

The efficiency catalyst



**22nd ANNUAL
R E P O R T
2014-2015**



BOARD OF DIRECTORS

Mr. Dalip Kumar

Chairman & Managing Director

Mr. Shayam Sunder Sharma

Non Executive Independent Director

Mr. Shiv Nandan Sharma

Non Executive Independent Director

Mr. Govinda Sahu

Whole Time Director

Mr. Rohit Pratap Singh

Executive Director

Mr. Shweta Shastri

Non Executive Independent Director

CHIEF FINANCIAL OFFICER

Mr. Anil Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Gagan Kaushik

Auditors

M/S. SPMG & Company
Chartered Accountants
New Delhi - 110022

Registered Office

205, 2nd Floor, Agrawal Chamber IV,
27, Veer Sawarkar Block, Vikas Marg,
Shakarpur, Delhi – 110 092

Corporate office

Plot No. 83, NSEZ,
Noida Dadri Road, Phase –II,
Noida -201 305 [U.P.]
website : www.fcsltd.com

CIN No:

L72100DL1993PLC179154

Bankers

Canara Bank
Bank of America
HDFC Bank
Wells Fargo Bank
Deutsche Bank

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Development Centers

- FCS House Plot No. 83,
NSEZ, Noida Dadri Road, Phase-II, Noida,
Gautam Budha Nagar, (UP) 201305
- Plot-J-7, Rajiv Gandhi Technology Park,
Chandigarh – 160 10
- FCS House, A-86, Sector – 57
Noida – 201 301[U.P.]
- I.T. Park, Plot. No. 24, Sahastradhara Road,
Dehradun -248 001
- Plot No. 1A, Sector-73, Noida-201301

Subsidiaries

- M/s.FCS Software Solutions GmbH
Goethestraße740237,Düsseldorf
- M/s. F.C.S. Software Solutions Middle East FZE
P.O. Box 16111, RAS AI KHAIMAH, U.A.E.
- M/s. FCS Software (Shanghai) Co. Limited
Room B43, Floor 3 Building 6, No. 4299
Jindu Road, Minhang District, Shanghai, China
- M/s. FCS Software Solutions America Limited
2375 Zanker Road, Suit 250 San Jose, CA-95131

Legal Advisors

- O. P. Sharma & Co.
83, Lawyer Chamber,
Supreme Court of India
New Delhi –110 001
- Mahendra & Associates
249, District Court,
Gautam Budha Nagar -201 305, (UP)

Chairman's Communique

My Dear fellow Stakeholders,

I welcome all of you to the 22nd Annual General Meeting of the company. Your company has been in business now for two decades and servicing its clients in IT/ITES space. We continue to work with same zeal as when we started. With strong and reliable strength in service and track record, we will continue to do our best to grow our revenues and gross margins. The technology space continuously shifts and with this shift, new opportunities always show up. We assure everyone that we will continue to stay abreast of all new developments and as and when circumstances are favorable, we will be able to capitalize the same. Unfortunately, market conditions all across the globe are volatile and we are facing meltdown of many markets. With high inflation, the costs continue to grow whereas the poor economic conditions make it difficult to pass the costs to the clients who are themselves facing difficult times. In times like this, one needs to have ability to sustain and that is what we have. We believe that we will be able to go through these tough times and then as the markets improve, we will be able to utilize our strengths to build further on scale and margins.

As we pointed out last year, one of the key factors in last few years is that as markets mature, bigger companies get an advantage over smaller companies due to their better branding. This is one aspect that we consider as our weakness and we have started building a plan to address this weakness. In today's world, one needs to be strong in social media. We are going to build a strong social media presence to address our all stakeholders – employees, customers, shareholders, and professionals. We are evaluating mobile applications, digital workforce, and many other new initiatives and will leverage our existing strengths whenever we find a feasible opportunity.

I take this opportunity to thank all of you for your continued support both in good times and bad times. I assure that everyone in the company will work extra hard to continue to earn the trust that we have built over all these years.

I would like to cordially invite to all the shareholders of the Company to attend the 22nd Annual General Meeting of the Company (AGM) on 24th day of September, 2015 at 9:00 A.M. at The Executive Club, 439, Village, Sahoopur, Fatehpur Beri, and New Delhi-110074.

Sd/-

Dalip Kumar

Chairman & Managing Director

Date : August 28, 2015

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of FCS SOFTWARE SOLUTIONS LIMITED will be held at 9:00 A.M. on Thursday, 24th day of September, 2015 at The Executive Club, 439, Village Sahoorpur, Fatehpur Beri, New Delhi- 110 074 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Audited Statement of Profit and Loss for the year ended as on that date together with the reports of the Directors and Auditors thereon.
2. To consider re-appointment of Mr. Rohit Pratap Singh (DIN-03564084), Executive Director of the Company, who retires by rotation in terms of section 152(6) of the Companies Act, 2013 at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment as Non-Executive Director of the Company.
3. To ratify the appointment of Auditors of the company, who were appointed at 21st Annual General Meeting to hold office from the conclusion of that Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration and in this regard pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules 2014, and other applicable provisions of the Companies Act, 2013, the appointment of M/s SPMG & Co., (Firm Registration No. 509249C), Chartered Accountants, who were appointed at the 21st Annual General Meeting to hold office from the conclusion of that Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company, be and is hereby ratified, and that they shall be paid a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and re-imbursment of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to Sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, and subject to other approvals as are necessary, Mr. Dalip Kumar (DIN- 00103292) be and is hereby re-appointed as Managing Director of the Company for a period of five years from 01.04.2015 to 31.03.2020 on the remuneration and other terms and conditions, as recommended by the Nomination and Remuneration Committee as set out in the explanatory statement annexed.

RESOLVED FURTHER THAT Mr. Gagan Kaushik, Company Secretary of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board of Directors
For **FCS Software Solutions Limited**

Sd/-
Gagan Kaushik
Company Secretary

Place: Noida
Date : August 28, 2015

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item No. 1 of the Notice is annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
3. Pursuant to Section 105 of Companies Act, 2013 and rules made thereunder, a person shall not act as a proxy for more than 50 members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, 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.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled attendance slip at the Registration Counter at the AGM.
7. The Register of Members and Shares Transfer Books of the Company will remain closed from September 14, 2015 to September 19, 2015 (both days inclusive) for the purpose of Annual General Meeting.
8. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/Depositories.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of Companies (Management and Administration) Rules, 2014, substituted by (Companies Management and Administration) Amendment Rules, 2015 and clause 35B of listing agreement the Company has provided a facility to the members to exercise their vote electronically through the electronic voting service facility arranged by Central Depository Services Limited (CDSL). The facility for voting, through ballot paper will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are prescribed below :

The instructions for shareholders voting electronically are as under:

- i) The voting period begins on 21st September, 2015 (9:00 am) and ends on 23rd September,

2015 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iii) Click on Shareholders.
- iv) 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.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) 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"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv).

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) 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.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- xi) Click on the EVSN for the relevant business of FCS Software Solutions Limited on which you choose to vote.
- xii) 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.
- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv) 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.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to 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.
 - 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 should be mailed to 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.
- xix) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

General

- (A) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 18th September, 2015 may follow the same instructions as mentioned above for e-Voting.
- (B) Ms. Manju Pathak, Practicing Company Secretary (Membership No. ACS 8191), Delhi, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- (C) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 18th September, 2015.

By order of the Board of Directors
For **FCS Software Solutions Limited**

Sd/-
Gagan Kaushik
Company Secretary

Place: Noida
Date : August 28, 2015

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AS PER CLAUSE 49 OF LISTING AGREEMENT WITH THE STOCK EXCHANGE:

Name of Directors	Mr. Rohit Pratap Singh	Mr. Dalip Kumar
Date of Birth	21st May, 1972	21st December 1961
Nationality	INDIAN	INDIAN
Date of Appointment on the Board	N.A	N.A
Qualification	MBA from L. N. Mishra Institute of Economic, Development and Social Changes, Patna.	M.S. (Computer Engineering) from Rutgers University, New Jersey, USA, and B.S. (Electronics Engineering) From Punjab Engineering College, Chandigarh
List of Directorship in the Other Companies	NIL	1. Enstaserv eServices Ltd. 2. Stablesecure Infraserivces Pvt. Ltd. 3. cGain Analytics Pvt. Ltd. 4. Capable Building Solutions Pvt. Ltd. 5. Insync Business Solutions Ltd. 6. Premier Capital Services Ltd.
Achievements	He has 15 years of experience in ITES/Research/Investment Banking Industry. He has led research team in reputed research firms and also worked as Practice Head-Investment Banking in a Boutique Investment Bank. He has completed his MBA from L. N. Mishra Institute of Economic, Development and Social Changes, Patna and Executive Program in Applied Finance from IIM, Kolkata.	He is having more than 25 years of global industry experience and has worked on large projects in implementing paper less offices, office automation and workflow management for clients in government, banking, infrastructure and private sector. He has been working on Web based projects and ERP centric projects for many years. His special expertise area now is to build e-business and implement e-services. He has managed various projects starting form microprocessors to mainframes in terms of technology and man management.

Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 1 of the accompanying Notice:

Item No. 1

Mr. Dalip Kumar, (DIN-00103292) Managing Director of the Company is re-appointed for a term of 5 years from 01.04.2015 to 31.03.2020. The material provisions of the agreement to be entered into with Mr. Dalip Kumar are as under:-

1. Salary: upto 1,00,000/- per month
2. Commission: upto 3% of the net profits calculated in the manner laid down under sections 197 of the Companies Act, 2013

CATEGORY (A)

I. Housing:

- In case of furnished accommodation provided by the Company, such expenditure not exceeding 60% of the salary.
- In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance subject to the ceiling laid under the provisions of Income Tax Act, 1961.
- In case accommodation is owned by the Company, a deduction of 10% of the salary of the Managing Director shall be made by the Company.
- The expenditure incurred by the Company on gas, electricity, water & furnishing shall be valued as per the Income Tax Rules, 1962 which shall, however, be subject to a ceiling of 10% of the salary.

II. Medical Reimbursement:

Medical Reimbursement of the expenses incurred by Mr. Dalip Kumar for self and his family subject to a ceiling of one month's salary in a year or 5 months' salary over a period of 5 years.

III. Leave Travel Concession:

Leave Travel Concession for him and his family once in a year in accordance with the rules of the Company.

IV. Club Fees :

Fees of the clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

V. Personal Accident Insurance:

Personal Accident Insurance of an amount not exceeding 10,000/- (Rupees Ten Thousand only)

CATEGORY (B)

Contribution to the Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company to the extent these, either singly or put together, are not taxable under Income Tax Act, 1961.

CATEGORY (C)

The Company shall provide a car with a driver and two telephones and a fax at his residence. Personal long distance calls and use of car for private purpose shall be billed by the Company to him. All official calls made by him from his Cell Phone will also be reimbursed by the Company.

TERMINATION

The appointment of the Managing Director shall be terminable by either party giving to the other, six calendar months' notice in writing.

In the event of termination of the appointment of Managing Director by the Company, he shall be entitled to receive compensation in accordance with the provisions of Section 202 of the Companies Act, 2013.

CEILING ON REMUNERATION:

The aggregate remuneration shall not exceed the limits provided in Sections 197 read with Schedule V of the Companies Act, 2013.

The shareholders' approval may be sought for authorization to increase, vary or amend the remuneration including salary, perquisites and benefits, minimum remuneration and other terms of appointment of the Managing Director from time to time, as deemed expedient or necessary during the tenure of his appointment.

By order of the Board of Directors
For **FCS Software Solutions Limited**

Place: Noida
Date : August 28, 2015

Sd/-
Gagan Kaushik
Company Secretary

Years at a Glance :

(` in Lacs)

For the year	2015	2014
Revenue from operations	7,655.55	13,340.55
Operating profit (EBITDA)	(124.43)	(1375.89)
Other Income	632.80	479.82
Profit before tax (PBT)	(4,424.22)	(5,750.44)
Profit after tax (PAT)	(4,496.28)	(5,768.11)
EPS (par value of Rs. 1 each)		
Basic	(0.27)	(0.44)
Diluted	(0.25)	(0.35)
Dividend	0	0
At the end of the year		
Fixed assets – net	25,596.96	30,419.89
Net current assets	10,160.14	9,038.04
Total assets	51,127.67	55,113.52
Debt	603.36	878.02
Equity (Shareholder's fund)	49321.67	53,197.74
Net worth	45,512.10	48,597.13