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# Annual Report

## 2013-14

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## Board of Directors

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**Ashok Trivedi**  
Chairman



**Sunil Wadhwani**  
Vice Chairman



**Ashok Vemuri**



**Sujit Sircar**

### Audit Committee

Sunil Wadhwani : Chairman

Ashok Trivedi

Ashok Vemuri

### Compensation Committee

Ashok Trivedi : Chairman

Sunil Wadhwani

Ashok Vemuri

### Shareholders'/Investors' Committee

Ashok Vemuri : Chairman

Sunil Wadhwani

Ashok Trivedi

### CSR Committee

Ashok Trivedi : Chairman

Sunil Wadhwani

Ashok Vemuri

### Company Secretary



**Mukund Srinath**

### Auditors

S. R. Batliboi & Associates LLP.

Firm Registration No. : 101049W

Chartered Accountants

UB City, 'Canberra Block', 12th & 13th Floor

No. 24, Vittal Mallya Road

Bengaluru – 560 001

### Registrar & Share Transfer Agent

Karvy Computershare Private Limited

Plot Nos. 17 to 24, Vittal Rao Nagar, Madhapur

Hyderabad – 600 081

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## NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Members of IGATE Global Solutions Limited will be held on Wednesday, September 24, 2014, at Plot No. 14, Rajiv Gandhi Infotech Park, Hinjewadi Phase-III, MIDC-SEZ, Village Man, Taluka Mulshi, Pune-411 057, Maharashtra, at 11.00 a.m. to transact, with or without modifications, as may be permissible the following business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2014 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Trivedi (DIN:00024566) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT Messrs. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm registration No. 101049W), the retiring auditors, be and are hereby re-appointed as the Statutory Auditors (Auditors) of the Company to hold office from the conclusion of the Twenty First Annual General Meeting until the conclusion of the Twenty Sixth Annual General Meeting to be held in the year 2019 (subject to ratification of their appointment at every annual general meeting) and to fix their remuneration as may be determined by the Board of Directors of the Company in consultation with the Auditors, which may be paid on a progressive billing basis to be agreed between the Auditors and the Board of Directors of the Company."

### 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 Sections 196, 197, 198 and Schedule V of the Companies Act, 2013 (Act) and other applicable provisions the remuneration of Mr. Sujit Sircar (DIN:00026417) Whole-time Director of the Company, fixed at the Extraordinary General Meeting of the Members of the Company held on January 23, 2013, be hereby revised in accordance with the terms stated in the Explanatory Statement annexed hereto. The said revised remuneration does not exceed 5% of the net profits as calculated under Section 198 of the Act.  
FURTHER RESOLVED THAT the Board of Directors be and is hereby empowered to vary the terms and conditions of appointment of Mr. Sujit Sircar within the permissible limits of the Act, as may be applicable.  
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such actions as may be required to give effect to this resolution."

By Order of the Board of Directors  
For IGATE Global Solutions Limited

**Mukund Srinath**  
Senior Vice President - Legal  
& Company Secretary

August 28, 2014  
Place: New Jersey

Registered Office:  
Level II, Tower 3, Cyber City,  
Magarpatta City, Hadapsar,  
Pune 411013,  
Maharashtra

### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is furnished hereunder and forms part of the Notice.
2. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend the meeting instead of himself/herself. A proxy need not be a Member. Proxies in order to be effective must be duly filled, stamped and signed and must reach the Company's Registered Office not less than 48 hours before the Meeting. A proxy may not vote except on a poll.**
3. The Register of Members of the Company will be closed from September 22, 2014 to September 24, 2014 (both days inclusive) for the purpose of ensuing Annual General Meeting.
4. For the convenience of the Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the Meeting.

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5. Members (including who were previously members of IGATE Computer Systems Limited) who wish to claim Dividends, which remain unclaimed, are requested to approach the Company / the Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited, (Unit: IGATE Global Solutions Limited) at Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund("IEPF"). Members (including previously members of IGATE Computer Systems Limited) who have not yet encashed their dividend warrant(s) for the financial year 2007-08 are requested to make their claims without any delay. It may be noted that the unclaimed dividend for the said financial year will be transferred to IEPF in August 2015.
  6. Members/Proxies attending the Meeting are requested to bring their copy of the Annual Report for reference at the Meeting as also the Attendance Slip/Proxy Form duly filled in for attending the Meeting.
  7. Electronic copy of the Annual Report 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2013-14 are being sent in the permitted mode. Members may also note that the Notice of the 21st Annual General Meeting and the Annual Report 2013-14 will also be available on the Company's website [www.igate.com](http://www.igate.com) for their download.
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## EXPLANATORY STATEMENT

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

The following explanatory statement sets out the material facts relating to item no. 4 of the accompanying Notice of the Annual General Meeting to be held on September 24, 2014.

### Item No. 4:

The Board of Directors ("the Board") at its meeting held on January 17, 2014, based on the recommendation of the Compensation Committee and subject to the approval of the Members of the Company at the Annual General Meeting of the Company, approved modifications in the terms of employment and the remuneration of Mr. Sujit Sircar, (DIN:00026417) Wholetime Director of the Company, such modifications being effective for the period January 01, 2014 to December 31, 2014.

The Amended Employment Contract entered between the Company and Mr. Sujit Sircar is available for inspection of the Members at the Registered Office situated at Level II, Tower 3, Cyber City, Magarpatta City, Hadapsar, Pune 411013, Maharashtra between 10.30 am and 12.30 pm on any working day except Saturday till the date of the Annual General Meeting.

Mr. Sujit Sircar, age 46, (DIN:00026417) is a Member of the Board and Chief Financial Officer of the Company. Mr. Sircar has previously served as Senior Vice President – Finance of the Company since June 2008. Mr. Sircar joined the Company in April 1998 as Senior Manager- Finance was promoted to the position of Financial Controller in April 2001, and served as Financial Controller until May 2005. In May 2005, he was promoted to the position of Vice President- Finance, and served in that position until June 2008. He was appointed to the Board of Directors of the Company on January 01, 2010. Mr. Sircar's professional experience consists of extensive experience and exposure covering Corporate Finance, Treasury Management, Domestic and International Taxation, and Accounting and Business Laws.

He started his career in Wipro Limited and was instrumental in setting up the finance processes for its joint venture with British Telecom. In his five year stint with Wipro Limited, he handled various job responsibilities and was the Finance Head for various divisions of the company.

Mr. Sujit Sircar is a Chartered Accountant and is an Associate Member of the Institute of Chartered Accountants of India. He holds a Bachelor of Commerce degree from the University of West Bengal.

An abstract of terms of the Amended Employment Contract is set out below:

1. The revised terms of remuneration of Mr. Sircar as a Wholetime Director and Chief Financial Officer of the Company are effective from January 01, 2014 to December 31, 2014.
2. The remuneration payable to Mr. Sujit Sircar will be amended as follows:
  - (i) Base Annual Salary: shall stand increased from INR 12,000,000 (Rupees One Crore Twenty Lakhs Only) to INR 1,66,50,000/- (Rupees One Crore Sixty Six Lakhs Fifty Thousand Only). The Base Salary shall be divided into various heads as per the Company Rules and as applicable to other executives of Mr. Sujit Sircar's level.

The Company and Mr. Sujit Sircar may mutually agree to amend the manner in which the gross annual remuneration is divided.
  - (ii) Annual Performance Based Incentive: shall stand increased from INR 72,00,000 (Rupees Seventy Two Lakhs Only) to INR 83,50,000/- (Rupees Eighty Three Lakhs Fifty Thousand Only) with a maximum payout up to 150% of the Annual Performance Based Incentive. The Annual Performance Based Incentive shall be paid upon review of his performance by the Board of Directors of the Company. The performance based incentive will be paid quarterly/half yearly/ annually, as may be decided by the Company.

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An abstract of the terms of appointment and memorandum of concern or interest as required under the provisions of Section 302 of the Companies Act, 1956 was earlier mailed to the Members of the Company.

The revised remuneration payable to Mr. Sujit Sircar, a Wholetime Director of the Company, will be within the overall ceiling laid down in Sections 196, 197, 198 and Schedule V of the Companies Act, 2013 and is commensurate with the responsibility in a Company of this size and extent of business operations.

Accordingly, it is proposed to seek the approval of the Members as per the resolution proposed.

No Director other than Mr. Sircar himself may be deemed to be concerned or interested in the said resolution.

The Board recommends the adoption of the resolution.

By Order of the Board of Directors  
**For IGATE Global Solutions Limited**

August 28, 2014  
Place: New Jersey

**Mukund Srinath**  
Senior Vice President - Legal  
& Company Secretary

Registered Office:  
Level II, Tower 3, Cyber City,  
Magarpatta City, Hadapsar,  
Pune 411013,  
Maharashtra



## DIRECTORS' REPORT

To all Shareholders,

Your Directors present their Twenty First Annual Report together with the audited Balance Sheet and the Statement of Profit and Loss for the year ended March 31, 2014. As notified by MCA Circular No. 1/19/2013-CL-V dated 04.04.2014, the Company has followed the Companies Act, 1956, in respect of the report.

Your Directors are pleased to present their report on the business and operations of your Company for the year ended March 31, 2014.

### FINANCIAL RESULTS

(Rs. In million)

	2013-14	2012-13
Income		
Revenue from operations	34,247	34,195
Other Income	1,505	2,098
<b>Total Revenue (I)</b>	<b>35,752</b>	<b>36,293</b>
Expenses		
Employee benefit expenses	18,799	17,620
Other expenses	9,048	10,474
Depreciation and amortization expense	1,250	1,277
Finance costs	156	76
<b>Total (II)</b>	<b>29,253</b>	<b>29,447</b>
<b>Profit before tax (I) –(II)</b>	<b>6,499</b>	<b>6,846</b>
Tax expenses		
Current tax		
Pertaining to profit for the current period	1,948	2,238
Adjustment of tax relating to earlier period	(453)	(351)
Deferred tax	60	(390)
<b>Total tax expenses</b>	<b>1,555</b>	<b>1,497</b>
<b>Profit for the year</b>	<b>4,944</b>	<b>5,349</b>

### DIVIDEND

Keeping in view the future strategic initiatives of the Company, your Directors do not recommend any dividend for the year ended March 31, 2014.

### BUSINESS ACTIVITIES

The Board of Directors of your Company, at its meeting held on June 16, 2014, approved a proposal for the Buyback of 28,73,019 (Twenty Eight Lakhs Seventy Three Thousand and Nineteen) fully paid-up equity shares of face value of Rs 10 (Rupees Ten) each (hereinafter referred to as the "Equity Shares") representing 9.8% of the total number of outstanding Equity Shares of the Company, at a price of Rs 2,261 (Rupees Two Thousand Two Hundred and Sixty One) per Equity Share out of free reserves and / or securities premium account, from the existing shareholders on a proportionate basis of the Company. The Members of the Company approved the Special resolution for Buyback through Postal Ballot and result was declared on July 18, 2014.

With the above Buyback the issued / paid-up Share Capital of the Company as on August 28, 2014 stood at Rs.26,56,14,760

### SHARE CAPITAL:

The Issued / Paid-up Share Capital of the Company as on March 31, 2014 stood at Rs. 29,43,33,470

The Authorised Capital of the Company as on March 31, 2014 is Rs 90,75,00,000 (Rupees Ninety Crores Seventy Five Lakhs) divided in 7,99,50,000 (Seven Crores Ninety Nine Lakhs Fifty Thousand) equity shares of Rs 10 (Rupees Ten) each and 1,08,00,000 (One Crore Eight Lakhs) preference shares of Rs 10 (Rupees Ten) each.

### HUMAN RESOURCES

The Company has reported 24,498 employees as on March 31, 2014

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## AWARDS AND HONOURS

Your Company received the following awards and recognitions:

- Sujit Sircar, CFO, IGATE, won the esteemed IMA India's 'The Ninth India CFO Award for the year 2013' in the 'Excellence in Mergers & Acquisitions' category.
- IGATE's Solution for Reference Data Management – RADAR, won the award for 'Excellence in Data Management' at FSOkx's 7th Annual Financial Services Outsourcing Forum, USA..
- IGATE was placed in the top quadrant of "Established and Expansive" players for the third consecutive year in Zinnov's Global Service Provider Ratings – 2013.
- IGATE was recognized with two awards at the fourth Asia's Best Employer Brand Awards 2013. The Company was awarded for "Global HR Strategy," while Dr. Srinivas Kandula, Global Head – HR, IGATE was given the "HR Leadership Award".
- IGATE was conferred with the Gold Level Award in the Healthy Workplace 2013 assessment. Arogya World – the global health non-profit organization, conducted the first edition of this assessment in India as part of the Clinton Global Initiative Commitment to Action leveraging workplaces as platforms for wellness advancement and chronic disease prevention.
- IGATE was awarded the ISO 20000 certification for its IT Networks and Information Support functions. This certification measures the effectiveness of the services offered by these business enabling groups and the organization itself comparing them with industry benchmarks.
- IGATE bagged the coveted "Fun @ Work" award for 2013 at the World HRD Congress. The award recognizes IGATE for its innovative efforts in employee engagement making it an employee-friendly company.
- IGATE won the VCCircle Awards under the category - Best PE/VC backed IT Company of the Year 2013. This was the third edition of VCCircle Awards, India's only platform that recognizes the best performing private equity or venture capital-backed companies and transaction advisors.
- IGATE was ranked as a high performer in the enterprise mobility space by HfS Research – a leading independent analyst authority and community for the global business services and outsourcing industry.

## PHYSICAL INFRASTRUCTURE

The Company today has approximately 46,56,909 sq.ft. of facilities across the 7 delivery centers in India, besides the delivery facilities in USA, UK, Australia, Germany, Japan and Mexico.

## SUBSIDIARY COMPANIES

As on March 31, 2014, your Company has subsidiaries in India, Germany, Mexico, Singapore, Japan and China.

As per Section 212 of the Companies Act, 1956, companies are required to attach the Director's Report, Balance Sheet and the Statement of Profit and Loss of their subsidiaries. The Ministry of Corporate Affairs vide its Circular No. 2/2001 dated February 8, 2011 has exempted companies from complying with Section 212 of the Companies Act, 1956. Your Company is in compliance of the Section read with the provisions of the circular and will not be attaching the accounts of the subsidiaries. Your Company has presented the consolidated financial statements of the Group. The required information is annexed to this report. Your Company has provided a separate statement containing the salient features of the financial statement of the subsidiaries under Section 129 (3) of the Companies Act, 2013.

The annual accounts of the subsidiary companies are available for inspection of the members at the Registered Office of the Company. A copy of the same shall be sent to a member upon request.

## CONSOLIDATION OF ACCOUNTS

In line with the requirements of Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, consolidated financial statements presented by the Company include the financial information of its subsidiaries.

## DIRECTORS' INTEREST

No director was materially interested in any contracts or arrangements existing during or at the end of that were significant in relation to the business of the Company. No director holds any shares or stock options individually as on March 31, 2014. None of the Directors had any other interest in the share capital of the Company as March 31, 2014.

## SIGNIFICANT SHAREHOLDERS

The following shareholders held more than 5% of the Company's issued share capital as on March 31, 2014:

Name of the Shareholder	Percentage owned
PAN-ASIA IGATE SOLUTIONS	56.14%
IGATE INC	32.62%
IGATE CORPORATION	10.41%



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## **FIXED DEPOSITS**

Your Company has not accepted any fixed deposits and as such, there were no outstanding of principal or interest payments on the Balance Sheet date.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In pursuance of the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors' Responsibility Statement is annexed to this Report as Annexure 'A'

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with Section 152 of the Companies Act, 2013, Mr. Ashok Trivedi (DIN:00024566), will retire by rotation and is eligible for re-election. The Board recommends the re-appointment of Mr. Ashok Trivedi.

## **AUDITORS**

The Statutory Auditors, Messers. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm registration No. 101049W ) have completed 3 years of tenure as the Statutory Auditor of the Company.

The Statutory Auditors, Messers. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm registration No. 101049W ) retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

## **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

In pursuance of the provisions of Section 217(1) (e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given below.

*Conservation of Energy:* The operations of the Company are not energy - intensive. However, significant measures are being taken to reduce energy consumption by ensuring that the entire product range including personal computers, servers, and peripherals are designed keeping in view the Company's energy saving philosophy. The Company constantly evaluates new technologies and invests to make its infrastructure more energy efficient. We had switched over to energy efficient LED lights instead of compact fluorescent lamps, T5 fittings to reduce power consumption. We have installed high energy efficient Hybrid chillers, Trirotar chiller for central air-conditioning along with variable air volume and variable frequency drive. VRF and precision air conditioner for localized areas are used. High efficiency hydro- pneumatic pumps are being used in water pumping system. The Company has installed automatic power factor controllers to save maximum demand charges. The Company has waste water management techniques, in place by virtue of which water is optimally used. The waste generated is processed through Organic Waste Converter and the manure produced is used for in-house landscaping. The Company is LEED Certified - it has been conferred with the platinum and Gold certification from USGBC (United States Green Building Council). The Company has installed renewable energy initiative by installing solar powered panel for lighting and water heating purpose. This has helped us in reducing the carbon foot print of the organization. We have significantly reduced our carbon emission and for the year 2013 the emission per employee was 2.85t Co2.

*Research and Development:* The Company continued its commitment to high levels of quality and security practices resulting in continuation of its enterprise-wide certification for ISO 9001:2008 (Quality Management), ISO 27001:2005 (Security Management). The Company achieved CMMi Level 5 against Ver 1.3 in 2011 and it is maintaining the rigor of implementation through various training and certification programs, consulting to projects, audits and assessments.

*Technology Absorption:* The Company does not have any technical collaboration arrangements with any business partners; the issue of absorption of such technologies therefore, does not arise.

*Foreign Exchange Earnings and outgo:* The Company earned Rs. 33,912 million in foreign exchange as against Rs. 33,965 million in the previous year. The Foreign Exchange outgo, including capital goods was Rs. 10,118 million as against Rs. 11,262 million in the previous year.

## **CORPORATE SOCIAL RESPONSIBILITY**

IGATE has always been committed to Corporate Social Responsibility (CSR) and is one of our commitments to the society. We have been carrying out the CSR activities in line with our focus areas. Presently, CSR is being regulated by law and we are determined to strengthen our commitment to further our CSR initiatives in accordance with law. ICARE is IGATE's Corporate Social Responsibility wing that supports the cause of 'Education and Empowerment' and believes in playing a pivotal role to help build a better tomorrow for children. ICARE also provides IGATORS opportunities to make a meaningful difference to society by volunteering in the ICARE initiatives.

More information is available on <http://www.igate.com/icare1/>

The CSR Policy has been uploaded on the website of the Company.

## **PARTICULARS OF EMPLOYEES**

The employee relations in the Company continued to be positive. Information as per Section 217(2A) of the Companies Act, 1956 (the 'Act') read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report. As per the provisions of

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Section 219(1) (b) (iv) of the Act, the Report and Accounts are being sent to the shareholders of the Company excluding the statement on particulars of employees under Section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the said statement may write to the Secretarial Department at the Registered Office of the Company

#### **GREEN INITIATIVE IN CORPORATE GOVERNANCE**

Pursuant to the "Green Initiative in Corporate Governance" by the Ministry of Corporate Affairs in allowing paperless compliances, the Company has implemented the policy of sending the Notice with Balance Sheet, Statement of Profit and Loss, Auditor's Report and Explanatory Statement etc. through email after obtaining the consent of the shareholders who are willing to receive the aforementioned documents through electronic mode.

#### **ACKNOWLEDGMENTS**

The Directors thank the Company's business associates / customers, vendors, bankers and other acquaintances for their continued support. The Directors place on record their appreciation for the significant contribution made by employees at all levels. They have been instrumental in enabling your Company to make rapid progress during the year.

The Directors also thank the Government of India, the State Governments and various other government agencies for their support during the year.

For and on behalf of the Board of Directors

New Jersey  
August 28, 2014

**Ashok Vemuri**  
Director

**Sujit Sircar**  
Director

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#### **ANNEXURE 'A' :**

##### **COMPLIANCE AND RESPONSIBILITY REPORTS:**

The Directors' Responsibility Statement as required under Section 217 (2AA) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2008

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representation received from the Executive Management, confirm that:

- (a) in the preparation of the annual accounts, the accounting standards have been followed and that there is no material departure;
- (b) they, in selection of accounting policies, have consulted the Statutory Auditors and have 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 as at March 31, 2014 and the profit of the Company for the period April 01, 2013 to March 31, 2014;
- (c) they have taken proper and sufficient care, to their best of knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (d) they have prepared the annual accounts on a going concern basis.

For and on behalf of the Board of Directors

New Jersey  
August 28, 2014

**Ashok Vemuri**  
Director

**Sujit Sircar**  
Director

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