896	0.039	0.011	0.946

* Excluding the retention incentive accrued to whole-time directors as on March 31, 2015.

[#] Resigned on May 28, 2015

Neither the Managing Director nor any other Whole-time director of the Company received any remuneration or commission from any of its subsidiaries.

d. Number of shares held by Directors as on March 31, 2015 are as under:

Name of the Director	Number of Shares
Mr. Hoshang N. Sinor	1,00,000
Mr. Madhivanan Balakrishnan	34,588

None of the Directors hold any shares, convertible instruments or options of the Company, except as disclosed above.

e. Code of Conduct

The Company has adopted a Code of Conduct for Board of Directors and Senior Management, which aims to inculcate the spirit of corporate governance in the affairs of the Company and promotes ethical conduct. The Code is available on the website of the Company in the Investors section. Adherence to this Code is essential and any breach of the same attracts disciplinary action. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as on March 31, 2015.

A Declaration to this effect signed by the Managing Director forms part of this Report.

f. Code of conduct for prevention of insider trading

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for Directors and Designated persons of the Company, its subsidiaries and their dependent family members in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing in the shares of the Company and cautions them of the consequences of violations.

II. BOARD COMMITTEES

Currently, the Board has four Committees, viz.

- a. Audit Committee;
- b. Stakeholders' Relationship Committee;
- c. Nomination and Remuneration Committee and
- d. Corporate Social Responsibility Committee.

The Committees of the Board at present, their constitution and terms of reference are set out below:

a. Audit Committee:

The terms of reference of the Audit Committee, inter alia, include:

- Oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommend the appointment/removal of Statutory Auditor(s) & Internal Auditor(s), fixing the audit fee and also approving the payment for any other services;
- Recommending the terms of appointment of auditors of the Company;
- Review and monitor auditor's independence and performance and effectiveness of the audit process;
- Review, with the Management, the quarterly / annual financial statements and the auditors' report thereon before submission to the Board;
- Monitor the end use of funds raised through public offer and review with the Management the statement of usage / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and make appropriate recommendations to the Board to take up steps in this matter;
- Review with the Management the adequacy of internal control system and performance of External and Internal Auditors;
- Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors, before the audit commences, about the nature and scope of audit as well as having post audit discussion to ascertain any area of concern;
- To review 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;
- Discussion with Internal Auditors on any significant findings and follow up thereon;
- Review the Company's financial and risk management policies;
- Evaluation of internal financial controls and risk management systems;
- Review the functioning of the Whistle Blower mechanism;
- Review the financial statements of subsidiary companies;

- Look into reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Approving the appointment of Chief Financial Officer (CFO) after assessing the qualifications, experience and background, etc. of the candidate before finalization of the appointment by the Management;
- Scrutinise inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Approval or subsequent modification of transactions with related parties and
- To carry out any other function as may be required to be carried out by the Audit Committee under the Companies Act 2013 and the rules thereunder, the listing agreement and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force).

Consequent to resignations of Mr. N. S. Venkatesh and Dr. Ashok Jhunjhunwala from the Board effective September 1, 2014 and September 15, 2014 respectively, the Committee was re-constituted vide a board resolution passed on September 30, 2014 by the induction of Mr. Hoshang N. Sinor and Mr. K. M. Jayarao as its Members. The Audit Committee was further reconstituted on November 11, 2014 by way of induction of Dr. Shashank Desai as Chairman and Mr. Shantanu Prasad as Member of the Audit Committee.

The Composition of the Audit Committee as on March 31, 2015 was as under:

Director	Position
Dr. Shashank Desai	Chairman
Mr. Ashok Shah	Member
Mr. Shantanu Prasad	Member

The Audit Committee comprises of Non-Executive Directors, majority of them being Independent. The qualifications and expertise of the Committee members are in line with requirements of Clause 49 of the listing agreement with stock exchanges read with section 177 of the Act. The Chairman of the Committee is an Independent Director. The Managing Director & Global CEO, CFO, Internal Auditors and Statutory Auditor attend the Meetings of the Audit Committee as invitees. The Company Secretary is the Secretary to the Committee. The Chairman of the Audit Committee had attended the previous Annual General Meeting held on September 16, 2014 to respond to shareholder queries.

The Committee met five times during the year 2014-15 on May 2, 2014; July 25, 2014; November 11, 2014; February 10, 2015 and March 16, 2015. The time gap between any two Meetings was less than four months.

Meetings attended during the year:

Director	Number of Meetings held during the tenure of the Director as a Member of the Committee	Number of Meetings Attended
Mr. Ashok Shah	5	5
Mr. N. S. Venkatesh*	2	-
Mr. K. M. Jayarao	1	1
Dr. Ashok Jhunjhunwala *	2	2
Dr. Shashank Desai [#]	2	2
Mr. Shantanu Prasad [#]	2	1
Mr. Hoshang N. Sinor [^]	1	1

* Resigned during the year

Appointed during the year

^ Committee Member for part of the year

b. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee of the Company was constituted by the Board to look into the matters relating to investors' servicing, to redress the grievances of the investors and security holders.

The terms of reference of this Committee, inter alia, include:

- Allot to the applicants, shares and other securities issued by the Company from time to time including allotment under Employees Stock Option Schemes, as amended from time to time;

- Approve printing of share certificates and other securities and lay down procedures for their issue, safe-keeping and proper maintenance, etc.;
- Approve registration of transfer of shares and other securities issued and that may be issued from time to time and approve or reject application for transmission of shares;
- Approve / reject applications for dematerialisation, re-materialisation, sub-division, consolidation, transposition and thereupon issue share certificates to the shareholders;
- Lay down suitable procedure and approve issue of duplicate certificates of shares and other securities;
- Decide account(s) to be opened / closed with any bank(s) in India, for the purpose of payment of interest/ dividend or for other purpose relating to shares or other securities;
- Decide the stock exchange(s) / depository (ies) in India or abroad, on which shares or other securities issued by the Company are to be listed or delisted including offering/issuing such shares/securities through depositories;
- Fix record date and determine closure of Register of Members and Transfer Books for the purpose of payment of dividend, interest, issue of rights/bonus shares or for such other purpose as the Committee may deem fit;
- Consider and resolve the grievances of shareholders, debentureholders, deposit holders and other security holders of the Company;
- Redressal of shareholder and investor complaints such as transfer of shares, non-receipt of Annual Reports, non-receipt of dividend declared, non-payment of interest to debenture holders and deposit holders or any security holders, etc.;
- Report to the Board about important developments in the area of servicing of shareholders and
- Take initiatives for better servicing of the shareholders.

Consequent to resignation of Dr. Ashok Jhunjunwala from the Board, the Committee was re-constituted vide Board Resolution dated September 30, 2014 by the induction of Mr. K. M. Jayarao as Member. Further, pursuant to changes in the composition of the Board, the Stakeholders' Relationship Committee was reconstituted on November 11, 2014 by way of induction of Dr. Shashank Desai and Mr. Shantanu Prasad as Members of the Committee.

The Composition of the Committee as on March 31, 2015 was as under:

Name of the Director	Position
Mr. Ashok Shah	Chairman
Dr. Shashank Desai	Member
Mr. Shantanu Prasad	Member

Majority of the Members of this Committee, including the Chairman of the Committee, are Independent Non-Executive Directors. The Company Secretary is the Compliance Officer and Secretary to this Committee.

The Committee met four times during the year 2014-15 on May 2, 2014; July 25, 2014; November 11, 2014 and February 10, 2015.

Meetings attended during the year:

Director	Number of Meetings held during the tenure of the Director as a Member of the Committee	Number of Meetings Attended
Mr. Ashok Shah	4	4
Dr. Ashok Jhunjunwala *	2	2
Mr. K. M. Jayarao [^]	1	1
Mr. Charanjit Attra [^]	3	3
Mr. Shantanu Prasad [@]	1	1
Dr. Shashank Desai [@]	1	1

* Resigned during the year

[^] Committee Member for part of the year.

[@] Appointed during the year

The status of Investors' & Shareholders' instructions and grievances received during the year is as below:

	Opening Balance as on April 1, 2014	Received	Processed	Pending as on March 31, 2015
Instructions	0	71	71	0
Grievances	0	3	3	0

c. Nomination and Remuneration Committee:

This Committee acts as a Board Governance cum Compensation Committee.

The terms of reference of this Committee inter alia include:

- Identify the prospective directors and assist the Board in filling up vacancies in the offices of directors of the Company and its subsidiaries;
- Evaluate the current composition, organisation and governance of Board and its committees, boards of its subsidiaries, determine future requirements and make recommendations to the Board for approval;
- Evaluate the performance of the Board and its Committees and boards of its subsidiaries;
- Ensure that the Board and the boards of the subsidiaries are properly constituted to meet its fiduciary obligations, the corporate governance principles and best practices;
- Determine the Director(s) who shall be liable to retire by rotation;
- Oversee the evaluation of the Board and the Management;
- Formulate the code of ethics and governance;
- Evaluate succession planning and work with the Board for evaluating the potential successors to executive management positions;
- Evaluate and recommend to the Board, the compensation plan, policies and programmes for Executive Directors and Senior Management Personnel;
- Review of the terms of reference and annually review its own performance and subject it to assessment by the Board;
- Review performance of Whole-time Directors of the Company and the subsidiaries, nominated by the Company on its Board vis-à-vis Key Performance Areas and to recommend the remuneration payable to them from time to time by way of salary, perquisites, commission, allowances, performance bonus, stock options, etc.;
- Approve the policy for quantum of bonus payable to members of the staff;
- Identify persons who may be appointed in senior management in accordance with criteria laid down and recommend to the Board their appointment and removal;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, regarding remuneration for the directors, key managerial personnel and other employees;
- Formulate criteria for evaluation of Independent Directors and the Board;
- Devise a policy on Board diversity;
- To frame/modify the Employees Stock Options Scheme and recommend granting of stock options to the staff and whole-time directors of the Company and the group companies; and
- Make recommendations to the Board in respect of the incentive compensation plans.

On May 2, 2014, Mr. Hoshang N. Sinor stepped down as Chairman of the Committee pursuant to provisions of Section 178 of the Act which mandates that the Chairman of the Board shall not act as a Chairman of this Committee. On the same day, the Board inducted Mr. Ashok Shah and Mr. K.M. Jayarao on the Committee. Further, due to resignation of Dr. Ashok Jhunjhunwala effective September 15, 2014, the Committee was reconstituted on September 30, 2014 by induction of Mr. Hoshang N. Sinor as a Member of the Committee.

The Composition of the Committee as on March 31, 2015 was as under:

Director	Position
Mr. Ashok Shah	Chairman
Mr. Hoshang N. Sinor	Member
Mr. K. M. Jayarao	Member

Ms. Sarojini Dikhale, Additional Director has been appointed as a Member of this Committee on July 28, 2015.

The Committee met twice during the year 2014-15 on May 2, 2014 and February 10, 2015.

Meetings attended during the year:

Director	Number of Meetings held during the tenure of the Director as a Member of the Committee	Number of Meetings Attended
Mr. Hoshang N. Sinor	2	2
Dr. Ashok Jhunjunwala*	1	1
Mr. Ashok Shah [#]	1	1
Mr. K. M. Jayarao [#]	1	1

* Resigned during the year

[#] Appointed as Member during the year

All the Members of the Committee are Non-Executive Directors with majority being Independent Directors. The Chairman of the Committee is an Independent Director. The Chairman of the Board is a Member of the Committee but does not chair the Committee.

d. Corporate Social Responsibility (CSR) Committee

As required under Section 135 of the Act, the Board, at its meeting held on May 2, 2014, constituted a Committee for looking exclusively into the CSR initiatives of the Company.

The composition of the Committee as on March 31, 2015 was as under:

Director	Position
Mr. Hoshang N. Sinor	Chairman
Mr. Madhivanan Balakrishnan	Member
Mr. Charanjit Attra*	Member

* Resigned on May 28, 2015

Ms. Sarojini Dikhale, Additional Director, has been appointed as a Chairperson of this Committee on July 28, 2015.

The terms of reference of the CSR Committee inter alia include:

- Consider and formulate the Company's value and strategy with regard to CSR, develop and review the Company's CSR policies and recommend the amount of expenditure to be incurred on activities indicated in the said CSR policies;
- Identify CSR issues and related risks and opportunities relevant to the Company's operations and incorporate the issues or factors into the Company's existing risk management;
- Monitor and oversee the implementation of the Company's CSR policies and practices to ensure compliance with the applicable legal and regulatory requirements;
- Evaluate and enhance the Company's CSR performance and make recommendation to the Board for improvement;
- Review and endorse the Company's annual CSR report for the Board's approval for public disclosure; and
- Monitor the CSR Policy of the Company from time to time.

During the year, the Committee met once on November 11, 2014. This meeting was attended by all the Members of the Committee.

III. GENERAL MEETINGS

Details of the Annual General Meetings (AGMs) held in the last three years

Year	Date and Time	Venue	Special Resolutions passed
2013-14	September 16, 2014 at 11:30 a.m	Arya Samaj Hall, Plot No. 6, Sector 9A, Vashi, Navi Mumbai – 400 703	None
2012-13	September 23, 2013 at 10:30 a.m.	Shri Saurashtra Patel Samaj Hall, Plot No. 6, Sector 2, Sanpada (East), Near Sanpada Railway Station, Navi Mumbai – 400 705	None
2011-12	August 2, 2012 at 4:00 p.m.		1.Appointment of Mr. Madhivanan Balakrishnan as Managing Director & CEO 2.Appointment of Mr. Charanjit Attra as Executive Director

Attendance of the Directors at the last AGM held on September 16, 2014:

Mr. Hoshang N. Sinor;

Mr. Ashok Shah (Chairman - Audit Committee);

Mr. K. M. Jayarao;

Mr. Madhivanan Balakrishnan and

Mr. Charanjit Attra.

Apart from Directors, Mr. R.P. Baradiya, Partner from Lodha & Company, Statutory Auditor and Mr. Keyoor Bakshi, Scrutinizer were also present at the last AGM.

No Extraordinary General Meeting was held during the last three years.

Resolutions passed through Postal Ballot

During the year 2014-15 and till the date of this Report, the Company obtained the approval of the Members by way of Postal Ballot pursuant to Section 110 of the Act read with rules thereunder for the following resolutions:

Date of the Notice	Last date for receipt of Postal Ballot Forms	Date of Result	Name of the Scrutinizer	Special Resolutions passed
July 25, 2014	September 18, 2014	September 22, 2014	Mr. Keyoor Bakshi, Partner, KBNT & Associates	<ul style="list-style-type: none">Approval under Section 180(1)(c) of the Companies Act, 2013 for grant of authority to the Board of Directors to borrow sums not exceeding ₹3000 Crores only andApproval under Section 180(1)(a) of the Companies Act, 2013 for grant of authority to the Board of Directors for creation of securities against loan.
April 10, 2015	May 28, 2015	June 2, 2015	Mr. Keyoor Bakshi, Partner, BNP & Associates	<ul style="list-style-type: none">Allotment of equity shares on a preferential basis andConversion of loans into equity shares.

Pursuant to Section 110 of the Act read with rules thereunder, Notice of the Postal Ballot was sent through electronic form to all those shareholders whose e-mail ids were registered with the Depository Participant (DP) and Postal Ballot forms along with the Notice were sent through courier/speed post to those who held shares in physical form.

The Results of the Postal Ballots, details of which are given under, were also displayed at the Registered Office of the Company and on its website:.

a. Postal Ballot Result declared on September 22, 2014:

Particulars	Resolution No. 1	Resolution No. 2
	Approval under Section 180(1)(c) of the Companies Act, 2013 for grant of authority to the Board of Directors to borrow sums not exceeding ₹3000 Crores only	Approval under Section 180(1)(a) of the Companies Act, 2013 for grant of authority to the Board of Directors for creation of securities against loan
Number of Shares Held	58,06,75,480	58,06,75,480
Number of Votes polled	15,56,96,035	15,57,40,801
Percentage of Votes polled on outstanding shares	26.81	26.82
Number of Votes - in favour	15,54,58,235	15,54,74,406
Number of Votes – against	2,37,800	2,66,395
Percentage of Votes in favour on votes polled	99.85	99.83
Percentage of Votes against on votes polled	0.15	0.17

b. Postal Ballot Result declared on June 2, 2015:

Particulars	Resolution No. 1	Resolution No. 2
	Allotment of equity shares on a preferential basis	Conversion of loans into equity shares
Number of Shares Held	60,55,88,650	60,55,88,650
Number of Votes polled	16,22,67,127	16,23,94,406
Percentage of Votes polled on outstanding shares	26.79	26.82
Number of Votes - in favour	16,18,06,013	16,20,64,522
Number of Votes – against	4,61,114	3,29,884
Percentage of Votes in favour on votes polled	99.72	99.80
Percentage of Votes against on votes polled	0.28	0.20

IV. DISCLOSURE REQUIREMENTS
a) Related party transactions

There were no materially significant transactions with related parties. The details of related party transactions entered into between the Company and its Promoters, Subsidiaries, Directors or their Relatives, etc. have been presented in Notes to Accounts in the Annual Report.

The Board has approved a policy for related party transactions which has been uploaded on the Company website at the following link:

<http://www.3i-infotech.com/content/investors/investors.aspx> under Corporate Governance

b) Details of non-compliance, penalties, etc.:

In terms of Clause 49 of the Listing Agreement and Section 149 of the Act, each company was required to appoint a Woman Director on the Board of the Company on or before March 31, 2015. Further, SEBI had also imposed penalty for non-compliance with this provision. The Company was unable to appoint a woman director and could appoint one only by July 28, 2015. As a result, a penalty of ₹50,000/- each was imposed on the Company by NSE & BSE where the Company's equity shares are listed. Except the above, the Company was not subject to any non-compliance and no penalties or strictures were imposed on the Company by Stock Exchanges, SEBI or any statutory or other authority on any matters relating to capital markets, during the last three financial years.

c) Whistle Blower Policy:

The Company has put in place a Whistle Blower Policy and has established the necessary vigil mechanism to enable the employees and Directors to report concerns on unethical behavior.

Under the Policy, employees and Directors of the Company and its subsidiaries are free to communicate any matters of concern in areas of accounts, finance, management, operations, employment and other affairs of the Company and its subsidiaries and discuss the same in terms of this Policy. Since this Policy came into effect, no employee has been denied access to the Audit Committee.

The Policy is put up on the website of the Company at the following link

<http://www.3i-infotech.com/content/investors/investors.aspx> under Corporate Governance.

d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements.

The Company has also adopted the following non-mandatory requirements

i. The Board

The Company provides a car for his official duties.

ii. Separate Posts of Chairman and CEO

Mr. Hoshang N. Sinor is the Chairman of the Company and Mr. Madhivanan Balakrishnan is the Managing Director and CEO of the Company. The Company has complied with the requirement of having separate persons for the post of Chairman and CEO.

e) Other disclosure requirements

1. Training of Board Members

A new Director, on being inducted to the Board, is familiarized with the Company's Corporate Profile, Code of Conduct for Directors and Senior Management, Insider Trading Code and the Company's Policy for Unfair Trading Practices in Securities. The details of the familiarisation program have been uploaded on the Company website at the following link:

<http://www.3i-infotech.com/content/investors/investors.aspx> under Corporate Governance

2. Policy for determining material subsidiaries of the Company

The policy is available on the website of the Company at the following link:

<http://www.3i-infotech.com/content/investors/investors.aspx> under Corporate Governance

3. Management Discussion & Analysis

A detailed Management Discussion and Analysis along with risks and concerns is given in a separate section of the Annual Report.

V. MEANS OF COMMUNICATION - QUARTERLY / HALF YEARLY RESULTS, ETC.

The Company's periodic financial results, factsheets and official news releases made to the investors and analysts are displayed on the website of the Company at www.3i-infotech.com. Financial results are also published in The Financial Express (English) and Mumbai Lakshadeep (regional newspaper).

The Company has an Investor Grievance cell to address the grievances / queries of the shareholders. In order to enable shareholders to raise queries and grievances, the Company has a separate email ID: investors@3i-infotech.com.

VI. GENERAL SHAREHOLDER INFORMATION

a) Details of ensuing AGM:

Day and Date	Time	Venue
Wednesday, September 23, 2015	4:00 p.m.	Arya Samaj Hall, Plot No.6, Sector 9A, Vashi, Navi Mumbai- 400 703

b) Schedule of the Board Meetings for consideration of Financial Results:

Quarter Ended	Date
June 30, 2015	July 28, 2015
September 30, 2015	October 30, 2015*
December 31, 2015	January 29, 2016*
March 31, 2016	May 6, 2016*

*Dates are tentative and subject to change

c) **Financial Year:** April 1 to March 31

d) **Date of Book Closure:** Wednesday, September 16, 2015 to Wednesday, September 23, 2015 (Both days inclusive)

e) **Listing:**

The Equity Shares are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Annual Listing Fees have been paid to both these Stock Exchanges.

f) **Stock Exchanges Codes and ISIN (International Securities Identification Number):**

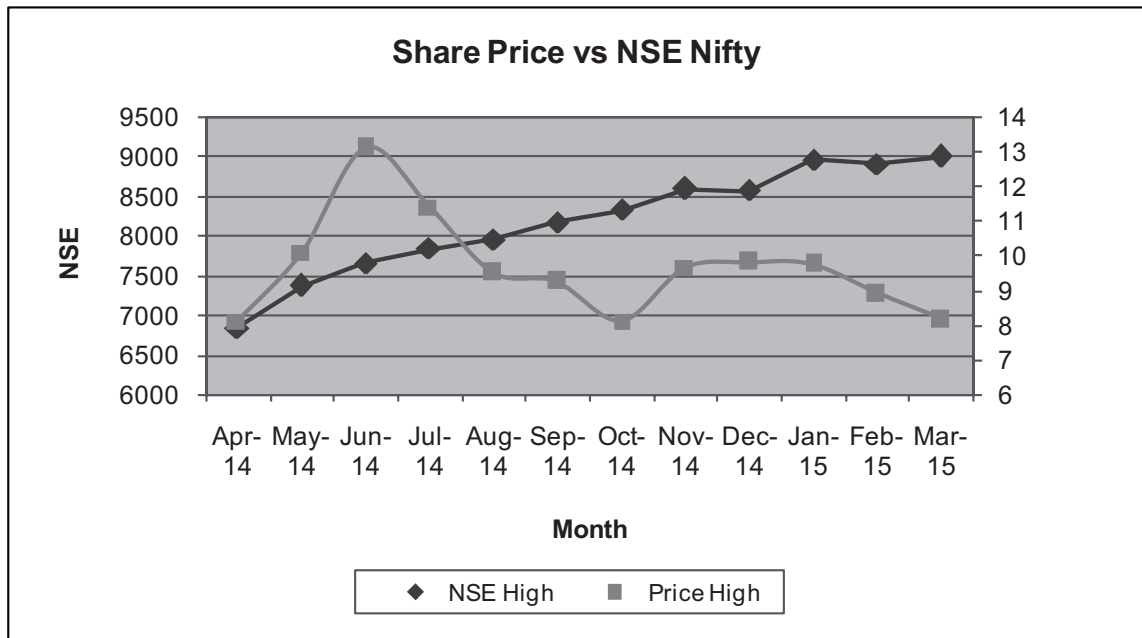
	NSE	BSE
Exchange Code	3IINFOTECH	532628
ISIN in National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for temporary credit of shares pending receipt of trading approvals from exchanges	IN8748C01011	
ISIN in NSDL & CDSL for permanent credit of shares upon receipt of trading approvals from exchanges	INE748C01020	

g) **Stock Market Data:**

Monthly highs, lows and trading volume for 2014-15:

Month	National Stock Exchange			Bombay Stock Exchange			Total Quantity Traded
	High	Low	Trade Quantity	High	Low	Trade Quantity	
April '14	8.1	7.05	16,464,304	8.12	7.14	7,413,287	23,877,591
May '14	10.1	6.05	61,757,961	10.08	6.07	24,569,963	86,327,924
June '14	13.1	9.05	94,773,937	13.22	9.07	40,108,635	134,882,572
July '14	11.4	8.35	16,602,747	11.4	8.35	5,765,616	22,368,363
August '14	9.5	8.25	15,163,138	9.56	8.33	6,332,394	21,495,532
September '14	9.25	8.05	26,282,539	9.28	8.04	11,267,825	28,904,382
October '14	8.1	7.3	11,367,789	8.11	7.29	4,118,912	15,486,701
November '14	9.65	7.55	38,722,382	9.67	7.54	14,060,082	52,782,464
December '14	9.8	7.1	49,008,121	9.84	7.09	21,361,900	70,370,021
January '15	9.75	8.65	33,230,574	9.80	8.66	11,938,727	45,169,301
February '15	8.9	7.75	25,898,518	8.88	7.75	9,375,192	35,273,710
March '15	8.15	5.65	25,369,554	8.14	5.69	10,230,958	35,600,512

h) **3i Infotech share prices versus the NSE Nifty:**



i) Registrar and Transfer Agent:

The Company is a SEBI Registered, Category I Share Transfer Agent and handles all Registrar and Transfer Agents' work in-house. The Company has adequate infrastructure to service its Shareholders.

j) Share transfer system:

The Company, as SEBI Registered R&T agent, has expertise and effective systems for share transfers.

k) Distribution of Holdings as on March 31, 2015:

Share holding of nominal value of (₹)	Shareholders		Share Amount	
	Number	Percentage to total (%)	(₹)	Percentage to total (%)
Upto 5000	112,075	71.73	186,866,410	3.10
5001-10000	18,324	11.73	156,285,710	2.59
10001-20000	10,850	6.94	171,664,420	2.84
20001-30000	4,531	2.90	118,962,210	1.97
30001-40000	2,140	1.37	77,770,200	1.29
40001-50000	2,163	1.38	103,813,760	1.72
50001-100000	3,184	2.04	242,340,450	4.02
100001 and above	2,981	1.91	4,979,806,310	82.47
Total	156,248	100.00	6,037,509,470	100.00

l) Shareholding Pattern as on March 31, 2015:

Category	Shares	Percentage (%)
Promoter- IDBI Trusteeship Services Ltd. (ICICI Strategic Investments Fund)	39,036,190	6.47
Government Financial Institutions	22,418,772	3.71
Nationalised Banks	81,079,164	13.43
Financial Institutional Investors (FIIs)	93,398	0.02
Overseas Corporate Bodies (OCBs)	-	-
Foreign Banks / Companies	50,324,331	8.34
Non-Residents	19,516,095	3.23
Mutual Funds	-	-
Bodies Corporate	30,945,363	5.12
Other Banks	170,729,613	28.28
Resident Indians	189,608,021	31.40
Total	603,750,947	100
Number of Shareholders		156,248

m) Dematerialization of shares and liquidity:

On March 31, 2015, all the shares of the Company were held in dematerialized mode, except 1,595,101 shares, which were held in physical mode.

n) Unclaimed Shares lying in Demat Suspense Account:

SEBI had vide its circular No. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 amended the listing agreement. As per the requirements of this amendment, it is required for companies to credit the unclaimed shares of the Company, arising out of the public issue, which could not be allotted to the rightful shareholder due to insufficient/

incorrect information, to a separate demat suspense account. The Company has a demat account having account no. IN302902/47834376 for transferring unclaimed shares into the account.

The details of the aforesaid shares are as under:

Particulars	Number of Shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account at the beginning of the year	4	532
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Number of holders to whom shares were transferred from suspense account during the year	-	-
Aggregate number of shareholders and the outstanding shares lying in the suspense account as on March 31, 2015	4	532

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

o) Transfer to Investor Education and Protection Fund

On May 10, 2012, the Ministry of Corporate Affairs (MCA) vide Gazette of India G.S.R. 352(E), notified the “Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012”, wherein companies were asked to file details with the Registrar of Companies (ROC) of unclaimed/unpaid dividend lying with the Company which would be transferred to Investor Education and Protection Fund (IEPF) after a period of seven years of declaration of dividend and to display the details on the website of the Company. Accordingly, the details of unclaimed/unpaid dividend were filed with ROC and they are also displayed on the website of the Company.

Shareholders who have not claimed their dividend are hereby advised to claim their unclaimed/ unpaid amount due to them by making a request to the Company giving their particulars before the unpaid / unclaimed amount is transferred to the IEPF. Once unclaimed dividend is transferred to the IEPF, no claim in respect thereof shall lie with the Company.

Further, the unclaimed dividend of ₹ 426,870/- pertaining to year 2006-07 was transferred to IEPF, as required by the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

p) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The details of the outstanding Foreign Currency Convertible Bonds as on March 31, 2015 are given below:

Particulars	USD 125.356 Million 5% Convertible Bonds due 2017	USD 2.435 Million 4.75% Convertible Bonds due 2017
ISIN	XSO769181982	XSO308551166
Outstanding Amount	USD 83.943 Million	USD 2.435 Million
Coupon/Yield (payable at semi-annual intervals)	5.00% p.a.	4.75% p.a.
Conversion Price	₹16.50	₹165.935
Fixed Exchange Rate	1 USD = ₹50.7908	1USD = ₹40.81
Maturity Date	April 26, 2017	July 27, 2017
Redemption Price	100% of the principal amount	100% of the principal amount
Expected number of shares to be issued	258,395,886	5,98,863

Besides these convertible securities, the Company is bound to issue shares on exercise of stock options issued under its Employees Stock Option Schemes. Apart from these, there are no other GDRs/ADRs/warrants or any other convertible instruments of the Company, which are outstanding.

q) Plant Locations:

As the Company is engaged in Information Technology industry, it does not have any plant. The Company operates from various offices in India and abroad.

r) Address for correspondence:

COMPLIANCE OFFICER:

Company Secretary & Compliance Officer
3i Infotech Limited
(CIN No: L67120MH1993PLC074411)
Tower # 5, 5th Floor, International Infotech Park,
Vashi, Navi Mumbai 400 703, Maharashtra
Ph: (91-22) 6792 8000
Fax: (91-22) 6792 8098
Email: co@3i-infotech.com

SHARE DEPARTMENT:

3i Infotech Limited
Tower # 5, 3rd Floor, International Infotech Park,
Vashi Railway Station Commercial Complex, Vashi,
Navi Mumbai 400 703, Maharashtra
Ph: (91-22) 6792 8015/8062
Fax: (91-22) 6792 8098
E mail: investors@3i-infotech.com

Navi Mumbai, July 28, 2015

CERTIFICATE FROM MANAGING DIRECTOR & GLOBAL CEO FOR COMPLIANCE OF CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT

This is to certify that 3i Infotech Limited has put in place the Code of Conduct for the Board of Directors and Senior Management. This Code is applicable to all the Directors of the Company and the Members of Senior Management, who are one level below the Executive Directors, including all the functional heads and heads of Business Geographies. The Directors and Members of Senior Management have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management for the financial year ended March 31, 2015.

Madhivanan Balakrishnan,
Managing Director & Global CEO,
3i Infotech Limited

July 28, 2015 at Navi Mumbai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by 3i Infotech Limited ("the Company") for the year ended on March 31, 2015 as stipulated in Clause 49 of the Listing Agreements with National Stock Exchange of India Limited and BSE Limited.

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

In our opinion and to the best of our information and explanations given to us and based on the representations given by the Management of the Company, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements except for the following:

- (i) clause 49 II (A) (1) in respect of appointment of a woman director has been complied on July 28, 2015;
- (ii) clause 49 II (B) 6 in respect of separate meeting of the independent directors has been held on May 28, 2015 being the first meeting.

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

For LODHA & COMPANY
Chartered Accountants
Firm Registration No: 301051E

Sd/-
(R. P. Baradiya)
Partner
Membership No. 44101

Place : Mumbai
Date : July 28, 2015