

CLOUD
Technologies



Integrating People, Process & Technology

10TH ANNUAL REPORT 2013



Mobile
Solutions



Infrastructure
Management

Transforming lives

Vision & Mission

To be a choice of providers in the SMB market segment for cloud enablement services, by 2015

“Provide Innovative Managed IT Services at a Committed Quality and Optimal Cost leveraging Technology, Thought Leadership and Global Delivery Model”

Core values

- v Entrepreneurship
- v Integrity
- v Pursuit of Excellence

GSS Infotech – A Snapshot

- v One of the fastest growing Managed IT Services company
- v A Global organization with operations in US, India & ME
- v Strong Business Acumen with Technology Leadership
- v World-class delivery engine delivering solutions to Fortune 500 companies and Global 1000 companies
- v SEI- CMMi Level-5 company, ITIL compliant processes, ISO 9001 and 27001 certifications
- v Ranked in Forbes Asia's best 200 under \$ 1 billion companies in 2010 for the third consecutive year after 2008 and 2009
- v Global Operations Command Center (GOCC) and remote delivery center in Hyderabad, India
- v Empowering SMEs globally, through 9 Business /Development Centers
- v Best-in-class top tier technology alliances and domain intensive Centers of Excellence
- v 7 Acquisitions in the last five years

Contents

Corporate Information	04
Notice of the Annual General Meeting	05
Directors' Report	14
Report on Conservation of Energy, R&D, Technology Absorption, Foreign Exchange Earnings and Outgo	18
Report on Corporate Governance	19
Auditors' Certificate on Corporate Governance	33
Management Discussion and Analysis Report	34
Auditor's Report on Consolidated Financial Statements	50
Consolidated Financial Statements	51
Auditor's Report on Standalone Financial Statements	68
Standalone Financial Statements	73
Balance Sheet Abstract as per SCHEDULE VI of the Companies Act, 1956	91
Proxy Form and Attendance Slip	92

Corporate Information

Board of Directors

Patri Venkata Rama Krishna Prasad
Chairman, Non-Executive & Independent Director

Bhargav Marepally
CEO & Managing Director

Ramesh Yerramsetti
Non-Executive Director

Keerthy Jaya Tilak
Non-Executive & Independent Director

Mark Silgado
Non-Executive Non-Independent Director

Madhukar Sheth
Non-Executive Non-Independent Director

Javed Faizullah Tapia
Non-Executive Non-Independent Director

Farokh Kekhushroo Banatwalla
Non-Executive & Independent Director

Company Secretary & Compliance Officer
R.S.Kalyan Bhaskar

Bankers
Bank of India
Axis Bank Limited
ICICI Bank Limited

Committees of Board of Directors

Audit Committee
P.V.R.K. Prasad
Bhargav Marepally
Keerthy Jaya Tilak

Remuneration Committee
P.V.R.K. Prasad
Ramesh Yerramsetti
Keerthy Jaya Tilak

Share Transfer and Shareholders' / Investors' Grievance Committee
Bhargav Marepally
Ramesh Yerramsetti
Keerthy Jaya Tilak

Auditors
M/s. Sarath & Associates
Chartered Accountants, 4th floor, Mass heights,
H.NO.8-2-577/B, Road No.8, Banjara Hills,
Hyderabad-500034

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Madhapur, Hyderabad - 81, India.
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Fax: +91 40 40028703
www.gssinfotech.com

Registrar and Share Transfer Agents
Bigshare Services Private Limited
E/2, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri (E), Mumbai – 400 072, India
Tel: +91 22 2847 3747
Fax: +91 22 2847 5207

Notice of Annual General Meeting (AGM)

Notice is hereby given that the Tenth Annual General Meeting (AGM) of the members of GSS Infotech Limited will be held on Friday, July 19th 2013 at 10.00 A.M at Ellaa Suites, Jasmine Banquet Hall, Hill Ridge Springs, 25 Kancha, Gachibowli, ISB Road, Hyderabad 500 032 to transact the following business:

Ordinary Business:

1. To consider and adopt the audited Balance Sheet as at 31st March 2013, the Statement of Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Keerthy Jaya Tilak, who retires by rotation, and being eligible, offers himself for Re-appointment.
3. To appoint a Director in the place of Mr. Mark Silgado, who retires by rotation, and being eligible, offers himself for Re-appointment
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s.Sarath & Associates, Chartered Accountants (Registration No. 005120S), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

Special Business

5. **APPOINTMENT OF MR.JAVED FAIZULLAH TAPIA AS A DIRECTOR LIABLE TO RETIRE BY ROTATION.**

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

“RESOLVED THAT Mr.Javed Faizullah Tapia be and is hereby appointed as a Director of the company, liable to retire by rotation.

6. **APPOINTMENT OF MR. FAROKH KEKHUSHROO BANATWALLA AS A DIRECTOR LIABLE TO RETIRE BY ROTATION.**

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

“RESOLVED THAT Mr. Farokh Kekhushroo Banatwalla be and is hereby appointed as a Director of the company, liable to retire by rotation.

7. **APPROVAL FOR ISSUANCE OF RESTRICTED EMPLOYEE STOCK OPTION PLAN – 2013**

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

“RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956(including any modification or re-enactment thereof for the time being in force, and in accordance with the provisions of the Memorandum of Articles of Association of the Company, the listing agreements with the Stock Exchanges and the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and other rules and regulations, prescribed by the Securities and Exchange Board of India (“SEBI”) or

any other relevant authority, from time to time, to the extent applicable and subject to any approvals, consents, permissions and sanctions of any authorities as may be required, and subject to any such conditions or modifications as may be prescribed or imposed by such authorities while granting such approvals, consents, permissions and sanctions, and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), consent of the Company be and is hereby accorded to the Board to introduce and implement the Employee Stock Options Scheme (ESOS) as detailed in explanatory statement to this notice and to create, grant, offer issue and allot, to directly or through allotment to the trust created/ to be created for this purpose, or to utilize the shares held by the Trust created for this purpose, for the benefit of such person(s) who are in the permanent employment of the Company and the “Directors (including whole-time Directors) of the Company (hereinafter collectively referred to as the “Employees”) equity shares of the company and/or options giving right to purchase such number of equity shares of the company, at such price, in such manner, during such period in one or more tranches and on such terms and conditions as the Board may decide upto a limit not exceeding 20,00,000 equity shares of Rs.10/- each.

RESOLVED FURTHER THAT the maximum number of Securities issued/granted in terms of this resolution, to any single Employee (including any Director) during any one year shall be less than one percent of the issued and paid-up equity shares of the company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and bring into effect the ESOS on such terms and conditions as contained in the Explanatory Statement to this Item in the Notice and to make any modification(s), changes, variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOS from time to time including but not limited to, amendment(s) or revision(s) in the terms and conditions of the ESOS from time to time including but not limited to amendment(s) with respect to vesting period and schedule, number of options, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the ESOS.

RESOLVED FURTHER THAT the shares may be allotted in accordance with the ESOS either directly and/or through an existing trust or a trust which may be set up and/or in any other permissible manner and that the ESOS may also envisage for providing any financial assistance to the trust to enable the trust to acquire, purchase or subscribe the Securities of the Company as per the ESOS.

RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to the aforesaid Resolution shall in all respects rank pari passu inter se with the then existing equity shares of the company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of Securities, without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval there to expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of Directors with a power to further delegate to any executives/officers of the company to do all such acts, deed, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard.

RESOLVED FURTHER THAT all the lapsed options will be added back to ESOS pool and the Board be and is hereby authorised to allot these lapsed options to the eligible employees as per the ESOS Scheme.

8. EXTENSION OF THE RESTRICTED ESOS SCHEME 2013 TO THE SUBSIDIARY COMPANY EMPLOYEES

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

“RESOLVED THAT in accordance with the provisions contained in the Articles of Association and Sections 81(1A) and all other applicable provisions of the Companies Act, 1956 (“the Act”) and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committees thereof), consent of the members be and is hereby accorded to the Board to extend the benefits of Employees Stock Option Plan proposed in the Resolution under Item no.7 in this Notice to the eligible employees/ directors of the subsidiary companies, and/or to such other persons, as may from time to time be allowed under prevailing laws, rules and regulations, and/ or amendments thereto from time to time, on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of Securities, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company”.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of Directors with a power to further delegate to any executives/officers of the company to do all such acts, deed, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard

RESOLVED FURTHER THAT all the lapsed options will be added back to ESOS pool and the Board be and is hereby authorised to allot these lapsed options to the eligible employees as per the ESOS Scheme.”

By Order of the Board of GSS Infotech Limited

Sd/-
R.S.Kalyan Bhaskar
Company Secretary & Compliance Officer

Place: Hyderabad
Date: 30th May, 2013

Notes:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVE BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In terms of the Article 106 of the Articles of Association of the Company, and in accordance with Section 255 & 256 of the Companies Act, 1956, Mr. Keerthy Jaya Tilak and Mr.Mark Silgado will retire by rotation at the Annual General Meeting of the company and being eligible, offer themselves for re-election. Additional information pursuant to Clause 49 of the Listing Agreement with Stock Exchanges of those directors retiring by rotation and seeking reappointment at Annual General Meeting is given in the notes to this notice.
4. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the special business is annexed hereto.

5. Members/proxies are requested to bring their copy of the Annual Report and duly filled in attendance slips to the meeting. The form of attendance slip is given at the end of this Annual Report.
6. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company between 11:00 am to 1:00 pm up to the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
9. The members may inspect the register of directors' shareholding maintained under section 307 of the Companies Act, 1956 at the venue of the Tenth Annual General Meeting and at the registered office of the Company.
10. In respect of holding of shares in electronic form, members are requested to notify any change of address or bank account details to their respective Depository Participants. Members holding shares in electronic form may please note that their bank details as furnished to the respective Depositories will be printed on their Dividend Warrant as per the applicable regulations.
11. Members having share certificates in physical form are requested to update immediately bank details and change of address, if any, to the Company's Registrar and Share Transfer Agent enabling the Company to dispatch the dividend warrants at their correct address.
12. Members who still hold shares certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, saving in stamp duty and elimination of any possibility of documents and bad deliveries.
13. Members desirous of obtaining any clarification on queries concerning accounts and operations of the Company are requested to address their questions in writing to the Company Secretary, at least seven days before the date of the Tenth Annual General Meeting.
14. The register of members and the share transfer books will remain closed from Monday, 15th July, 2013 to Friday, 19th July 2013 (both days inclusive) for the purpose of Annual General Meeting

Explanatory Statement Pursuant to the provisions of Section 173(2) of the Companies Act, 1956

Item No 5 :

Mr.Javed Faizullah Tapia was co-opted as an Additional Director of the company with effect from 14th February, 2013, pursuant to section 260 of the Companies Act 1956, read with article 102 of the articles of association of the company. Mr.Javed holds office of a Director up to the date of commencement of forthcoming Annual General Meeting. The company has received a notice in writing from a member proposing the candidature of Mr.Javed for the office of a Director under the provisions of section 257 of the Companies Act 1956. None of the Directors of the company other than Mr.Javed is interested or concerned in the resolution.

Item No 6 :

Mr. Farokh Kekhushroo Banatwalla was co-opted as an Additional Director of the company with effect from 30th May, 2013, pursuant to section 260 of the Companies Act 1956, read with article 102 of the articles of association of the company. Mr.Farokh holds office of a Director up to the date of commencement of forthcoming Annual General Meeting.

The company has received a notice in writing from a member proposing the candidature of Mr.Farokh for the office of a Director under the provisions of section 257 of the Companies Act 1956. None of the Directors of the company other than Mr.Farokh is interested or concerned in the resolution.

Item No.7 & 8 :

To attract talented employees / Directors, it is necessary to provide incentive to the employees to remain with the company and to reward them with the opportunities to have a share in the success of the company. To achieve this objective, it is proposed to grant an option to the employees to subscribe to the shares of the company.

The SEBI Guidelines have provided a conducive environment for the implementation of an Employee Stock Option Scheme. The Company proposes to introduce the following Stock Option Scheme for the benefit of employees of the Company, its Directors, and such other persons / entities as may be prescribed by SEBI from time to time, and in accordance with the provisions of prevailing regulations.

Employee Stock Option Scheme

Under this scheme, employees will be granted an option to acquire a certain number of equity shares at a Price as mentioned hereinafter. The broad terms and conditions of the Scheme are as under:

The Company's Compensation Committee, which is a committee of the Board of Directors, and consisting of a majority of independent Directors, will be responsible for administration and superintendence of the ESOS. The Compensation Committee will formulate the detailed terms and conditions of the ESOS; Compensation Committee will specify, inter alia, the following.

1. Quantum of options to be granted under the Scheme per employee.
2. Conditions under which options vested in employees may lapse in case of termination of employment for misconduct.
3. Time period within which an employee may exercise vested options in the event of termination or resignation.
4. The exercise period within which the employee should exercise the options and that option would lapse on failure to exercise the options within the exercise period.
5. Rights of employees to exercise all the vested options at one time or at various points of time.
6. Procedure for making a fair and reasonable adjustment to the number of options and to the exercise period, in case of rights issues, bonus issues, other corporate actions, or otherwise.
7. Lock-in period for the shares issued pursuant to exercise of the options, if any.
8. Any other related or incidental matters.

The following is the explanatory statement, which sets out the various disclosures as required by clause 6 of the SEBI Guidelines.