

## Board and committees – Infosys BPO Limited

### The Board of Directors

U. B. Pravin Rao  
*Chairman of the Board*

Anup Uppadhayay  
*Chief Executive Officer and Managing Director*

Prof. Jayanth R. Varma  
*Independent Director*

Dr. Omkar Goswami  
*Independent Director*

Rajiv Bansal  
*Director*

Roopa Kudva  
*Independent Director*

### Board Committees

#### Audit Committee

Prof. Jayanth R. Varma  
*Chairman and Financial Expert*

U. B. Pravin Rao  
*Member*

Dr. Omkar Goswami  
*Member*

Roopa Kudva  
*Member*

### Nomination & Remuneration Committee

Prof. Jayanth R. Varma  
*Chairman*

U. B. Pravin Rao  
*Member*

Dr. Omkar Goswami  
*Member*

Roopa Kudva  
*Member*

### Corporate Social Responsibility Committee

U. B. Pravin Rao  
*Chairman*

Anup Uppadhayay  
*Member*

Dr. Omkar Goswami  
*Member*

Roopa Kudva  
*Member*

### Share Allotment Committee

U. B. Pravin Rao  
*Chairman*

Anup Uppadhayay  
*Member*

Rajiv Bansal  
*Member*

### Investment Committee

U. B. Pravin Rao  
*Chairman*

Anup Uppadhayay  
*Member*

Deepak Bhalla  
*Member*

## The Board of Directors – Subsidiaries

### Infosys BPO s.r.o

Anup Uppadhayay  
*Chairman of the Supervisory Board*

Deepak Bhalla  
*Executive Director (Jednatel)*

Anantha Radhakrishnan  
*Director*

Rajesh K. Murthy  
*Director*

### Infosys BPO Poland Sp. Z.o.o

Anup Uppadhayay  
*Director*

Deepak Bhalla  
*Director*

Anantha Radhakrishnan  
*Director*

Rajesh K. Murthy  
*Director*

### Infosys McCamish Systems, LLC

Anup Uppadhayay  
*Chairman*

Deepak Bhalla  
*Director*

Gordon Beckham  
*Chief Executive Officer*

Ravi Kumar S.  
*Director*

Kapil Jain  
*Director*

Rishi Kumar Jain  
*Director*

Rich Magner  
*Director*

### Portland Group Pty.Ltd

Anup Uppadhayay  
*Director*

Bruce Stevenson  
*Managing Director & Chief Executive Officer*

Gavin Solsky  
*Director*

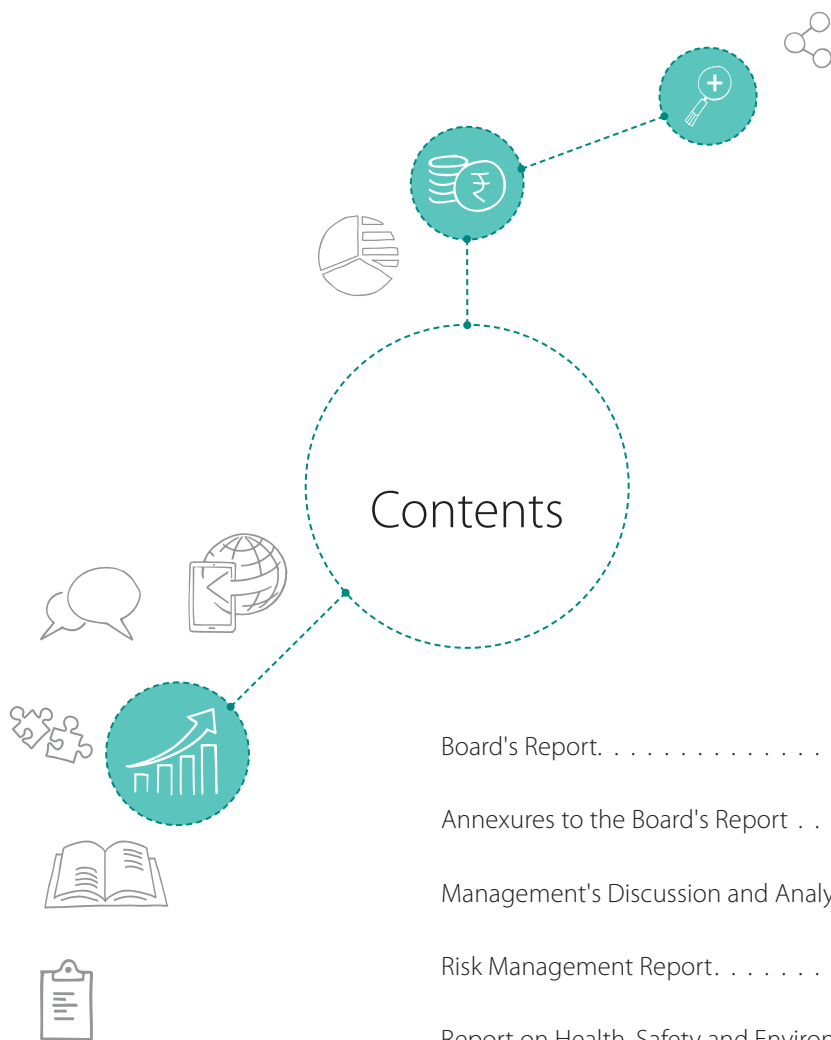
Deepak Bhalla  
*Director*

Anantha Radhakrishnan  
*Director*

Binny Mathews  
*Director*

As on March 31, 2015

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## Board's Report

To the Members,

We are pleased to present the report on the business and operations of your Company for the year ended March 31, 2015.

### 1. Results of our Operations (Standalone)

*in ₹ crore, except per share data*

Particulars	March 31, 2015	March 31, 2014
Income from Business Process Management Services	2,510	2,323
Cost of Revenue	1,652	1,441
Gross Profit	858	882
Selling and Marketing Expenses	106	103
General and Administration expenses	205	203
Operating Profit Before Interest, Depreciation, Taxes and Amortization (PBIDTA)	547	576
Interest, Depreciation & Amortization	50	70
Operating Profit before tax	497	506
Other income, net	191	150
Net Profit before tax and exceptional item	688	656
Provision for taxation	168	144
Net profit after tax and before exceptional item	520	512
Net Profit after tax and after exceptional item	520	512
Earnings Per Share (EPS)		
Basic	153.64	151.32
Diluted	153.64	151.32

### 2. Performance Overview

Our income from business process management services aggregated to ₹2,510 crore, up by 8.06% from ₹2,323 crore in the previous year.

Our gross profit amounted to ₹858 crore as against ₹882 crore in the previous year. The profit before interest, depreciation, taxes and amortization amounted to ₹547 crore as against ₹576 crore in the previous year. Sales and marketing costs were ₹106 crore and ₹103 crore for the years ended March 31, 2015 and March 31, 2014 respectively. General and administration expenses were ₹205 crore and ₹203 crore during the current year and previous year respectively. The net profit after tax before exceptional item was ₹520 crore as against ₹512 crore in the previous year.

The company's profitability after tax for the year is 20.71%. The company continues to be amongst the most profitable BPO companies in India. The company added 11 (net) customers and now has 161 customers as on March 31, 2015. The company ended the year with 31,647 employees having added 2,989 (net) employees during the year.

Our focus on accelerating growth enabled us to grow our revenue and strengthen our market position. Through consistent value delivery and our presence in various external forums has enhanced our relationship with our existing customers. Another year of successful engagement has enhanced our relationship with one diversified technology company with primary divisions focused in the areas of Healthcare, Consumer Lifestyle and Lighting. Our wins have been strategically significant and add versatility to our portfolio. Some of the key clients won this year include American Multinational Corporation in Hi Tech space, British multinational pharmaceutical, biologics, vaccines and consumer healthcare company, a major Dutch insurance group, American manufacturer of batteries and personal care products, Fortune 500 and S&P 500 manufacturer of specialized industrial products and equipment and a Dutch multinational, active in the fields of decorative paints, performance coatings and specialty chemicals.

We continue to focus on moving our pricing models to outcome based and non-effort based pricing. Several of the deals were signed on fixed and outcome based pricing model in FY 2015.

Four new delivery centers were opened in Fargo, Dublin, North Dakota and Channel Islands (all are virtual offices). With this our total Delivery Center count has increased to 32 locations in 14 countries. Our global presence has helped us to add multiple new logos to our repertoire.

Last year we had unveiled Process Progression Model™ (PPM). PPM brings together multiple transformation levers and competencies developed by us, to help clients progress their business processes in a phased way and maximize efficiency and effectiveness of each process. We have accessed our key clients and the levels have been signed off by the clients. Through the framework we are continually tracking the progress of the accounts for improved business outcomes.

Infosys BPO, given its rich technology heritage has been in the forefront of driving automation at various levels of business processing activities. It has put in place a well-defined RPA Framework with several proven components (including self-learning capabilities) that are process agnostic and independent of the underlying application / technology. Leveraging the same, it has completed around 50+ automation projects in FY 2015 and has seen proven productivity of around 25-35% over the life of a typical client engagement. This has not only helped amplify individual agent and advisor productivity but also has helped increase perfect process performance and enhanced customer experience.

We are also selling Robotic process automation as a service to our clients and have responded to multiple sales pitches leveraging Robotic Process Automation.

We continue to invest in new service lines, consulting capabilities, centers of excellence for sustainable growth.

HR's focus in FY 14-15 was on "People Capability Development". Newer approaches and innovation was the key to develop and engage talent. Leveraging technology for wider reach and the 24/7 approach for learning resulted in initiatives like learning through kiosks, use of tablets, etc. Project Communic-Care, an initiative to enhance written and oral communication of entry level employees ensured greater relevance and connect with the ultimate customer while enhancing greater confidence and articulation skills amongst our employees. Innovative programs for developing employee competencies like the Learn and Earn, larger coverage through tie-ups with universities for higher education were some of the highlights to cover large sections of our employees. Club FuEL, a club of Future Emerging Leaders were selected High Potential employees are trained to undertake leadership position in the future. Harvard Manage Mentor in collaboration with Harvard Business Publishing, brings to employees suite of courses based on Harvard Business School's researched 'Learn, Practice, Apply' framework. Greater focus on geo locations for learning and development brought in the 'value-add' which the organization is striving for. A program called Inception, was launched to develop greater capability amongst our managers with the focus to delve deeper into client's minds, develop a consultative approach by using big data and technology; was a great success. Innovative interventions like 'Ideas and You', Chat with leader using the net, Footprints etc., were large scale employee engagement initiatives for greater connect. In our endeavor to focus on engagement of global employees, Geo ambassador program was rolled out. Our HR practices have continued to set benchmarks and win national / international awards for being unique and demonstrating business impact. Project Genesis is an award winning community outreach initiative of Infosys BPO aimed at aligning the teaching and course curriculum at Graduate Schools to the industry requirement, so the students have an edge as far as employability is concerned. The project focuses on creating awareness and educating the teaching fraternity in tier II and tier III towns of various states in India on global skill sets. Likewise, initiative titled 'club 10' continued to felicitate and celebrate employees with long standing association with the Company.

We participated in leading industry events across Europe, the United States of America and APAC this year. Some of these include the Deloitte Shared services, GBS and BPO Conference (Edinburg), Finance Transformation Congress (Netherlands), MBA Mortgage Servicing Conference (Dallas), CFO Day (Netherlands) among others.

Another major highlight was the huge success of Infosys BPO Confluence 2014 - our flagship event for the outsourcing industry in its 6th year in running - held in November 2014. The event was attended by clients and analysts, across industry verticals from all over the world making it the highest ever attendance for Confluence. The event entailed intensive client and analyst driven panel discussions on forces that are shaping the future of industry. The world around us is being reshaped by the disruptive trends. These trends include automation, adoption of analytics, use of machine learning and technologies like voice recognition, open source etc. Keeping in view of the achievements in this Financial Year and the market landscape, our focus is on "Re-Imagining BPM". As part of the theme we will focus on renewing the core of our business and creating newer offerings.

Infosys BPO has aligned its strategy and investments towards the following key priorities:

- Proactively creating and winning large multi tower integrated deals

- Renewing existing services offerings by embedding analytics, automation technologies, consulting capabilities in our current solutions to create transformation solutions for our clients.
- Investing in new service lines to stay relevant to clients evolving needs
- Focus on innovative commercial models and providing transformation and consulting capabilities throughout the engagement lifecycle.
- Increasing capability of our employees by strengthening domain training.

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

We have specific processes, policies and procedures for dealing with issues and concerns raised by our employees to ensure fair and transparent resolutions. The Hearing Employees and Resolving (HEAR) forum helps employees express their grievances, and addresses them in a fair and objective manner. Our Anti-Sexual Harassment Initiative (ASHI) allows employees to report sexual harassment cases at the workplace. The cases are heard and resolved by an impartial group. Our Whistleblower policy assures complete anonymity and confidentiality of information to the reporting individual.

### 3. Liquidity

We continue to be debt free and maintain sufficient cash to meet our business requirements. We clearly understand that the liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business risks. Liquidity also enables us to make a rapid shift in direction, if there is a market demand.

### 4. Appropriations

#### Dividend

The directors do not recommend any dividend for the financial year ended March 31, 2015.

#### Particulars of loans, guarantees or investments

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

#### Transfer to Reserves

The company does not propose to carry any amount to General reserves.

#### Fixed deposits

We have not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

#### Particulars of contracts or arrangements made with related parties

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure 2 to the Board's report.

## Material changes and commitments affecting financial position between the end of the financial year and date of report

Rajiv Bansal resigned as director from the board of the company with effect from April 16, 2015.

There have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

## 5. Company's Overview

Infosys BPO, the business process outsourcing subsidiary of Infosys (NYSE, BSE, NSE:INFY), is an end-to-end outsourcing services provider. Infosys BPO addresses the business challenges and unlocks business value by applying proven process methodologies with integrated IT and business process outsourcing solutions. The company applies business excellence frameworks to significantly reduce costs, enhance effectiveness, and optimize business processes. The company focuses on integrated end-to-end outsourcing and delivery of result-oriented benefits to our clients through reduced costs, ongoing productivity improvements, and process reengineering.

Our business solutions and leadership are recognized by several global forums. We are consistently ranked among the leading BPO companies in India by industry bodies such as Global Outsourcing 100 (The International Association of Outsourcing Professionals), FAO Today, and NelsonHall.

Infosys BPO has not only pioneered 'Business Value Realization' (BVR), but has also emerged as a trusted and valued collaboration partner through consistent focus on improving process and end-business metrics. We continue to enable realization of business value, customer satisfaction, and co-creation to sustain long-term partnerships.

We take pride in being a consistent performer and are endorsed by industry analysts, customers and alliance partners. Infosys BPO is a global company operating in the Americas, the Asia-Pacific, Australia and Europe.

## 6. Share capital

During the year under review, the company has not issued any shares and hence the outstanding issued, subscribed and paid-up equity share capital stands at ₹33.83 crore as on March 31, 2015 (₹33.83 crore as on March 31, 2014).

## 7. Subsidiaries

As on March 31, 2015, we have four wholly owned subsidiaries, namely - Infosys BPO s.r.o, Infosys BPO Poland Sp.z.o.o, Infosys McCamish Systems LLC and Portland Group Pty Ltd. We do not have any associate company.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended as Annexure 1 to the Board's report. The statement also provides the details of performance, financial positions of each of the subsidiaries.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and

audited accounts of each of its subsidiaries, are available on our website [www.infosys.com](http://www.infosys.com). These documents will also be available for inspection by members during business hours at our registered office in Bangalore, India.

### A. Infosys BPO s.r.o

The financial year was a year of turnaround for the Czech entity. We consolidated the customer service portfolio significantly, leading to improvements in margin for the entity as a whole. New lines of business were added during the year. The financial performance of the engagements in the FSI and F&A space have improved in the current year. During the year under review the company generated revenue of ₹98.86 crore as against a revenue of ₹113.99 crore for the year ended on March 31, 2014 with a profit of ₹19.30 crore against the loss of ₹2.56 crore for the year ended on March 31, 2014.

### B. Infosys BPO Poland Sp.z.o.o

The Lodz Delivery Center continues to grow with existing and new clients (two new clients on-boarded in this fiscal year), focusing on high-end services (Tax, SOX Compliance, FP&A reporting and analysis, FP&A Consolidation of financial statements, BTS, onsite project work) as well as European language based services as part of Infosys global delivery model. The Center provides Business Transformation Services for local market companies and is looking for opportunities to provide BPO services to those companies. The Center has been bestowed with the following awards in the year under review: Alsbridge Innovation Award 2014 (Alsbridge, 2014), Sustainability Leader Award 2014 (Forbes and PWC, 2014), 'Top Investor of the Year Award 2014' at the FDI Poland Investor Awards Gala (BizPoland Magazine and BiznesPolska, 2014), Certificate 'Professional Human Resources Management' (IPISS, 2014), Top 100 Ideal Employer (Universum, 2014) and Top Employer 2014 (CRF Institute, 2014).

The Company has declared and paid dividend of 15 million PLN amounting to ₹24.78 crore to its holding company Infosys BPO Limited during the financial year under review.

The revenues were ₹464.69 crore as against revenue of ₹397.34 crore for the period ended March 31, 2014 with a net profit of ₹73.62 crore as against a profit of ₹62.99 crore for the period ended March 31, 2014.

### C. Infosys McCamish Systems LLC

The Financial year 2014-15 for Infosys McCamish has been a turnaround year. Significant investment in the first half of the year were made for the integration of the Des Moines operation which, not only provided six new marquis logos, but also established its footprint in a new line of business, Employer Sponsored Markets. Company achieved another significant milestone by VPAS®, its Policy Administration System, being recognized in top 3 in North America. During the year, Infosys McCamish platform was rolled out in 10,000 post offices servicing over 10 million policies making it one of the leaders globally from policy volume perspective. Financial year ended positively with signing up of 3 new projects that would help grow revenue and profits in the next financial year.

During FY 2014 the company has generated revenue of ₹319.54 crore versus ₹324.11 crore in the prior year with a profit of ₹11.6 crore against the prior year profit of ₹7.47 crore.

## D. Portland Group Pty. Limited

Portland Group rebranded mid-year to Infosys Portland and had another strong financial year. There continued large / multi-year joint deals sold and delivered with Infosys Limited and Infosys BPO Limited. Portland group played a significant role in a successful competitive pursuit for S&P Consulting + BPO services with a major US based client. Further opportunities to leverage Infosys Portland capability and experience in the US and Europe are being actively explored.

The key financial points are Revenue growth of -3.66 % and Operating margin (after tax) of 8.66 %.

The growth in the offshore team continued with a headcount increasing by 30% to 120 FTE as at 31 March 2015. Onshore staff numbers have stabilized after growth over past 12 months at 130.

During the year under review the company generated revenue of ₹204.62 crore as against a revenue of ₹212.39 crore, for the year ended on March 31, 2014 with a profit of ₹17.72 crore against the profit of ₹22.10 crore for the year ended on March 31, 2014. During the financial year, Portland Procurement Services Pty Ltd, a step down subsidiary of Portland Group Pty Ltd was under liquidation and has been wound up and closed.

Infosys BPO Limited does not have any associate companies as at March 31, 2015.

## 8. Awards and Recognition

In fiscal 2015, we received numerous awards and recognition, both international and national. Here is a quick glimpse of some of them :

SL No.	Award Name	Organizer	Category
1	TISS LeapVault CLO Awards	LeapVault	BEST INDUCTION TRAINING PROGRAM Best Virtual Learning Program Global L&D Team of the Year Best Corporate University
2	40 India's Most Talented Training & Development Professionals	World HRD Congress	Most Talented Training & Development Professionals
3	Asia Training & Development Excellence Awards	World HRD Congress	Best Leadership Development Programme for Top Management
4	Awards for Excellence	Infosys Ltd	People Development Sustainability / Social Consciousness
5	Pracodawca Roku® 2014	AIESEC	Best Employer in Poland

## 9. Quality

We continue our journey on Operations Excellence by delivering greater value to clients through investments in implementing Quality Programs. Infosys BPO is certified under various standards like TL 9000, ISO 9001, ISO 20000, OHSAS 18001, ISO 14001, ISO 27001 and PCI-DSS 2.0 at multiple delivery centers across the globe. Infosys is the first 'IT Services / BPO organization' in India, covering multiple locations across India, to receive the ISO 22301 accredited certification. Infosys BPO is also compliant to SSAE 16 / ISAE 3402 requirements at the enterprise level.

Our Quality function handles large change management initiatives to drive Quality and Productivity improvements across the Company. It is managed through the Balanced Scorecard and Infosys Scaling Outstanding Performance (iSOP) program adopted from the Malcolm Baldrige National Quality Award (MBNQA). The function is also spearheading Knowledge Management by adopting best practices across various engagements and spreading the culture of Learn and Share.

We continue to fine-tune our 'Business Value Delivery' (BVD) framework, which ensures alignment of our approach to delivery with Client business value. Our Process Excellence and Transformation Program comprising Frameworks, Methodologies and Systems to promote Process Excellence and Transformation across various engagements. By adopting customized Six Sigma and Lean methodologies, we have institutionalized the incremental and breakthrough improvements resulting in improving the efficiency and effectiveness in operations. The program has consistently delivered quantified business benefits to clients (duly acknowledge) as well as Infosys BPO. This program is being

aligned with larger Zero Distance initiative of Infosys Limited so that idea generation and implementation of the same through projects is made a culture in the company.

## 10. Particulars of employees

A statement containing the names of every employee employed throughout the financial year and in receipt of remuneration of ₹60 lakh or more, or employed for part of the year and in receipt of ₹5 lakh or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as Annexure 3 to the Board's report.

## 11. Corporate Governance

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Infosys BPO, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

Our company's corporate governance initiative is based on the following principles

- Corporate governance standards should satisfy both the spirit of the law and the letter of the law
- Ensure transparency and maintain a high level of disclosure
- Clearly distinguish between personal conveniences and corporate resources
- Communicate externally, and truthfully, about how the company is run internally



- Comply with the laws of all countries in which we operate
- Have a simple and transparent corporate structure driven solely by business needs
- The management is the trustee of the shareholders capital and not the owner

We wish to state that your company has complied with all norms of corporate governance applicable to Unlisted Public Companies as envisaged under the Companies Act, 2013.

### Number of meetings of the Board

The Board met 5 (five) times during the financial year, the details of which are given in the Corporate governance report that forms part of this Annual Report. The intervening gap between any two meetings were within the period prescribed by the Companies Act, 2013.

### Policy on directors' appointment and remuneration

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2015, the Board consists of 6 members, two of whom are non executive, one is executive, and three are independent directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as Annexure 4 to the Board's report.

We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

### Declaration by independent directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

### Board evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

Since none of the directors had completed their tenure of one year, hence evaluating their performance was not feasible. However the Board has decided to evaluate the performance of all the directors in due course.

### Directors

The following changes in the board happened during the year.

Prasad Thrikutam was appointed as additional director with effect from April 1, 2014. He resigned as a director with effect from June 12, 2014.

Chandrashekara Kakal resigned as director with effect from April 18, 2014.

U. B. Pravin Rao was appointed as additional director and Chairman of the Board with effect from July 8, 2014. He holds office up to the date of the Annual General Meeting and the Company

has received Notice pursuant to Section 161 of the Companies Act 2013 from a shareholder proposing his candidature to the office of a Director and the Board recommends his appointment. His appointment has been also recommended by the Nomination & Remuneration Committee of the Board. We seek your support in confirming the appointment of U. B. Pravin Rao in the ensuing Annual General Meeting.

Rajiv Bansal was appointed as additional director with effect from July 28, 2014. He resigned as a director with effect from April 16, 2015.

S. Gopalakrishnan resigned as Chairman and Director from the Board with effect from October 6, 2014.

Gautam Thakkar resigned as Chief Executive Officer and Managing Director with effect from November 30, 2014.

Anup Uppadhayay was appointed as Additional Director and also as Managing Director & Chief Executive Officer of the Board effective December 1, 2014. The Board seeks the support of shareholders for the resolution confirming the appointment of Anup Uppadhayay in the ensuing Annual General Meeting.

Roopa Kudva was appointed as additional director with effect from February 10, 2015. We thank the shareholders for their support in confirming Roopa Kudva's appointment as Independent Director at the Extra Ordinary General Meeting held on March 30, 2015.

The Board places on record its sincere appreciation for the valuable services rendered by Chandrashekara Kakal, Prasad Thrikutam, S. Gopalakrishnan, Gautam Thakkar, and Rajiv Bansal during their tenure as directors.

### Key managerial personnel

Abraham Mathews ceased to be Chief Financial Officer and Key Managerial Personnel of the company with effect from November 18, 2014.

Deepak Balla was appointed as Chief Financial Officer and Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act 2013 with effect from November 19, 2014.

### Committees of the Board

The company has constituted five committees namely: the audit committee, nomination and remuneration committee, corporate social responsibility committee, share allotment committee, and investment committee. The composition, functions, scope, number of meetings held and attended by the members etc. of each committee are furnished in the Corporate governance Report which forms part of the this Annual Report.

### Director's Responsibility Statement

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the Act), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). There are no material departures from prescribed accounting standards in the adoption of these standards.

The directors confirm that:

- In preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed.

- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- The directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The directors have prepared the annual accounts on a going concern basis.
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## 12. Auditors

### Statutory auditors

At the Annual General Meeting held on June 13, 2014, B S R & Co. LLP, Chartered Accountants, were appointed as statutory auditors of the Company till the conclusion of the next Annual General Meeting. Accordingly, the appointment of B S R & Co. LLP, Chartered Accountants, as statutory auditors of the Company for the financial year 2015-16, is placed for approval by the shareholders.

In this regard, the Company has received a certificate from the auditors to the effect that if they are appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

### Secretarial audit

The secretarial audit report for the financial year ended March 31, 2015 as required under Section 204 of the Companies Act, 2013 and Rules thereunder rendered by Parameshwar G Hegde, Hegde and Hegde Company Secretaries, appointed as Secretarial Auditor by the Board, is attached as Annexure 5 to the Board's report.

The Board has also reappointed him as secretarial auditor of the Company for the financial year March 31, 2016.

## Acknowledgments

We thank our customers, vendors, investors and bankers for their continued support during the year. The Board also places on record its appreciation of the contribution made by employees at all levels.

The Board also acknowledges the co-operation and support extended by Government authorities of various countries where the company has operations, the Government of India, particularly the Ministry of Communication and Information Technology, the Ministry of Commerce, the Ministry of Corporate Affairs, the Ministry of Finance, the Customs and Excise Departments, the Income Tax Department, the Reserve Bank of India, the state governments, the Software Technology Parks (STPs) / Special Economic Zones (SEZs) – Bangalore, Chennai, Gurgaon, Jaipur, Pune and other government agencies and look forward to their continued support in the future.

Bangalore  
April 16, 2015

## Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## Extract of annual return

Pursuant to Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as Annexure 6 to the Board's report.

## 13. Corporate Social Responsibility

The company through Infosys Foundation has undertaken various CSR programs like eradication of hunger, poverty and malnutrition, promoting education and healthcare and rural development projects. The funds were allocated to a corpus and utilized through the year on these activities which are in accordance with the purposes specified in Schedule VII of the Companies Act, 2013.

The total CSR spend by the Company during the financial year was ₹11.09 crore towards our CSR activities in fiscal 2015, which constitutes 2% of the average net profits of the company for the preceding three financial years.

The company had constituted CSR committee consisting of three members. As on March 31, 2015, the committee consists of four members namely:

- U. B. Pravin Rao, *Chairman*
- Anup Uppadhayay, *Member*
- Dr. Omkar Goswami, *Member*
- Roopa Kudva, *Member*

The committee is responsible for formulating CSR policy and monitoring the CSR activities of the Company.

The CSR policy and initiatives taken by the Company on Corporate Social Responsibility during the year are available on the Company's website, [www.infosys.com](http://www.infosys.com). Annual report on CSR activities is attached as Annexure 7 to the Board's report.

## The conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as Annexure 8 to the Board's report.

*For and on behalf of the Board of Directors*

Sd/-

Sd/-

**U. B. Pravin Rao**  
*Chairman*

**Anup Uppadhayay**  
*Chief Executive Officer &  
Managing Director*

## Annexures to the Board's Report

### Annexure 1 – Statement containing salient features of the financial statements of subsidiaries / associate companies / joint ventures

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 – AOC-1]

Subsidiary	Financial period ended	Exchange rate as at March 31, 2015	Share Capital	Reserves & Surplus	Total assets	Total liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	In ₹ crore except % of shareholding	
												% of Shareholding	% of
Infosys BPO S.R.O	31-Mar-15	CZK:INR - 2.46	3.49	38.07	59.43	59.43	-	90.78	22.36	3.07	19.29	100	100
Infosys BPO Poland Sp zoo	31-Mar-15	PLN:INR - 16.52	3.93	244.45	360.79	360.79	-	457.42	94.73	21.11	73.62	100	100
Infosys McCamish Systems LLC	31-Mar-15	USD:INR - 62.50	174.50	(147.84)	170.79	170.79	-	320.13	11.62	0.062	11.56	100	100
Portland Group Pty. Ltd	31-Mar-15	AUD:INR - 47.54	17.86	47.42	124.89	124.89	-	202.93	23.42	5.70	17.72	100	100

For and on behalf of the Board of Directors

Sd/-

Bangalore  
April 16, 2015

U. B. Pravin Rao  
Chairman

Sd/-

Anup Uppadhyay  
Chief Executive Officer and Managing Director

## Annexure 2 – Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

### Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered during the year ended March 31, 2015, which were not at arm's length basis.

### Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

Name of related party	Nature of relationship	Duration of contract	Salient terms	Amount (in ₹ crore)		
Nature of Contract						
Revenue Transactions	Purchase of services	Infosys Limited	Holding Company	Apr 1, 2012 - ongoing	Based on transfer pricing guidelines	81
Purchase of shared services	Including facilities and personnel	Infosys Limited	Holding Company	Apr 1, 2012 - ongoing	Based on transfer pricing guidelines	38
Sale of services	Infosys Limited		Holding Company	Apr 1, 2012 - ongoing	Based on transfer pricing guidelines	273
Sale of shared services	including facilities and personnel	Infosys Limited	Holding Company	Apr 1, 2012 - ongoing	Based on transfer pricing guidelines	1.1

For and on behalf of the Board of Directors

Sd/-

Bangalore  
April 16, 2015

U. B. Pravin Rao  
Chairman

Sd/-

Anup Uppadhayay  
Chief Executive Officer and Managing Director

**Annexure 3 – Particulars of employees**  
**Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sl. No.	Name	Designation	Qualification	Age (Years)	Date of joining	Prior Experience (Years)	Gross remuneration (₹)	Previous Employment - Designation
1	Abraham Mathews <sup>(1)</sup>	CFO and Unit Head - Global Delivery Centers, BPO	B.Com, CA, CWA, CPA, CMA	53	Dec 15, 2003	25	2,43,72,473	On Mobile System Inc - Financial Controller
2	Amit Nagpal	Head Training - BPO	PGD	46	Oct 11, 2007	25	1,25,83,049	Cognizant Technologies - Director - Healthcare BPO
3	Anup Kapoor	Unit Head	BA, CA	49	May 2, 2008	24	1,57,76,628	Anasal Properties & Infra Ltd - Chief Financial Officer
4	Anup Uppadhayay <sup>(1)</sup>	Chief Executive Officer & Managing Director - BPO	BE, PGD	44	Dec 1, 2014	22	1,09,41,056	Infosys Limited - Service Offering Head - Financial Services
5	Bharath Vasudevan	Strategic Business Practice Head - HRO and S&F	BE, PG-OT	38	Apr 10, 2008	14	88,03,692	Dell International Services - Finance Senior Consultant
6	Bimny Mathews	Strategic Business Practice Head - Sourcing & Procurement	PGD	46	Aug 14, 2008	20	1,28,81,234	Mjunction Services Ltd - Sr. General Manager
7	Chirag Suresh Buch	Business Head	B.Com, CA, PGRM	45	Jul 22, 2013	19	99,99,865	Axa Business Services Pvt. Ltd - Chief Executive Officer
8	Clifford M Pai	Head - Employee Relations	BA, MLS	48	May 7, 2007	21	84,28,554	Glennmark Pharmaceuticals Ltd - General Manager
9	Deepak Bhalla <sup>(1)</sup>	Chief Financial Officer - IBPO	B.Com, ACA	42	Nov 19, 2014	19	60,82,652	Infosys Limited - Unit Financial Controller
10	Deepak Bhatia <sup>(1)</sup>	Delivery Lead	BE, AMIE, MBA	47	May 13, 2014	25	35,77,318	Infosys Ltd - Practice Manager AVP
11	Dendra Mathur	Head - Compensation & Benefits and International HR	B.E, PGDM	50	May 19, 2006	25	1,41,82,805	Wep Peripherals - General Manager
12	Geetha Das <sup>(1)</sup>	Head - Key Solutions	B.Tech	51	Apr 3, 2014	25	91,38,058	Infosys Ltd - AVP Head Business Services
13	Hariprasad Karnam Bhuprasamudram	Head - Platforms	BE	44	Dec 6, 2007	20	44,63,990	Oracle India Pvt Ltd - Sr. Manager
14	Kapil Jain	Unit Head	MBA	48	Feb 13, 2006	24	1,84,78,814	Infosys - Sr. Engagement Manager
15	Madhukar Tata	Head - Business Transformation Services	BE, MS	45	Jun 17, 2009	19	60,75,279	Mckinsey And Company - Practice Expert
16	Meera Vasudeva Innanje	Business Head	B.Com, ACS	58	Oct 10, 2005	34	1,36,74,457	3 Global Services Pvt Ltd - AVP
17	Narayanan Sampath	Business Head	BE, MBA	56	Oct 6, 2006	33	1,47,02,723	Tata Consultancy Services - Head-Operations
18	Neela Mohan Subudhi Konchada	Delivery Lead	B.Com, CA	44	Aug 10, 2005	20	64,85,557	Oracle(Gfic) - Senior Manager
19	Nithya Prabhakar	Head - Key Solutions	M.Sc	51	Dec 5, 2008	27	1,11,05,471	Infosys Technologies - Delivery Manager

Sl. No.	Name	Designation	Qualification	Age (Years)	Date of joining	Prior Experience (Years)	Gross remuneration (₹)	Previous Employment - Designation
20	P C Ramesh <sup>(1)</sup>	Business Head	B.E, PGD	45	Sep 27, 2007	18	63,14,041	Genpact - Assistant Vice President
21	Praveen Gopalkrishna Kombial	Business Head	B.Tech, PGDBM	42	Jan 16, 2006	17	91,31,280	GE Country Wide - AVP Risk
22	Preetham Solomon	Regional Head - Infrastructure	BE, MBA	45	Dec 22, 2003	20	61,30,330	Bharati Mobile
23	Radhakrishnan Anantharaman	Unit Head - Enterprise Services, Business Transformation and Technology Services	BE (Honors), PGDM	48	May 2, 2007	24	2,41,52,108	Infosys Technologies Ltd - AVP & GEM
24	Raghavendra K	Head Human Resource Development - BPO	B.Com, PGD	54	Aug 5, 2008	29	2,04,97,744	Strides Acrolab Ltd - VP-HR
25	Rajesh Mahabal Shetty	Business Head	B.Com	49	Jul 20, 2005	25	1,25,49,395	Trac Mail - VP Operations
26	Ramakrishnan Natarajan	Business Head	B.Sc, PGDM	56	Mar 1, 2006	32	1,34,96,278	Loreal India Ltd - Logistics Manager
27	Ravishankar Panchanadan	Portfolio Head	B.Com, ACA, GradCWA	47	Sep 8, 2010	21	1,11,44,234	Infosys Technologies - Practice Head
28	Sanjay Nayak	Business Head	PGD	47	May 8, 2008	22	1,23,47,748	Congnizant Tech Solution - Sr. Manager
29	Satish Nair	Business Head	MBA	44	Jun 15, 2004	17	1,13,43,597	Fabmall (India) Pvt Ltd - Head Tech And Service
30	Sheshadri B C	Head - Quality & Transition - BPO	B.Sc, MBA, LL.B, AII	52	Jun 23, 2004	28	1,54,15,067	Infosys - Delivery Manager
31	Sree Kumar Ravuri	Delivery Lead	B.Tech, PGD	45	Sep 27, 2007	23	68,08,901	Crossdomain Solutions - Vice President
32	Srimathi Kanakapura Swamy	Head - Technology Services - IBPO	BE	46	Jan 4, 2006	24	1,39,79,776	Infosys - Group Project Manager
33	Suresh Nambiar	Head - Business Finance	B.Com, CA, ICWA	45	Jan 3, 2008	20	84,09,191	Bharathi Airtel Ltd - Deputy General Manager
34	V Raja	Head - Transition	BE, PGD	47	Dec 1, 2004	24	1,33,36,413	Maven Bpo Services - COO
35	Vijay Natsapur	Strategic Business Practice Head - Customer Service	B.Tech, PGD	43	Feb 16, 2009	21	1,31,17,616	Aditya Birla Minacs - SVP - Operations
36	Vinay Gopala Rao	Strategic Business Practice Head - Finance & Accounts	CA	47	Jun 4, 2007	24	1,09,15,559	K P Rao And Company - Partner

<sup>(1)</sup> Employed during the part of the year & has drawn ₹ 5 lakhs remuneration per month or ₹ 60 lakhs remuneration per year.

Note 1. Remuneration comprises basic salaries, allowances and taxable value of perquisites

2. None of the employees is related to any director of the company

3. None of the employees owns more than one percent of the outstanding shares of the company as on March 31, 2015

For and on behalf of the Board of Directors

Sd/- Sd/-

U. B. Pravin Rao  
Chairman

Anup Uppadhyay  
Chief Executive Officer and  
Managing Director

Bangalore  
April 16, 2015

## Annexure 4 – Nomination and remuneration policy

Our policy on the appointment and remuneration of directors and key management personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. The policy in this section is provided pursuant to Section 178(4) of the Companies Act 2013. The policy is also available on our website [www.infosysbpo.com](http://www.infosysbpo.com).

### Introduction

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company.

### Objective and purpose of the policy

The objectives and purpose of this policy are:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees. This includes, reviewing and approving corporate goals and objectives relevant to the compensation of the Chief Executive Officer (“CEO”), evaluating the CEO's performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the board), determine and approve the CEO's compensation level based on this evaluation; and making recommendations to the board with respect to non-CEO executive officer compensation, and incentive-compensation and equity-based plans that are subject to board approval;
- The policy also address the following items: Committee member qualifications; Committee member appointment and removal; Committee structure and operations; and Committee reporting to the Board.
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
- To devise a policy on Board diversity; and
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

### Constitution of the Nomination and Remuneration Committee

The Board in its meeting held on October 7, 2013 renamed “Compensation Committee” as “Nomination and Remuneration Committee” of the Board in line with the requirements under the Companies Act, 2013 (“Act”). The Board has authority to reconstitute this Committee from time to time.

### Definitions

‘Board’ means Board of Directors of the Company.

‘Directors’ means Directors of the Company.

‘Committee’ means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and / or regulations.

‘Company’ means Infosys BPO Limited.

‘Independent Director’ means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.

‘Key Managerial Personnel (KMP)’ means:

- the Managing Director or the Chief Executive Officer or the manager and in their absence, a Whole-time Director;
- the Company Secretary; and
- the Chief Financial Officer

Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### General

This Policy is divided in three parts:

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and nomination; and

Part – C covers remuneration and perquisites etc.

This policy shall be included in the Report of the Board of Directors.

### Part – A

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The following matters shall be dealt by the Committee:

#### Size and composition of the Board

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;

#### Directors

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;

#### Succession plans

Establishing and reviewing Board and senior executive succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

#### Evaluation of performance

Make recommendations to the Board on appropriate performance criteria for the Directors.

Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

### Board diversity

The Committee is to assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity policy.

### Remuneration framework and policies

The Committee is responsible for reviewing and making recommendations to the Board on:

- (a) the remuneration of the Managing Director, Whole-time Directors and KMPs
- (b) the total level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;
- (c) the remuneration policies for all employees including KMPs, senior management and other employees including base pay, incentive payments, equity awards, retirement rights and service contracts having regard to the need to:
  - (i) attract and motivate talent to pursue the Company's long term growth;
  - (ii) demonstrate a clear relationship between executive compensation and performance; and
  - (iii) be reasonable and fair, having regard to best governance practices and legal requirements.
- (d) the Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and
- (e) the Company's remuneration reporting in the financial statements.

## PART – B

Policy for appointment and removal of Director, KMPs and Senior Management

### Appointment criteria and qualifications

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment.
- A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.
- The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of sixty years and shall not appoint Independent Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at

the discretion of the committee beyond the age of sixty years / seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond sixty years / Seventy years as the case may be.

- A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

### Term / Tenure

#### Managing Director / Whole-time Director

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

#### Independent Director

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

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for five years or more in the Company as on April 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of five years only.

#### Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

#### Retirement

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

## PART – C

Policy relating to the remuneration for Directors, KMPs and other employees

### General

- The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.



- The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director.
- Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### Remuneration to KMPs and other employees

The policy on remuneration for KMPs and other employees is as below:

#### Fixed pay

The remuneration and reward structure for employees comprises two broad components — annual remuneration and long-term rewards. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the employees.

These guidelines are as under:

#### Annual remuneration

Annual remuneration refers to the annual compensation payable to the employees of the Company. This comprises two parts - a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the business unit. Every employee is required to sign a performance contract which clearly articulates the key performance measures for that particular defined role. The performance-linked variable pay will be directly linked to the performance on individual components of the performance contract and the overall performance of the business. An employee's variable pay would, therefore, be directly dependent on key performance measures that represent the best interests of shareholders.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber, and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a comparison with the relevant peer group globally, established through independent compensation surveys, from time to time.

#### Long-term rewards

Long-term rewards may include Long-Term Incentive Plans (LTIP) under which incentives would be granted to eligible key employees based on their contribution to the performance of the Company, relative position in the organization, and length

of service under the supervision and approval of the Committee. The company could implement various long term awards schemes that could include Long Term Incentive Programme (LTIP) spread over several years with payouts in multiple tranches linked to Company's performance. Another form of long term awards could be in the nature of stock options of the company. Stock Options may be granted to key employees and high performers in the organization who would be selected by the Committee based on their criticality, past performance and potential. The grant, vesting and other scheme details would be formulated from time to time. These long-term reward schemes are implemented to attract and retain key talent in the industry.

### Minimum remuneration to Managing Director

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

### Remuneration to Non-Executive / Independent Directors

#### Remuneration

The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder.

The remuneration to the Non-executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

#### Stock options

The Independent Directors shall not be entitled to any stock option of the Company.

#### Policy review

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

## Annexure 5 – Secretarial audit report for the financial year ended March 31, 2015

*(Pursuant to Section 204(1) of Companies Act 2013 and the Rules made thereunder)*

To,  
The Members,  
Infosys BPO Limited  
Bangalore

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Infosys BPO Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.
- Other laws applicable specifically to the Company namely:
  - Information Technology Act, 2000 and the rules made thereunder
  - Special Economic Zones Act, 2005 and the rules made thereunder
  - Software Technology Parks of India rules and regulations
  - The Patents Act, 1970
  - The Trade Marks Act, 1999

I report that, during the year under review, the Company has complied with the provisions of the Acts, rules and regulations mentioned above.

I further report that, based on the information provided by the company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads / company secretary / CEO taken on record by the Board of Directors of the company, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws like labour laws, competition law, and environmental laws.

I further report that, being unlisted company, the Company was not required to comply with the provisions of:

- The Securities Contracts (regulation) act, 1956 (SCRA) and the rules made thereunder
- The Depositories act, 1996 and the regulations and bye laws framed thereunder
- The Securities and Exchange Board of India act, 1992 (SEBI Act) and the regulations and guidelines prescribed thereunder
- The Listing Agreement

during the financial year and the Secretarial Standards issued by the Institute of Company Secretaries of India were not applicable during the year.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that, during the audit period there were no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the company's affairs.

Sd/-

P G Hegde

Bangalore  
April 16, 2015

Hegde & Hegde  
FCS: 1325 / C.P.No: 640 Company Secretaries

## Annexure 6 – Extract of Annual Return

### Form No. MGT-9

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

#### Registration and other details :

Corporate Identity Number (CIN) of the company	U 7 2 2 0 0 K A 2 0 0 2 P L C 0 3 0 3 1 0
Registration date	April 3, 2002
Name of the company	Infosys BPO Limited
Category / sub-category of the company	Public Limited Company
Address of the registered office and contact details	Electronics City, Hosur Road, Bengaluru, Karnataka, India Tel: 91 80 2852 2405 Fax: 91 80 2852 2411 email: <a href="mailto:cosecretarybpo@infosys.com">cosecretarybpo@infosys.com</a> website: <a href="http://www.infosysbpo.com">www.infosysbpo.com</a>
Listed company (Yes / No)	No
Name, address and contact details of Registrar and transfer agent, if any	<b>Karvy Computershare Private Limited</b> Unit : Infosys Limited, Karvy Selenium Tower B Plot 31-32, Gachibowli, Financial District Nanakramguda, Hyderabad – 500 032 <b>Contact person</b> Shobha Anand Assistant General Manager Tel: 91 40 67161559 email: <a href="mailto:shobha.anand@karvy.com">shobha.anand@karvy.com</a>

#### Principal business activities of the company

Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
Business Process Management Services	631	100

#### Particulars of holding, subsidiary and associate companies

Particulars	CIN / GLN	Holding / subsidiary / associate	% Of shares held	Applicable section
Infosys Limited	L85110KA1981PLC013115	Holding	99.98	2 (46)
Infosys BPO s.r.o	NA	Subsidiary	100	2 (87)
Infosys BPO Poland Sp.z.o.o	NA	Subsidiary	100	2 (87)
Infosys McCamish Systems LLC	NA	Subsidiary	100	2 (87)
Portland Group Pty Ltd	NA	Subsidiary	100	2 (87)



Category of shareholder	No. of shares held at the beginning of the year		No. of shares held at the end of the year		% change during the year
	Demat	Physical	Demat	Physical	
(c) Others (specify)					
Sub total B(2)					
Total public shareholding total B=B(1)+B(2)					
(C) Shares held by custodians for ADRs					
Grand total (A+B+C)	3,38,22,319	5,432	3,38,22,319	5,432	100

## (2) Shareholding of Promoters

Name of the shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in share holding during the year
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
Infosys Ltd	3,38,22,319	99.98	3,38,22,319	99.98	NIL
V. Balakrishnan	1	-	1	-	-
U. Ramadas Kamath	1	-	1	-	-
Deepak Natraj	1	-	1	-	-
H. Venkatesh Gadiyar	1	-	1	-	-
R. Nithyanandan	1	-	1	-	-
G. S. Chaitanya	1	-	1	-	-
Total	3,38,22,325	99.98	3,38,22,325	99.98	-

## (iii) Change in Promoters' Shareholding

There was no change during the year

## (iv) Shareholding Pattern of top ten Shareholders

(other than Directors, Promoters and Holders of GDRs and ADRs) :

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding during the year		% of total shares of the company
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
At the beginning of the year	3,38,22,319	99.98	NIL	NIL	NIL
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) :					
At the End of the year (or on the date of separation, if separated during the year)	3,38,22,319	99.98	NIL	NIL	NIL

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

None of the existing directors and Key Managerial Personnel hold shares in the company

**Indebtedness**

The company has not availed any loan during the year and is a debt free company

**Remuneration of directors and key managerial personnel**

A. Remuneration to Managing Director, Whole-time Directors and / or Manager :

(in ₹)

Particulars of remuneration	Name of MD		Total Amount
	Anup Uppadhayay <sup>(1)</sup>	Gautam Thakkar <sup>(2)</sup>	
Gross salary			
(a) Salary as per provisions contained in Section 17 of the Income-tax Act, 1961	1,07,26,548	8,71,59,136	9,78,85,684
(b) Value of perquisites u/s 17 Income-tax Act, 1961			
(c) Profits in lieu of salary under Section 17 Income-tax Act, 1961			
Stock option	-	-	
Sweat equity	-	-	
Commission as % of profit others, specify	-	-	
Others, please specify	-	-	
Total (A)	1,07,26,548	8,71,59,136	9,78,85,684
Ceiling as per the Act	57,20,00,000	57,20,00,000	

<sup>(1)</sup> The remuneration paid is for the period from December 1, 2014 to March 31, 2015

<sup>(2)</sup> The remuneration paid is for the period from April 1, 2014 to November 30, 2014

B. Remuneration to other directors : Independent Directors

(in ₹)

Particulars of remuneration	Name of Directors			Total Amount
	Prof. Jayanth Varma	Dr. Omkar Goswami	Roopa Kudva <sup>(1)</sup>	
Independent Directors				
Fee for attending board / committee meetings	60,000	60,000	-	1,20,000
Commission	12,00,000	12,00,000	1,61,100	25,61,100
Others, please specify				
Total	12,60,000	12,60,000	1,61,100	26,81,100
Other Non-Executive Directors				
Fee for attending board / committee meetings				
Commission				
Others, please specify				
Total				
Total (B)=(1+2)				
Total Managerial Remuneration	12,60,000	12,60,000	1,61,100	26,81,100
Overall Ceiling as per the Act	5,20,00,000	5,20,00,000	5,20,00,000	

<sup>(1)</sup> The commission paid is for the period from February 10, 2015 to March 31, 2015

## Remuneration to key managerial personnel other than MD / Manager / WTD

(in ₹)

Particulars of remuneration	Company Secretary		CFO		Total Amount
	A. G. S. Manikantha	Abraham Mathews <sup>(1)</sup>	Deepak Bhalla <sup>(2)</sup>		
Gross salary					
(a) Salary as per provisions contained in Section 17 of the Income-tax Act, 1961	20,64,110	2,41,34,305	59,35,234		3,21,33,649
(b) Value of perquisites u/s 17 Income-tax Act, 1961	–	–	–		–
(c) Profits in lieu of salary under Section 17 Income-tax Act, 1961	–	–	–		–
Stock option	–	–	–		–
Sweat equity	–	–	–		–
Commission as % of profit others, specify	–	–	–		–
Others, please specify	–	–	–		–
<b>Total (A)</b>	<b>20,64,110</b>	<b>2,41,34,305</b>	<b>59,35,234</b>		<b>3,21,33,649</b>

<sup>(1)</sup> The remuneration paid is for the period from April 1, 2014 to November 18, 2014<sup>(2)</sup> The remuneration paid is for the period from November 19, 2014 to March 31, 2015**Penalties / punishment / compounding of offences:**

There were no penalties / punishment / compounding of offences for the year ending March 31, 2015.

## Annexure 7 – Annual report on CSR activities

[Pursuant to Section 135 of the Companies Act, 2013]

The proposed areas for CSR activities are eradication of hunger, poverty and malnutrition, promoting education and healthcare and rural development projects. The funds will be allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

### CSR Committee

We have a board committee (CSR Committee) that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. Our CSR committee comprises:

- U. B. Pravin Rao, Chairman
- Anup Uppadhayay
- Dr. Omkar Goswami
- Roopa Kudva

### Financial details

Section 135 of the Companies Act and rules made thereunder prescribes every company having net worth of ₹500 crore or more, or turnover of ₹1000 crore or more or a net profit of ₹5 crore or more during any financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company. The financial details as sought by the Companies Act, 2013 are as follows:

Particulars	Amount
Average net profit of the company for last three financial years.	554.44
Prescribed CSR Expenditure (2% of the average net profit as computed above)	11.09
Details of CSR expenditure during the financial year	
Total amount to be spent for the financial year	11.09
Amount spent	11.09
Amount unspent	–

### The manner of the amount spent during the financial year is detailed as follows:

CSR project / activity / beneficiary	Sector	Location of the project / program	Amount outlay (budget)	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent direct / implementing agency
Ramakrishna Mission	Food / Destitute	Shivannahalli / Pavagada	2.90	2.90	2.90	Infosys Foundation
Ramakrishna Mission	Rural	Shivannahalli / Pavagada	0.32	0.32	0.32	Infosys Foundation
Charitable Hospital	Food	Itanagar	3.80	3.80	3.80	Infosys Foundation
Bharatiya Vidya Bhavan	Art / Literature	Trichy, Kolkata, Agartala and Bangalore	3.25	3.25	3.25	Infosys Foundation
National Digital Literacy Mission	Education	Kolar, Kota (KA) and Rural MH	0.45	0.45	0.45	Infosys Foundation
Skill Development Programs	Education	Karnataka, Tamil Nadu, Maharashtra and Rajasthan	0.37	0.37	0.37	Inhouse - Infosys BPO Limited
<b>Total</b>			<b>11.09</b>	<b>11.09</b>	<b>11.09</b>	

### Our CSR responsibilities

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

Bangalore  
April 16, 2015

Sd/-  
U. B. Pravin Rao  
Chairman, CSR committee

Sd/-  
Anup Uppadhayay  
Chief Executive Officer and Managing Director



## Annexure 8 – Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo

Particulars pursuant to the Companies (Accounts) Rules, 2014

### Conservation of energy

Steps taken / impact on conservation of energy, with special reference to the following:

#### Steps taken by the company for utilizing alternate sources of energy including waste generated

The operations of your company are not energy-intensive. However, adequate measures have been taken to reduce energy consumption by using energy-efficient computers and by the purchase of energy-efficient equipment. Your company constantly evaluates new technologies and invests in them to make its infrastructure more energy-efficient.

#### Capital investment on energy conservation equipment's

The company has made investments in purchase of energy efficient equipment's. The company constantly evaluates new technologies and invests in them to make its infrastructure more energy efficient.

### Technology absorption

- Efforts, in brief, made towards technology absorption. – Not Applicable
- Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. – Not Applicable
- In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: Not Applicable
  - Details of technology imported. - Not Applicable
  - Year of import. - Not Applicable
  - Whether the technology been fully absorbed - Not Applicable
  - If not fully absorbed, areas where absorption has not taken place, and the reasons therefor. - Not Applicable
- Expenditure incurred on Research and Development - Not Applicable

### Foreign Exchange Earnings and Outgo

Particulars	In ₹ crore	
	March 31, 2015	March 31, 2014
Foregin exchange earnings	2,049	1,909
Foreign exchange outgo	786	659

Bangalore  
April 16, 2015

For and on behalf of the Board of Directors

Sd/-

U. B. Pravin Rao  
Chairman

Sd/-

Anup Uppadhyay  
Chief Executive Officer &  
Managing Director

## Annexure 9 – Whistle Blower Policy

### The Purpose of this Policy

Infosys BPO Limited (“Infosys”) and its subsidiaries (collectively the “Company”) are committed to complying with the foreign and domestic laws that apply to them, satisfying the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines, and other penalties. That can be costly. Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this policy (the “Policy” or the “Whistleblower Policy”). You are required to read this Policy and submit the attached certification that you will comply with it.

### Your Duty to Report

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Ethics. It is important that you report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, or violations of the anti-retaliation aspects of this Policy. Consult the Company's Code of Conduct and Ethics for a more detailed description of potential violations and other areas of particular concern. Retaliation includes adverse actions, harassment, or discrimination in your employment relating to your reporting of a suspected violation.

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct and Ethics has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

### How to Report

You must report all suspected violations to (i) your immediate supervisor; (ii) the General Counsel – Infosys BPO Limited; or (iii) anonymously, by sending an e-mail to : [bpo\\_whistleblower@infosys.com](mailto:bpo_whistleblower@infosys.com) or by sending an anonymous letter to the General Counsel – Infosys BPO Limited at :

Karthik Kannappan S, General Counsel – Infosys BPO Limited, Plot No.26/3, 26/4 and 26/6, Electronic City, Hosur Road, Bangalore 560 100, India, [Karthik\\_saravanan@infosys.com](mailto:Karthik_saravanan@infosys.com)

If you have reason to believe that your immediate supervisor or the General Counsel – Infosys BPO Limited is involved in the suspected violation, your report may be made to the Audit Committee of Infosys' Board of Directors (the “Audit Committee”) at :

Chairperson, Audit Committee, Infosys BPO Limited, Plot No.26/3, 26/4 and 26/6, Electronic City, Hosur Road, Bangalore 560 100, India  
Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

### Investigations after You Report

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

### Retaliation is not Tolerated

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administrative penalties.

### Document Retention

All documents related to reporting, investigation and enforcement pursuant to this Policy shall be kept in accordance with the Company's record retention policy and applicable law.

### Modification

The Audit Committee or the Board of Directors of Infosys can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with federal, state or local regulations and / or accommodate organizational changes within the Company.

Please sign the acknowledgment form below and return it to Human Resources. This will let the Company know that you have received the Whistleblower Policy and are aware of the Company's commitment to a work environment free of retaliation for reporting violations of any Company policies or any applicable laws.

## Management's Discussion and Analysis (Consolidated)

### Overview

#### Our Business

Infosys BPO Limited ("Infosys BPO"), incorporated on April 3, 2002 as "Progeon Limited", offers business process outsourcing solutions to its global clients by leveraging process, domain and people management expertise. At Infosys BPO we have built our organization around managing risk for our clients through a scalable, cost-effective and predictable delivery platform. We focus on acquiring "strategic" clients with whom we can build a deep and wide relationship over time. The company is committed to providing best-in-class services to both horizontal and vertical focus areas. Horizontal solutions comprise of Sourcing and Procurement (S&P), Customer Service (CS), Finance & Accounting (F&A), Legal Process Outsourcing (LPO), Sales & Fulfillment (S&F), Analytics (AT), Business Platform (BP), Business Transformation Services (BTS), Human resources Outsourcing (HRO), Technology Solution Optimization (TSO), while Vertical (Industry) solutions include FSI (Financial Services & Insurance), MFG (Manufacturing), ECS (Energy, Utilities, Communication and Services) and RCL (Retail, Consumer packaged goods, Logistics and Life Sciences).

We believe in continuously building a business mix, which will allow us to provide long-term and continuing benefits to our clients. Our objective is to enable our customers move up the risk-reward curve, by providing them the benefits of outsourcing, while effectively managing and mitigating risks associated with off-shoring based on our experience and process management skills.

Infosys BPO provides business process management services to organizations that outsource their business processes. Infosys BPO is a wholly owned and controlled subsidiary of Infosys Ltd. Rich industry experience helps us understand the evolving needs of our clients better and provides us with the ability to offer appropriate solutions across different industry verticals and horizontals, quickly.

Since inception, Infosys BPO has focused on end-to-end outsourcing and operates on the principle that true BPO is transformational—in addition to the cost arbitrage, Infosys BPO consistently demonstrates enterprise wide improvement in client operations through process optimization, process reengineering and best practices.

#### Financial Condition & Business Performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

### I Industry structure and development

Changing economic and business conditions, evolving consumer preferences, rapid technological innovation and adoption, and globalization are driving corporations to transform the manner in which they operate. Companies are now more focused on their core business objectives, such as revenue growth, profitability and asset efficiency. There is an increasing need for highly skilled professionals in the market to help corporations transform their business processes, optimize operations and drive innovation by leveraging technology. Corporations are increasingly turning to global business process service providers for higher quality, cost competitive technology solutions.

#### 1. Increasing trend toward offshore technology services

Outsourcing the business process management critical business processes has become increasingly important to companies. Due to the availability of large qualified talent pool and the synergy with IT business, India plays an important strategic role in the offshoring strategy of our clients. The effective use of offshore services offers a variety of benefits to companies, including lower cost of ownership, lower labor costs, improved quality and innovation, faster delivery of solutions and more flexibility in scheduling. This has resulted in increased diversification in the range of services delivered offshore.

#### 2. Global Delivery Model

With clients expecting faster responses to changing requirements, optimal cost and 24X7 support, having a Global Delivery Model is a must to succeed in the BPO space. A Global Delivery Model calls for focus on the technical skills, process rigor, tools, methodologies, overall structure and strategies for seamlessly delivering IT-enabled services from global locations. Our Global Delivery Model (GDM) allows us to take work at the location where the best talent is available and to where it makes the business sense with the least amount of acceptable risk. We are running client's business process from 32 global centers in total - 8 in India, 8 in APAC, 6 in Europe, 4 in LatAm, 1 in Africa, 5 in US, each with a unique proposition and expertise. Our quality control processes and programs are designed to minimize the SLA misses and impact the business metrics of clients' processes.

#### 3. Ability to impact Business Outcomes

Clients are increasingly expecting service providers to impact the end business metrics and be more relevant in their business operations. The business benefits include increasing revenue visibility, reducing direct and indirect costs, working capital or increasing the cash flows by releasing trapped funds in the form of assets. To impact the business metrics requires benchmarking Value Levers, Business Levers and the corresponding Process levers across similar kind of engagements across verticals and horizontals. It also includes using the right set of change enablers including Process Standardization, delivery models, technology multipliers, operational optimizers and Decision accelerators.

#### 4. Transform processes using platforms and technology tools.

Due to volatility in economic environment the clients are dedicating their efforts to variabilize their costs so that they have a robust model to withstand any economic volatility. Infosys BPO has dedicated focus to help our clients to move from CAPEX to OPEX model. Many industry specific and enterprise service processes are getting standardized where we have developed domain capabilities to run these processes effectively and efficiently.

#### 5. Automation

Automation has ushered in a shift from the traditional human assisted function to self-help and self-heal tools and gradual transition from voice interactions to chat and email interactions. Clients expect BPM companies to leverage automation to deliver business value over and above what is created through labor arbitrage. Automation will play a crucial role in increasing productivity and utilization going forward. Infosys BPO, given its rich technology heritage has been at the forefront of driving automation at various levels of business processing activities. It has put in place a well-defined RPA Framework with several proven components (including self-learning capabilities) that are process agnostic and independent of the underlying application / technology.

#### 6. Business Transformation Services

With market environments changing at a tremendous pace, clients expect Infosys BPO to help make fundamental changes in the way their business is run. Rather than just a solution to some problem / requirement, clients expect BPO service providers to partner them and consultatively find ways to transform their business. BTS, the process consulting arm of IBPO, drives end to end transformation for clients worldwide. BTS focuses on a few critical drivers that derive maximum impact on business KPIs and accelerates the business benefits for our clients.

#### 7. Analytics

For Business around the world, staying ahead of the game today requires working at a higher level of insight and performance. Clients expect BPO service providers to deploy analytics that can extract actionable business insights from the immense stores of transactional data they accumulate during the long-term client engagements. To help clients derive maximum value from available data, Infosys BPO has nurtured a dedicated Analytics Practice providing end to end offerings.

## II Financial condition

### Sources of Funds

#### 1. Share Capital

At present, we have only one class of shares referred to as equity shares having a par value of ₹10/- each. Our authorized share capital is ₹123.38 crore, divided into 12.34 crore equity share of ₹10/- each. The issued, subscribed and paid up capital stood at ₹33.83 crore as at March 31, 2015 (same as the previous year).

#### 2. Reserves and Surplus

Securities premium reserve and Capital redemption reserve balance as at March 31, 2015 are ₹25.49 crore and ₹1.14 crore

General reserves balance as at March 31, 2015 amounted to ₹1,000.00 crore, same as the previous year.

Foreign exchange translation reserve balance as at March 31, 2015 is ₹-21.06 crore (₹38.69 crore in last year) i.e., an addition of ₹-59.76 crore

The balance retained in the Profit and Loss account as at March 31, 2015 is ₹2088.30 crore (₹1470.47 crore in last year) i.e., an addition of ₹617.83 crore transferred from statement of profit and loss.

In ₹ crore

Year ended	Mar 31, 2015	Mar 31, 2014
Securities premium reserve	25.5	25.5
Capital redemption reserve	1.1	1.1
Foreign exchange translation reserve	(21.1)	38.7
General reserve - balance	1,000.0	1,000.0
Balance in statement of profit and loss	2,088.3	1,470.5
	3,093.9	2,535.8

### Application of funds

#### 3. Fixed Assets

##### Capital Expenditure

We incurred a capital expenditure of ₹32.68 crore (₹87.93 crore in the previous year) comprising addition to gross block of ₹31.52 crore for the year ended March 31, 2015. The entire capital expenditure was funded out of internal accruals.

##### Additions to gross block

During the year, we capitalized ₹62.59 crore of assets comprising ₹38.14 crore for investment in computer equipment and ₹24.46 crore in infrastructure investments. The expenditure on Leasehold improvements, Plant and machinery, Furniture & fixtures and Office equipment were ₹8.57 crore, ₹6.54 crore, ₹5.69 crore and ₹3.66 crore, respectively for the year.

During the previous year, we capitalized ₹108.34 crore of assets comprising ₹69.61 crore in computer equipment and ₹38.72 crore on infrastructure investments.

##### Deductions from gross block

During the year, we deducted ₹43.61 crore (net book value of ₹Nil) from the gross block on retirement of assets and on disposal of various assets. During the previous year, we retired / transferred various assets with a gross block of ₹10.28 crore (net value of ₹Nil).

##### Capital expenditure commitments

We have a capital expenditure commitment of ₹26.38 crore, as at March 31, 2015 as compared to ₹22.46 crore as at March 31, 2014.

##### Fixed asset snapshot

In ₹ crore

Year ended	Mar 31, 2015	Mar 31, 2014
<b>Tangible assets</b>		
Land - Leasehold	11.6	11.6
Buildings	147.4	147.4
Leasehold improvements	85.6	87.5
Office Equipment	125.7	132.5
Plant and Machinery	30.5	24.1
Computer equipment	261.9	244.1

Year ended	Mar 31, 2015	Mar 31, 2014
Furniture and fixtures	76.9	73.4
Vehicles	–	–
	739.5	720.6
Less: accumulated depreciation	481.3	465.0
Net block	258.2	255.5
Add: capital work-in-progress	7.5	5.3
Net fixed assets	265.7	260.9
Depreciation as a % of total revenues	1.8	2.8
Accumulated depreciation as a % of gross block	65.1	64.5

#### 4. Intangible Assets

Quarter ended	Mar 31, 2015	Mar 31, 2014
Philips SSC acquisition	83.1	83.1
Mccamish acquisition	226.6	226.6
Portland Group acquisition	175.7	175.7
Marsh BPO asset purchase	9.8	9.8
	495.2	495.2

#### Details of Location wise built up area and seats are as under

Location	Mar 31, 2015		Mar 31, 2014	
	sq. ft.	seats	sq. ft.	seats
Bangalore	609,610	8,092	609,610	8,164
Pune	675,382	8,671	584,765	7,731
Jaipur	278,043	1,840	365,043	2,412
Delhi	75,406	822	75,406	822
Chennai	131,448	1,612	162,812	1,789
Manila	149,974	2,346	132,974	2,031
San Jose, Costa Rica	22,409	286	10,925	139
Brno	53,311	538	63,215	596
Lodz	216,939	2,500	181,667	1,981
Australia	7,725	108	7,725	103
US ( Atlanta, Des Moines)	125,141	1,081	106,924	824
USA & UK (for sales force)	1,511	31	1,511	31
Netherlands	13,773	125	13,773	125
South Africa	–	21	–	21
Total	2,433,257	28,095	2,307,606	26,769

During the year 1326 seats have been added at Pune, Lodz, US and Manila

#### 5. Investments

We made several strategic investments during the past years aimed at deriving business benefits and operational efficiency for us.

#### Wholly-owned subsidiary

##### Infosys BPO s.r.o.

Infosys BPO s.r.o (earlier known as Progeon s.r.o) was incorporated on February 4, 2004, under the laws of Czech Republic and is a wholly owned subsidiary of Infosys BPO. As on Mar 31, 2015 the company had ₹3.50 crore investment in the form of share capital in Infosys BPO s.r.o.

##### Infosys BPO (Poland) Sp.z.o.o

Infosys BPO Sp.Z.o.o is the wholly owned subsidiary of Infosys BPO Limited formed under the laws of Poland. As on March 31, 2015 Infosys BPO Ltd has ₹3.94 crore investment in the form of share capital in Infosys BPO Sp.z.o.o.

##### Infosys McCamish Systems LLC

Infosys McCamish Systems LLC is the wholly owned subsidiary of Infosys BPO Limited formed under the laws of United States. As on March 31, 2015 Infosys BPO Ltd has ₹174.50 crore investment in the form of share capital in Infosys McCamish Systems LLC.

##### Portland Group

Portland Group is the wholly owned subsidiary of Infosys BPO Limited. As on March 31, 2015 Infosys BPO Ltd has ₹17.87 crore investment in form of share capital in Portland.

#### 6. Deferred tax assets

Infosys BPO has operations in a Special Economic Zone (“SEZ”). Income from SEZs is fully tax exempt for the first 5 years, 50% exempt for the next 5 years and 50% exempt for another 5 years subject to fulfilling certain conditions.

Income taxes are computed using the tax effect accounting method, where the taxes are accrued in the same period the related revenue and expenses arise. The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified and thereafter a deferred tax liability or a deferred tax asset is recorded for all timing differences, namely the differences that originate in one accounting period and reversed in another. The tax effect is calculated on the accumulated timing differences at the end of an accounting period, based on the prevailing enacted or subsequently enacted regulations.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in the future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, assets are recognized only if there is a virtual certainty of realization. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized. For the year ended March 31, 2015 the company has recognised a deferred tax asset of ₹63.93 crore as compared to ₹54.28 crore for the year ended March 31, 2014.

#### 7. Trade Receivables

Trade Receivables amount to ₹667.58 crore (includes ₹6.45 crore dues from Group companies) as of March 31, 2015 as compared to ₹569.65 crore as of March 31, 2014. Debtors are at 19.03% of revenues for the year ended March 31, 2015 and 17.38% of revenues for the year ended March 31, 2014, representing a Day Sales Outstanding (DSO) of 69 days and 63 days for the respective years. The age profile of debtors is as follows:

Period in days	In %	
	Mar 31, 2015	Mar 31, 2014
0-30	47	43
31-60	36	46
61-90	7	4
More than 90 days	10	7

Periodically, the Group evaluates all customer dues to the Group for collectability. The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates, general economic factors, which could affect the customer's ability to settle. The Group normally provides for debtor dues outstanding for six months or longer from the invoice date, as at the Balance Sheet date. The Group pursues the recovery of the dues, in part or full. For the year ended March 31, 2015 ₹9.06 crore were provided towards the doubtful debts (increased by 17.96% from previous year). Remaining all debtors are considered good and realisable. The movement in provision for doubtful debts during the year is as follows:

<i>In ₹ crore</i>		
Period in days	Mar 31, 2015	Mar 31, 2014
Opening balance	7.7	1.7
Add: Amount provided	1.4	6.0
Less: Amount written-off	–	–
Closing balance	9.1	7.7

Provision for doubtful debts as a percentage of revenue is 0.26% for the year ended March 31, 2015, as against 0.23% for the year ended March 31, 2014.

## 8. Cash and cash equivalents

<i>In ₹ crore</i>		
As of	Mar 31, 2015	Mar 31, 2014
Cash balances	0.04	0.14
<b>Bank balances in India</b>		
Current accounts	10.3	11.3
Deposit accounts	1,596.7	1,139.0
<b>Bank balances – overseas</b>		
Current accounts	167.8	110.6
Total cash and bank balances	1,774.9	1,261.1
Add: Deposits with financial institutions / body corporate	127.0	80.0
Add: Investments in Mutual Funds	122.9	274.8
Total cash and cash equivalents	2,024.8	1,615.9
Balance in current accounts as % total Cash & Bank Balances	10	10
Cash and cash equivalents as a % of total assets	52	47
Cash and cash equivalents as a % of revenues	58	49

The bank balances in India include both Rupee accounts and foreign currency accounts. The bank balances in overseas current accounts are maintained to meet the expenditure of the overseas branches and to meet project-related expenditure overseas. The deposit account represents deposits for short tenures with banks and financial institutions.

## 9. Loans and advances

<i>In ₹ crore</i>		
As of	Mar 31, 2015	Mar 31, 2014
Unsecured considered good		
<b>Loans to subsidiary Company</b>		
Prepaid Expenses	3.7	6.4
Advances for goods and services	12.7	17.8

As of	Mar 31, 2015	Mar 31, 2014
Withholding and other taxes receivables	27.4	25.4
Sub Total	43.8	49.7
Capital advances	–	0.9
Unbilled Revenue	74.5	79.2
Advance income taxes	64.9	57.7
Interest Accrued but not due	9.1	5.2
Loans and advances to employees	19.4	19.7
Rental Deposits	55.7	52.7
Electricity and other deposits	1.6	2.9
Mark to market gain / loss on forward exchange contract	7.3	–
Due from service provider	–	135.1
MAT credit entitlement	0.3	15.7
Intercompany Receivables (Non Revenue)	10.7	3.2
Intercompany-Adv Paid	2.3	
	289.6	422.1
Less: Provision for doubtful loans and advances	2.3	1.4
Total	287.3	420.8

Advance Income Taxes include Advance Tax paid by IBPO, Infosys BPO (Poland) Sp.z.o.o and Portland Group, Tax Deducted At Source on Interest Income and on Consultancy.

Due from service provider represents premiums collected from policy holders and payable to insurance providers by a service provider maintaining the amounts in fiduciary capacity.

Other assets represent Interest Accrued but not due on deposits with banks and financial institutions, employee advances, communication deposits, down payment on domestic and overseas current assets, clients reimbursements and gain on forward exchange contracts. Employee and Other Advances comprise of salary and travel advances to employees both in India and abroad, which is recoverable within a year.

Rent deposits are towards buildings on lease by the company for its business process service operations.

The company's liability towards income tax is fully provided for. The details of advance income tax are given below:

<i>In ₹ crore</i>		
As of	Mar 31, 2015	Mar 31, 2014
Advance Income Tax and MAT credit entitlement	65.2	73.4
Advance Income Tax	64.9	57.7
MAT credit entitlement	0.3	15.7

## 10. Unbilled revenue

Unbilled revenues comprise of revenue recognized in relation to efforts incurred on fixed-price, Transaction based and time & material contracts not billed as of the year-end. The unbilled revenues as of March 31, 2015 and March 31, 2014 amounted to ₹74.47 crore, and ₹79.23 crore respectively.

## 11. Liabilities

	In ₹ crore	
As of	Mar 31, 2015	Mar 31, 2014
Trade payables	65.7	6.7
Accrued salaries and benefits	211.8	224.0
<b>Other liabilities</b>		
Provision for expenses	245.8	333.0
Retention monies	22.3	22.7
Withholding and other taxes	40.1	34.3
Other	1.6	0.3
Advances received from clients	1.6	1.9
Unearned revenue	17.3	13.0
Liability for investment in subsidiary	–	–
Mark to market loss on forward exchange contract	3.2	2.0
Due to carrier / insurance provider	–	135.1
<b>Total</b>	<b>609.5</b>	<b>773.1</b>

Trade Payables represent the amount payable to vendors for the supply of goods, both domestic and overseas and for services rendered.

Accrued Compensation to Staff includes provision for salaries, allowances and variable pay to employees both in India and abroad, provision for bonus, performance and salary incentives payable to the staff. It also comprises of provision for the company's liability for leave encashment and gratuity.

Withholding and other taxes payable represent tax deducted at source on contractors, foreign payments, professional charges, rent payments, salaries, advertisement, ESI / PF payable etc.

## 12. Unearned Revenue

Unearned revenue represents revenue not recognised due to non confirmity with revenue recognition principles. The deferred revenues amounted to ₹17.32 crore as of March 31, 2015 and ₹12.97 crore as of March 31, 2014.

## 13. Provisions

	In ₹ crore	
	Mar 31, 2015	Mar 31, 2014
Income taxes	37.8	29.2
Unavailed leave	68.0	64.2
Service level agreement- risk	25.4	29.9
<b>Total</b>	<b>131.1</b>	<b>123.3</b>

Provision for unavailed leave is towards our liability for leave encashment valued on actuarial basis. The provision for service level agreement compliance is based on estimates made by the management for on going contracts. In accordance with paragraphs 66 and 67 of the Accounting Standard 29 (Provisions, contingent liabilities and contingent assets) the movement in provision for service level agreement is given below:

	In ₹ crore	
	Mar 31, 2015	Mar 31, 2014
Balance at the beginning of the period	29.9	11.9
Additional provision made during the period	(1.7)	19.0

	Mar 31, 2015	Mar 31, 2014
Provisions used during the period	2.8	1.0
Unused amount reversed during the period	–	–
<b>Balance at the end of the period</b>	<b>25.4</b>	<b>29.9</b>

## III. Results of Operations

The function wise classification of statement of Profit and Loss account is as follows:

	In ₹ crore			
	Year ended Mar 31,			
	2015	%	2014	%
Revenues from business process				
management services	3,507	100.0	3,278	100.0
Cost of revenue	2,374	67.7	2,152	65.6
Gross profit	1,133	32.3	1,126	34.4
Selling and marketing expenses	113	3.2	116	3.6
General and administrative expenses	323	9.2	307	9.4
Operating profit before depreciation	697	19.9	703	21.4
Depreciation and amortization expense	64	1.8	91	2.8
Operating profit	633	18.1	612	18.7
Other income	183	5.2	137	4.2
Profit before tax	816	23.3	749	22.8
Tax expense	198	5.6	171	5.2
<b>Profit after tax</b>	<b>618</b>	<b>17.6</b>	<b>578</b>	<b>17.6</b>

Consolidated Revenues for the year were ₹3,507.36 crore as against ₹3,278.49 crore for the previous year.

Gross Margin post depreciation for the year was ₹1,069.41 crore compared to ₹1,035.47 crore during the previous year.

Net Income for the current year was ₹617.83 crore as compared to ₹577.79 crore for the previous year.

Gross Addition to headcount for the year ended March 31, 2015 was 13,387 compared to 13,092 at the end of the previous year.

### 1. Income

Year ended	In ₹ crore				
	Mar 31, 2015	%	Mar 31, 2014	%	Growth in %
Revenues					
Overseas	3,483.2	99	3,257.4	99	7
Domestic	24.2	1	21.1	1	14
<b>Total</b>	<b>3,507.4</b>	<b>100</b>	<b>3,278.5</b>	<b>100</b>	<b>7</b>

Revenues for the current year increased by 6.98% as compared to the immediately preceding year.



### 1.1 Analysis of Consolidated Revenues

The company's revenues are segmented into onsite and offshore revenues. Onsite revenues are those services which are performed at client sites or at our global development centers located in the same country where the client is based out of, while offshore services are those services which are performed at the company's operations centers located in the country other than where the client is based out of.

The details of revenues and products are as follows:

Year Ended	In ₹ crore			
	Mar 31, 2015	%	Mar 31, 2014	%
Onsite	623.5	17.8	581.6	17.7
Offshore	2,883.9	82.2	2,696.9	82.3
Total	3,507.4	100.0	3,278.5	100.0

The details of the man months efforts are given below:

#### Efforts in Person Months

Year Ended	Mar 31, 2015	Mar 31, 2014
Onsite	8,409	7,795
Offshore	1,85,683	1,75,426
Billed-total	1,94,092	1,83,221
Non-billable	81,432	71,441
Training	13,206	13,325
Total professionals	2,88,730	2,67,987
BEF, Sales & Long Leaves	16,785	15,643
Total	3,05,515	2,83,630

### 1.2 Revenues by Project Type

The company's revenues are generated principally on time and material basis, Transaction based basis and fixed price contracts. Revenue from fixed price contracts is recognized as per the proportionate completion method. On time and material contracts, revenue is recognized as the related services are rendered.

The segmentation of service revenues based on project types is as follows:

Year Ended	in %	
	Mar 31, 2015	Mar 31, 2014
Fixed price	16.3	13.7
Transaction Based Pricing	24.1	27.2
Time and material	59.7	59.1
Total	100.0	100.0

### 1.3 Revenues by Industry Segments

Infosys BPO offers Business process outsourcing solutions to several clients and its service offerings span across multiple industry segments. Following is the revenue by industry:

Year Ended	in %	
	Mar 31, 2015	Mar 31, 2014
Financial Services & Insurance (FSI)	30.4	30.8
Manufacturing Enterprises (MFG)	36.0	35.5
Energy, Utilities, Communication and Services (ECS)	22.5	22.7

Year Ended	Mar 31, 2015	Mar 31, 2014
Retail, Consumer packaged goods, Logistics and Life Sciences (RCL)	11.1	10.9
Total	100.0	100.0

### 1.4 Revenues by Geographic Region

Revenue is also analyzed in terms of the client locations spread across the globe. Infosys BPO offers services to clients located at different parts of the world, both offshore and onsite. Revenues by location are:

Year Ended	in %	
	Mar 31, 2015	Mar 31, 2014
North America	51.0	48.2
Europe	31.3	34.0
India	3.5	3.8
Others	14.2	14.0
Total	100.0	100.0

### 1.5 Client Concentration and New Business Development

For the year ended March 31, 2015, the company has 161 active clients. The company has been consistently providing value added services to its existing clients resulting in better visibility and stability of revenue streams. The following table provides information about client concentration:

Year Ended	Mar 31, 2015	Mar 31, 2014
Active Clients	161	144
Added during the year	37	29
Deleted during the year	20	23
Revenue – top client	12%	13%
Revenue – top 5 clients	27%	30%
Revenue – top 10 clients	38%	41%

### 1.6 Voice Vs Non-Voice

Infosys BPO has from the beginning advocated a non-voice BPO strategy. The management is of the opinion that non voice would offer greater opportunities for process improvements, higher client retention and greater revenues. For the current year ended March 31, 2015, the voice and non voice proportion was at 12:88 whereas for the previous year, the voice and non-voice proportion was 11:89.

## 2. Expenditure

In ₹ crore

Year Ended	Mar 31, 2015					Mar 31, 2014					Growth % (YoY)
	IBPO	McCamish	Portland	Total	%	IBPO	McCamish	Portland	Total	%	
Revenues	2,984.3	320.1	202.9	3,507.4	100.0	2,749.1	318.3	211.1	3,278.5	100.0	7.0
Cost of Services	1,958.8	253.6	161.9	2,374.4	67.7	1,726.9	265.4	160.0	2,152.3	65.6	10.3
Gross profit	1,025.5	66.5	41.0	1,133.0	32.3	1,022.2	52.8	51.2	1,126.2	34.4	0.6
Selling & mktg	107.9	3.9	1.0	112.9	3.2	102.8	12.7	1.2	116.7	3.6	-3.3
Gnrl and admn	257.7	48.0	17.7	323.4	9.2	256.9	33.3	16.9	307.0	9.4	5.3
Total	365.6	52.0	18.7	436.2	12.4	359.7	46.0	18.0	423.7	12.9	3.0
Operating profit	659.9	14.6	22.3	696.8	19.9	662.5	6.9	33.1	702.5	21.4	-0.8
Depreciation	59.6	3.4	0.6	63.6	1.8	83.6	6.3	0.8	90.7	2.8	-29.9
Operating profit after Interest & Depreciation	600.3	11.1	21.7	633.2	18.1	578.9	0.5	32.4	611.8	18.7	3.5
Other income	181.4	(0.6)	1.7	182.5	5.2	130.3	5.9	1.2	137.4	4.2	32.8
Profit before tax	781.7	10.5	23.4	815.7	23.3	709.1	6.4	33.6	749.1	22.8	8.9
Provision for tax	192.1	0.1	5.7	197.8	5.6	159.8	-	11.5	171.3	5.2	15.5
Profit After Tax	589.6	10.5	17.7	617.8	17.6	549.3	6.4	22.1	577.8	17.6	6.9

### 2.1 Cost of Services

In ₹ crore

Year Ended	Mar 31, 2015					Mar 31, 2014					Growth % (YoY)
	IBPO	McCamish	Portland	Total	%	IBPO	McCamish	Portland	Total	%	
Employee costs	1,555.9	147.0	127.7	1,830.7	52.2	1,331.4	137.2	129.6	1,598.2	48.7	14.5
Travelling expenses	113.5	2.6	10.5	126.5	3.6	100.7	2.5	7.7	110.9	3.4	14.1
Consultancy	111.0	79.6	17.8	208.4	5.9	99.4	81.2	17.7	198.3	6.0	5.1
Cost of software	19.4	9.8	2.9	32.1	0.9	22.9	25.2	1.6	49.7	1.5	-35.5
Communication expenses	44.4	1.7	0.3	46.3	1.3	43.3	2.7	0.3	46.2	1.4	0.2
Rent	90.4	5.6	2.4	98.4	2.8	85.2	6.8	3.0	95.0	2.9	3.5
Other expenses	24.2	7.5	0.3	32.0	0.9	43.9	9.9	0.1	54.0	1.6	-40.7
Total	1,958.8	253.6	161.9	2,374.4	67.7	1,726.9	265.4	160.0	2,152.3	65.6	10.3
Revenues	2,984.3	320.1	202.9	3,507.4		2,749.1	318.3	211.1	3,278.5		

Employee Cost consists of salaries paid to employees in India and include overseas staff expenses. Details of total billed and non-billable person months and gross addition for the year are as follows:

Year Ended	Mar 31, 2015	Mar 31, 2014
Billed Person Month	1,94,092	1,83,221
Non Billable and Trainee Person Month	94,638	84,766
Gross Addition of employees	13,387	13,092
Aggregate Employees	30,313	27,157

During the current year there is increase in both billed and non billable person month.

The utilization rates of billable employees are as below:

As of	Mar 31, 2015	Mar 31, 2014
Including trainees	67.2	68.4
Excluding trainees	70.4	71.9

Travelling expenses, representing cost of travel abroad for transition and discovery, client visits, local conveyance etc constituted approximately 3.61% and 3.38% of total revenue for the year ended March 31, 2015 and March 31, 2014 respectively.

Consultancy charges represent the cost of sub-contractors used for operational activities. The company uses these consultants mainly to meet mismatch in certain skill-sets that are required in various projects and will continue to use external consultants for some of its project work on a need basis. It also includes sub contractor charges of an existing client.

Cost of software packages represents the cost of software packages and tools procured for internal use by the company for enhancing the quality of its services.

A major part of the company's revenue comes from offshore business process services. This involves the large-scale use of communication links in order to be online with clients. Communication expenses represent 1.32% and 1.41% of revenues for the years ended March 31, 2015 and March 31, 2014 respectively.

Other expenses represent office and computer maintenance, consumables and general expenses, which were 0.91% and 1.65% of the revenues for the year ended March 31, 2015 and March 31, 2014 respectively.

## 2.2 Selling and Marketing expenses

In ₹ crore

Year Ended	Mar 31, 2015					Mar 31, 2014					Growth % (YoY)
	IBPO	McCamish	Portland	Total	%	IBPO	McCamish	Portland	Total	%	
Employee costs	81.0	3.8	0.5	85.3	2.4	75.3	11.2	0.6	87.1	2.7	- 2.1
Foreign Travel	13.2	0.2	-	13.4	0.4	11.6	0.8	0.1	12.5	0.4	7.3
Brand Buiding	4.7	-	0.1	4.8	0.1	5.3	0.7	-	6.1	0.2	- 20.9
Professional charges	(0.1)	-	-	(0.1)	-	0.6	-	-	0.6	-	- 116.4
Recruitment expenses	0.2	-	-	0.2	-	1.4	-	-	1.4	-	- 85.8
Rent	2.8	-	-	2.8	0.1	2.8	0.1	-	2.9	0.1	- 5.2
Other expenses	6.3	(0.1)	0.4	6.5	0.2	5.9	(0.2)	0.4	6.1	0.2	5.8
Total	107.9	3.9	1.0	112.9	3.2	102.8	12.7	1.2	116.7	3.6	- 3.3
Revenues	2,984.3	320.1	202.9	3507.4		2,749.1	318.3	211.1	3278.5		

The company incurred Selling and Marketing expenses at 3.22% of its revenue during the current year as compared to 3.56% during the previous year.

Employee costs consist of salaries paid to sales and marketing employees and include the bonus payments made to sales personnel.

Professional charges primarily relate to payments made for legal charges, translation charges, etc. It also includes consultant charges towards recruitment of sales personnel.

Rent comprises of overseas and domestic rent payments for space utilized by sales and marketing team.

Other Marketing Expenses represents communication expenses, printing and stationery, recruitment charges, postage and courier and other miscellaneous expenses.

At the end of the current year, Infosys BPO had 161 clients as compared to 144 clients in the previous year.

## 2.3 General and administration expenses

In ₹ crore

Year Ended	Mar 31, 2015					Mar 31, 2014					Growth % (YoY)
	IBPO	McCamish	Portland	Total	%	IBPO	McCamish	Portland	Total	%	
Employee costs	110.4	12.7	6.4	129.5	3.7	100.2	15.9	6.9	123.0	3.8	5.2
Professional charges	7.0	(0.7)	0.5	6.8	0.2	16.0	2.8	0.4	19.2	0.6	- 64.5
Rent	6.5	-	0.9	7.4	0.2	5.6	0.2	0.3	6.1	0.2	21.2
Power & Fuel	25.9	0.3	0.1	26.3	0.8	30.0	0.3	0.2	30.5	0.9	- 13.6
Travel & Conveyance	4.3	0.1	2.4	6.8	0.2	1.7	0.3	1.5	3.5	0.1	93.8
Cost of Software	2.8	7.3	0.4	10.5	0.3	2.4	1.5	0.1	4.0	0.1	162.9
Office Maintenance	32.1	0.9	1.1	34.0	1.0	46.0	1.3	1.1	48.4	1.5	- 29.7
Insurance Charges	8.9	-	0.6	9.5	0.3	13.7	0.4	0.8	14.8	0.5	- 35.6
Other expenses	59.7	27.4	5.3	92.5	2.6	41.2	10.7	5.5	57.5	1.8	60.9
Total	257.7	48.0	17.7	323.4	9.2	256.9	33.3	16.9	307.0	9.4	5.3
Revenues	2,984.3	320.1	202.9	3507.4		2749.1	318.3	211.1	3278.5		

The company incurred General and administration expenses amounting to 9.22% of its total revenue during the current year as compared to 9.36% of revenues during the previous year.

Professional charges include fees paid for availing services such as consultant charges and legal fees, etc.

## 3. Operating profits

During the year ended March 31, 2015, the company earned an operating profit (profit before tax and excluding other income) of ₹633.16 crore representing 18.05% of revenues as compared to ₹611.75 crore representing 18.66% of revenues during the previous year.

## 4. Interest

The company continued to be debt-free during the year.

## 5. Depreciation and Amortization

The company provided a sum of ₹63.61 crore and ₹90.73 crore towards depreciation for the years ended March 31, 2015 and March 31, 2014 respectively representing 1.81% and 2.77% of total revenues respectively. The depreciation and amortization as a percentage of average gross block is 5.19% and 7.78% for the years ended March 31, 2015 and March 31, 2014 respectively.

## 6. Other income, net

Other income includes interest received on deposits with banks and other financial institutions, dividends from mutual fund investments exchange differences and other miscellaneous income.

In ₹ crore

Year Ended	Mar 31, 2015	Mar 31, 2014
Interest Income	129.7	87.8
On deposits with financial institution / bodies corporate	–	4.9
On deposits with banks	129.7	82.9
Dividend income	12.4	16.8
Exchange differences	19.8	(14.3)
Rental Income from subsidiaries	9.1	10.6
Miscellaneous Income	5.6	36.4
Profit on sale of Investment	6.0	–
Total	182.5	137.4

Miscellaneous Income includes McCamish Contingent consideration written off in FY 2014

Gains / (Losses) on forward foreign exchange and option contracts

The Group uses forward exchange contracts and option to hedge its exposure to movements in foreign exchange rates. The use of these forward exchange contracts and options contract reduces the risk or cost to the group and the group does not use the forward exchange contracts for trading or speculation purposes.

The Group records the gain or loss on effective hedges in the foreign currency fluctuation reserve until the transactions are complete. On completion, the gain or loss is transferred to the profit and loss account of that period. To designate a forward contract or options contract as an effective hedge, Management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. In the absence of an effective hedge, a gain or loss is recognized in the profit and loss account.

The composition of currency-wise revenue for the year ended March 31, 2015 and March 31, 2014 is as follows:

in %

Currency	Mar 31, 2015	Mar 31, 2014
US Dollar (USD)	55.5	54.1
UK Pound (GBP)	8.6	10.4
Euro (EUR)	14.0	15.4
Australian Dollar (AUD)	9.9	11.7
Other	12.0	8.4
Total	100.0	100.0

## 7. Provision for tax

The present Indian corporate tax rate is 32.45% (comprising a base rate of 30% and a surcharge of 5% on the base rate and an educational cess of 3% on the cumulative tax). The company had exemptions from payment of Indian corporate income taxes for a period of ten consecutive years of operation of software

development facilities designated as “Software Technology Parks” (the “STP Tax Holiday”). The period of the STP Tax Holiday available was restricted to 10 consecutive years beginning from the financial year when the unit started rendering business process management services or March 31, 2013, whichever was earlier.

Infosys BPO also has operations in a Special Economic Zone (“SEZ”). Income from SEZs is fully tax exempt for the first 5 years, 50% exempt for the next 5 years and 50% exempt for another 5 years subject to fulfilling certain conditions. Pursuant to the amendments in the Indian Income Tax Act, the company has calculated its tax liability after considering Minimum Alternate Tax (MAT). The MAT liability can be carried forward and set off against the future tax liabilities.

Provisions for taxation represent estimated income tax liabilities, both in India and abroad. For the year ended March 31, 2015, provision for taxation amounts to ₹207.92 crore. Deferred tax assets of ₹-10.10 crore were recognised and MAT credit entitlement for ₹0.00 crore was accounted for. Net impact of provision for taxation for different period is as follows.

In ₹ crore

As of	Mar 31, 2015	Mar 31, 2014
Current taxes	207.9	182.3
Deferred taxes	(10.1)	(20.3)
Mat Credit Entitlement	–	9.3
Total	197.8	171.3

## 8. Net profit

The net profit of the company from ordinary activities amounted to ₹617.83 crore and ₹577.79 crore for the years ended March 31, 2015 and March 31, 2014 respectively. This represents 17.62% and 17.62% of total revenue for the respective years. Excluding other income of ₹182.50 crore (5.20% of revenues) in the current year as compared to ₹137.37 crore (4.19% of revenues) in the previous year, the net profit would have been ₹435.33 crore and ₹440.41 crore in the current and previous year respectively.

## 9. Segmental profitability

Our revenue represented along industry classes comprise the primary basis of segmental information set out in the financial statements. Secondary segmental reporting is performed on the basis of the geographical location of customers. The detail of Income & operating income by industry & Geographical segments are provided in this section.

### Industry Segment

In ₹ crore

	FSI <sup>(1)</sup>	MFG <sup>(2)</sup>	ECS <sup>(3)</sup>	RCL <sup>(4)</sup>	Total
<b>Segmental revenues</b>					
FY 2015	1,066.3	1,262.1	790.2	388.8	3,507.4
FY 2014	1,011.3	1,163.2	745.7	358.4	3,278.5
Growth %	5	9	6	9	7
<b>Segmental operating income</b>					
FY 2015	217.6	205.0	173.7	100.5	696.8
FY 2014	223.3	236.9	172.9	69.4	702.5
Growth %	-3	-13	0	45	-1
<b>Segmental operating income</b>					
FY 2015	20.4%	16.2%	22.0%	25.9%	19.9%
FY 2014	22.1%	20.4%	23.2%	19.4%	21.4%

<sup>(1)</sup> Financial Services & Insurance

<sup>(2)</sup> Manufacturing

<sup>(3)</sup> Energy, Utilities, Communication and Services

<sup>(4)</sup> Retail, Consumer packaged goods, Logistics and Life Sciences

## Geographic Segment

In ₹ crore

	North America	Europe	Other <sup>(1)</sup>	Total
<b>Segmental revenues</b>				
FY 2015	1,789.8	1,098.3	619.3	3,507.4
FY 2014	1,573.8	1,117.3	587.4	3,278.5
Growth%	14	-2	5	7
<b>Segmental operating income</b>				
FY 2015	429.2	195.3	72.2	696.8
FY 2014	408.6	210.9	83.0	702.5
Growth%	5	-7	-13	-1
<b>Segmental operating income</b>				
FY 2015	24.0%	17.8%	11.7%	19.9%
FY 2014	26.0%	18.9%	14.1%	21.4%

<sup>(1)</sup> India and Rest of the world

## 10. Liquidity

The growth of the company has been largely financed by cash generated from operations. As of March 31, 2015 the company had cash and cash equivalents of ₹1986.5 crore including short term liquid investments in money market instruments amounting to ₹127.0 crore and investment in Mutual fund amounting to ₹122.9 crore. The cash and cash equivalents increased by ₹370.6 crore during the year.

## Cash flow statement

In ₹ crore

	Mar 31, 2015	Mar 31, 2014
<b>Cash Flows</b>		
Operating Activities	356.3	541.2
Investment Activities	74.4	(7.7)
Financing Activities	-	-
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(60.2)	24.7
Net increase in cash and cash equivalents	370.6	558.2
Cash and cash equivalents at the beginning of the period	1,615.9	1,057.7
Cash and cash equivalents at the end of the period	1,986.5	1,615.9

The company's treasury policy calls for investing only in highly rated banks, financial institutions and companies for short maturities with a limit for individual entities. The company retains the money both in rupee and foreign currency accounts. The bank balances in overseas accounts are maintained to meet the expenditure of the overseas branches in the U.S. and other countries, and to meet project-related expenditure overseas. The company's policy is to maintain sufficient cash in the balance sheet to fund the ongoing capex requirements, the operational expenses and other strategic initiatives for the next one year and to maintain business continuity in case of exigencies.

Restricted Deposit with Wells Fargo amounting to ₹38 crores has not been considered in Cash flow statement.

## Working Capital

In ₹ crore

As on	Mar 31, 2015	Mar 31, 2014
Current assets	2,865.7	2,496.3
Current liabilities	719.7	852.7
Working capital	2,146.0	1,643.7
Current ratio	4:1	2.9:1

Working capital increased by ₹502.31 crore from the year end 2014 position. The Key changes are described below:

Current assets increased by ₹369.33 crore due to increase in Cash & cash equivalent by ₹560.75 crore, Trade receivable by ₹97.93 crore, decrease in investment in mutual fund by ₹-151.90 crore, decrease in unbilled revenue ₹-4.76 crore and increase in other unsecured debt by ₹-132.70 crore.

Current liabilities decreased by ₹-132.97 crore mainly due to decrease in carrier / insurance provider by ₹-135.08 crore, Provision for expenses by ₹-87.23 crore and Provision for SLA risk by ₹-4.52 crore.

Management uses a free cash flow measure to evaluate the company's operating results, evaluate strategic investment and assess the company's ability and need to incur and service debt. Free cash flow is not defined term under IGAAP and it should not be inferred that the entire free cash flow amount is available for discretionary expenditure. The company defines free cash flow as net cash from operating activities less net capital expenditure.

In ₹ crore

For the year ended March 31	2015	2014	2013	2012
Net cash from operating activities per IGAAP	356	541	399	272
Less: Capital expenditure, net	(67)	(111)	(76)	(108)
Free cash flow	289	430	323	164
Acquisition	-	-	(5)	(195)
Dividend / Interest received	138	106	75	58
Divestitures / (Investment)	155	(126)	(131)	1
Effect of exchange differences on translation	(60)	25	5	(5)
Change in cash, cash equivalent	522	435	266	22

## 11. Stock option plans

Employee Stock Option Plan (2002 plan)

As at March 31, 2015, the options held by Infosys Limited have expired. These options have not been considered while computing dilutive earnings per share of the company from the date Infosys Limited owned these options.

## 12. Capital Commitments and contingent liabilities

Forward Contracts Sell	As at March 31, 2015		As at March 31, 2014	
	In base currency (in million)	In ₹ crore	In base currency (in million)	In ₹ crore
USD / INR	48.0	300.0	19.0	113.8
GBP / USD	—	—	—	—
EUR / PLN	5.0	30.0	14.0	111.6
USD / PLN	3.0	19.0	3.0	18.0
USD / CZK	1.0	6.0	3.0	18.0
GBP / INR	4.0	39.0	4.0	39.9
EUR / USD	—	—	—	—
EUR / INR	3.0	20.0	2.0	14.5
CZK / USD	—	—	2.0	12.0
AUD / INR	3.0	14.0		
Total forward contracts o/s		428.0		327.8
b. Estimated Amount of unexecuted capital contracts (net of advance and deposits)		26.4		22.5
c. Claims against the company not acknowledged as debts		119.3		25.7
Aggregate capital commitments and contingent liabilities		573.0		376.0

## IV Opportunities & threats:

### 1. Our strengths

We believe that competitive strengths include — Leadership in providing innovative solutions that enable our clients to deliver improved business results in addition to optimizing the efficiency of their business; proven global delivery model, commitment to quality and process execution; strong brand and long standing client relationships; status as an employer of choice; ability to scale; innovation and leadership.

### 2. Our strategy

In Infosys BPO, we provide the best customer experience to our clients. Infosys BPO addresses business challenges and unlocks business value by applying proven process methodologies, integrated IT and business process outsourcing solutions. The company applies business excellence frameworks to significantly reduce costs, enhance effectiveness and optimize business processes.

We seek to differentiate in the market by delivering measurable business value through deep domain expertise and technology prowess. We will invest in offerings that go beyond traditional BPO SG&A offerings and address COGS part of our clients to deliver transformation. Infosys BPO has 32 delivery centers across the globe and is focused in expanding the delivery capabilities to give its clients, the flexibility to take their operations to any market. Infosys BPO is focused in enhancing its brand value and providing careers for life to its employees.

Infosys BPO is focused on the Automation and making the processes touch less, and will continue to build on capabilities in this space. We will aim at providing business value to our clients over and above cost arbitrage through Automation.

Due to these focused strategies Infosys BPO has emerged as a trusted and valued collaboration partner through consistent focus on improving process and end business metrics.

### 3. Our competition

We operate in a highly competitive and rapidly changing market and compete with consulting firms such as Accenture Limited,

Atos Origin SA. and Deloitte Consulting LLP; divisions of large multinational technology firms such as Hewlett-Packard Company and IBM Corporation; diversified IT and outsourcing companies such as Tata Consultancy Services, Wipro Technologies and Cognizant Technologies, Business Process Outsourcing firms such as Genpact Limited and WNS Global Services; and specialty platform and SaaS companies.

In the future, we expect an intensified competition from some of the firms mentioned above, and may also experience competition from new competitors. In particular, we expect increased competition from firms that strengthen their offshore presence in India or other low-cost locations and from firms in market segments that we have recently entered.

We understand that price alone cannot constitute a sustainable competitive advantage. We believe that the principal competitive factors in our business are the ability to attract and retain high-quality management, technology professionals and sales personnel; articulate and demonstrate long-term value to potential clients; effectively integrate onsite and offshore execution to deliver high quality, scalable, and cost-effective services; increase the scale and breadth of service offerings to provide one-stop solutions for customer needs; keep pace with ever-changing technology and customer requirements; a strong and well-recognized brand; a proven track record of performance excellence and customer satisfaction; the financial strength to be able to invest in personnel and infrastructure to support the evolving demands of customers; and high ethical and corporate governance standards to ensure honest and professional business practices and protect the reputation of the Company and its customers. We believe we compete favorably with respect to these factors.

## V Outlook, risk and concerns

This section contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors. The following lists our outlook, risks and concerns:

- Our revenues and expenses are difficult to predict and can vary significantly from period to period. We may not be able to sustain our previous profit margins or levels of profitability.

- The economic environment, pricing pressure and decreased employee utilization rates could negatively impact our revenues and operating results.
- Our revenues are highly dependent on clients primarily located in the U.S. and Europe, as well as on clients concentrated in certain industries. An economic slowdown or other factors that affect the economic health of the U.S., Europe or those industries, or any other impact on the growth of such industries, may affect our business.
- Our success depends largely upon our highly skilled professionals and our ability to attract, hire, train, motivate and retain them.
- Any inability to manage our growth could disrupt our business and reduce our profitability.
- We may face difficulties in providing end-to-end business solutions for our clients, which could lead to clients discontinuing their work with us, which in turn could harm our business.
- Intense competition in the market for technology services could affect our cost advantages, which could reduce our share of business from clients and decrease our revenues.
- Our revenues are highly dependent upon a small number of clients, and the loss of any one of our major clients could significantly impact our business.
- Legislation in certain countries in which we operate, including the U.S. and the U.K., may restrict companies in those countries from outsourcing work to us, or may limit our ability to send our employees to certain client sites.
- Our success depends in large part on our management team and key personnel and our ability to attract and retain them.
- Our failure to complete fixed-price, fixed-timeframe contract or transaction-based pricing contracts within budget and on time may negatively affect our profitability.
- Our client contracts can typically be terminated without cause and with little or no notice or penalty, which could negatively impact our revenues and profitability.
- Our engagements with customers are singular in nature and do not necessarily provide for subsequent engagements.
- Our client contracts are often conditioned on our performance which, if unsatisfactory could result in lesser revenues.
- Some of our long-term client contracts contain benchmarking provisions which, if triggered, could result in lower future revenues and profitability under the contract.
- Our increasing work with governmental agencies may expose us to additional risks.
- Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and in the industries on which we focus.
- Compliance with new and changing corporate governance and public disclosure requirements adds uncertainty to our compliance policies and increases our costs of compliance.
- Disruptions in telecommunications, system failures, or virus attacks could harm our ability to execute our Global Delivery Model, which could result in client dissatisfaction and a reduction of our revenues.
- We may be liable to our clients for damage caused by disclosure of confidential information, system failures, errors or unsatisfactory performance of services.
- We are investing in new facilities and physical infrastructure, and our profitability could be reduced if our business does not grow proportionately.
- We may be unable to recoup our investment costs to develop our technology products.
- We may engage in acquisitions, strategic investments, strategic partnerships or alliances or other ventures that may or may not be successful.
- We may be the subject of litigation which, if adversely determined, could harm our business and operating results.
- The markets in which we operate are subject to the risk of earthquakes, floods, tsunamis and other natural and manmade disasters.
- Our net income would decrease if the Government of India reduces or withdraws tax benefits and other incentives it provides to us or when our tax holidays expire or terminate. In the event that the Government of India or the government of another country changes its tax policies in a manner that is adverse to us, our tax expense may materially increase, reducing our profitability.
- We operate in jurisdictions that impose transfer pricing and other tax-related regulations on us and any failure to comply could materially and adversely affect our profitability.
- Wage pressures in India and the hiring of employees outside India may prevent us from sustaining our competitive advantage and may reduce our profit margins.
- Terrorist attacks or a war could adversely affect our business, results of operations and financial condition.
- Regional conflicts in South Asia could adversely affect the Indian economy, disrupt our operations and cause our business to suffer.
- Changes in the policies of the Government of India or political instability could delay the further liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact our business and prospects.
- Our international expansion plans subject us to risks inherent in doing business internationally.
- Our ability to acquire companies organized outside India depends on the approval of the Government of India and / or the Reserve Bank of India, and failure to obtain this approval could negatively impact our business.
- Disruptive technologies can result in loss of business and or profitability.

## VI Internal control system and their adequacy

The CEO and CFO certification provided in the CEO & CFO certification section of the Annual Report discusses the adequacy of our internal control & procedures.

## VII Material developments in human resources

Our culture and reputation as a leader in the business process outsourcing services industry enables us to recruit and retain some of the best available talent in India.

## Risk Management Report

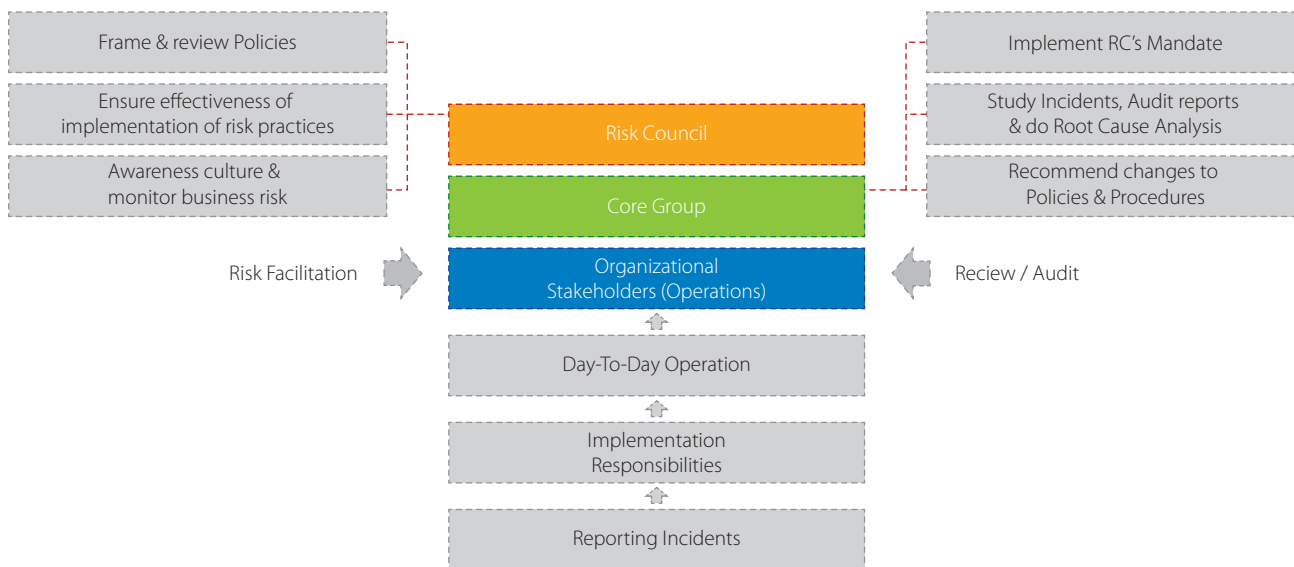
### Management of Risk

This report sets out the enterprise wide risk management that is practiced by Infosys BPO. Readers are cautioned that the risks outlined here are not exhaustive and are for information purposes only. This report contains statements, which may be forward-looking in nature. Our business model is subject to uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Readers are requested to exercise their own judgment in assessing the risks associated with the company.

Infosys BPO leverages the strengths of streamlining of processes to make them more standardized and simpler, minimizing risks associated with internal fraud, information leakage, interruption risk, damage to physical assets and innovation to eliminate redundant steps in process and add value for its stakeholders. In this process Infosys BPO recognizes the fact that its clients are taking substantial risk in deciding to outsource their complex business processes and consequently adopts a strategic approach towards risk management from their perspective. This business model is fundamentally different from that of our competitors and hence our approach to risks is different from others. Further, Infosys BPO also recognizes the fact that internal risk management practices are also important to all stakeholders including its internal clients and regulators.

Infosys BPO has grown both organically and inorganically since its inception. This has led to integration of management systems and internal controls. However, changes in global economic environment, matured and higher client expectations, and shifts in competitive landscape, have increased the challenges faced by Infosys BPO and therefore the management of risks has become more important.

The day to day implementation of the Risk Management steps are undertaken at each facility by respective functional teams for each location and their implementation are overseen at the organization level by a Risk Management Core Group comprising of the various functional heads. (See Pic below)



The Risk Council, comprising of the CEO, CFO along with the Head of Quality and Head Risk Management review both client facing risks and Infosys BPO internal risks and suggest appropriate mitigation to be put in place. Material Non Compliances identified out of Self-Assessment and other audits are reported to the Risk Management Council. Mitigation action for the top risks in the organization is also tracked by the Risk council.

### Risk Management Framework

Infosys BPO has always sought a comprehensive view to risk management to address risks inherent to clients as well as enterprise risks. Over the last few years, Infosys BPO has implemented many controls focusing on reducing the risks to its operations from the perspective of operational risk and control, data protection, information security and business continuity.

**Risk Governance:** Key risks are managed through a structure that cascades across the corporate, business units and the subsidiaries are located in following locations

Americas	Europe	APAC and Australia
<ul style="list-style-type: none"> <li>• Brazil</li> <li>• Costa Rica</li> <li>• Mexico</li> <li>• Puerto Rico</li> <li>• South Africa</li> <li>• United States</li> </ul>	<ul style="list-style-type: none"> <li>• Czech Republic</li> <li>• Ireland</li> <li>• Netherlands</li> <li>• Poland</li> </ul>	<ul style="list-style-type: none"> <li>• Australia</li> <li>• China</li> <li>• India</li> <li>• Philippines</li> <li>• Singapore</li> </ul>

At the corporate level, The Board of Directors is responsible for managing risks on various parameters. Under the supervision of the Managing Director and CEO, the Executive Council has to ensure implementation of the mitigation measures. The Audit Committee of the Board provides oversight and reviews the risk management policies annually. The Risk Management group facilitates the implementation and management of the controls at business unit and department level. The implementation approach and governance is based on the following three approaches

- Control Self-Assessment by the various departments and units.
- Control validation through process audits.
- Third party assessments of control implementation



The Risk Management Core Group comprises of represented members from each of the Business Enabling Functions and center heads. This team recommends policies and standards formulation, implementation and communication. On a monthly basis this teams reviews all incidents, exceptions and suggests necessary changes to the appropriate policies and standards.

**Risk Identification:** External and internal risk factors that must be managed are identified in the context of organizational strategy. These are identified by using the recommendations for Enterprise Risk Management being proposed by The Committee of Sponsoring Organizations of the Tread way Commission (COSO). Using this framework, the risk factors that could potentially affect the company and its stakeholders are identified. The process of business / strategic risk identification is done at the enterprise level by an annual Risk survey and at functional levels by the various functional teams along with the Risk Management team. At an engagement / client level risks are identified and reported on a monthly basis.

**Risk Assessment and Control**

**Internal Assessment:** Internal Assessment is an evaluation of the engagement performance by an assessor who even though, is internal to the Company is not directly connected with the engagement as such. Assessment is done on a sample basis. Performance of engagements against the critical parameters like CSAT, Attrition, Customer complaints, Risk, Gross margin, Service credits payouts. New engagements & Reverse Transitioning engagements would be evaluated for selecting the assessment sample. RT is validated

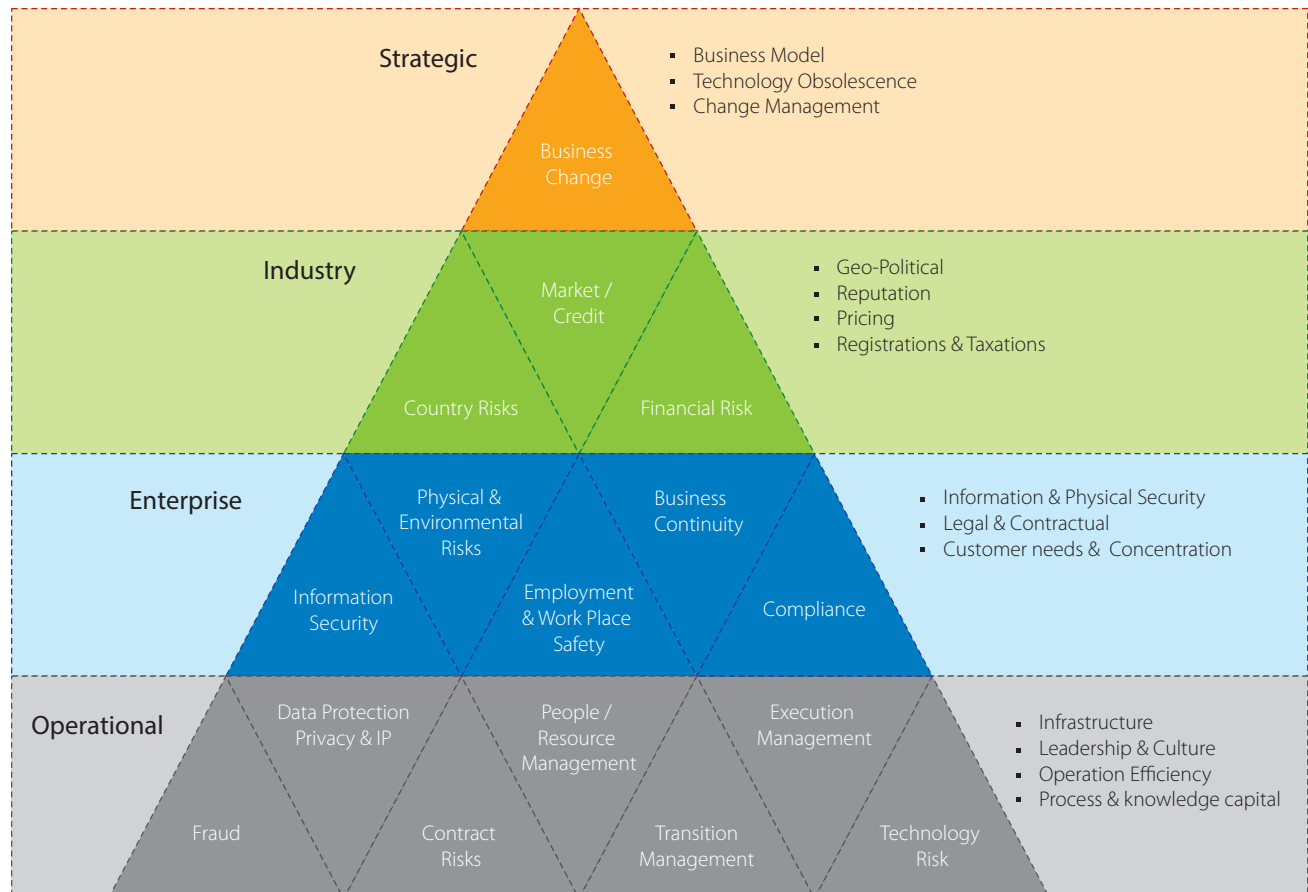
using a RT process checklist. Sampled engagements would be assessed during the financial year.

**Corporate Audits:** Certifications and Assessments Team (CCAT) team part of the Corporate Audit Group conducts Internal audits for the engagements sampled (sampled as per audit sample criteria) during the Fiscal year.

Infosys BPO carries out periodic initiatives to improve the risk management capability of its managers and increase organizational awareness through a 6 monthly Risk Management Refresher campaign. In addition to ensuring that all employees go through a mandatory training on risk management during induction, employees are put through these refresher sessions including use of online awareness quiz which has been mandated twice a year for all employees and other learning resources has been introduced via the intranet online training module which is Technical Advance Learning under which courses like Anti Money Laundering (AML), Health Insurance Portability and Accountability Act (HIPAA) have been made available for all employees across the organization. In addition establishing adequate control environment, the company has a comprehensive scheme of transfer of residual risks by insurance.

Infosys BPO has developed a comprehensive Risk Management Framework that is applied to each of the client engagements and tested periodically. The framework includes identifying and assessing the risk and hazards, analyzing the control measures in place to mitigate the risks and or its consequences.

Risks are documented and reviewed in the form of a dashboard as illustrated below :



### Risk reporting

Identification and Analysis of key risks to Business Objectives, Client Engagement and its impacts, mitigation measures and target closure dates is presented to Risk Council on a periodic basis. Additionally, Information Security risks, Business Continuity risks, Intellectual Property risks and Data Privacy risks are also highlighted to other appropriate group level forums.

### Third Party Assurance

Infosys BPO's internal controls are also audited by third party and this is done via the International Standards of Assurance Engagements (ISAE) 3402 is an internationally recognized auditing standard developed by International Auditing and Assurance

Standards Board (IAASB), which is part of the International Federation of Accountants (IFAC). An ISAE 3402 audit suggests that a service organization has been through an in-depth audit of control activities, which generally include controls over information technology and related processes. Infosys BPO has been providing all clean reports since 2004. The audit is conducted by one of big four audit firms.

Infosys BPO has covered the following locations for SOC1, Type 2 audit: Manila (Market, Market), Philippines; McCamish (Atlanta-USA); Bangalore, Chennai (TRIL), Pune, Jaipur and Gurgaon, India; Lodz, Poland; and Brno, Czech Republic; Hangzhou, China; Monterrey, Mexico; Belo Horizonte, Brazil.

## Report on Health, Safety and Environment

Our company is committed to high standards of environmental management, and to provisioning of a safe and healthy work place, to our employees, consultants and contractors. During the year we worked to enhance our Health, Safety and Environmental performance through better systems and processes and use of technology.

### OZONE – The Health, Safety and Environmental Management System (HSEMS) at Infosys BPO Limited

It is our endeavor to have and operate a Health, Safety and Environmental Management System at various locations that meet and exceed ISO 14001 standards and OHSAS 18001 specifications. The Ozone initiative helps us to comply fully with all legal requirements and meet or exceed these expectations wherever we operate in the world.

The various processes under the initiative include and are not limited to:

- Identification and management of hazards and risks related to Health & Safety
- Identification and management of activities causing environmental impacts
- Processes for operational controls
- Establishment of HSE objectives and targets which are achieved through Management programs
- Identification of HSE training needs and ensuring periodic training
- Establishment and operation of Occupational Health and Safety Committees

The various initiatives undertaken in the year 2013-14 includes:

**Awareness:** Various awareness campaigns were held across development centres to create awareness amongst employees, including contractual staff to ensure support and compliance. ECO groups also were involved in spreading awareness.

**Green Initiatives:** Our company completed the Pune SEZ Building and various green initiatives were undertaken like Erosion and Sedimentation Control, Reduced Site Disturbance, Protected / restored habitat, Storm water designed and Quantity control, roof insulation and heat island effect, Light Pollution reduction, water efficiency in Air conditioning system, building management systems, CFC reduction in HVAC & R, Outdoor air delivery monitoring, Low emitting materials, Adhesives and sealants, Daylight in 75% of spaces, open views for 90% of spaces. Our company also received the LEED Platinum rating in Green Building for this project.

**Energy:** We are working with some of the best research institutes and adopt many best practices across the world to implement the latest technologies at our new and existing campuses. These include:

- ‘Building energy management solutions’: We have developed a very strong practice of creating smart-building solutions, which gives us a real-time control on our energy assets.

- ‘Green buildings’: Every new building at our campuses is constructed using integrated design methods for maximizing daylight and minimizing heat. Efficient building envelopes, with insulated walls and roofs and high-performance glass, are used to conserve energy.
- ‘Adoption of Renewable energy’: We increased our share of renewable energy by using both off- and on-site renewable sources. We have installed a 250 KW of solar plant at Jaipur.
- ‘Energy-efficient IT infrastructure’: We have undertaken significant measures to reduce our IT infrastructure’s energy consumption through processes for desktop power management, Virtualization and consolidation, eco-friendly design of data centres and server rooms incorporating best practices of power and cooling, increase in facilities for video / audio conferencing.
- During the year the Jaipur facility won the “First Prize for Energy Conservation in the National Energy Conservation Award 2012 in the BPO Building Category” by the Government of India, Ministry of Power.

**Water:** We have been able to reduce our per capita fresh water consumption during the year through several initiatives and campaigns for optimal use of water across all our campuses. We have our own sewage treatment plants to recycle and reuse wastewater generated at our campuses every day. Recycled water is used for landscape maintenance and for flushing purposes at our campuses.

**Paper:** Paper consumption has been reduced significantly through various initiatives such as access password controlled printing, monitoring and control of printer utilization, building e-modules, and awareness campaigns like zero print weeks.

**Carbon emissions:** Several energy reduction programs have been initiated, such as campaigns promoting the use of mass transportation and car-pooling among employees. We encourage our employees to use teleconferencing and video conferencing facility to avoid long distance travel, thus minimizing the impact on the environment. We also source green power in a few locations and are working towards improving the percentage of harnessing green power to meet our power needs.

**Waste management:** We have adopted a focused approach towards waste management. Waste is segregated at source and disposed to recyclers. Hazardous waste is disposed to authorized recyclers and in adherence to applicable legislations. We are working on strengthening the process for effective e-waste disposal through initiatives like establishment of bio gas plants, organic waste converters etc.,

**Campus design and infrastructure development:** It is our endeavor to design and construct new buildings which follow green principles and optimized for energy efficiency and occupancy comfort. Thus, they are assured of a minimum gold rating as per IGBC LEED framework. The building in our Jaipur facility has a LEED Platinum rating.

## Health and Safety

Safety is every employee's responsibility and concern. Forums and help lines are provided to our employees to report security incidents and workplace hazards. They are actively involved in suggesting and implementing changes to the HSE policy.

An Occupational Health & Safety (OH&S) Committee is set up in each Development Centre. This committee is made up of OH&S representatives who represent employees of a designated workgroup. The OH&S committee brings employees and management together in a non-adversarial, cooperative effort to promote OH&S within the entire workplace. The committee would discuss, explore, study and make recommendations on various OH&S related issues. The committee will also provide employees with the opportunity to voice concerns relating to hazards.

### SAFE - Secure Affirmative Fun Environment

SAFE initiative is committed to ensure Safe Affirmative Fun environment to employees. This is a comprehensive physical and psychological health initiative, customized to an IT and ITES environment and constantly innovating to cater to the needs of the employees with offerings which include interactive portals, quizzes, comprehensive health and well-being plan for employees with offerings such as preventive healthcare options for employees and families, health checks, talks, consultations, fitness related interventions, and health awareness campaigns. Safety Week and Health Week - comprising of master health check-ups and focused health and stress campaigns, was conducted in our campuses which saw good participation by employees.

A hotline help and the psychological counseling that provide timely, expert help to employees and their families on issues related to relationships, stress, depression and personal issues is also established.

## Risk assessment, disaster recovery & business continuity

The Business Continuity Management System (BCMS) initiative at Infosys referred to as the Phoenix program which :

- Enables identification business impacts due to disruption in our services
- Identification and management of related risks
- Establishment of Business continuity plans which are regularly tested. Corporate, Development Centre and Account level plans exist.
- Drills and exercises are conducted periodically to test our preparedness levels to handle all potential disasters, and to check the liaison effectiveness and involvement with external organizations. Observations recorded during these mock drills are analyzed and acted upon and the learnings are included in the plans and trainings.

Infosys is the first "IT service and BPO organization" to get certified for "ISO 22301" (Business Continuity Management standards post UKAS accreditation by the auditing agency BSi).

### Assessments and Reviews

Health, Safety and Environment performance, effectiveness of processes and programs for achievement of established HSE objectives and targets are evaluated through periodic reviews and audits of the HSEMS

## CEO and CFO certification

The Board of Directors  
Infosys BPO Limited  
Bengaluru

We, Anup Uppadhayay, Chief Executive Officer and Managing Director, and Deepak Bhalla, Chief Financial Officer of Infosys BPO Limited, to the best of our knowledge and belief, certify that :

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement (standalone and consolidated), and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's code of conduct and ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have :
  - a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India.
  - c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - d) Disclosed in this report any changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed based on our most recent evaluation of Company's internal control over financial reporting's, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions) :
  - a) Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b) Any significant changes in internal controls during the year covered by this report.
  - c) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
  - d) Any instances of fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct and ethics for the year covered by this report.

Sd/-

Sd/-

Bangalore  
April 16, 2015

Anup Uppadhayay  
Chief Executive Officer and  
Managing Director

Deepak Bhalla  
Chief Financial Officer

## Independent Auditors' Report

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To the Members of Infosys Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Infosys BPO Limited ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

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

### Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that :
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.19 to the financial statements;
  - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 2.6 to the financial statements;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for B S R & Co. LLP  
Chartered Accountants

Firm's registration number: 101248W/W-100022

Sd/-

Bangalore  
16 April 2015

Akhil Bansal  
Partner

Membership number 090906

## Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of Infosys BPO Limited ('the Company') on the standalone financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (ii) The Company is a service company, primarily rendering business process management services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Value Added Tax, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Duty of Excise, Duty of Customs and Investor Education and Protection Fund. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Value Added Tax, Cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of Wealth Tax, Sales Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income Tax, Service Tax and Value Added Tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Interest / Tax Demands	45,02,275	AY 2006 - 07	Income Tax Appellate Tribunal
Income tax Act, 1961	Tax Demands	31,78,238	AY 2011 - 12	Deputy Commissioner of Income Tax
Finance Act, 1994	Service tax demands / penalty	75,96,57,948 <sup>(1)</sup>	April 2007 - September 2010	Central Excise, Service Tax Appellate Tribunal-Bangalore
Finance Act, 1994	Service tax demands / penalty	11,08,20,080 <sup>(1)</sup>	January 2005 - March 2007	Central Excise, Service Tax Appellate Tribunal-Bangalore
Finance Act, 1994	Service tax demands / penalty	7,64,20,315 <sup>(1)</sup>	October 2010 - September 2011	Central Excise, Service Tax Appellate Tribunal-Bangalore
RVAT Act	Value Added Tax	46,645	FY 2011 - 12	Commercial tax officer, Jaipur

<sup>(1)</sup> a stay order has been received against the amount disputed and not deposited.

- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

for B S R & Co. LLP  
Chartered Accountants

Firm's registration number: 101248W/W-100022

Sd/-

Akhil Bansal  
Partner

Membership number 090906

Bangalore  
16 April 2015



## Balance Sheet

Particulars	Note	in ₹ crore	
		As at March 31,	
		2015	2014
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	2.1	34	34
Reserves and surplus	2.2	2,871	2,351
		2,905	2,385
<b>NON-CURRENT LIABILITIES</b>			
Other long-term liabilities	2.3	21	25
		21	25
<b>CURRENT LIABILITIES</b>			
Trade payables	2.4	20	8
Other current liabilities	2.5	324	438
Short-term provisions	2.6	66	66
		410	512
		3,336	2,922
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Tangible assets	2.7	223	217
Intangible assets	2.7	19	19
Capital work-in-progress		7	5
		249	241
Non-current investments	2.8	594	593
Deferred tax assets, net	2.9	41	43
Long-term loans and advances	2.10	100	99
Other non-current assets	2.11	60	47
		795	782
<b>CURRENT ASSETS</b>			
Current investments	2.8	123	275
Trade receivables	2.12	462	391
Cash and cash equivalents	2.13	1,580	1,104
Short-term loans and advances	2.14	127	129
		2,292	1,899
		3,336	2,922
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		

The accompanying notes form an integral part Of the standalone financial statements

As per our report of even date attached

for B S R & Co. LLP  
Chartered Accountants

Firm's registration number: 101248W/W-100022

Akhil Bansal  
Partner  
Membership number: 090906

U. B. Pravin Rao  
Chairman and Director

Anup Uppadhyay  
Chief Executive Officer and  
Managing Director

Prof. Jayanth R. Varma  
Director

Dr. Omkar Goswami  
Director

Rajiv Bansal  
Director

Deepak Bhalla  
Chief Financial Officer

Bangalore  
April 16, 2015

A. G. S. Manikantha  
Company Secretary

## Statement of Profit and Loss

Particulars	Note	in ₹ crore	
		Year ended March 31,	
		2015	2014
<b>INCOME</b>			
Revenues from business process management services		2,510	2,323
Other income	2.15	191	150
<b>Total Revenue</b>		<b>2,701</b>	<b>2,473</b>
<b>Expenses</b>			
Employee benefit expenses	2.16	1,425	1,201
Cost of technical sub-contractors	2.16	166	157
Travel expenses	2.16	110	90
Cost of software packages	2.16	20	24
Communication expenses	2.16	46	46
Professional charges	2.16	19	40
Office expenses	2.16	28	46
Power and fuel	2.16	24	27
Insurance charges	2.16	9	13
Rent	2.16	68	66
Depreciation and amortisation expense	2.7	50	70
Other expenses	2.16	48	37
<b>Total expenses</b>		<b>2,013</b>	<b>1,817</b>
<b>PROFIT BEFORE TAX</b>		<b>688</b>	<b>656</b>
Tax expense	2.17		
Current tax		167	156
Deferred tax		1	(12)
		168	144
<b>PROFIT FOR THE YEAR</b>		<b>520</b>	<b>512</b>
<b>EARNINGS PER SHARE</b>			
Equity shares of par value ₹ 10/- each			
Basic		153.64	151.32
Diluted		153.64	151.32
Weighted average number of shares used in computing earnings per share	2.29		
Basic		3,38,27,751	3,38,27,751
Diluted		3,38,27,751	3,38,27,751
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

for B S R & Co. LLP

Chartered Accountants

Firm's registration number: 101248W/W-100022

Akhil Bansal

Partner

Membership number: 090906

Bangalore  
April 16, 2015

U. B. Pravin Rao  
Chairman and Director

Dr. Omkar Goswami  
Director

A. G. S. Manikantha  
Company Secretary

Anup Uppadhayay  
Chief Executive Officer and  
Managing Director

Rajiv Bansal  
Director

Prof. Jayanth R. Varma  
Director

Deepak Bhalla  
Chief Financial Officer

## Cash Flow Statement

in ₹ crore

Particulars	Year ended March 31,	
	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	688	656
Adjustments to reconcile profit before tax to cash generated by operating activities		
Depreciation	50	70
Interest income	(125)	(84)
Dividend income	(13)	(17)
Profit on sale of investments	(4)	–
Non cash item included in other income (refer note 2.15)	3	(26)
Profit on sale of fixed assets	(1)	–
Dividend from Subsidiaries	(24)	(24)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	–	–
Changes in assets and liabilities		
Trade receivables	(71)	(9)
Loans and advances	(8)	1
Other assets	(13)	(9)
Liabilities	(118)	10
Trade payables	12	(34)
Provisions	1	20
	377	554
Income tax paid during the year, net	(157)	(148)
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>220</b>	<b>406</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets and change in capital work-in-progress / advances	(60)	(80)
Proceeds from sale of fixed assets	2	–
Interest received	122	86
Dividend received from Mutual Fund	13	17
Purchase of units in liquid mutual funds	(747)	(1,489)
Proceeds from sale of units in liquid mutual funds	856	1,413
Investment in other investments	(1)	(3)
Investment in subsidiary	–	(11)
Redemption / (investment) in Certificate of deposit	47	(47)
Dividend received from subsidiary	24	24
<b>NET CASH GENERATED BY / (USED IN) INVESTING ACTIVITIES</b>	<b>256</b>	<b>(90)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Effect of exchange differences on translation of foreign currency cash and cash equivalents	–	–
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>476</b>	<b>316</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>1,104</b>	<b>788</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note 2.13)</b>	<b>1,580</b>	<b>1,104</b>

The accompanying note form an integral part of the standalone financial statements.

As per our report of even date attached

for B S R & Co. LLP  
Chartered Accountants

Firm's registration number: 101248W/W-100022

Akhil Bansal  
Partner  
Membership number: 090906

U. B. Pravin Rao  
Chairman and Director

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Chief Executive Officer and  
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Prof. Jayanth R. Varma  
Director

Dr. Omkar Goswami  
Director

Rajiv Bansal  
Director

Deepak Bhalla  
Chief Financial Officer

Bangalore  
April 16, 2015

A. G. S. Manikantha  
Company Secretary

## Schedules to the financial statements for the year ended March 31, 2015

Significant accounting policies and notes on accounts

### Company overview

Infosys BPO Limited (“Infosys BPO” or “the Company”) was incorporated on April 3, 2002 to provide business process management services to organizations that outsource their business processes. Infosys BPO is a majority owned and controlled subsidiary of Infosys Limited. The Company helps clients improve their competitive positioning by managing their business processes in addition to providing increased value.

## 1. Significant accounting policies

### 1.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 1.2 Use of estimates

The preparation of the financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates includes computation of percentage of completion which requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended, provision for doubtful debts, future obligations under employee retirement benefit plans, provision for income taxes, provision for service level agreement and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 1.3 Revenue recognition

The Company derives its revenues primarily from business process management services, either on a time-and-material, fixed-price, fixed-time frame or unit-price basis. Revenue on time-and-material contracts is recognized as the related services are rendered and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenues. Revenue from fixed-price, fixed-time frame contracts, where there is no uncertainty as to measurement and collectibility of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability revenue recognition is postponed until such uncertainty is resolved.

Revenues from unit-priced contracts are recognized as transactions are processed based on objective measures of output. Cost and earnings in excess of billings are classified as unbilled revenue while billing in excess of cost and earnings is classified as unearned revenue. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discount / incentive amount to each of the underlying revenue transactions that result in progress by the customer towards earning the discount / incentive. Also when the level of discount varies with increase in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligation for discount using a cumulative catch-up approach. The discounts are passed on the customer either as direct payments or as a reduction of payments due from customer.

The Company revenues, net of indirect taxes in its statement of profit & loss.

Profit on sale of investment is recorded on the transfer of title from the Company and is determined as the difference between the sale price and the carrying value of the investment. Interest on deployment of surplus funds is recognised using time proportion method, based on underlying interest rates. Dividend income is recognized when the Company's right to receive dividend is established.

### 1.4 Expenditure

The cost of software user licenses purchased for rendering business process management services is charged to revenue when put to use. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognised as an expense on a straight line basis in the profit and loss account over the lease term.

### 1.5 Tangible assets and capital work-in-progress

Fixed assets are stated at cost, after reducing accumulated depreciation and impairment if any. Direct costs are capitalized until the assets are ready for use. Capital work-in-progress includes the cost of fixed assets that are not yet ready for their intended use.

### Intangible assets including goodwill

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Goodwill, recorded on amalgamation in the nature of purchase is tested periodically for impairment.

### 1.6 Depreciation and amortization

Depreciation on fixed assets is provided on the straight-line method based over the useful lives of assets as estimated by the Management. Depreciation for assets purchased / sold during the period is proportionately charged. Leasehold improvements are

written off over the lower of the lease term or the useful life of the asset. Leasehold land is amortised over the lease period. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use. The Management estimates the useful life for the other fixed assets as follows:

Buildings <sup>(1)</sup>	22-25 years
Computer equipment <sup>(1)</sup>	3-5 years
Plant and machinery	5 years
Furniture and fixtures <sup>(1)</sup>	5 years
Office equipment	5 years

<sup>(1)</sup> For the above class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013. Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

## 1.7 Retirement benefits to employees

### Gratuity

In accordance with the Payment of Gratuity Act, 1972, Infosys BPO provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering all eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary and the tenure of employment. Liabilities with regard to the Gratuity Plan are determined by an actuarial valuation, at each balance sheet date using the projected unit credit method, based upon which the Company fully contributes to the Infosys BPO employees Gratuity Fund Trust (the 'Trust'). The trustee administer contributions made to the Trust and contributions are invested in specific investments as permitted by the law.

The Company recognizes the net obligation of the gratuity plan in the balance sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, "Employee Benefits". The Company's overall expected long-term rate-of-return on assets has been determined based on consideration of available market information, current provisions of Indian law specifying the instruments in which investments can be made, and historical returns. The discount rate is based on the Government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

### Superannuation

Certain employees of Infosys BPO are eligible for superannuation benefits. The Company contributes ₹ 100/- per employee annually for the superannuation benefits of the employees. The Company has no further obligations to the superannuation plan beyond the yearly contribution to the trust fund, the corpus of which is invested with the LIC of India.

### Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a Government administered provident fund. The Company has no further obligations under the provident fund plan beyond its monthly contributions.

## Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by an actuarial valuation using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

## 1.8 Foreign currency transactions

Monetary assets and monetary liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit and loss account.

Non-monetary assets & non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets & non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

## 1.9 Forward contracts and option contracts in foreign currencies

The Company uses foreign exchange forward contracts and options contracts to hedge its exposure to movements in foreign exchange rates. The use of these forward contracts and option contracts reduces the potential risk or cost arising out of sudden and large moves in the cross currency rates. The Company does not use the forward contracts and option contracts for trading or speculation purposes.

Effective April 1, 2008, the Company adopted the principle of Accounting Standard AS 30 "Financial Instruments: Recognition and Measurement", to the extent that the adoption did not conflict with existing mandatory accounting standards and other authoritative pronouncements, Company law and other regulatory requirements.

Forward and options contracts are fair valued at each reporting date. The resultant gain or loss from these transactions are recognized in the Statement of Profit and Loss. The Company records the gain or loss on effective hedges, if any, in the foreign currency fluctuation reserve until the transactions are complete. On completion, the gain or loss is transferred to the Statement of Profit and Loss of that period. To designate a forward or options contract as an effective hedge, the Management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract and subsequently whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. In the absence of a designation as effective hedge, a gain or loss is recognized in the Statement of Profit and Loss. Currently hedges undertaken by the Company are all ineffective in nature and the resultant gain or loss consequent to fair valuation is recognized in the Statement of Profit and Loss at each reporting date.

### 1.10 Income tax

Income taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax for the period based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantively enacted regulations. Deferred tax assets in situation of unabsorbed depreciation and carry forward business losses exist, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets, other than in situation of unabsorbed depreciation and carry forward business losses are recognized only if there is reasonable certainty that they will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each balance sheet reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

### 1.11 Provisions and contingent liability

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### Onerous Contract

Provisions for onerous contracts are recognized, i.e. contracts when the expected benefits to be derived by the company from the contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the lower of the expected cost of terminating the contract and the expected cost of fulfilling the contract.

### 1.12 Impairment

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset (including goodwill) may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### 1.13 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

### 1.14 Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on the management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

### 1.15 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

## 1.16 Cash Flow Statement

Cash flows are reported using the Indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

## 2. Notes on accounts for the year ended March 31, 2015

Amounts in the financial statements are presented in ₹ crore, except for per share data and as otherwise stated. All exact amounts are stated with suffix “/-”. One crore equals 10 million.

The previous period figures have been regrouped / reclassified, wherever necessary to conform to the current period presentation.

### 2.1 Share capital

(in ₹ crore, except as otherwise stated)

Particulars	As at March 31,	
	2015	2014
<b>AUTHORISED</b>		
Equity shares, ₹ 10/- (₹ 10/-) par value 12,33,75,000 (12,33,75,000) equity shares	123	123
	123	123
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
Equity shares, ₹ 10/- (₹ 10/-) par value <sup>(1)</sup> 3,38,27,751 (3,38,27,751) equity shares fully paid-up [Of the above, 3,38,22,319 (3,38,22,319) equity shares are held by the holding company, Infosys Limited]	34	34
	34	34

<sup>(1)</sup> Refer to note 2.29 for details of basic and diluted shares

The Company has only one class of shares referred to as equity shares having a par value ₹ 10/-. Each holder of one equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders., after distribution of all preferential amounts. However, no such preferential amounts exist as at the date of Balance Sheet.

### Reconciliation of the number of shares outstanding

Particulars	As at March 31,	
	2015	2014
Number of share outstanding at the beginning of the period	3,38,27,751	3,38,27,751
Add: Shares issued during the period	-	-
Number of shares outstanding at the end of the period	3,38,27,751	3,38,27,751

### Shares held by shareholders holding more than 5% shares

Name of the shareholder	Number of shares as at March 31,		Percentage of total shares as at March 31,	
	2015	2014	2015	2014
Infosys Limited, the holding company	3,38,22,319	3,38,22,319	99.98%	99.98%

There has been no buy-back of shares, issuance of bonus shares or shares issued for consideration other than cash during the last 5 years.

### 2.2 Reserves and surplus

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Securities premium - Opening balance	25	25
Add: Transferred from Surplus	-	-
Securities premium - Closing balance	25	25
Capital redemption reserve - Opening balance	1	1
Add: Trasferred from Surplus	-	-
Capital redemption reserve - Closing balance	1	1
General reserve - Opening balance	1,000	1,000
Add: Transfer from Surplus	-	-
General reserve - Closing balance	1,000	1,000
Balance in statement of profit and loss - Opening balance	1,325	813
Add: Net profit after tax transferred from statement of profit and loss	520	512
Less: Amount transferred to General reserve	-	-
Balance in statement of profit and loss - Closing balance	1,845	1,325
	2,871	2,351

### 2.3 Other long-term liabilities

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Accrued salaries and benefits		
Bonus and incentives	-	4
Rental deposit received <sup>(1)</sup>	21	21
<sup>(1)</sup> Includes dues to holding company (refer to note 2.23)	21	25

### 2.4 Trade payables

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Trade payables <sup>(1)</sup>	20	8
	20	8
<sup>(1)</sup> Includes dues to subsidiaries & other group companies (refer to note 2.23)	12	5

## 2.5 Other current liabilities

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Accrued salaries and benefits		
Salaries	51	51
Bonus and incentives	81	108
Other liabilities		
Provision for expenses <sup>(1)</sup>	155	249
Retention money payable	1	2
Withholding and other taxes	27	16
Other payables <sup>(2)</sup>	3	1
Mark to market loss on forward contracts	–	4
Advances received from customers	1	2
Unearned revenue	5	5
	324	438
<sup>(1)</sup> Includes dues to subsidiaries & other group companies (refer to note 2.23)	4	9
<sup>(2)</sup> Includes dues to subsidiaries & other group companies (refer to note 2.23)	1	–

## 2.6 Short-term provisions

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Provision for employee benefits		
Unavailed leave	50	46
Others		
Provision for		
Income taxes	1	2
SLA compliance	15	18
	66	66

## Provision for SLA compliance

The provision for service level agreement compliance is based on estimates made by the management for on-going contracts. In accordance with paragraphs 66 and 67 of the Accounting Standard 29 (Provisions, contingent liabilities and contingent assets) the movement in provision for service level agreement compliance is given below:

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
Balance at the beginning of the year	18	7
Provision / (Reversal) made during the year	(1)	12
Provisions utilized during the year	(2)	(1)
Balance at the end of the year	15	18

Provisions for SLA compliance and other provisions are expected to be utilized over a period of 6 months to 1 year.



## 2.7 Fixed assets

The changes in the carrying value of fixed assets for the year ended March 31, 2015 are as follows:

Particulars	Tangible assets						Intangible assets		Total		
	Land-Leasehold	Buildings	Leasehold improvement	Office equipment	Plant and Machinery	Computer equipment	Furniture and fixtures	Goodwill		Total	
<b>Original cost</b>											
As at April 1, 2014	12	148	66	125	24	177	57	19	609	19	628
Additions / Adjustments during the year	-	-	11	4	7	31	5	-	58	-	58
Deductions / Retirement during the year	-	-	(10)	(10)	-	(16)	(3)	-	(39)	-	(39)
As at March 31, 2015	12	148	67	119	31	192	59	19	628	19	647
<b>Depreciation and Amortization</b>											
As at April 1, 2014	1	40	45	107	11	141	47	-	392	-	392
For the period	-	5	9	8	5	18	5	-	50	-	50
Deductions / Adjustments during the year	-	-	(10)	(10)	-	(14)	(3)	-	(37)	-	(37)
As at March 31, 2015	1	45	44	105	16	145	49	-	405	-	405
<b>Net book value</b>											
As at March 31, 2015	11	103	23	14	15	47	10	19	223	19	242

Following are the changes in the carrying value of fixed assets for the year ended March 31, 2014:

Particulars	Tangible assets						Intangible assets		Total		
	Land-Leasehold	Buildings	Leasehold improvement	Office equipment	Plant and Machinery	Computer equipment	Furniture and fixtures	Goodwill		Total	
<b>Original cost</b>											
As at April 1, 2013	12	146	55	121	22	138	52	19	546	19	565
Additions / Adjustments during the year	-	2	11	4	2	45	5	-	69	-	69
Deductions / Retirement during the year	-	-	-	-	-	(6)	-	-	(6)	-	(6)
As at March 31, 2014	12	148	66	125	24	177	57	19	609	19	628
<b>Depreciation and amortization</b>											
As at April 1, 2013	1	30	38	93	6	117	43	-	328	-	328
For the period	-	10	7	14	5	30	4	-	70	-	70
Deductions / Adjustments during the year	-	-	-	-	-	(6)	-	-	(6)	-	(6)
As at March 31, 2014	1	40	45	107	11	141	47	-	392	-	392
<b>Net book value</b>											
As at March 31, 2014	11	108	21	18	13	36	10	19	217	19	236

During the quarter ended June 30, 2014, the management reassessed the remaining useful life of assets primarily consisting of buildings and computers with effect from April 1, 2014. An external valuer was consulted for this purpose. Accordingly the useful lives of certain assets required a change from the previous estimates.

The existing and revised useful lives are as below :

Category of assets	in years	
	Earlier useful life	Current useful life
Buildings	15	22-25
Plant and machinery	5	5
Computer equipment	2	3-5
Furniture and fixtures	5	5
Vehicles	5	5

Had the Company continued with the previously assessed useful lives, charge for depreciation and cost of sales for the year ended March 31, 2015 would have been higher by ₹ 17 crores for assets held at April 1, 2014. The revision of the useful lives will result in the following changes in the depreciation expense based on the original useful life of asset.

in ₹ crore

Particulars	Fiscal 2016	After fiscal 2016 (till the end of estimated useful life.)
Increase / (decrease) in depreciation expense	(1.48)	19.72

## 2.8 Investments

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Non current investments		
Long Term Investments - at cost		
Trade (unquoted)		
Investments in equity of subsidiaries		
Infosys BPO s.r.o, Czech Republic	3	3
Infosys BPO Poland Sp Z o o, 5,000 (5,000) equity shares of PLN 500 each, fully paid	59	59
Portland Group Pty Limited, 17,45,00,000 (17,45,00,000) equity share of AUD 1 each, fully paid	211	211
Infosys McCamish Systems LLC	317	317
Investment in Government bonds <sup>(1)</sup>	4	3
Total Non current investments	594	593
Current portion of long term investments		
Quoted		
Investment in Fixed Maturity Plans	30	43
	30	43
Current investments – at the lower of cost and fair value Unquoted		
Investment in Certificate of Deposits	–	47
Investment in liquid mutual fund units	93	185
	93	232
Aggregate amount of quoted investments	30	43
Market value of quoted investments	36	48
Aggregate amount of unquoted investments	687	825

<sup>(1)</sup> Investment in Government bonds listed on the Philippines Dealing & Exchange Corp. (PDEX) as per the statutory earmarking requirement of the Philippines Government.

Profit on sale of Investment is ₹ 4 crore for the year ended March 31, 2015 (NIL for the year ended March 31, 2014).

Details of investment in Certificate Deposits as at March 31, 2015 and March 31, 2014 is as follows :

Particulars	Face Value ₹	March 31, 2015		March 31, 2014	
		Units	Amount	Units	Amount
Central Bank of India	1,00,000	–	–	2,500	23
Indian Overseas Bank	1,00,000	–	–	2,500	24
				5,000	47

Details of investment in liquid mutual funds as at March 31, 2015 and March 31, 2014 is as follows:

Particulars	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
Birla Sun Life AMC Ltd - Liquid Plus	47,37,327	48	15,02,428	15
ICICI Prudential - Liquid plus	–	–	10,43,402	10
TATA Asset Management Ltd - Liquid Plus	–	–	3,32,456	38
Reliance Mutual Fund- Liquid	4,08,049	45	–	–

Particulars	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
SBI Mutual Fund - Liquid Plus	–	–	4,93,192	49
Religare Mutual Fund - Liquid Plus	–	–	547	–
IDFC mutual fund - Liquid plus	–	–	4,39,648	44
UTI Mutual Fund - Liquid	–	–	–	–
Templeton Mutual Fund - Liquid	–	–	2,87,986	29
	51,45,376	93	40,99,659	185

Details of investment in FMP mutual funds as at March 31, 2015 and March 31, 2014 is as follows:

Particulars	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
Birla Sunlife AMC Ltd. - FMP	–	–	1,30,00,000	13
ICICI prudencial SIP - FMP	–	–	3,00,00,000	30
SBI Debt Fund - FMP	2,00,00,000	20	–	–
UTI - FMP	1,00,00,000	10	–	–
	3,00,00,000	30	4,30,00,000	43

## 2.9 Deferred tax assets, net

in ₹ crore

Particulars	As at March 31,	
	2015	2014
<b>Deferred tax assets</b>		
Fixed assets	19	24
Unavailed leave	12	12
Trade receivables	6	2
Others	4	5
	41	43

Deferred Tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

## 2.10 Long-term loans and advances

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Unsecured considered good		
Capital advances	–	1
Other loans and advances		
Rental deposits <sup>(1)</sup>	47	48
Electricity and other deposits	1	1
Advance income taxes, net of provision	52	49
	100	99
<sup>(1)</sup> Includes dues from holding company (refer to note 2.23)	27	27

## 2.11 Other non-current assets

in ₹ crore

Particulars	As at March 31,	
	2015	2014
<b>Others</b>		
Restricted deposits (refer note 2.30)	59	46
Advance to gratuity trust (refer note 2.25)	1	1
	60	47

## 2.12 Trade receivables

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Debts outstanding for a period exceeding six months		
Unsecured		
Considered doubtful	11	5
Less: Provision for doubtful debts	11	5
	–	–
Other debts		
Unsecured		
Considered good <sup>(1)</sup>	462	391
Considered doubtful	7	1
	469	392
Less: Provision for doubtful debts	7	1
	462	391
<sup>(1)</sup> Includes dues from subsidiaries & other group companies (refer to note 2.23)	10	5

## 2.13 Cash and cash equivalents

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Balances with banks		
In current and deposit accounts	1,453	1,024
Others		
Deposit with financial institutions	127	80
	1,580	1,104
Deposit accounts with more than 12 months maturity	–	–

The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

The details of balances with banks as at March 31, 2015 and March 31, 2014 are as follows :

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
<b>In current accounts</b>		
Bank of America, California, USA	9	10
Bank of America, California - Trust account, USA*	–	–
Citi Bank, South Africa	1	3
Citi Bank, Costa Rica	6	1
Citi Bank, Singapore	1	–
Citi Bank, Australia	1	1
State Bank of India, India	1	–
Deutsche Bank, India	1	–
Deutsche Bank - EEFC (Euro account)	1	–
Deutsche Bank - EEFC (U.S. Dollar account)	1	–
Deutsche Bank, Netherland	–	1
Deutsche Bank, London, UK	1	1
Deutsche Bank, Philippines	5	34
ICICI Bank, India	3	2
ICICI Bank - EEFC (Euro account)	–	1
ICICI Bank - EEFC (UK Pound Sterling account)	–	2
ICICI Bank - EEFC (U.S. Dollar account)	2	8
	33	64
<b>In deposit accounts</b>		
Syndicate Bank	80	80
Axis Bank	80	80
Canara Bank	80	80
Allahabad Bank		80
Corporation Bank	80	80
ICICI Bank	106	24
IDBI Bank	150	63
Andhra Bank	74	–
Oriental Bank of Commerce	80	5
Punjab National Bank	80	80
Bank of Baroda	80	80
Indian Overseas Bank	78	18
South Indian Bank	27	25
Union Bank of India	80	20

Particulars	As at March 31,	
	2015	2014
Vijaya Bank	80	80
Yes Bank	100	30
Central Bank of India	80	55
Bank of India	–	80
Kotak Mahindra Bank	5	–
HDFC Bank limited	80	–
	1,420	960
Other deposits with financial institutions HDFC Limited	127	80
	127	80
	1,580	1,104

\* This represents restricted bank balance, in trust account, in accordance with collection agency licensing requirements

## 2.14 Short-term loans and advances

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Unsecured, considered good		
Prepaid expenses	3	5
Advances for goods and services	11	16
Withholding and other taxes receivable	25	23
	39	44
Unbilled revenue <sup>(1)</sup>	40	47
Interest accrued but not due	9	5
Loans and advances to employees	16	12
Rental deposits	4	–
Electricity and other deposits	1	1
Mark to market gain on forward contracts	6	–
MAT credit entitlement	–	16
Loans and advances to group companies <sup>(2)</sup>	12	4
	127	129
Unsecured, considered doubtful		
Loans and advances to employees	2	1
	129	130
Less: Provision for doubtful loans and advances	2	1
	127	129
<sup>(1)</sup> Includes dues to subsidiaries & other group companies (refer note 2.22)	–	7
<sup>(2)</sup> Includes dues to subsidiaries & other group companies (refer note 2.22)	–	–

## 2.15 Other income

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
Interest on deposits with bank and others	125	85
Dividend on investment in mutual fund units	13	17
Gains / (losses) on Investment	4	–
Dividend Income from Subsidiary	24	24
Miscellaneous Income	13	38
Gains / (losses) on foreign currency, net	12	(14)
	191	150

## 2.16 Expenses

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
<b>Employee benefit expenses</b>		
Salaries and bonus including overseas staff expenses	1,357	1,155
Staff welfare	1	3
Contribution to provident and other funds	67	43
	1,425	1,201
<b>Cost of technical sub-contractors</b>		
Technical sub-contractors - subsidiaries	146	119
Technical sub-contractors - others	20	38
	166	157
<b>Travel expenses</b>		
Overseas travel expenses	77	63
Domestic travel expenses	33	27
	110	90
<b>Cost of software packages</b>		
Cost of software for own use	20	24
	20	24
<b>Communication expenses</b>		
Communication expenses	35	30
Telephone Charges	11	16
	46	46
<b>Professional charges</b>		
Legal and professional	10	26
Recruitment and training	9	14
	19	40
<b>Office expenses</b>		
Computer maintenance	2	2
Printing and stationery	1	3
Office maintenance	25	41
	28	46
<b>Power and fuel</b>		
Power and fuel	24	27
	24	27
<b>Insurance charges</b>		
Insurance charges	9	13
	9	13
<b>Rent</b>		
Rent (refer note 2.18)	68	66
	68	66
<b>Other expenses</b>		
Consumables	2	5
Brand building and advertisement	4	5
Marketing expenses	4	2
Rates and taxes	2	4
Donations	11	–
Bank charges and commission	1	1
Postage and courier	2	1
Provision for doubtful debts	13	4
Provision for doubtful loans and advances	1	1

Particulars	Year ended March 31,	
	2015	2014
Professional membership and seminar participation fees	1	2
Other miscellaneous expenses	7	12
	48	37

## 2.19 Tax expenses

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
Current Income taxes	167	156
Deferred taxes	1	(12)
	168	144

## Income taxes

The provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempt incomes and any tax liabilities arising overseas on income sourced from those countries as per Indian Income Tax Act, 1961. Infosys BPO operations are conducted through Software Technology Parks ('STPs') and Special Economic Zones ('SEZs'). Income from STPs were tax exempt for the first 10 years from the fiscal year in which the unit commences software development, or March 31, 2011 whichever is earlier. Income from SEZs is fully tax exempt for the first 5 years, 50% exempt for the next 5 years and 50% exempt for another 5 years subject to fulfilling certain conditions. In the current year, the Company calculated its tax liability under normal provisions of the Income Tax Act and utilized a portion of the brought forward MAT Credit.

The revision in the useful life of assets has resulted in a decrease in deferred tax credit by ₹ 7 crore during the year ended March 31, 2015 respectively (Refer note 2.7)

## 2.18 LEASES

### Obligations on long-term, non-cancellable operating leases

The lease rentals charged during the period and maximum obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
Lease rentals charged during the period	68	66

Lease obligations	(in ₹ crore)	
	As at March 31,	
	2015	2014
Within one year of the balance sheet date	21	14
Due in a period between one year and five years	22	22
Later than five years	–	–

The existing operating lease arrangements extend for periods between 36 months and 60 months from their respective dates of inception.

## 2.19 Contingent liabilities and commitments (to the extent not provided for)

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
<b>Contingent liabilities</b>		
Claims against the Company not acknowledged as debts (Net of amount paid to statutory authorities ₹25 crores)	119	26
Bank guarantees	17	12
<b>Commitments</b>		
Estimated amount of unexecuted capital contracts (net of advance and deposits)	18	17

Claims against the company not acknowledged as debts include demand from the Indian service tax authorities for payment of additional tax of ₹94.69 crores (12.75 crores) includes penalty of ₹43.52 crores for the period from January 2005 to September 2011 upon conducting service tax audit. These demands are due to treatment of salary paid to overseas staff as consideration for services provided by overseas branches to Infosys BPO India and under Section 66A of Finance act, branch and head office are treated as separate entities so service tax is demanded on salary paid to overseas staff as import of services. Authorities have also raised demand under section 66A on payment made to overseas subcontractor who was providing services to clients outside India on behalf of Infosys BPO treating the services of subcontractor are received in India and it is a import of service. The matters are pending before the Service Tax Appellate Tribunal (CESTAT), Bangalore. The company is contending the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process.

Claims against the company not acknowledged as debts include demand from the Indian income tax authorities for payment of additional tax of ₹28.56 crores (38.70 crores) including interest of ₹7.47crores (9.85 crores) upon completion of their tax review for for fiscal 2004, 2005, 2006, 2007, 2008, 2009, 2010 & 2011. These income tax demands are mainly on account of disallowance of a portion of deduction claimed u/s 10A of Income Tax Act. The deduction amount is determined by the ratio of export turnover to total turnover. The disallowance arose from certain expenses incurred in foreign currency being reduced from export turnover but not reduced from total turnover. These demand includes the intimation for short deduction of tax deduction at source. The matters for fiscal 2007, 2008 and 2009 are pending before Commissioner of Income Tax (Appeals) and fiscal 2004, 2005 and 2006 are pending before Income Tax Appellate Tribunal, Bangalore. The company is contenting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process.

## 2.20 Derivative instruments

The following table gives details in respect of outstanding foreign exchange forward and option contracts :

Particulars	As at March 31,			
	2015		2014	
	in million	in ₹ crore	in million	in ₹ crore
Forward contracts outstanding				
USD / INR	48	300	19	114
EUR / INR	3	20	2	14
GBP / INR	4	39	4	40
AUD / INR	3	14		

As at the Balance Sheet date, the Company's net foreign currency exposure that is over hedged by a derivative instrument or otherwise is ₹45 crore (unhedged by ₹151 crores as at March 31, 2014).

The foreign exchange forward and option contracts mature between 1 to 12 months. The table below analyzes the derivate financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date :

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Not later than one month	91	36
Later than one month and not later than three months	145	66
Later than three months and not later than one year	136	66
	373	168

The Company recognized a gain on derivative financial instruments of ₹18 crores and loss on derivative financial instruments of ₹40 crores during the year ended March 31, 2015 and March 31, 2014, respectively, which is included in other income.

## 2.20 Quantitative details

The Company is primarily engaged in providing business process management services. The sale of such services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under paragraphs 5(viii)(c) of general instructions for preparation of statement of profit and loss as per revised Schedule III to the Companies Act, 2013.

## 2.21 Imports (valued on the cost, insurance and freight basis)

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
Capital goods	11	17

## 2.22 Earnings and expenditures in foreign currency

in ₹ crore

Particulars	Year ended March 31,	
	2015	2014
<b>Earnings in foreign currency</b>		
Business process management services	2,049	1,909
	2,049	1,909
<b>Expenditure in foreign currency</b>		
Salary	360	284
Legal, Professional and Sub-contractors charges	97	100
Overseas travel	38	45
Bank, consultancy, capex and other charges	263	210
Communication	28	20
	786	659
Net earnings in foreign currency	1,263	1,250

## 2.23 Related party transactions

### List of related parties

in %

Name of subsidiaries	Country	Holding as at March 31,	
		2015	2014
<b>Holding</b>			
Infosys Limited	India		
<b>Subsidiaries</b>			
Infosys BPO s.r.o	Czech Republic	100	100
Infosys BPO Poland Sp.z.o.o	Poland	100	100
Infosys BPO, S. de R.L. de C.V. <sup>(13)</sup>	Mexico	Nil	Nil
Infosys McCamish Systems LLC <sup>(7)</sup>	United States	100	100
Portland Group Pty Ltd	Australia	–	100%
Portland Procurement Services Pty Ltd <sup>(14)</sup>	Australia	100%	100%
<b>Fellow subsidiaries</b>			
Infosys Technologies S.de R.L.de C.V. (Infosys Mexico)	Mexico		
Infosys Technologies (China) Co. Limited (Infosys China)	China		
Infosys Tecnologia DO Brasil LTDA Infosys Brasil	Brazil		
Infosys Public Services, Inc. USA (Infosys Public Services)	United States		
Infosys Technologies (Sweden) AB. (Infosys Sweden)	Sweden		
Infosys Technologies (Australia) Pty Limited (Infosys Australia) <sup>(3)</sup>	Australia		
Infosys Consulting India Limited <sup>(1)</sup>	India		
Infosys Americas Inc., (Infosys Americas) <sup>(2)</sup>	USA		
Edgeverve Systems Limited (Edgeverve) <sup>(16)</sup>	India		

Name of subsidiaries	Country	Holding as at March 31,	
		2015	2014
Lodestone Holding AG (Infosys Lodestone)	Switzerland		
Lodestone Management Consultants (Canada) Inc. <sup>(4)/(15)</sup>	Canada		
Lodestone Management Consultants Inc. <sup>(4)</sup>	United States		
Lodestone Management Consultants Pty Limited <sup>(4)</sup>	Australia		
Lodestone Management Consultants AG <sup>(4)</sup>	Switzerland		
Lodestone Augmentis AG <sup>(5)</sup>	Switzerland		
Hafner Bauer & Ödman GmbH <sup>(4)</sup>	Switzerland		
Lodestone Management Consultants (Belgium) S.A. <sup>(6)</sup>	Belgium		
Lodestone Management Consultants GmbH <sup>(4)</sup>	Germany		
Lodestone Management Consultants Pte Ltd. <sup>(4)</sup>	Singapore		
Lodestone Management Consultants SAS <sup>(4)</sup>	France		
Lodestone Management Consultants s.r.o. <sup>(4)</sup>	Czech Republic		
Lodestone Management Consultants GmbH <sup>(4)</sup>	Austria		
Lodestone Management Consultants Co., Ltd. <sup>(4)</sup>	China		
Lodestone Management Consultants Ltd. <sup>(4)</sup>	UK		
Lodestone Management Consultants B.V. <sup>(4)</sup>	Netherlands		
Lodestone Management Consultants Ltda. <sup>(6)</sup>	Brazil		
Lodestone Management Consultants Sp. z.o.o. <sup>(4)</sup>	Poland		
Lodestone Management Consultants Portugal, Unipessoal, Lda. <sup>(4)</sup>	Portugal		
S.C. Lodestone Management Consultants S.R.L. <sup>(4)</sup>	Romania		
Lodestone Management Consultants S.R.L. <sup>(4)</sup>	Argentina		
Panaya Inc <sup>(8)</sup>	USA		
Panaya Limited <sup>(9)</sup>	Israel		
Panaya GmbH <sup>(9)</sup>	Germany		
Panaya Pty Limited <sup>(9)</sup>	Australia		
Panaya Japan Co. Ltd <sup>(9)</sup>	Japan		
Infosys Canada Public services Ltd <sup>(10)/(11)</sup>	Canada		
Infosys Nova Holdings LLC. <sup>(12)</sup>	U.S.		

Name of subsidiaries	Country	Holding as at March 31,	
		2015	2014
<b>Fellow Associate</b>			
DWA Nova LLC <sup>(17)</sup>	U.S.		

<sup>(1)</sup> The Hon'ble High Court of Karnataka sanctioned the scheme of amalgamation of Infosys Consulting India Limited (ICIL) with Infosys Limited with an effective date of August 23, 2013 and an appointed date of January 12, 2012.

<sup>(2)</sup> Incorporated effective June 25, 2013

<sup>(3)</sup> Under liquidation

<sup>(4)</sup> Wholly owned subsidiaries of Lodestone Holding AG

<sup>(5)</sup> Wholly owned subsidiaries of Lodestone Management Consultants AG

<sup>(6)</sup> Majority owned and controlled subsidiaries of Lodestone Holding AG

<sup>(7)</sup> McCamish System LLC name has been changed to Infosys McCamish System LLC effective from May 30, 2013

<sup>(8)</sup> On March 5, 2015, Infosys acquired 100% of the voting interest in Panaya Inc.

<sup>(9)</sup> Wholly owned subsidiary of Panaya Inc.

<sup>(10)</sup> Wholly owned subsidiary of Infosys Public Services, Inc.

<sup>(11)</sup> Incorporated effective December 19, 2014

<sup>(12)</sup> Incorporated effective January 23, 2015

<sup>(13)</sup> Incorporated effective February 14, 2014

<sup>(14)</sup> Wholly owned subsidiary of Portland Group Pty Ltd. liquidated effective May 14, 2014

<sup>(15)</sup> Liquidated effective December 31, 2013

<sup>(16)</sup> Incorporated effective February 14, 2014

<sup>(17)</sup> Associate of Infosys Nova Holdings LLC

#### List of other related parties

Particulars	Country	Nature of relationship
Infosys BPO Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys BPO
Infosys BPO Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys BPO

#### List of key management personnel

Name of the related party	Designation
S. Gopalakrishnan <sup>(1)</sup>	Chairman and Director
Anup Uppadhayay <sup>(2)</sup>	Chief Executive Officer and Managing Director
Gautam Thakkar <sup>(3)</sup>	Chief Executive Officer and Managing Director
Rajiv Bansal <sup>(4)</sup>	Director
U. B. Pravin Rao <sup>(5)</sup>	Chairman & Director
Prof. Jayanth R. Varma	Independent Director
Chandrashekar Kakal <sup>(6)</sup>	Director
Dr. Omkar Goswami	Independent Director
Prasad Thrikutam <sup>(7)</sup>	Director

<sup>(1)</sup> Resigned as a Chairman and Director effective October 6, 2014

<sup>(2)</sup> Appointed as a Chief Executive Officer and Managing Director effective December 1, 2014

<sup>(3)</sup> Resigned as a Chief Executive Officer and Managing Director effective November 30, 2014

<sup>(4)</sup> Appointed as a Director effective July 8, 2014

<sup>(5)</sup> Appointed as a Chairman and Director effective October 7, 2014

<sup>(6)</sup> Resigned as a Director effective from April 18, 2014

<sup>(7)</sup> Resigned as a Director effective June 12, 2014

The details of the related party transactions entered into by the Company, for the year ended March 31, 2015 and March 31, 2014 are as follows:

in ₹ crore

Particulars	As at March 31,	
	2015	2014
<b>Financing transactions</b>		
Infosys McCamish Systems LLC	–	11
	–	11
<b>Revenue transactions</b>		
Purchase of services		
Infosys Limited	81	62
Portland Group Pty Limited	29	42
Infosys Mexico	2	–
Lodestone Management Consultants Ltd.	15	5
Lodestone Management Consultants (UK)	4	2
Lodestone Management Consultants Pty Limited (Australia)	–	2
Edgeverve Systems Limited	9	–
Infosys BPO Poland Sp.z.o.o	6	7
	146	120
<b>Purchase of shared services including facilities and personnel</b>		
Infosys Limited	38	36
	38	36
<b>Sale of services</b>		
Infosys Public Services Inc	7	–
Infosys BPO Poland Sp.z.o.o	4	3
Infosys Limited	273	217
Infosys McCamish Systems LLC	30	24
Portland Group Pty Ltd	3	4
Lodestone Management Consultants Ltd. (UK)	–	4
	317	253
<b>Sale of shared services including facilities and personnel</b>		
Infosys Limited	11	16
Infosys McCamish Systems LLC	12	3
Infosys BPO Poland Sp.z.o.o	–	–
Edgeverve Systems Limited	–	–
	23	19
<b>Dividend Income</b>		
Infosys BPO Poland Sp.z.o.o	24	24
	24	24

The Company has received certain managerial services from Kris Gopalakrishnan, directors of the Company who are also directors of Infosys Limited, at no cost.

Infosys Limited, the parent Company has issued performance guarantees to certain clients for the Company's executed contracts.

Infosys BPO Limited guarantees the performance of certain contracts entered into by its subsidiaries.



Details of amounts due to or due from related parties as at March 31, 2015 and March 31, 2014:

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
<b>Trade receivables</b>		
Infosys Limited	5	–
Lodestone Management Consultants Ltd. (UK)	–	–
Infosys McCamish Systems LLC	3	2
Portland Group Pty Ltd	–	–
Infosys BPO Poland Sp.z.o.o	–	3
Infosys Public Services	2	–
	10	5
<b>Other receivables</b>		
Infosys Limited	11	–
Infosys Czech	–	–
Infosys McCamish Systems LLC	1	3
	12	3
<b>Unbilled revenues</b>		
Infosys Limited	–	2
Infosys Public Services	–	5
	–	7
<b>Trade payables</b>		
Infosys Limited	–	1
Infosys BPO s.r.o	–	–
Infosys BPO Poland Sp.z.o.o	3	1
Lodestone Management Consultants Pty Limited	–	–
Lodestone Management Consultants Ltd. (UK)	1	–
Edgeverve Systems Limited	5	–
Infosys Mexico	1	–
Portland Group Pty Ltd	2	3
Infosys McCamish Systems LLC	–	–
	12	5
<b>Other payables</b>		
Infosys Limited	1	–
	1	–
<b>Provision for expenses</b>		
Infosys Limited	1	–
Lodestone Management Consultants Ltd. (UK)	–	4
Lodestone Management Consultants Pty Limited Australia	–	5
Edgeverve Systems Limited	3	–
	4	9
<b>Rental deposit given for shared services</b>		
Infosys Limited	27	27
<b>Rental deposit received for shared services</b>		
Infosys Limited	21	21
<b>Advance Received</b>		
Infosys Limited	–	2
	–	2
Maximum loans and advances to subsidiaries during the year	–	–

Particulars of remuneration and other benefits paid to Managing Director during the year ended March 31, 2015 and 2014 are given below:

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
Salary and other benefits	10	3
Commission and other benefits to non-executive / independent directors	–	–
Total	10	3

## 2.24 Segment reporting

The Company's operations primarily relate to providing business process management services to organizations that outsource their business processes. Accordingly, revenues represented along industry classes comprise the primary basis of segmental information set out in these financial statements. Secondary segmental reporting is performed on the basis of the geographical location of customers.

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the note on significant accounting policies.

Industry segments at the Company primarily comprise customers relating to financial services and insurance (FSI), manufacturing (MFG), enterprises in energy, utilities and telecommunication services (ECS) and retail, logistics, consumer product group, life sciences and health care enterprises (RCL).

Geographical segments are segregated based on the location of the customers, or in relation to which the revenue is otherwise recognized.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services from the company's offshore software development centers and on-site expenses, which are categorized in relation to the associated turnover of the segment. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Company.

Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities are made. Geographical information on revenue and industry revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

## Industry segments

Years ended **March 31, 2015** and *March 31, 2014*:

Particulars					in ₹ crore
	FSI	MFG	RCL	ECS	Total
Revenues from business process management services	734	802	314	660	2,510
	696	749	225	653	2,323
Identifiable operating expenses	295	413	123	275	1,106
	253	327	99	274	953
Allocated expenses	249	275	108	225	857
	237	256	77	224	794
Segmental operating profit	190	114	83	160	547
	206	166	49	155	576
Unallocable expenses					50
					70
Other income					191
					150
Profit before tax					688
					656
Tax expense					168
					144
Profit for the year					520
					512

## Geographic segments

Years ended **March 31, 2015** and *March 31, 2014*:

Particulars				in ₹ crore
	United States of America	Europe	Others	Total
Revenues from business process management services	1,420	691	399	2,510
	1,234	714	375	2,323
Identifiable operating expenses	542	335	229	1,106
	421	320	212	953
Allocated expenses	487	235	135	857
	420	243	131	794
Segmental operating profit	391	121	35	547
	393	151	32	576
Unallocable expenses				50
				70
Other income				191
				150
Profit before tax				688
				656
Tax expense				168
				144
Profit for the year				520
				512

### 2.25 Gratuity plan

Gratuity is applicable to all permanent and full time employees of the Company. Gratuity paid out is based on last drawn basic salary and dearness allowance at the time of termination or retirement. The scheme takes into account each completed year of service or part thereof in excess of six months. The normal age of retirement is 60 years and the entire contribution is borne by the Company.

The Company recognises actuarial gains and losses as and when these arise. The charge in respect of these gains / losses is taken to statement of profit and loss account.

The following table set out the status of the Gratuity Plan as required under AS 15.

### Reconciliation of opening and closing balances of the present value of the defined benefit obligation :

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Obligations at the beginning of the period	40	37
Service cost	6	5
Interest cost	3	3
Benefits settled	(6)	(6)
Curtailement <sup>(1)</sup>	–	–
Actuarial gain / (loss)	9	1
Obligations at the end of the period	52	40
Defined benefit obligation liability as at the balance sheet is wholly funded by the Company.		
Change in plan assets		
Plan assets at beginning, at fair value	41	37
Expected return on plan assets	4	4
Actuarial gain / (loss)	(1)	–
Contributions	15	6
Benefits settled	(6)	(6)
Plan assets at end, at fair value	53	41

<sup>(1)</sup> pertains to transfer of assets to group companies

### Reconciliation of present value of the obligation and the fair value of the plan assets :

Particulars	As at March 31,	
	2015	2014
Fair value of plan assets at the period end	53	41
Present value of the defined benefit obligations at the year end	52	40
Re-imbursment (obligation) / asset <sup>(1)</sup>	–	–
Asset / (Liability) recognized in the balance sheet	1	1
Assumptions		
Interest rate	7.80%	9.20%
Estimated rate of return on plan assets	9.55%	9.60%
Weighted expected rate of salary increase	7.50%	7.50%

<sup>(1)</sup> pertains to transfer of assets to group companies

in ₹ crore

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Obligations at year / period end	52	40	37	28	19
Plan assets at year / period end, at fair value	53	41	37	30	20
Funded Status	1	1	–	2	1
Experience adjustments					
(Gain) / loss					
Experience adjustments on plan liabilities	(7)	(2)	–	–	2
Experience adjustments on plan assets	(1)	–	–	–	–

Particulars	Year ended March 31,	
	2015	2014
Service cost	6	5
Interest cost	3	3
Expected return on plan assets	(4)	(4)
Actuarial (gain) / loss	10	1
Net Gratuity cost	15	5

As at March 31, 2015 and March 31, 2014, the plan assets have been primarily invested in insurer managed funds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors

such as supply and demand factors in the employment market. The Group expects to contribute approximately ₹17 crore to the gratuity trust during fiscal year 2016.

### 2.26 Provident Fund

The Company contributed ₹49 crores towards Provident Fund during the year ended March 31, 2015 (₹16 crores during the year ended March 31, 2014).

### 2.27 Superannuation

The Company contributed less than ₹1 crore to the Superannuation Trust during the year ended March 31, 2015 (less than ₹1 crore during the year ended March 31, 2014).

## 2.28 Pension Fund

The Company contributed ₹8 crores to pension funds during the year ended March 31, 2015 (₹8 crores during the year ended March 31, 2014)

## 2.29 Reconciliation of basic and diluted shares used in computing earnings per share

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Number of shares considered as basic weighted average shares outstanding	3,38,27,751	3,38,27,751
Add: Effect of dilutive issues of shares / stock options	–	–
Number of shares considered as weighted average shares and potential shares outstanding	3,38,27,751	3,38,27,751

## 2.30 Restricted deposits

Restricted Deposit as at March 31, 2015 comprises ₹59 crores (₹46 crores as at March 31, 2014) deposited with Life Insurance Corporation of India to settle employee-related obligations as and when they arise during the normal course of business.

## 2.31 Dues to micro, small enterprises

The Company has no dues to micro and small enterprises during the year ended March 31, 2015 and during year ended March 31, 2014.

## 2.32 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas for CSR activities are eradication of hunger, poverty and malnutrition, promoting education and healthcare and rural development projects. The funds will be allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

## 2.39 Function-wise classification of the Statement of Profit and Loss

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
Income from business process management services	2,510	2,323
Cost of revenue	1,652	1,441
GROSS PROFIT	858	882
Selling and marketing expenses	106	103
General and administration expenses	205	203
	311	306
OPERATING PROFIT BEFORE DEPRECIATION	547	576
Depreciation and amortization expense	50	70
OPERATING PROFIT	497	506
Other income, net	191	150
PROFIT BEFORE TAX	688	656
Tax expense		
Current tax	167	156
Deferred tax	1	(12)
PROFIT FOR THE PERIOD	520	512

As per our report of even date attached

for B S R & Co. LLP  
Chartered Accountants

Firm's registration number: 101248W/W-100022

Akhil Bansal  
Partner

Membership number: 090906

Bangalore  
April 16, 2015

U. B. Pravin Rao  
Chairman and Director

Dr. Omkar Goswami  
Director

A. G. S. Manikantha  
Company Secretary

Anup Uppadhayay  
Chief Executive Officer and  
Managing Director

Rajiv Bansal  
Director

Prof. Jayanth R. Varma  
Director

Deepak Bhalla  
Chief Financial Officer

## Independent Auditors' Report

To the Members of Infosys Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Infosys BPO Limited (“the Company”) and subsidiaries (collectively referred to as the ‘Group’), which comprise the consolidated Balance Sheet as at 31 March 2015, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2015;
- (ii) in the case of the consolidated statement of profit and loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

for B S R & Co. LLP  
Chartered Accountants

Firm's registration number: 101248W/W

Sd/-

Bangalore  
16 April 2015

Akhil Bansal  
Partner

Membership number 090906

## Balance Sheet

Particulars	Note	in ₹ crore	
		As at March 31,	
		2015	2014
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	2.1	34	34
Reserves and surplus	2.2	3,094	2,536
		3,128	2,570
<b>NON-CURRENT LIABILITIES</b>			
Other long-term liabilities	2.3	21	44
		21	44
<b>CURRENT LIABILITIES</b>			
Trade payables	2.4	66	7
Other current liabilities	2.5	523	723
Short-term provisions	2.6	131	123
		720	853
		3,869	3,467
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Tangible assets	2.7	260	256
Intangible assets	2.7	495	495
Capital work-in-progress		7	5
		762	756
Non-current investments	2.8	4	3
Deferred tax assets, net	2.9	64	54
Long-term loans and advances	2.10	114	110
Other non-current assets	2.11	60	47
		242	214
<b>CURRENT ASSETS</b>			
Current investments	2.8	123	275
Trade receivables	2.12	667	570
Cash and cash equivalents	2.13	1,902	1,341
Short-term loans and advances	2.14	173	311
		2,865	2,497
		3,869	3,467
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		

The accompanying notes form an integral part Of the consolidated financial statements

As per our report of even date attached

for B S R & Co. LLP

Chartered Accountants

Firm's registration number: 101248W/W-100022

Akhil Bansal  
Partner  
Membership number: 090906

Bangalore  
April 16, 2015

U. B. Pravin Rao  
Chairman and Director

Dr. Omkar Goswami  
Director

A. G. S. Manikantha  
Company Secretary

Anup Uppadhayay  
Chief Executive Officer and  
Managing Director

Rajiv Bansal  
Director

Prof. Jayanth R. Varma  
Director

Deepak Bhalla  
Chief Financial Officer

## Statement of Profit and Loss

Particulars	Note	in ₹ crore	
		Year ended March 31,	
		2015	2014
Revenues from business process management services		3,507	3,278
Other income	2.15	183	137
Total Revenue		3,690	3,415
Expenses			
Employee benefit expenses	2.16	2,045	1,808
Cost of Technical sub-contractors	2.16	179	185
Travel expenses	2.16	146	127
Cost of software packages	2.16	43	54
Communication expenses	2.16	59	59
Professional charges	2.16	58	63
Office expenses	2.16	44	64
Power and fuel	2.16	26	30
Insurance charges	2.16	11	15
Rent	2.16	109	104
Depreciation expense	2.7	64	91
Other expenses	2.16	90	66
Total Expenses		2,874	2,666
PROFIT BEFORE TAX		816	749
Tax expense :	2.17		
Current tax		208	192
Deferred tax		(10)	(21)
		198	171
PROFIT FOR THE YEAR		618	578
<b>EARNINGS PER SHARE</b>			
Equity shares of par value ₹ 10/- each			
Basic		182.64	170.80
Diluted		182.64	170.80
Weighted average number of shares used in computing earnings per share :	2.28		
Basic		3,38,27,751	3,38,27,751
Diluted		3,38,27,751	3,38,27,751
SIGNIFICANT ACCOUNTING POLICIES	1		

The accompanying notes form an integral part Of the consolidated financial statements

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Bangalore  
April 16, 2015

A. G. S. Manikantha  
Company Secretary

## Cash Flow Statement

in ₹ crore

Particulars	Year ended March 31,	
	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	816	749
Adjustments to reconcile profit before tax to cash generated by operating activities		
Depreciation	64	91
Interest income	(130)	(88)
Dividend income	(12)	(17)
Non cash item included in other income	3	(32)
Profit on sale of investments	(4)	–
Profit on sale of fixed assets	(2)	1
Effect of exchange differences on translation of foreign currency cash and cash equivalents	–	–
Changes in assets and liabilities		
Trade receivables	(97)	(21)
Loans and advances	(7)	(12)
Other assets	(13)	(9)
Liabilities	(125)	55
Trade Payables	56	(36)
Provisions	(1)	32
	548	713
Income tax paid during the year, net	(191)	(172)
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>357</b>	<b>541</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets and change in capital work-in-progress / advances	(62)	(118)
Proceeds from sale of fixed assets	(6)	7
Interest received	126	89
Dividend received from Mutual Fund	12	17
Purchase of units in liquid mutual funds	(747)	(1,489)
Proceeds from sale of units in liquid mutual funds	856	1,413
Investment in Government Bonds	(1)	(3)
Redemption / (investment) in Certificate of Deposit	47	(47)
<b>NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES</b>	<b>225</b>	<b>(131)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>–</b>	<b>–</b>
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(59)	25
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>523</b>	<b>435</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>1,341</b>	<b>906</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (Refer Note 2.13)</b>	<b>1,864</b>	<b>1,341</b>

The accompanying notes form an integral part Of the consolidated financial statements

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Bangalore  
April 16, 2015

A. G. S. Manikantha  
Company Secretary



## Schedules to the financial statements for the year ended March 31, 2015

Significant accounting policies and notes on accounts

### Company overview

Infosys BPO Limited (“Infosys BPO” or “the Company”) along with its wholly owned subsidiaries, Infosys BPO s.r.o, Infosys BPO Poland Sp.z.o.o, Infosys BPO, S. de R.L. de C.V, Infosys McCamish Systems LLC and Portland Group Pty Ltd collectively called as “Group” are a leading provider of business process management services to organizations that outsource their business processes. The group leverages the benefits of service delivery globalization, process redesign and technology and thus drives efficiency and cost effectiveness into client's business processes and thereby improve their competitive position by managing their business processes in addition to providing increased value.

## 1. Significant accounting policies

### 1.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, “Consolidated Financial Statements”. The financial statements of Infosys BPO Limited - the parent Company, Infosys BPO s.r.o, Infosys BPO Poland s.p. z.o.o, Infosys McCamish Systems LLC and Portland Group Pty Ltd have been combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gain / loss. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Minority interests have been excluded. Minority interests represent that part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company.

### 1.2 Use of estimates

The preparation of the financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as of the date of the financial statements. Examples of such estimates includes computation of percentage of completion which requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended, provision for doubtful debts, future obligations under employee retirement benefit plans, provision for income taxes, provision for service level agreement and the useful lives of fixed assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 1.3 Revenue recognition

The Company derives its revenues primarily from business process management services, either on a time-and-material, fixed-price, fixed-time frame or unit-price basis. Revenue on time-and-material contracts is recognized as the related services are rendered and revenue from the end of the last billing to the balance sheet date is recognised as unbilled revenues. Revenue from fixed-price, fixed-time frame contracts, where there is no uncertainty as to measurement and collectibility of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to measurement or ultimate collectability revenue recognition is postponed until such uncertainty is resolved. Revenues from unit-priced contracts are recognized as transactions are processed based on objective measures of output. Cost and earnings in excess of billings are classified as unbilled revenue while billing in excess of cost and earnings is classified as unearned revenue. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discount / incentive amount to each of the underlying revenue transactions that result in progress by the customer towards earning the discount / incentive. Also when the level of discount varies with increase in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligation for discount using a cumulative catch-up approach. The discounts are passed on the customer either as direct payments or as a reduction of payments due from customer.

The Company revenues, net of indirect taxes in its statement of profit & loss.

Profit on sale of investment is recorded on the transfer of title from the Company and is determined as the difference between the sale price and the carrying value of the investment. Interest on deployment of surplus funds is recognised using time proportion method, based on underlying interest rates. Dividend income is recognized when the Company's right to receive dividend is established.

### 1.4 Expenditure

The cost of software user licenses purchased for rendering business process management services is charged to revenue when put to use. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating

leases are recognised as an expense on a straight line basis in the profit and loss account over the lease term.

### 1.5 Fixed assets, intangible assets and capital work-in-progress

Fixed assets are stated at cost, after reducing accumulated depreciation and impairment if any. Direct costs are capitalized until the assets are ready for use. Capital work-in-progress includes the cost of fixed assets that are not yet ready for their intended use.

#### Intangible assets including goodwill

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Goodwill, recorded on amalgamation in the nature of purchase is tested periodically for impairment.

### 1.6 Depreciation and amortization

Depreciation on fixed assets is provided on the straight-line method based over the useful lives of assets as estimated by the Management. Depreciation for assets purchased / sold during the period is proportionately charged. Leasehold improvements are written off over the lower of the lease term or the useful life of the asset. Leasehold land is amortised over the lease period. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use. The Management estimates the useful life for the other fixed assets as follows :

Buildings <sup>(1)</sup>	22-25 years
Computer equipment <sup>(1)</sup>	3-5 years
Plant and machinery	5 years
Furniture and fixtures <sup>(1)</sup>	5 years
Office equipment	5 years

<sup>(1)</sup> For the above class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013. Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

### 1.7 Retirement benefits to employees

#### Gratuity

In accordance with the Payment of Gratuity Act, 1972, Infosys BPO provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering all eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary and the tenure of employment. Liabilities with regard to the Gratuity Plan are determined by an actuarial valuation, at each balance sheet date using the projected unit credit method, based upon which the Company fully contributes to the Infosys BPO employees Gratuity Fund Trust (the 'Trust'). The trustee administer contributions made to the Trust and contributions are invested in specific investments as permitted by the law.

The Company recognizes the net obligation of the gratuity plan in the balance sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, "Employee Benefits". The Company's overall expected long-term rate-of-return on assets has been determined based on consideration of available market information, current provisions of Indian law specifying the instruments in which investments can be made, and historical returns. The discount rate is based on the Government securities yield. Actuarial gains and losses arising from experience

adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

#### Superannuation

Certain employees of Infosys BPO are eligible for superannuation benefits. The Company contributes ₹100/- per employee annually for the superannuation benefits of the employees. The Company has no further obligations to the superannuation plan beyond the yearly contribution to the trust fund, the corpus of which is invested with the LIC of India.

#### Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a Government administered provident fund. The Company has no further obligations under the provident fund plan beyond its monthly contributions.

#### Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by an actuarial valuation using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

### 1.8 Foreign currency transactions

Monetary assets and monetary liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit and loss account.

Non-monetary assets & non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets & non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

### 1.9 Forward contracts and option contracts in foreign currencies

The Company uses foreign exchange forward contracts and options contracts to hedge its exposure to movements in foreign exchange rates. The use of these forward contracts and option contracts reduces the potential risk or cost arising. The Company does not use the forward contracts and option contracts for trading or speculation purposes.

Effective April 1, 2008, the Company adopted the principle of Accounting Standard AS 30 "Financial Instruments: Recognition and Measurement", to the extent that the adoption did not conflict with existing mandatory accounting standards and other authoritative pronouncements, Company law and other regulatory requirements.

Forward and options contracts are fair valued at each reporting date. The resultant gain or loss from these transactions are recognized in the statement of profit and loss. The Company records the mark to market gain or loss on effective hedges in the foreign currency fluctuation reserve until the transactions are complete. On completion, the gain or loss is transferred to the statement of profit and loss of that period. To designate a forward contract or option contracts as an effective hedge, management objectively evaluates and evidences with appropriate supporting documents at the inception of each contract and subsequently whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. In the absence of a designation as an effective hedge, a gain or loss is recognized in the profit and loss account. Currently the hedges undertaken by the Company are all ineffective in nature and the resultant gain or loss consequent to fair valuation is recognised in the Statement of profit and loss at each reporting date.

### 1.10 Income tax

Income taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax for the period based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantively enacted regulations. Deferred tax assets in situation of unabsorbed depreciation and carry forward business losses exist, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets, other than in situation of unabsorbed depreciation and carry forward business losses are recognized only if there is reasonable certainty that they will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each balance sheet reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

### 1.11 Provisions and contingent liability

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### Onerous Contract

Provisions for onerous contracts are recognized, i.e. contracts when the expected benefits to be derived by the company from the contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the lower of the expected cost of terminating the contract and the expected cost of fulfilling the contract.

### 1.12 Impairment

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset (including goodwill) may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### 1.13 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

### 1.14 Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on the management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

### 1.15 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### 1.16 Cash Flow Statement

Cash flows are reported using the Indirect method, whereby profit before tax is adjusted for the effects of transactions of a non - cash nature and any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

## 2. Notes on accounts for the year ended March 31, 2015

Amounts in the financial statements are presented in ₹ crore, except for per share data and as otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding off. All exact amounts are stated with suffix “/-”. One crore equals 10 million.

The previous period figures have been regrouped / reclassified, wherever necessary to conform to the current period presentation.

### 2.1 Share capital

(in ₹ crore, except as otherwise stated)

Particulars	As at March 31	
	2015	2014
<b>Authorised</b>		
Equity shares, ₹ 10/- (₹ 10/-) par value	123	123
12,33,75,000 (12,33,75,000) equity shares		
	123	123
<b>Issued, subscribed and paid up</b>		
Equity shares, ₹ 10/- (₹ 10/-) par value		
3,38,27,751 (3,38,27,751) equity shares fully paid up <sup>(1)</sup>	34	34
[Of the above, 3,38,22,319 (3,38,22,319) equity shares are held by the holding company, Infosys Limited]		
	34	34

<sup>(1)</sup> Refer to note 2.28 for details of basic and diluted shares

The Company has only one class of shares referred to as equity shares having a par value ₹ 10/-. Each holder of one equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company in proportion to the number of equity shares held by the shareholders., after distribution of all preferential amounts. However, no such preferential amounts exist as at the date of Balance Sheet.

### Reconciliation of the number of shares outstanding

Particulars	As at March 31,	
	2015	2014
Number of share outstanding at the beginning of the year	3,38,27,751	3,38,27,751
Add: Shares issued during the year	-	-
Number of shares outstanding at the end of the year	3,38,27,751	3,38,27,751

### Shares held by shareholders holding more than 5% shares

Name of the shareholder	Number of shares as at March 31,		Percentage of total shares as at March 31,	
	2015	2014	2015	2014
Infosys Limited, the holding company	3,38,22,319	3,38,22,319	99.98%	99.98%

There has been no buy-back of shares, issuance of bonus shares or shares issued for consideration other than cash during the last 5 years.

### 2.2 Reserves and surplus

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Securities premium - Opening balance	25	25
Add: Transferred from Surplus	-	-
Securities premium - Closing balance	25	25
Capital redemption reserve - Opening balance	1	1
Add: Transferred from Surplus	-	-
Capital redemption reserve - Closing balance	1	1
Foreign exchange translation reserve	(21)	39
General reserve - Opening balance	1,000	1,000
Add: Transferred from Surplus	-	-
General reserve - closing balance	1,000	1,000
Surplus - Opening balance	1,471	893
Add: Net profit after tax transferred from statement of profit and loss	618	578
Surplus - Closing balance	2,089	1,471
	3,094	2,536

### 2.3 Other long-term liabilities

in ₹ crore

Particulars	As at March 31,	
	2015	2014
<b>Accrued salaries and benefits</b>		
Bonus and incentives	-	23
Rental deposit received <sup>(1)</sup>	21	21
	21	44
<sup>(1)</sup> Includes dues to holding company (refer to note 2.22)	21	21

## 2.4 Trade payables

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Trade payables <sup>(1)</sup>	66	7
	66	7
<sup>(1)</sup> Includes dues to subsidiaries & other group companies (refer to note 2.22)	7	1

## 2.5 Other current liabilities

in ₹ crore

Particulars	As at March 31,	
	2015	2014
<b>Accrued salaries and benefits</b>		
Salaries	76	58
Bonus and incentives	136	144
<b>Other liabilities</b>		
Provision for expenses <sup>(1)</sup>	246	333
Retention monies	1	2
Withholding and other taxes	40	34
Other Payables <sup>(2)</sup>	2	–
Mark to market loss on forward exchange contract	3	2
Advances received from customers	2	2
Unearned revenue	17	13
Due to carrier / insurance provider	–	135
	523	723
<sup>(1)</sup> Includes dues to subsidiaries & other group companies (refer to note 2.22)	9	8
<sup>(2)</sup> Includes dues to subsidiaries & other group companies (refer to note 2.22)	1	–

## 2.6 Short-term provisions

in ₹ crore

Particulars	As at March 31,	
	2015	2014
<b>Provision for employee benefits</b>		
Unavailed leave	68	64
Others		
<b>Provision for</b>		
Income taxes, net of advance tax and TDS	38	29
SLA compliance	25	30
	131	123

### Provision for SLA compliance

The provision for service level agreement compliance is based on estimates made by the management for on going contracts. In accordance with the Accounting Standard 29 (Provisions, contingent liabilities and contingent assets) the movement in provision for service level agreement compliance is given below :

in ₹ crore

Particulars	Year ended March 31,	
	2015	2014
Balance at the beginning of the year	30	12
Provision / (Reversal) made during the year	(2)	19
Provisions utilised during the year	3	1
Balance at the end of the year	25	30

Provisions for SLA compliance and other provisions are expected to be utilized over a period of 6 months to 1 year.

## 2.7 Fixed assets

The changes in the carrying value of fixed assets for the year ended March 31, 2015 are as follows:

Particulars	in ₹ crore, except as otherwise stated												
	Tangible assets					Intangible assets					Total		
	Land-Leasehold	Building	Leasehold Improvement	Office equipment	Plant and Machinery	Computer equipment	Furniture and fixtures	Vehicles	Total	Goodwill		Total	
<b>Original cost</b>													
As at April 1, 2014	12	147	87	132	24	244	74	-	720	495	495	1,215	
Additions / Adjustments during the year	-	-	9	4	7	37	6	-	63	-	-	63	
Deductions / Retirement during the year	-	-	(10)	(10)	-	(20)	(2)	-	(42)	-	-	(42)	
As at March 31, 2015	12	147	86	126	31	261	78	0	741	495	495	1,236	
<b>Depreciation and amortization</b>													
As at April 1, 2014	1	39	52	113	10	192	57	-	464	-	-	464	
For the year	-	5	12	9	5	25	8	-	64	-	-	64	
Deductions / Adjustments during the year	-	-	(12)	(11)	-	(21)	(3)	-	(47)	-	-	(47)	
As at March 31, 2015	1	44	52	111	15	196	62	-	481	-	-	481	
<b>Net book value</b>													
As at March 31, 2015	11	103	34	15	16	65	16	-	260	495	495	755	

Following are the changes in the carrying value of fixed assets for the year ended March 31, 2014:

Particulars	in ₹ crore, except as otherwise stated											
	Tangible assets					Intangible assets					Total	
	Land-Leasehold	Buildings	Leasehold Improvement	Office equipment	Plant and Machinery	Computer equipment	Furniture and fixtures	Vehicles	Total	Goodwill		Total
<b>Original cost</b>												
As at April 1, 2013	12	145	70	128	22	182	63	-	622	495	495	1,117
Additions / Adjustments during the year	-	2	18	6	2	69	11	-	108	-	-	108
Deductions / Retirement during the year	-	-	(1)	(2)	-	(7)	-	-	(10)	-	-	(10)
As at March 31, 2014	12	147	87	132	24	244	74	-	720	495	495	1,215
<b>Depreciation and amortization</b>												
As at April 1, 2013	1	29	41	98	6	151	50	-	376	-	-	376
For the year	-	10	11	15	4	44	7	-	91	-	-	91
Deductions / Adjustments during the year	-	-	-	-	-	(3)	-	-	(3)	-	-	(3)
As at March 31, 2014	1	39	52	113	10	192	57	-	464	-	-	464
<b>Net book value</b>												
As at March 31, 2014	11	108	35	19	14	52	17	-	256	495	495	751

During the quarter ended June 30, 2014, the management reassessed the remaining useful life of assets primarily consisting of buildings and computers with effect from April 1, 2014. An external valuer was consulted for this purpose. Accordingly the useful lives of certain assets required a change from the previous estimates. The existing and revised useful lives are as below:

Category of assets	in years	
	Earlier useful life	Current useful life
Buildings	15	22-25
Plant and machinery	5	5
Computer equipment	2	3-5
Furniture and fixtures	5	5
Vehicles	5	5

Had the company continued with the previously assessed useful lives, charge for depreciation and cost of sales for the year ended March 31, 2015 would have been higher by ₹ 19 crores for assets held at April 1, 2014. The revision of the useful lives will result in the following changes in the depreciation expense based on the original useful life of asset.

Particulars	in ₹ crore	
	Fiscal 2016	After fiscal 2016 (till the end of estimated useful life.)
Increase / (Decrease) in Depreciation Expense	(25)	0.04

## 2.10 Investments

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Non current investments		
Long Term Investments - at cost		
Investment in government bonds <sup>(1)</sup>	4	3
Total Non current investments	4	3
Current portion of long term investments		
Quoted		
Investment in Fixed Maturity Plan	30	43
	30	43
Current investments – at the lower of cost and fair value		
Unquoted		
Investment in Certificate of Deposits	–	47
Investment in liquid mutual fund units	93	185
	93	232
Aggregate amount of quoted investments	30	43
Market value of quoted investments	36	48
Aggregate amount of unquoted investments	93	232

<sup>(1)</sup> Investment in Government bonds listed on the Philippines Dealing & Exchange Corp. (PDEX) towards the certificate earmarking the same to Philippines Government.

Profit on sale of Investment is ₹ 4 crore for year ended March 31, 2015 (₹ 1 crore for the year ended March 31, 2014).

Details of investment in Certificate of Deposits as at March 31, 2015 and March 31, 2014 is as follows:

Particulars	Face Value ₹	March 31, 2015		March 31, 2014	
		Units	Amount	Units	Amount
Central Bank of India	1,00,000	–	–	2,500	23
Indian Overseas Bank	1,00,000	–	–	2,500	24
				5,000	47

Details of investment in liquid mutual funds as at March 31, 2015 and March 31, 2014 is as follows:

Particulars	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
Birla Sun Life AMC Ltd - Liquid	47,37,327	48	15,02,428	15
ICICI prudencial - P liquid			10,43,402	10
TATA Asset Management Ltd - Liquid			3,32,456	38
IDFC mutual fund - liquid plus			4,39,648	44
Reliance Mutual Fund - Liquid	4,08,049	45	–	–
HDFC Mutual Fund - Liquid			–	–
Religare Mutual Fund - Liquid			547	–
JPMorgan Asset Management MF - Liquid plus			–	–
SBI Mutual Fund - Liquid Plus			4,93,192	49
Templeton Mutual Fund - Liquid			2,87,986	29
	51,45,376	93	40,99,660	185

Details of investment in FMP mutual funds as at March 31, 2015 and March 31, 2014 is as follows :

Particulars	March 31, 2015		March 31, 2014	
	Units	Amount	Units	Amount
Birla Sunlife AMC Ltd-FMP			1,30,00,000	13
ICICI prudencial FMP			3,00,00,000	30
SBI Debt Fund-FMP	2,00,00,000	20		
UTI-FMP	1,00,00,000	10		
	3,00,00,000	30	4,30,00,000	43

## 2.9 DEFERRED TAX ASSETS

Particulars	in ₹ crore	
	As at March 31, 2015	2014
Deferred tax assets		
Fixed assets	20	24
Unavailed leave	15	14
Trade receivables	7	2
Accrued Compensation	7	6
Others	16	14
Less: Deferred tax liability	1	6
	64	54

Deferred Tax assets and deferred tax liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

## 2.10 Long-term loans and advances

Particulars	in ₹ crore	
	As at March 31, 2015	2014
Unsecured considered good		
Capital advances	–	1
Other loans and advances		
Rental deposits <sup>(1)</sup>	48	50
Electricity and other deposits	1	1
Advance income taxes, net of provision	65	58
	114	110
<sup>(1)</sup> Includes dues from holding company (refer to note 2.23)	27	27

## 2.11 Other non-current assets

Particulars	in ₹ crore	
	As at March 31, 2015	2014
Others		
Restricted deposits (refer note 2.30)	59	46
Advance to gratuity trust (refer note 2.25)	1	1
	60	47

## 2.12 Trade receivables

Particulars	in ₹ crore	
	As at March 31, 2015	2014
Debts outstanding for a period exceeding six months		
Unsecured		
Considered doubtful	12	5
Less: Provision for doubtful debts	12	5
	–	–
Other debts		
Unsecured		
Considered good <sup>(1)</sup>	667	570
Considered doubtful	9	2
	676	572
Less: Provision for doubtful debts	9	2
	667	570
<sup>(1)</sup> Includes dues from subsidiaries & other group companies (refer to note 2.23)	7	7

## 2.13 Cash and cash equivalents

Particulars	in ₹ crore	
	As at March 31, 2015	2014
Balances with banks		
In current and deposit accounts	1,775	1,261
Others - Deposit with financial institution	127	80
	1,902	1,341
Deposit accounts with more than 12 months maturity	–	–

The deposits maintained by the Group with banks comprise of time deposits, which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

The details of balances with banks as at March 31, 2015 and March 31, 2014 are as follows :

Particulars	in ₹ crore	
	As at March 31, 2015	2014
<b>In current accounts</b>		
Bank of America, California, USA	9	10
Bank of America, California, USA	39	26
Bank of America, California- Trust account, USA <sup>(1)</sup>	–	–
Bank of New Zealand, NZ	–	2
Citi Bank, Costa Rica	5	1
Citi Bank, South Africa	1	3



Particulars	As at March 31,	
	2015	2014
Citibank N.A., Czech Republic	6	1
Citibank, Singapore	1	–
Citibank, IBPO, Australia	1	2
Citibank, Portland	14	3
Citibank-USD	–	1
Deutsche Bank- EEFC (Euro account)	1	–
Deutsche Bank- EEFC (U.S. Dollar account)	1	–
Deutsche Bank, India	1	–
Deutsche Bank, Czech Republic	28	25
Deutsche Bank, Netherland	–	1
Deutsche Bank, Philippines	6	35
Deutsche Bank, Poland	20	–
Deutsche Bank, UK	1	1
ICICI Bank- EEFC (Euro account)	–	1
ICICI Bank- EEFC (U.S. Dollar account)	2	7
ICICI Bank- EEFC (UK Pound Sterling account)	–	1
ICICI Bank, India	3	2
Wells Fargo <sup>(2)</sup>	38	–
PNC Bank, New Jersey, USA <sup>(1)</sup>	–	–
CITI Bank, India	1	–
	178	122
In deposit accounts		
Axis Bank	80	80
Kotak Mahindra Bank	5	–
Canara Bank	80	80
Allahabad Bank	–	80
Bank of Baroda	80	80
Corporation Bank	80	80
Deutsche Bank, Poland	121	125
ICICI Bank	106	24
IDBI Bank	150	63
Andhra Bank	74	–
National Australia Bank, Australia	56	54
Oriental Bank of Commerce	80	5
Punjab National Bank	80	80
South Indian Bank	27	25
Indian Overseas Bank	78	18
Central Bank of India	80	55
Syndicate Bank	80	80
Union Bank of India	80	20
Vijaya Bank	80	80
Bank of India	–	80
Yes Bank	100	30
HDFC Bank Limited	80	–
	1,597	1,139
Other deposits with body corporates		
HDFC Limited	127	80
	1,902	1,341

<sup>(1)</sup> This represents restricted bank balance, in trust account, in accordance with collection agency licensing requirements in US.

<sup>(2)</sup> This represents restricted bank balance held in fiduciary capacity as per agreement with C.N.A

## 2.14 Short-term loans and advances

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Unsecured, considered good		
Others		
Prepaid expenses	4	6
Advances for goods and services	13	18
Withholding and other taxes receivable	28	26
	45	50
Group Company advances	2	–
Unbilled revenue <sup>(1)</sup>	74	79
Interest accrued but not due	9	5
Loans and advances to employees	17	18
Rental deposits	7	3
Electricity and other deposits	1	2
Mark to market gain on forward contract	7	–
Due from service provider <sup>(2)</sup>	–	135
MAT credit entitlement	–	16
Loans and advances to group companies <sup>(3)</sup>	11	3
	173	311
Unsecured, considered doubtful		
Loans and advances to employees	2	1
	175	312
Less: Provision for doubtful loans and advances	2	1
	173	311
<sup>(1)</sup> Includes dues from subsidiaries & other group companies (refer to note 2.22)	1	8
<sup>(2)</sup> These amounts represents premiums collected from policy holders and payable to insurance providers by a service provider maintaining the amounts in fiduciary capacity	–	–
<sup>(3)</sup> Includes dues from subsidiaries & other group companies (refer to note 2.22)	2	3

## 2.15 Other income

in ₹ crore

Particulars	Year ended March 31,	
	2015	2014
Interest on deposits with bank and others	130	88
Dividend on investment in mutual fund units	12	17
Miscellaneous income, net	17	47
Gains / (losses) on sale of investment	4	–
Gains / (losses) on foreign currency, net	20	(15)
	183	137

## 2.16 Expenses

Particulars	in ₹ crore	
	Year ended March 31, 2015	2014
<b>Employee benefit expenses</b>		
Salaries and bonus including overseas staff expenses	1,913	1,699
Staff welfare	11	12
Contribution to provident and other funds	121	97
	2,045	1,808
<b>Cost of technical sub-contractors</b>		
Technical sub-contractors - subsidiaries	116	72
Technical sub-contractors - others	63	113
	179	185
<b>Travel expenses</b>		
Overseas travel expenses	99	90
Domestic travel expenses	47	37
	146	127
<b>Cost of software packages</b>		
Cost of software for own use	43	54
	43	54
<b>Communication expenses</b>		
Communication expenses	40	23
Telephone charges	19	36
	59	59
<b>Professional charges</b>		
Legal and professional	35	33
Recruitment and training	22	29
<b>Auditor's remuneration</b>		
Statutory audit fees	1	1
out-of-pocket expenses	–	–
	58	63
<b>Office expenses</b>		
Computer maintenance	5	9
Printing and stationery	2	3
Office maintenance	37	52
	44	64
<b>Power and fuel</b>		
Power and fuel	26	30
	26	30
<b>Insurance charges</b>		
Insurance charges	11	15
	11	15
<b>Rent</b>		
Rent (refer note 2.18)	109	104
	109	104
<b>Other expenses</b>		
Consumables	6	9
Brand building and advertisement	5	6
Marketing expenses	5	3
Rates and taxes	8	9
Donations	11	–
Bank charges and commission	3	2
Postage and courier	21	10
Provision for doubtful debts	15	6

Particulars	Year ended March 31,	
	2015	2014
Provision for doubtful loans and advances	1	1
Professional membership and seminar participation fees	1	2
Provision for SLA	2	–
Other miscellaneous expenses	12	18
	90	66

## 2.17 Tax expenses

Particulars	in ₹ crore	
	Year ended March 31, 2015	2014
Current tax	208	192
Deferred taxes	(10)	(21)
	198	171

### Income taxes

The provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempt incomes and any tax liabilities arising overseas on income sourced from those countries as per Indian Income Tax Act, 1961. Infosys BPO operations are conducted through Software Technology Parks ('STPs') and Special Economic Zones ('SEZs'). Income from STPs were tax exempt for the first 10 years from the fiscal year in which the unit commences software development, or March 31, 2011 whichever is earlier. Income from SEZs is fully tax exempt for the first 5 years, 50% exempt for the next 5 years and 50% exempt for another 5 years subject to fulfilling certain conditions. In the current year, the Company calculated its tax liability under normal provisions of the Income Tax Act and utilized a portion of the brought forward MAT Credit.

The revision in the useful life of assets has resulted in a decrease in deferred tax credit by ₹7 crore for the year ended March 31, 2015 (Refer note 2.7).

## 2.18 LEASES

### Obligations on long-term, non-cancellable operating leases

The lease rentals charged during the period and maximum obligations on long-term, non-cancellable operating leases payable as per the rentals stated in the respective agreements are as follows:

Particulars	Year ended March 31,	
	2015	2014
Lease rentals charged during the year	109	104
	(in ₹ crore)	
Lease obligations	As at March 31,	
	2015	2014
Within one year of the balance sheet date	42	48
Due in a period between one year and five years	97	152
Later than five years	38	72

The existing operating lease arrangements extend for periods between 36 months and 60 months from their respective dates of inception.

## 2.19 Contingent liabilities and commitments (to the extent not provided for)

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
<b>Contingent liabilities:</b>		
Claims against the Company not acknowledged as debts (Net of amount paid to statutory authorities ₹25 crores)	119	26
Bank guarantees towards leased premises	17	13
<b>Commitments:</b>		
Estimated amount of unexecuted capital contracts (net of advance and deposits)	26	22

Claims against the company not acknowledged as debts include demand from the Indian service tax authorities for payment of additional tax of ₹94.69 crores (12.75 crores) includes penalty of ₹43.52 crores for the period from January 2005 to September 2011 upon conducting service tax audit. These demands are due to treatment of salary paid to overseas staff as consideration for services provided by overseas branches to Infosys BPO India and under Section 66A of Finance act, branch and head office are treated as separate entities so service tax is demanded on salary paid to overseas staff as import of services. Authorities have also raised demand under section 66A on payment made to overseas subcontractor who was providing services to clients outside India on behalf of Infosys BPO treating the services of subcontractor are received in India and it is a import of service. The matters are pending before the Service Tax Appellate Tribunal (CESTAT), Bangalore. The company is contending the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process.

Claims against the company not acknowledged as debts include demand from the Indian income tax authorities for payment of additional tax of ₹28.56 crores (38.70 crores) including interest of ₹7.47crores (9.85 crores) upon completion of their tax review for for fiscal 2004, 2005, 2006, 2007, 2008, 2009, 2010 & 2011. These income tax demands are mainly on account of disallowance of a portion of deduction claimed u/s 10A of Income Tax Act. The deduction amount is determined by the ratio of export turnover to total turnover. The disallowance arose from certain expenses incurred in foreign currency being reduced from export turnover but not reduced from total turnover. These demand includes the intimation for short deduction of tax deduction at source. The matters for fiscal 2007, 2008 and 2009 are pending before Commissioner of Income Tax (Appeals) and fiscal 2004, 2005 and 2006 are pending before Income Tax Appellate Tribunal, Bangalore. The company is contenting the demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process.

## 2.20 Derivative instruments

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

Particulars	As at March 31,			
	2015		2014	
	in million	in ₹ crore	in million	in ₹ crore
USD / INR	48	300	19	114
EUR / INR	3	20	2	14
EUR / PLN	5	30	14	112
USD / PLN	3	19	3	18
USD / CZK	1	6	3	18
AUD / INR	3	14	–	–
GBP / INR	4	39	4	40
CZK-USD	–	–	2	12

As at the Balance Sheet date, the Company's net foreign currency exposure that is not hedged by a derivative instrument or otherwise is ₹41 crores (₹157 crores as at March 31, 2014).

The foreign exchange forward and option contracts mature between 1 to 12 months. The table below analyzes the derivate financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

Particulars	in ₹ crore	
	As at March 31,	
	2015	2014
Not later than one month	127	49
Later than one month and not later than three months	146	121
Later than three months and not later than one year	155	158
	428	328

The Company recognized a gain on derivative financial instruments of ₹35 crores and loss on derivative financial instruments of ₹58 crores during the year ended March 31, 2015 and March 31, 2014, respectively, which is included in other income.

## 2.20 Quantitative details

The Group is primarily engaged in providing business process management services. The sale of such services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under paragraphs 5(viii)(c) of general instructions for preparation of statement of profit and loss as per revised Schedule III to the Companies Act 2013.

## 2.26 Related party transactions

### List of related parties

Name of subsidiaries	Country	in %	
		Holding as at March 31, 2015	2014
<b>Infosys Limited</b>	India	Holding	
Company	Holding		
Company			
<b>Subsidiaries</b>			
Infosys BPO s.r.o	Czech Republic	100	100
Infosys BPO Poland Sp.z.o.o	Poland	100	100
Infosys BPO, S. de R.L. de C.V <sup>(13)</sup>	Mexico	Nil	Nil
Infosys McCamish Systems LLC <sup>(7)</sup>	United States	100	100
Portland Group Pty Ltd	Australia	100	100
Portland Procurement Services Pty Ltd <sup>(14)</sup>	Australia	-	100
<b>Fellow subsidiaries</b>			
Infosys Technologies S.de R.L.de C.V. (“Infosys Mexico”)	Mexico		
Infosys Technologies (China) Co. Limited (“Infosys China”)	China		
Infosys Tecnologia DO Brasil LTDA (“Infosys Brasil”)	Brazil		
Infosys Public Services, Inc. USA (Infosys Public Services)	United States		
Infosys Technologies (Sweden) AB. (Infosys Sweden)	Sweden		
Infosys Technologies (Australia) Pty Limited (“Infosys Australia”) <sup>(3)</sup>	Australia		
Infosys Consulting India Limited <sup>(1)</sup>	India		
Infosys Americas Inc., (Infosys Americas) <sup>(2)</sup>	USA		
Edgeverve Systems Limited (Edgeverve) <sup>(16)</sup>	India		
Lodestone Holding AG (Infosys Lodestone)	Switzerland		
Lodestone Management Consultants (Canada) Inc. <sup>(4)/(15)</sup>	Canada		
Lodestone Management Consultants Inc. <sup>(4)</sup>	United States		
Lodestone Management Consultants Pty Limited <sup>(4)</sup>	Australia		
Lodestone Management Consultants AG <sup>(4)</sup>	Switzerland		
Lodestone Augmentis AG <sup>(5)</sup>	Switzerland		
Hafner Bauer & Ödman GmbH <sup>(4)</sup>	Switzerland		

Name of subsidiaries	Country	Holding as at March 31,	
		2015	2014
Lodestone Management Consultants (Belgium) S.A. <sup>(6)</sup>	Belgium		
Lodestone Management Consultants GmbH <sup>(4)</sup>	Germany		
Lodestone Management Consultants Pte Ltd. <sup>(4)</sup>	Singapore		
Lodestone Management Consultants SAS <sup>(4)</sup>	France		
Lodestone Management Consultants s.r.o. <sup>(4)</sup>	Czech Republic		
Lodestone Management Consultants GmbH <sup>(4)</sup>	Austria		
Lodestone Management Consultants Co., Ltd. <sup>(4)</sup>	China		
Lodestone Management Consultants Ltd. <sup>(4)</sup>	UK		
Lodestone Management Consultants B.V. <sup>(4)</sup>	Netherlands		
Lodestone Management Consultants Ltda. <sup>(6)</sup>	Brazil		
Lodestone Management Consultants Sp. z.o.o. <sup>(4)</sup>	Poland		
Lodestone Management Consultants Portugal, Unipessoal, Lda. <sup>(4)</sup>	Portugal		
S.C. Lodestone Management Consultants S.R.L. <sup>(4)</sup>	Romania		
Lodestone Management Consultants S.R.L. <sup>(4)</sup>	Argentina		
Panaya Inc <sup>(8)</sup>	USA		
Panaya Limited <sup>(9)</sup>	Israel		
Panaya GmbH <sup>(9)</sup>	Germany		
Panaya Pty Limited <sup>(9)</sup>	Australia		
Panaya Japan Co. Ltd <sup>(9)</sup>	Japan		
Infosys Canada Public services Ltd <sup>(10)/(11)</sup>	Canada		
Infosys Nova Holdings LLC. <sup>(12)</sup>	U.S.		
<b>Fellow Associate</b>			
DWA Nova LLC <sup>(17)</sup>	U.S.		

<sup>(1)</sup> The Hon'ble High Court of Karnataka sanctioned the scheme of amalgamation of Infosys Consulting India Limited (ICIL) with Infosys Limited with an effective date of August 23, 2013 and an appointed date of January 12, 2012.

<sup>(2)</sup> Incorporated effective June 25, 2013

<sup>(3)</sup> Under liquidation

<sup>(4)</sup> Wholly owned subsidiaries of Lodestone Holding AG

<sup>(5)</sup> Wholly owned subsidiaries of Lodestone Management Consultants AG

<sup>(6)</sup> Majority owned and controlled subsidiaries of Lodestone Holding AG

<sup>(7)</sup> McCamish System LLC name has been changed to Infosys McCamish System LLC effective from May 30, 2013

<sup>(8)</sup> On March 5, 2015, Infosys acquired 100% of the voting interest in Panaya Inc.

<sup>(9)</sup> Wholly owned subsidiary of Panaya Inc.

<sup>(10)</sup> Wholly owned subsidiary of Infosys Public Services, Inc.

<sup>(11)</sup> Incorporated effective December 19, 2014

<sup>(12)</sup> Incorporated effective January 23, 2015

<sup>(13)</sup> Incorporated effective February 14, 2014

<sup>(14)</sup> Wholly owned subsidiary of Portland Group Pty Ltd. liquidated effective May 14, 2014

<sup>(15)</sup> Liquidated effective December 31, 2013

<sup>(16)</sup> Incorporated effective February 14, 2014

<sup>(17)</sup> Associate of Infosys Nova Holdings LLC

**List of other related parties**

Particulars	Country	Nature of relationship
Infosys BPO Limited Employees' Superannuation Fund Trust	India	Post-employment benefit plan of Infosys BPO
Infosys BPO Limited Employees' Gratuity Fund Trust	India	Post-employment benefit plan of Infosys BPO

**List of key management personnel**

Name of the related party	Designation
S. Gopalakrishnan <sup>(1)</sup>	Chairman and Director
Anup Uppadhyay <sup>(2)</sup>	Chief Executive Officer and Managing Director
Gautam Thakkar <sup>(3)</sup>	Chief Executive Officer and Managing Director
Rajiv Bansal <sup>(4)</sup>	Director
U. B. Pravin Rao <sup>(5)</sup>	Chairman & Director
Prof. Jayanth R. Varma	Independent Director
Chandrashekar Kakal <sup>(6)</sup>	Director
Dr. Omkar Goswami	Independent Director
Prasad Thrikutam <sup>(7)</sup>	Director

<sup>(1)</sup> Resigned as a Chairman and Director effective October 6, 2014

<sup>(2)</sup> Appointed as a Chief Executive Officer and Managing Director effective December 1, 2014

<sup>(3)</sup> Resigned as a Chief Executive Officer and Managing Director effective November 30, 2014

<sup>(4)</sup> Appointed as a Director effective July 8, 2014

<sup>(5)</sup> Appointed as a Chairman and Director effective October 7, 2014

<sup>(6)</sup> Resigned as a Director effective from April 18, 2014

<sup>(7)</sup> Resigned as a Director effective June 12, 2014

The details of the related party transactions entered into by the Company, for year ended March 31, 2015 and March 31, 2014 are as follows:

Particulars	As at March 31,	
	2015	2014
Revenue transactions		
<b>Purchase of services</b>		
Infosys Limited	86	70
Edgeverve Systems Limited	9	2
Lodestone Management Consultants (UK)	15	–
Infosys Mexico	2	–
Lodestone Management Consultants Pty Limited (Australia)	4	–
	116	72
Purchase of shared services including facilities and personnel		
Infosys Limited	38	36
Edgeverve Systems Limited	–	–
	38	36
Sale of services		
Infosys Limited	286	238
Lodestone Management Consultants Ltd Poland	3	9
Lodestone Singapore	1	–
Infosys Public Services	7	5
	297	252

Particulars	As at March 31,	
	2015	2014
Sale of shared services including facilities and personnel		
Infosys Limited	12	16
Edgeverve Systems Limited	–	–
	12	16

During the period the Company has received certain managerial services from Mr S Gopalakrishnan director of the Company who are also directors of Infosys Limited, at no cost.

Infosys Limited, the parent Company has issued performance guarantees to certain clients for the Company's executed contracts.

Details of amounts due to or due from related parties as at March 31, 2015 and March 31, 2014.

Particulars	As at March 31,	
	2015	2014
<b>Trade receivables</b>		
Infosys Limited	6	4
Lodestone Management Consultants Ltd Poland	–	3
Infosys Public Services	1	–
	7	7
<b>Other receivables</b>		
Infosys Limited	11	–
Lodestone Management Consultants Ltd Poland	–	3
	11	3
<b>Unbilled revenues</b>		
Infosys Limited	–	2
Infosys Public Services	–	5
Lodestone Management Consultants Ltd Poland	–	1
Lodestone Singapore	1	–
	1	8
<b>Trade payables</b>		
Infosys Limited	–	1
Edgeverve	4	–
Lodestone Management Consultants Ltd - Australia	1	–
Lodestone Management Consultants Ltd - Great Britain	1	–
Infosys Mexico	1	–
	7	1
<b>Other payables</b>		
Infosys Limited	1	–
	1	–
<b>Provision for expenses</b>		
Infosys Limited	6	–
Lodestone Management Consultants Ltd - Great Britain	–	3
Lodestone Management Consultants Ltd - Australia	–	5
Edgeverve	3	–
Lodestone Management Consultants Ltd - Great Britain	–	–
Lodestone Management Consultants Ltd - France	–	–

Particulars	As at March 31,	
	2015	2014
	9	8
<b>Deposit given for shared services</b>		
Infosys Limited	27	27
<b>Deposit received for shared services</b>		
Infosys Limited	21	21
<b>Advance Received</b>		
Infosys Limited	–	2
<b>Advance Paid</b>		
Infosys Limited	2	3

Particulars of remuneration and other benefits paid to Managing Director during the year ended March 31, 2015 and March 31, 2014, are given below:

Particulars	in ₹ crore	
	Year ended March 31,	
	2015	2014
Salary and other benefits	10	3
Commission and other benefits to non-executive / independent directors	–	–
Total	10	3

## 2.24 Segment reporting

The Company's operations primarily relate to providing business process management services to organizations that outsource their business processes. Accordingly, revenues represented along industry classes comprise the primary basis of segmental information set out in these financial statements. Secondary segmental reporting is performed on the basis of the geographical location of customers.

The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and

expenditure in individual segments, and are as set out in the note on significant accounting policies.

Industry segments at the Company primarily comprise customers relating to financial services and insurance (FSI), manufacturing (MFG), enterprises in energy, utilities and telecommunication services (ECS) and retail, logistics, consumer product group, life sciences and health care enterprises (RCL).

Geographical segments are segregated based on the location of the customers, or in relation to which the revenue is otherwise recognized.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services from the company's offshore software development centers and on-site expenses, which are categorized in relation to the associated turnover of the segment. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as "unallocated" and adjusted against the total income of the Company.

Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments. Accordingly, no disclosure relating to total segment assets and liabilities are made. Geographical information on revenue and industry revenue information is collated based on individual customers invoiced or in relation to which the revenue is otherwise recognized.

## Industry segments

Years ended **March 31, 2015** and **March 31, 2014**:

Particulars	in ₹ crore				
	FSI	MFG	RCL	ECS	Total
Revenues from business process management services	1,066	1,262	389	790	3,507
	1,011	1,163	358	746	3,278
Identifiable expenses	416	634	157	326	1,533
	329	541	147	297	1,314
Allocated expenses	433	422	131	291	1,277
	458	386	142	275	1,261
Segmental operating profit	217	206	101	173	697
	224	236	69	174	703
Unallocable expenses					64
					91
Other income					183
					137
Profit before tax					816
					749
Tax expense					198
					171
Profit for the period					618
					578

## Geographic segments

Years ended March 31, 2015 and March 31, 2014:

Particulars	in ₹ crore			
	United States of America	Europe	Others	Total
Revenues from business process Management services	1,790	1,098	619	3,507
	1,574	1,117	587	3,278
Identifiable expenses	698	545	290	1,533
	544	541	229	1,314
Allocated expenses	662	358	257	1,277
	620	366	275	1,261
Segmental operating profit	430	195	72	697
	410	210	83	703
Unallocable expenses				64
				91
Other income				183
				137
Profit before tax				816
				749
Tax expense				198
				171
Profit for the period				618
				578

### 2.25 Gratuity plan

Gratuity is applicable to all permanent and full time employees of the Company. Gratuity paid out is based on last drawn basic salary and dearness allowance at the time of termination or retirement. The scheme takes into account each completed year of service or part thereof in excess of six months. The normal age of retirement is 60 years and the entire contribution is borne by the Company.

Schedules to the Consolidated financial statements for the year ended March 31, 2015

#### Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Particulars	in ₹ crore	
	As at March 31, 2015	2014
Obligations at the beginning of the period	40	37
Service cost	6	5
Interest cost	3	3
Benefits settled	(6)	(6)
Curtailement	–	–
Actuarial (gain) / loss	9	1
Obligations at the end of the period	52	40
Defined benefit obligation liability as at the balance sheet is wholly funded by the Company.		
Change in plan assets:		
Plan assets at beginning, at fair value	41	37
Expected return on plan assets	4	4
Actuarial gain / (loss)	(1)	–
Contributions	15	6
Benefits settled	(6)	(6)
Plan assets at end, at fair value	53	41

**Reconciliation of present value of the obligation and the fair value of the plan assets:**

Particulars	As at March 31,	
	2015	2014
Fair value of plan assets at the period end	53	41
Present value of the defined benefit obligations at the period end	52	40
Re-imburement (obligation) / asset <sup>(1)</sup>		
Asset / (Liability) recognized in the balance sheet	1	1
Assumptions		
Interest rate	7.80%	9.20%
Estimated rate of return on plan assets	9.55%	9.60%
Weighted expected rate of salary increase	7.50%	7.50%

<sup>(1)</sup> pertains to transfer of assets to group companies

in ₹ crore

Particulars	As at March 31,				
	2015	2014	2013	2012	2011
Obligations at year / period end	52	40	37	28	19
Plan assets at year / period end, at fair value	53	41	37	30	20
Funded Status	1	1	–	2	1
Experience adjustments:					
(Gain) / loss:					
Experience adjustments on plan liabilities	(7)	(2)	–	–	2
Experience adjustments on plan assets	(1)	–	–	–	–

Net gratuity cost for the quarter and year ended March 31, 2015 and March 31, 2014 comprises of the following components:

Particulars	Year ended March 31,	
	2015	2014
Service cost	6	5
Interest cost	3	3
Expected return on plan assets	(4)	(4)
Actuarial (gain) / loss	10	1
Net Gratuity cost	15	5

As at March 31, 2015 and March 31, 2014, the plan assets have been primarily invested in insurer managed funds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The Group expects to contribute approximately ₹14 crore to the gratuity trust during fiscal year 2016.

**2.25 Provident Fund**

The Company contributed ₹49 crores towards Provident Fund during the year ended March 31, 2015 (₹16 crores during the year ended March 31, 2014).

**2.25 Superannuation**

The Company contributed less than ₹1 crore to the Superannuation Trust during the year ended March 31, 2015 (less than ₹1 crore during the year ended March 31, 2014).

**2.27 Pension Fund**

The Company contributed ₹8 crores to pension funds during the year ended March 31, 2015 (₹8 crores during the year ended March 31, 2014)

**2.28 Reconciliation of basic and diluted shares used in computing earnings per share**

in ₹ crore

Particulars	As at March 31,	
	2015	2014
Number of shares considered as basic weighted average shares outstanding	3,38,27,751	3,38,27,751
Add: Effect of dilutive issues of shares / stock options	–	–
Number of shares considered as weighted average shares and potential shares outstanding	3,38,27,751	3,38,27,751

**2.29 Restricted deposits**

Restricted Deposit as at March 31, 2015 comprises ₹59 crores (₹46 crores as at March 31, 2014) deposited with Life Insurance Corporation of India to settle employee-related obligations as and when they arise during the normal course of business.

**2.32 Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The proposed areas for CSR activities are eradication of hunger, poverty and malnutrition, promoting education and healthcare and rural development projects. The funds will be allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.



## 2.31 Function-wise classification of the Statement of Profit and Loss

in ₹ crore

Particulars	Year ended March 31,	
	2015	2014
Income from business process management services	3,507	3,278
Cost of revenue	2,374	2,152
GROSS PROFIT	1,133	1,126
Selling and marketing expenses	113	116
General and administration expenses	323	307
	436	423
OPERATING PROFIT BEFORE DEPRECIATION	697	703
Depreciation and amortization expense	64	91
OPERATING PROFIT	633	612
Other income, net	183	137
PROFIT BEFORE TAX	816	749
Tax expense:		
Current tax	208	192
Deferred tax	(10)	(21)
PROFIT FOR THE PERIOD	618	578

*As per our report of even date attached*

for B S R & Co. LLP  
Chartered Accountants

Firm's registration number: 101248W/W-100022

Akhil Bansal  
Partner  
Membership number: 090906

U. B. Pravin Rao  
Chairman and Director

Anup Uppadhyay  
Chief Executive Officer and  
Managing Director

Prof. Jayanth R. Varma  
Director

Dr. Omkar Goswami  
Director

Rajiv Bansal  
Director

Deepak Bhalla  
Chief Financial Officer

Bangalore  
April 16, 2015

A. G. S. Manikantha  
Company Secretary

## Ratio Analysis

	2014-2015	2013-2014
<b>Ratios- Financial Performance</b>		
Overseas revenue / total revenue (%)	96.5	96.2
Domestic revenue / total revenue (%)	3.5	3.8
Gross profit / total revenue (%)	32.3	34.4
COR / total revenue (%)	67.7	65.6
Selling & Marketing Expenses / total revenue (%)	3.2	3.6
General & administrative expenses / total revenue (%)	9.2	9.4
SG&A expenses / total revenue (%)	12.4	12.9
Aggregate employee costs / total revenue (%)	58.3	55.2
Operating profit (PBIDAT) / total revenue (%)	19.9	21.4
Depreciation / total revenue (%)	1.8	2.8
Operating profit after depreciation and interest / total revenue (%)	18.1	18.7
Other Income / total revenue (%)	5.2	4.2
Profit before tax / total revenue (%)	23.3	22.8
Tax / total revenue (%)	5.6	5.2
Effective tax rate - Tax / PBT (%)	24.3	22.9
Net Profit after Tax / revenue (%)	17.6	17.6
<b>Ratios - Balance Sheet</b>		
Debt-equity ratio	-	-
Current Ratio	4.0	2.9
Days Sales Outstanding (DSO)	69.5	63.4
Cash and equivalents / total assets (%)	48.2	38.7
Cash and equivalents / total revenue (%)	53.1	40.9
Depreciation / average gross block (%) <sup>(1)</sup>	5.2	7.8
Capital Expenditure / total revenue (%)	0.9	2.7
Operating Cash Flows / total revenue (%)	10.2	16.5
<b>Ratios - Return</b>		
ROCE (PBIT / average capital employed) (%) <sup>(1)</sup>	28.6	33.0
<b>Ratios - Growth</b>		
Overseas revenue (%)	6.9	27.5
Total revenue (%)	7.0	27.4
Operating Profit (%)	3.5	38.0
Net Profit (%)	6.9	26.0
Earnings Per Share- Basic (%) <sup>(2)</sup>	6.9	26.0
Earnings Per Share- Diluted (%)	6.9	26.0

Note: The ratio calculations are based on consolidated Indian GAAP financial statements

<sup>(1)</sup> Average Capital of LTM and revenue of LTM is considered for calculation

<sup>(2)</sup> Weighted average number of shares are used in computing earnings per share

## Corporate Governance Report

### Our corporate governance philosophy

We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. For us, corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. Our corporate governance framework is a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity. This is vital to gain and retain the trust of our stakeholders.

Our corporate governance framework has helped us be aligned with the new guidelines of the Companies Act, 2013. We believe that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance. At Infosys BPO (‘the Company’), the Board of Directors (‘the Board’) is at the core of our corporate governance practice. The Board thus oversees the Infosys' BPO Management's (‘the Management’) functions and protects the long-term interests of our stakeholders. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

Our corporate governance philosophy is based on the following principles:

- Corporate governance standards should satisfy both the spirit of the law and the letter of the law
- Ensure transparency and maintain a high level of disclosure
- Clearly distinguish between personal conveniences and corporate resources
- Communicate externally, and truthfully, about how the company is run internally
- Comply with the laws of all countries in which we operate
- Have a simple and transparent corporate structure driven solely by business needs
- The management is the trustee of the shareholders capital and not the owner

With the increasing globalization, corporate governance has assumed great significance in India in the recent past. The increasing diversity of the investing community and the integration of global capital markets make corporate governance a key issue in the investment decision of the investor. We in our pursuit towards achieving our aspirations of becoming a global corporation, our corporate governance standards must be globally benchmarked and hence good governance as an ongoing process seeks to ensure truth, transparency, accountability and responsibility and committed to meet the aspirations of all our stake holders.

### Directorships held as at March 31, 2015

Name of the Director	Age	Position	Relationship with other Directors	Indian listed companies	All companies around world <sup>(1)</sup>
U. B. Pravin Rao	53	Chairman	None	1	4
Anup Uppadhayay	44	CEO & MD	None	–	5
Prof. Jayanth R. Varma	55	Director	None	1	3
Dr. Omkar Goswami	58	Director	None	7	11
Rajiv Bansal	43	Director	None	–	4
Roopa Kudva	51	Director	None	2	8

<sup>(1)</sup> Directorships in companies around the world including Infosys BPO Limited and its subsidiaries.

The Corporate conduct is integral part of our business. The actions are governed by the values and principles which are reinforced at all levels in the organization. Our code of business principles reflects our continued commitment to ethical business practices, values and compliance to all laws of the land.

Corporate governance is not merely compliance but also a philosophy to be professed and its objective is to create and adhere to a corporate culture of transparency and openness and to develop capabilities and identified opportunities that best serves the goal of value creation, thereby creating an outperforming organization. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company, is an important part of corporate governance. Consequently, the organization is able to attract and enhance the trust and confidence of the stakeholders.

In line with the company's commitment to good corporate governance practices and compliance with the provisions of Companies Act, 2013, our company has constituted Audit Committee, Nomination & Remuneration committee and Corporate Social Responsibility Committee consisting of majority of independent directors. As a step further towards this objective, our company has also complied with major aspects of the US Sarbanes–Oxley Act of 2002 and Companies Act 2013 such as constituting of the Whistle Blower Policy, Code of conduct for senior officers and executives and also Section 404 of the US Sarbanes-Oxley Act, relating to certification by the CEO and CFO of the appropriateness of internal controls relating to the financial reporting. Our company has complied with all norms of corporate governance applicable to unlisted Public Company as envisaged under the Companies Act, 2013. Though not mandatorily applicable / notified, our company also complies with all the applicable recommendations of Naresh Chandra committee, and N. R. Narayanamurthy committee. The company has also complied with Secretarial standards on Board and General Meetings issued by the Institute of Company Secretaries of India.

### A. Board of Directors

#### Size and Composition of the Board

The Board is at present headed by U. B. Pravin Rao, as Chairman. The Board consists of six directors including Chief Executive Officer and Managing Director (CEO & MD). The Board also consists of three independent Directors.

Composition of the Board, and External Directorships held during 2014-15.

## Responsibilities of the Chairman, the Chief Executive Officer and Managing Director

Our current practice is to have a Non-Executive Chairman of the Board – U. B. Pravin Rao and a Chief Executive Officer (CEO) and Managing Director (MD) – Anup Uppadhayay.

The responsibility and authority of these officials are as follows :

The Non-Executive Chairman of the Board (the Chairman) is the leader of the Board. As Chairman, he will be responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairman is primarily responsible for ensuring that the Board provides effective governance for the Company. In doing so, the Chairman will preside at meetings of the Board and at meetings of the shareholders of the Company.

The Chairman will take a lead role in managing the Board and facilitating effective communication among directors. The Chairman will be responsible for matters pertaining to governance, including the organization and composition of the Board, the organization and conduct of Board meetings, effectiveness of the Board, Board committees and individual directors in fulfilling their responsibilities.

The Chairman will provide independent leadership to the Board, identify guidelines for the conduct and performance of directors, oversee the management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation.

The Chairman will actively work with the nomination and remuneration committee to plan the Board and Board committees' composition, induction of directors to the Board, plan for director succession, participate in the Board effectiveness evaluation process and meet with individual directors to provide constructive feedback and advice.

The CEO and MD is responsible for corporate strategy, brand equity, planning, external contacts and all management matters. He is also responsible for achieving the annual business targets and acquisitions.

### Definition of independent directors

According to Section 2(47), 149(6) of the Companies Act, 2013 and the Rules under it, an "independent director" is a person who is not a promoter or employee or one of the key managerial personnel of the company or its subsidiaries. The laws also state that the person should not have a material pecuniary relationship or transactions with the company or its subsidiaries, apart from receiving the remuneration due to an independent director.

### Board Membership Criteria

The nomination and remuneration committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the qualifications, integrity, expertise and experience for the position he / she is considered. They should also possess deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth. The Company shall not appoint or continue the employment of any person as Managing

Director / Executive Director who has attained the age of 60 years and shall not appoint an Independent Director who has attained the age of 70 years. The term of the person holding this position may be extended at the discretion of the committee beyond the age of 60 years / 70 years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 60 years / 70 years as the case may be. Board members are expected to rigorously prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with their responsibilities with us.

### Selection of the Directors

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process involved in selecting new directors to the nomination and remuneration committee, which consists exclusively of independent directors. The nomination and remuneration committee in turn makes recommendations to the Board on the induction of any new directors.

### Membership term

The Board constantly evaluates the contribution of the members and periodically shares updates with the shareholders about re-appointments consistent with applicable statutes. The current law in India mandates the retirement of two-third of the executive board members (who are liable to retire by rotation) every year, and qualifies the retiring members for re-appointment. Executive directors are appointed by the shareholders for the tenure of a maximum period of five years, but are eligible for re appointment upon completion of their term. An independent director shall hold office for a term up to five consecutive years on the board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company.

### Mechanism for evaluating Board members

One of the key functions of the Board is to monitor and review the board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors through a peer-evaluation excluding the director being evaluated. Independent directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include :

- Ability to contribute to and monitor our corporate governance practices
- Ability to contribute by introducing international best practices to address top-management issues
- Active participation in long-term strategic planning
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities; these include participation in Board and committee meetings

## Retirement Policy for Directors

The age of retirement for all executive directors is 60 years. The nomination and remuneration committee may, at its discretion, determine their continuation as members of the Board upon superannuation / retirement. The age of retirement for non-executive directors and independent directors is 70 years.

## Succession Planning

The nomination and remuneration committee works with the Board on the leadership succession plan, and also prepares contingency plans for succession in case of any exigencies.

## Board compensation review

The remuneration / compensation / commission etc. to Directors will be determined by the Nomination & Remuneration Committee and recommended to the Board for approval. The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director. Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration. The Nomination & Remuneration committee determines and recommends to the Board, the compensation payable to the Executive director. The compensation of the Executive director consists of a fixed component and a performance incentive. The shareholders determine the compensation of the Executive director for the entire period of the term. The Compensation payable to each of the Independent directors is limited to a fixed amount per year as determined and approved by the Board, which is within the limit of 1% as approved by the shareholders and calculated as per the provisions of the Companies Act, 2013. The performance of Independent directors is reviewed by the Board of Directors on an annual basis. The Compensation payable to independent directors and the method of calculation are disclosed in the financial statements.

## Memberships in other Boards

The Executive director is excluded from serving on the Board of any other entity except for group companies, unless the said entity is an industrial entity whose interests are germane to the business of the company or a government body that is of relevance to the business of the company or an entity whose objectives is the upliftment of the society. Independent directors are generally not expected to serve on the Boards of competing companies. Other than this, there are no limitations on them save those imposed by law and good corporate governance.

## B. Board Meetings

### Scheduling and selection of agenda items for Board meetings

Normally, Board meetings are scheduled at least a month in advance. The meetings are held at the company's registered office at Electronics City, Bangalore, India. The Chairman of the Board and the Company Secretary draft the agenda for each meeting, along with explanatory notes and distribute it in advance to the Board Members. Every Board Member is free to suggest the inclusion of

items on the agenda. Independent directors are normally expected to attend all four Board meetings in a year. The Board Committees also meets four times in a year.

### Number of Board Meetings and the attendance of directors during FY 2014-2015

Name of the Director	Number of meetings held	Number of meetings attended
S. Gopalakrishnan <sup>(5)</sup>	5	3
U. B. Pravin Rao <sup>(3)</sup>	5	4
Gautam Thakkar <sup>(6)</sup>	5	3
Anup Uppadhayay <sup>(7)</sup>	5	1
Prof. Jayanth R Varma	5	4
Chandrashekara Kakal <sup>(1)</sup>	5	–
Prasad Thrikutam <sup>(2)</sup>	5	1
Dr. Omkar Goswami	5	3
Rajiv Bansal <sup>(4)</sup>	5	4
Roopa Kudva <sup>(8)</sup>	5	–

<sup>(1)</sup> Chandrashekara Kakal resigned as Director with effect from April 18, 2014

<sup>(2)</sup> Prasad Thrikutam resigned as Director with effect from June 12, 2014

<sup>(3)</sup> U. B. Pravin Rao was appointed as Chairman & Director with effect from July 8, 2014

<sup>(4)</sup> Rajiv Bansal was appointed as Director with effect from July 28, 2014

<sup>(5)</sup> S. Gopalakrishnan resigned as Chairman & Director with effect from October 6, 2014

<sup>(6)</sup> Gautam Thakkar resigned as CEO & MD with effect from November 30, 2014

<sup>(7)</sup> Anup Uppadhayay was appointed as CEO & MD with effect from December 1, 2014

<sup>(8)</sup> Roopa Kudva was appointed as Additional & Independent Director with effect from February 10, 2015

### Availability of information to Board members

The Board has unfettered and complete access to any information within the company and to any employee of the company. The Board is usually presented with the following information

- Review of annual operating plans of business, capital budgets, updates.
- Quarterly results of the company and that of its business segments.
- Minutes of its previous meeting and also minutes of all other committees of the Board.
- Information on recruitment, remunerations and other changes in the senior management.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accident or dangerous occurrences.
- Any materially significant effluent or pollution problems.
- Any materially relevant default in financial obligations to and by the company.
- Any issue which involves possible public or product liability or claims of substantial nature.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions.
- Sale of investments which are material in nature, subsidiaries, assets which are not in the normal course of business.
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement.
- Non-compliance of any regulatory or statutory provisions.

Further the above matters are routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board meetings. Further, it welcomes the

presence of managers who can provide additional insights into the items being discussed.

### Discussion with Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. All the independent directors of the Company shall strive to be present at such meetings. The meeting shall review the performance of non-independent directors and the Board as a whole; review the performance of the chairperson of the Company, taking into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of flow of

information between the Management and the board that is necessary for it to effectively and reasonably perform its duties.

### Materially significant related party transactions

There are no materially relevant related party transactions, pecuniary transactions or relationships between our company and its directors for the year ended March 31, 2015 that may have a potential conflict with the interest of the company at large. Non-material related party transactions in the normal course of business are conducted at arm's length.

### Remuneration paid or payable to the Directors:

Non-executive directors

						in ₹
Name of the Director	Relationship with other Directors	Salary	Perquisites	Commission	Sitting fees	Total
S. Gopalakrishnan <sup>(1)</sup>	None	–	–	–	–	–
U. B. Pravin Rao <sup>(2)</sup>	None	–	–	–	–	–
Prof. Jayanth R Varma	None	–	–	12,00,000	60,000	12,60,000
Chandrashekara Kakal <sup>(3)</sup>	None	–	–	–	–	–
Dr. Omkar Goswami	None	–	–	12,00,000	60,000	12,60,000
Prasad Thrikutam <sup>(4)</sup>	None	–	–	–	–	–
Rajiv Bansal <sup>(5)</sup>	None	–	–	–	–	–
Roopa Kudva <sup>(6)</sup>	None	–	–	1,61,100	–	1,61,100

<sup>(1)</sup> S. Gopalakrishnan resigned as Chairman & Director with effect from October 6, 2014

<sup>(2)</sup> U. B. Pravin Rao was appointed as Chairman & Director with effect from July 8, 2014

<sup>(3)</sup> Chandrashekara Kakal resigned as Director with effect from April 18, 2014

<sup>(4)</sup> Prasad Thrikutam resigned as Director with effect from June 12, 2014

<sup>(5)</sup> Rajiv Bansal was appointed as Director with effect from July 28, 2014

<sup>(6)</sup> Roopa Kudva was appointed as Director with effect from February 10, 2015

### Executive director

#### Anup Uppadhayay, CEO and Managing Director for the year ended March 31, 2015

The Board of Directors vide resolution dated November 18, 2014 appointed Anup Uppadhayay as the Managing Director and CEO of the company for a period of five (5) years with effect from December 1, 2014.

The details of remuneration paid to Anup Uppadhayay for the year ending March 31, 2015 is as follows

		In ₹ crore
Particulars	From December 1, 2014 to March 31, 2015	
Salary, allowances including contributions to Provident Fund, Gratuity, Superannuation Allowance and Performance incentive <sup>(1)</sup>		1.07

<sup>(1)</sup> The remuneration paid is for the period from December 1, 2014 to March 31, 2015

### Executive director

#### Gautam Thakkar, CEO and Managing Director

The Board of Directors vide resolution dated January 25, 2013 appointed Gautam Thakkar as the CEO and Managing Director of the company. Gautam Thakkar resigned as CEO and MD with effect from November 30, 2014.

The details of remuneration paid to Gautam Thakkar :

		In ₹ crore
Particulars	From April 1, 2014 to November 30, 2014	
Salary, allowances including contributions to Provident Fund, Gratuity, Superannuation Allowance and Performance incentive <sup>(1)</sup>		8.71

<sup>(1)</sup> The remuneration paid is for the period from April 1, 2014 to November 30, 2014

### C. Board Committees

Currently, the Board has five committees – the Audit committee, the Nomination & Remuneration committee, the Corporate Social Responsibility Committee, the Share allotment / transfer committee and the Investment committee. The Audit and Nomination & Remuneration committees comprise of non-executive and independent director as Chairman and constitutes majority of independent directors. The Board is responsible for the constituting, assigning, co-opting and fixing the terms of service for committee members of various committees.

#### Frequency and duration of committee meetings and agenda

The chairman of the Board, in consultation with the Company Secretary and the Committee Chairman, determines the frequency and duration of the committee meetings. Normally, the committees meet four times a year. The recommendations of the committee are submitted to the full Board for approval.

## Quorum for the meetings

The quorum should be either two members or one-third of the members of the committees, whichever is higher.

## Audit committee

Section 177 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 requires all public companies having a paid-up capital of ₹10 crore or more (or) turnover of ₹100 crore or more (or) outstanding loans or borrowings or debentures or deposits in aggregate exceeding ₹50 crore or more to constitute an Audit committee consisting of minimum of three directors with independent directors forming a majority. Since our company has ₹33.83 crore as paid up share capital and ₹2,323 crore as turnover as per latest audited balance sheet and we meet both these criteria, constitution of Audit Committee is mandatory for our company. However audit committee was constituted long back in our company even before it was mandated by law.

## Terms of reference

The terms of reference of the Audit committee are set out in the Audit committee charter.

## Composition

As on March 31, 2015, the committee consists of the following members:

- Prof. Jayanth R Varma, *Chairman*
- U. B. Pravin Rao, *Member*
- Dr. Omkar Goswami, *Member*
- Roopa Kudva, *Member*

## Meetings and attendance during the year 2014-15

Name of the Director	Number of meetings held	Number of meetings attended
Prof. Jayanth R. Varma	4	4
S. Gopalakrishnan <sup>(1)</sup>	4	3
U. B. Pravin Rao <sup>(2)</sup>	4	1
Dr. Omkar Goswami	4	3
Roopa Kudva <sup>(3)</sup>	4	–

<sup>(1)</sup> S. Gopalakrishnan, resigned as Member of the Committee with effect from October 6, 2014

<sup>(2)</sup> U. B. Pravin Rao, was appointed as Member of the Committee with effect from July 8, 2014

<sup>(3)</sup> Roopa Kudva was appointed as Member of the Committee with effect from March 12, 2015

## Number of meetings held, and the dates on which they were held

During the year, the committee met four times. The meetings were held on April 11, 2014, July 8, 2014, October 6, 2014 and January 5, 2015.

## Report for the year ended March 31, 2015

- The Audit Committee (“the committee”) consists of the following directors:
  - Prof. Jayanth R. Varma, *Chairman*
  - U. B. Pravin Rao, *Member*
  - Dr. Omkar Goswami, *Member*
  - Roopa Kudva, *Member*

During the financial year, S. Gopalakrishnan resigned as Member of the Committee with effect from October 6, 2014 and U. B. Pravin Rao was appointed as Member of the Committee

with effect from July 8, 2014. Roopa Kudva was appointed as a Member of the Committee with effect from March 12, 2015.

- Majority of the members of the committee are independent directors, according to the definition laid down in the audit committee charter; The Management is responsible for the Company's internal controls and the financial reporting process.
- The independent auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the generally accepted auditing standards, and for issuing a report thereon. The committee's responsibility is to monitor these processes. The committee is also responsible for overseeing the processes related to the financial reporting and information dissemination. This is to ensure that the financial statements are true, fair, sufficient and credible. In addition, the committee recommends to the Board the appointment of the Company's internal and independent auditors. In this context, the committee discussed with the Company's auditors the overall scope and plans for the independent audit.
- The Management represented to the committee that the Company's financial statements were prepared in accordance with GAAP. The committee discussed with the auditors, in the absence of the Management (whenever necessary), the Company's audited financial statements including the auditors' judgments about the quality, not just the applicability, of the accounting principles, the rationality of significant judgments and the clarity of disclosures in the financial statements.
- Relying on the review and discussions conducted with the Management and the independent auditors, the audit committee believes that the Company's financial statements are fairly presented in conformity with GAAP in all material aspects. The committee has also reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with the prevailing laws and regulations. In conducting such reviews, the committee found no material discrepancy or weakness in the internal control systems of the Company.
- The committee also reviewed the financial policies of the Company and expressed its satisfaction with the same.
- Based on the committee's discussion with the Management and the auditors and the committee's review of the representations of the Management and the report of the auditors to the committee, the committee has recommended the following to the Board of Directors:
  - The audited financial statements prepared as per Indian GAAP of Infosys BPO Limited for the year ended March 31, 2015, be accepted by the Board as a true and fair statement of the financial status of the Company.
  - The audited consolidated financial statements prepared as per Indian GAAP of Infosys BPO Limited and its subsidiaries for the year ended March 31, 2015, be accepted by the Board as a true and fair statement of the financial status of the group, and
  - The financial statements prepared as per IFRS as issued by International Accounting Standards Board (IASB) for the year ended March 31, 2015, be accepted by the Board as a true and fair statement of the financial status of the group.
- The committee has recommended to the Board the re-appointment of B S R & Co. LLP, Chartered Accountants, as the statutory auditors of the Company for the fiscal year

ending March 31, 2016, and that the necessary resolutions for appointing them as auditors be placed before the shareholders.

- The committee recommended the appointment of K. P. Rao & Co, Chartered Accountants as the internal auditors for all India locations of the Company and Deloitte, Chartered Accountants as internal auditors for overseas locations of the company for the fiscal ending March 31, 2016, to review various operations of the Company, and determined and approved the fees payable to them.

In conclusion, the committee is sufficiently satisfied that it has complied with its responsibilities as outlined in the Audit committee charter.

Sd/-

Bangalore  
April 16, 2015

Prof. Jayanth R. Varma  
Chairman-Audit Committee

## 2. Nomination & Remuneration Committee

### Terms of reference

Section 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 requires all public companies having a paid-up capital of ₹10 crore or more (or) turnover of ₹100 crore or more (or) outstanding loans or borrowings or debentures or deposits in aggregate exceeding ₹50 crore or more to constitute Nomination & Remuneration committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors. The Chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. Since our company has ₹33.83 crore as paid up share capital and ₹2,323 crore as turnover as per latest audited balance sheet and we meet both these criteria, constitution of Nomination & Remuneration Committee is mandatory for our company. In view of the above, Board in its meeting held on October 7, 2013 renamed the Compensation Committee as "Nomination & Remuneration Committee" in compliance with the provisions of the Companies Act, 2013. And U. B. Pravin Rao, Chairman of the Board is a member of this Committee and not the Chairman.

### Composition

As on March 31, 2015, the Nomination & Remuneration committee consists of the following members:

- Prof. Jayanth R. Varma, *Chairman*
- U. B. Pravin Rao, *Member*
- Dr. Omkar Goswami, *Member*
- Roopa Kudva, *Member*

### Meetings and attendance during the year 2014-15

Name of the Director	Number of meetings held	Number of meetings attended
Prof. Jayanth R Varma	4	4
S. Gopalakrishnan <sup>(1)</sup>	4	3
Dr. Omkar Goswami	4	3
U. B. Pravin Rao <sup>(2)</sup>	4	3
Roopa Kudva <sup>(3)</sup>	4	–

<sup>(1)</sup> S. Gopalakrishnan, resigned as Member of the Committee with effect from October 6, 2014

<sup>(2)</sup> U. B. Pravin Rao, was appointed as Member of the Committee with effect from July 8, 2014

<sup>(3)</sup> Roopa Kudva, was appointed as Member of the Committee with effect from March 12, 2015.

### Number of Nomination & Remuneration committee meetings held during the financial year, and the dates on which they were held

During the year, the committee met four times. The meetings were held on April 11, 2014, July 8, 2014, October 6, 2014 and January 5, 2015

### Report for the year ended March 31, 2015

- The Nomination & Remuneration Committee ("the committee") consists of the following directors:
  - Prof. Jayanth R Varma, *Chairman*
  - U. B. Pravin Rao, *Member*
  - Dr. Omkar Goswami, *Member*
  - Roopa Kudva, *Member*

During the financial year, S. Gopalakrishnan resigned as Member of the Committee with effect from October 6, 2014 and U. B. Pravin Rao was appointed as Member of the Committee with effect from July 8, 2014. Roopa Kudva was appointed as a Member of the Committee with effect from March 12, 2015.

- The committee reviewed the performance of the executive director on a quarterly basis and approved the payment of individual performance incentive to him. The committee believes that the compensation and benefits are adequate to motivate and retain the senior officers of the Company. Apart from the said disclosures, none of the directors had a material beneficial interest in any contract of significance to which the Company or any of its subsidiary undertakings was a party, during the financial year.

Sd/-

Bangalore  
April 16, 2015

Prof. Jayanth R Varma  
Chairman – Nomination & Remuneration  
Committee



### 3 Corporate Social Responsibility Committee

Section 135 of the Companies Act, 2013 states that every company having Net Worth of ₹500 crore or more, or Turnover of ₹1000 crore or more or a Net Profit of ₹5 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. Since our company meets all the criteria with respect to net worth, turnover and net profit, the board in its meeting held on October 7, 2013 constituted Corporate Social Responsibility Committee. As on March 31, 2015, the committee had U. B. Pravin Rao as the Chairman, Anup Uppadhayay, Dr. Omkar Goswami and Roopa Kudva as members. During the financial year S. Gopalakrishnan resigned as the Chairman of the committee with effect from October 6, 2014. During the financial year, U. B. Pravin Rao was appointed as the Chairman of the committee with effect from July 8, 2014 and Roopa Kudva was appointed as Member of the Committee with effect from March 12, 2015.

The primary objective of the Corporate Social Responsibility Committee is to formulate and recommend to the Board of Directors, a Corporate Social Responsibility Policy, the activities to be undertaken by the company as a part of implementing those policies, recommend the amount of expenditure to be incurred on those activities and monitoring the Corporate Social Responsibility policy of the company from time to time.

#### Composition

As on March 31, 2015, the Corporate Social Responsibility committee consists of the following members:

- U. B. Pravin Rao, *Chairman*
- Anup Uppadhayay, *Member*
- Dr. Omkar Goswami, *Member*
- Roopa Kudva, *Member*

#### Meetings and attendance during the year 2014-15

Name of the Director	Number of meetings held	Number of meetings attended
Anup Uppadhayay <sup>(3)</sup>	4	1
S. Gopalakrishnan <sup>(1)</sup>	4	3
Dr. Omkar Goswami	4	3
U. B. Pravin Rao <sup>(2)</sup>	4	3
Roopa Kudva <sup>(4)</sup>	4	–

<sup>(1)</sup> S. Gopalakrishnan, resigned as Chairman of the Committee with effect from October 6, 2014

<sup>(2)</sup> U. B. Pravin Rao, was appointed as Chairman of the Committee with effect from July 8, 2014.

<sup>(3)</sup> Anup Uppadhayay was appointed as Member of the Committee with effect from December 1, 2014.

<sup>(4)</sup> Roopa Kudva, was appointed as Member of the Committee with effect from March 12, 2015.

#### Number of Corporate Social Responsibility committee meetings held during the financial year, and the dates on which they were held.

During the year, the committee met four times. The meetings were held on April 11, 2014, July 8, 2014, October 6, 2014 and January 5, 2015

Sd/-

Bangalore  
April 16, 2015

U. B. Pravin Rao  
Chairman

### 4 Investment committee

During the financial year, S. Gopalakrishnan resigned as the Chairman of the Committee on October 6, 2014 and Gautam Thakkar resigned as Member on November 30, 2014. Abraham Mathews ceased to be a Member on November 18, 2014. U. B. Pravin Rao was appointed as Chairman of the Committee on July 8, 2014 and Anup Uppadhayay and Deepak Bhalla were appointed as Members of the Committee on January 5, 2015.

#### Terms of reference

To manage effectively and efficiently the surplus of company funds by properly channelizing them in a manner so as to enhance the best possible returns with minimum of risk.

#### Composition of the committee

As on March 31, 2015, the Corporate Social Responsibility committee consists of the following members:

- U. B. Pravin Rao, *Chairman*
- Anup Uppadhayay, *Member*
- Deepak Bhalla, *Member*

#### Meetings and attendance during the year 2014-15

Name of the Director	Number of meetings held	Number of meetings attended
Anup Uppadhayay <sup>(3)</sup>	4	1
S. Gopalakrishnan <sup>(1)</sup>	4	3
U. B. Pravin Rao <sup>(2)</sup>	4	3
Deepak Bhalla <sup>(4)</sup>	4	1

<sup>(1)</sup> S. Gopalakrishnan, resigned as Chairman of the Committee with effect from October 6, 2014

<sup>(2)</sup> U. B. Pravin Rao, was appointed as Chairman of the Committee with effect from July 8, 2014.

<sup>(3)</sup> Anup Uppadhayay was appointed as Member of the Committee with effect from December 1, 2014.

<sup>(4)</sup> Deepak Bhalla was appointed as Member of the Committee with effect from November 19, 2014.

#### Report for the year ended March 31, 2015

The Committee has the mandate to approve investments in various corporate bodies within the statutory limits and powers delegated by the Board.

Sd/-

Bangalore  
April 16, 2015

U. B. Pravin Rao  
Chairman

## 5 Share Allotment / Transfer Committee

During the financial year, S. Gopalakrishnan resigned as the Chairman of the Committee on October 6, 2014 and U. B. Pravin Rao was appointed as Chairman of the Committee on July 8, 2014. Anup Uppadhyay and Rajiv Bansal were appointed as Members of the Committee on January 5, 2015.

### Terms of reference

To approve and register transfer and / or transmission of all classes of shares and to sub-divide, consolidate and issue share certificates on behalf of the company.

### Composition of the committee

The share allotment / transfer committee consists of the following members as at March 31, 2015 :

- U. B. Pravin Rao, Chairman
- Anup Uppadhyay, Member
- Rajiv Bansal, Member

### Report for the year ended March 31, 2015

During the year the committee has allotted Nil equity shares consequent to the exercise of stock options by certain eligible employees.

Sd/-

Bangalore  
April 16, 2015

U. B. Pravin Rao  
Chairman

## Management review and responsibility

### Formal evaluation of officers

The Nomination & Remuneration committee of the Board approves the compensation and benefits for the executive Board member as well as members of the management council. Another committee headed by the CEO reviews, evaluates and decides the annual compensation for the officers of the company from the level of associate vice-president but excluding members of the management council. The Nomination & Remuneration committee administers the 2002 Employee Stock Option Plan.

### Evaluation Process for Executive Director including Chief Executive Officer

In our company, performance is assessed based on clearly defined objective criteria. This is in line with our company's policy of being data oriented in every transaction and decision. The evaluation starts with the principle "In God we trust, everyone else must bring data". Performance is measured against commitments and best-in-class benchmarks. Our Company believes in leadership by example and hence leaders are to show the way in terms of committing to specific, measurable, aggressive and stretch targets.

The performance appraisal system for Executive Director provides for the alignment of the Directors' targets with those of our company through a "Balanced Scorecard Framework", which is rigorous and structured. The executive director has three key roles viz. business leadership, strategy execution and governance. Each role is associated with a set of performance metrics.

For instance, for the CEO, the business leadership role involves set of performance metrics defined in terms of Client Relationships, Service Excellence, Branding, Market Expansion, Alliances, and Acquisitions etc. The CEO's financial metrics include revenue, net profits, expenses, etc.

Performance metrics, for Board members in the strategy execution role are defined in terms of building end-to-end service capability, broadening geography and vertical footprint etc. For a Board member in the governance role, they are defined in terms of ethical issues, legal violations, social responsibility etc. They are also defined for managing risks, developing business leaders and strengthening values and ethics.

The executive director has to make detailed performance presentations to the Board on his performance vis-à-vis targets, budgets / targets for the ensuring quarter / year and other strategic issues. Apart from this, the executive director is also required to prepare and submit to the CEO and Nomination & Remuneration Committee performance reports once in a quarter. The Nomination & Remuneration Committee in consultation with the CEO reviews the performance of the executive director.

The Remuneration of the Directors is commensurate and is duly proportionate to the growth of our company's profits.

### Evaluation Process for Non-Executive and Independent Directors

Independent Directors are evaluated through a peer-evaluation process on an annual basis. Each External Board member has to present before the entire Board on how they have performed / added value to our company. Every Board member evaluates each external Board member on a scale of 1 to 10 based on the performance indicators.

Independent Directors also have 3 key roles viz. Governance, Control and Guidance. Some of the performance indicators based on which the Independent Directors are evaluated are as follows :

- Ability to contribute to and monitor the corporate governance of our company.
- Ability to contribute by introducing international best practices to address top-management issues.
- Active participation in long-term strategic planning.
- Commitment to the fulfilment of a director's obligations and fiduciary responsibilities – this includes participation and attendance.
- Contribution by way of customer lead generation and brand building.

### Board interaction with clients, employees, investors, the government agencies and the press

The chairman and CEO in consultation with heads of the department, handle all interactions with the investors, media and various government agencies. The CEO and the respective heads of departments manage all interaction with clients and employees.

### Risk management

Our company has an integrated approach to managing the risks inherent in various aspects of its business. As part of this approach, the Board of directors is responsible for monitoring risk levels according to various parameters and the management council is responsible for ensuring implementation of mitigation measures, if required. The audit committee provides the overall direction on the risk management policies. The Risk Management framework is in place.

### Management discussion and analysis

A detailed report on our Managements discussion and analysis forms part of this Annual Report.

## Shareholders

### Distribution of shareholding as at March 31, 2015

Sl no.	Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1	1,001 & Above	1	4.76	3,38,22,319	99.98
2	501-1,000	4	19.05	3,125	0.01
3	1-500	16	76.19	2,307	0.01
	Total	21	100.00	3,38,27,751	100.00

### Secretarial Audit

Pursuant to Section 204 of Companies Act 2013 and Rules thereunder, the board of directors of the company appointed Parameshwar G Hegde, Practicing Company Secretary to conduct Secretarial Audit of records and documents of the company. The Secretarial Audit Report confirms that the company has complied with all the applicable provisions of the Companies Act 2013. Further, the company adheres to various Secretarial Standards issued by the Institute of Company Secretaries of India.

### Whistle Blower Policy

Our company has Whistle blower Policy in place to ensure and promote ethics, transparency and accountability. The Whistle blower is a mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of our company's Code of Conduct or Ethics policy. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism, and allows direct access to the Chairperson of the audit committee in exceptional cases.

### Internal Control

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board. Our internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;
  - Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and Directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

### Compliance with Corporate Governance Voluntary Guidelines 2009

The Ministry of Corporate Affairs, Government of India published the Corporate Governance Voluntary Guidelines in 2009. These guidelines have been published keeping in view the objective of encouraging the use of better practices through voluntary adoption, which not only serve as a benchmark for the corporate sector but also help them in achieving the highest standard of corporate governance.

These guidelines provide corporate India a framework to govern themselves voluntarily as per the highest standards of ethical and responsible conduct of business. The Ministry hopes that adoption of these guidelines will also translate into a much higher level of stakeholder's confidence, which is crucial in ensuring the long term sustainability and value generation by businesses. The guidelines broadly focus on areas such as board of directors, responsibilities of the board, auditors, compliance with secretarial standards and a mechanism for whistleblower support. We substantially comply with the Corporate Governance Voluntary Guidelines.

### General body meetings

Details of the last three annual general meetings

Financial year	Date	Time	Venue
March 31, 2014	June 13, 2014	10.00 a.m.	Plot No. 26/3, 26/4, & 26/6, Electronics City, Hosur Road, Bangalore 560 100
March 31, 2013	June 7, 2013	10.00 a.m.	Plot No. 26/3, 26/4, & 26/6, Electronics City, Hosur Road, Bangalore 560 100
March 31, 2012	June 8, 2012	10.00 a.m.	Plot No. 26/3, 26/4, & 26/6, Electronics City, Hosur Road, Bangalore 560 100

Details of the last Extraordinary general meeting

Financial year	Time	Venue
March 30, 2015	10.00 a.m.	Plot No. 26/3, 26/4, & 26/6, Electronics City, Hosur Road, Bangalore 560 100

## Global Presence

### Registered Office

Plot No. 26/3, 26/4 and 26/6  
 Electronics City, Hosur Road  
 Bangalore 560100  
 Tel.: 91 80 -28522405  
 Fax: 91 80 -28522411  
 Web Site: www.infosysbpo.com

### Asia Pacific

#### Australia

##### Melbourne

Level 5, 818, Bourke Street,  
 Docklands VIC 3008  
 P.O. Box 528 Collins Street West  
 Melbourne VIC 8007  
 Tel.: 61 3 9860 2000  
 Fax: 61 3 9860 2999

##### Costa Rica

##### San Jose

Building N & M Piso 2,  
 Forum 2, Lindora,  
 Santa Ana San Jose, 10901  
 Costa Rica  
 Tel.: (506) – 2205-1201  
 Fax: (506) 2205 1299

#### Philippines

##### Manila

2nd and 3rd Floor,  
 Trade Hall Metro Market, Bonifacio  
 Global City  
 Fort Bonifacio Taguig City Metro Manila,  
 Philippines  
 Tel.: 632 729 1111  
 Fax: 632 729 1111

5th, 6th, 7th and 12th Floor,  
 Site 3, Vector 2 Building,  
 Northgate Cyberzone,  
 Filinvest Corporate City,  
 Alabang, Muntinlupa City,  
 Philippines  
 Tel.: +632 823 0000  
 Fax: +632 823 0000

### India

#### Bangalore

Electronics City, Hosur Road,  
 Bangalore 560 100  
 Tel.: 91 80 2852 2405  
 Fax: 91 80 2852 2411

##### Salarpuria Infozone

Wing A, No. 39 (P) 41 (P) and 42 (P)  
 Electronic City, Hosur Road,  
 Bangalore 560 100  
 Tel.: 91 80 4067 0035  
 Fax: 91 80 4067 0034

##### SJR Towers

27, Bannerghatta Road  
 J. P. Nagar, III Phase Bangalore 560 078  
 Tel.: 91 80 5103 2000  
 Fax: 91 80 2658 8676

##### Chennai

3rd and 8th Floor, A Block,  
 South Wing, Tidel Park Ltd, No 4,  
 Rajiv Gandhi Salai (OMR), Taramani,  
 Chennai 600113.

Unit of Ramanujan IT city SEZ,  
 Hardy towers, 3rd & 4th Floor,  
 TRIL infopark ltd, Taramani,  
 Rajivgandhi Salai (OMR)  
 Chennai – 600113  
 Tel.: 044-66855111  
 Fax: 044-66855107

##### Gurgaon

7th Floor, Tower A, B and C  
 Building No. 6,  
 DLF Cyber City Developer Limited,  
 Special Economic Zone Sector  
 24 and 25 DLF PH-3, Gurgaon, Haryana  
 Tel.: 91 124 4583700  
 Fax: 91 124 4583701  
 Global Presence

#### Jaipur

IT-A-001 Mahindra World City  
 Special Economic Zone  
 Village Kalwara  
 Tahsil Sanganer  
 Jaipur 302029  
 Tel.: 91 141 3956000  
 Fax: 91 141 3956100

#### Pune

Plot No. 1, Building No. 4  
 Pune Infotech Park  
 Hinjawadi, Taluka, Mulshi  
 Pune 411 057  
 Tel.: 91 20 2293 2900  
 Fax: 91 20 2293 4540

Plot No. 24/2  
 Rajiv Gandhi Infotech Park  
 Phase II, Village Maan  
 Taluka Mulshi,  
 Pune 411 057  
 Tel.: 91 20 2293 2800  
 Fax: 91 20 2293 4540

Plot No. 24 / 3,  
 Rajiv Gandhi Infotech Park  
 Phase II, Village Mann  
 Taluka Mulshi  
 Pune 411 057  
 Tel.: 91 20 4023 2001  
 Fax: 91 20 3981 5352

### Europe

#### United Kingdom

##### London

14th Floor, 10 Upper Bank Street  
 Canary Wharf, E14 5NP  
 Tel.: 44 20 7715 3388  
 Fax: 44 20 7715 3301

#### The Netherlands

Vredeoord 105, Verdieping 4,  
 Vleugel B, 5621 CX Eindhoven  
 Netherlands  
 Tel.: 31402321100

### North America

#### United States

##### Atlanta

3200 Windy Hill Rd, Suite 100-W,  
 Atlanta, GA 30339  
 Tel.: 770-799-1958  
 Fax: 770-799-1861

Puerto Rico – Aguadilla  
 Road #2, West of KM 126,  
 BO Camital Bajo, Aquadilla,  
 Puerto Rico 00603

##### Milwaukee

1515 N River Center Drive  
 Suite 250, Milwaukee, WI 53212  
 Tel.: 414-914-9400  
 Fax: 414-914-9401

#### Canada

##### Toronto

5140, Yonge Street Suite,  
 1400 Toronto ON M2N 6L7  
 Tel.: 416 224 7400  
 Fax: 416 224 7449

### Subsidiaries of Infosys BPO Limited

#### Infosys BPO s.r.o

#### Czech Republic

##### Brno

Holandska 9, 63900, Brno  
 Tel.: 420 542 212406  
 Fax: 420 543 236349

#### Infosys BPO Poland Sp. Z.o.o

##### Łódź

Pomorska 106A  
 91-402 Lodz  
 Tel.: +48 42 278 15 00  
 Fax: +48 42 278 15 01

#### Infosys McCamish Systems LLC

#### United States

##### Atlanta

6425 Powers Ferry Road  
 3rd Floor  
 Atlanta, GA 30339  
 Tel.: 1 770 690 1500  
 Fax: 1 770 690 1800

500 SW 7th St Suite 200  
 Des Moines, IA 50309  
 Tel.: 1 515 365 1236  
 Fax: 1 515 365 0236

#### Infosys BPO S. de R.L. de C.V.

#### Mexico

##### Monterrey

16 Santa Maria Monterrey,  
 Monterrey Nuevo Leon  
 64650, Mexico

#### Portland Group Pty Ltd

#### Australia

##### Sydney

Level 8, 68 Pitt St,  
 Sydney NSW 2000 Australia  
 Tel.: +61 2 9210 4399  
 Fax: +61 2 9210 4398

##### Melbourne

Suite 602, 10 Yarra St,  
 South Yarra VIC 3141 Australia  
 Tel.: +61 3 8825 3899  
 Fax: +61 3 8825 3898

#### Brisbane

L18, Brisbane Club Tower  
 241 Adelaide St  
 Brisbane QLD 4000 Australia  
 Tel.: +61 7 3009 8100  
 Fax: +61 7 3009 8123

##### Perth

Level 1, 99 St Georges Terrace,  
 Perth WA 6000 Australia  
 Tel.: +61 8 9254 9313  
 Fax: +61 8 9254 9388

April 16, 2015

Dear member,

You are cordially invited to attend the Thirteenth Annual General Meeting of the members of the company on Friday, July 31, 2015 at 10.00 AM IST at the Registered Office of the company at Plot No 26/3, 26/4 and 26/6, Electronics City, Hosur Road, Bangalore 560100.

The notice for the meeting containing the proposed resolutions is enclosed herewith.

Very truly yours,

Sd/-

**U. B. Pravin Rao**

*Chairman of the Board*

Enclosures:

- 1 Notice of AGM
- 2 Explanatory statement pursuant to section 102 of the Companies Act 2013
- 3 Proxy form
- 4 Attendance slip

**INFOSYS BPO LIMITED**

CIN : U72200KA2002PLC030310

Electronics City, Hosur Road

Bangalore 560100, India

T 91 80 2852 2405

F 91 80 2852 2411

[cosecretarybpo@infosys.com](mailto:cosecretarybpo@infosys.com)

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

## Notice

NOTICE is hereby given that the Thirteenth Annual General Meeting (AGM) of the Members of Infosys BPO Limited (the "Company") will be held on Friday, July 31, 2015 at 10.00 AM IST at the Registered Office of the company at Plot No. 26/3, 26/4, 26/6, Electronics City, Hosur Road, Bangalore 560100, to transact the following business:

### Ordinary business

#### Item no. 1 - Adoption of accounts

To receive, consider and adopt the Financial Statements of the company for the year ended March 31, 2015 including audited Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss for the year ended as on that date and the Reports of the Directors and Auditors thereon.

#### Item no. 2 - Appointment of auditors

To appoint B S R & Co. LLP, Chartered Accountants (LLP registration no AAB-8181) as statutory auditors of the Company and fix their remuneration and to pass the following resolution thereof

**RESOLVED THAT** B S R & Co. LLP, Chartered Accountants with LLP registration no AAB-8181 be and are hereby appointed as the auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and the Board of Directors be and are hereby authorized to fix a suitable remuneration in consultation with the auditors, and the remuneration may be paid on a progressive billing basis as may be agreed between the auditors and the Board of Directors

### Special business

#### Item no. 3 - Appointment of U. B. Pravin Rao as Director

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution

**RESOLVED THAT** pursuant to Section 161(1) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, U. B. Pravin Rao (bearing DIN: 06782450) who was appointed as an additional director of the Company by the Board of Directors with effect from July 8, 2014 and who holds office until the date of the AGM in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose U. B. Pravin Rao as a candidate for the office of the director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.

#### Item no. 4 - Appointment of Anup Uppadhyay as Director

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution

**RESOLVED THAT** pursuant to Section 161(1) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Anup Uppadhyay (bearing DIN: 07031005) who was appointed as an additional director of the Company by the Board of Directors with effect from December 1, 2014, and who holds office until the date of the AGM in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160

of the Companies Act, 2013 signifying his intention to propose Anup Uppadhyay as a candidate for the office of the director of the Company, be and is hereby appointed as Director of the Company.

#### Item no. 5 - Appointment of Anup Uppadhyay as Chief Executive Officer and Managing Director

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution

**RESOLVED THAT** pursuant to the provisions of Sections 149, 196, 197 and any other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 the approval of the Company be and is hereby accorded to the appointment of Anup Uppadhyay as Chief Executive Officer and Managing Director of the company for a period of five (5) years with effect from December 1, 2014 or till attaining his age of superannuation, whichever is earlier, as per the terms and conditions as stated in the explanatory statement and on the remuneration set out follows:

- Fixed Gross Salary per annum – ₹1,05,29,805/- in the scale of ₹1,00,00,000/- to ₹4,00,00,000/-.
- Performance Bonus – ₹56,69,895/- payable quarterly or at such intervals as may be decided by the Board in the scale of ₹50,00,000/- to ₹3,00,00,000/-.
- Long Term Bonus – ₹38,00,300/- payable quarterly or at such intervals as may be decided by the Board in the scale of ₹35,00,000/- to ₹1,00,00,000/-.

#### Perquisites and allowances – Anup Uppadhyay shall be entitled to the following perquisites and allowances:

- Medical Reimbursement / allowance : Reimbursement of actual expenses for self and family and / or allowance will be paid as decided by the Board from time to time.
- Leave travel concession / allowance : For self and family once in a year, as decided by the Board from time to time.
- Club fees : Fees payable subject to a maximum of two clubs.
- Personal accident insurance : As per the rules of the company.

#### Other benefits – Anup Uppadhyay shall be entitled to the other benefits as follows:

- Earned / Privilege Leave : As per the rules of the company
- Company contribution to provident fund and superannuation fund : As per the rules of the company.
- Gratuity : As per the rules of the company.
- Encashment of Leave : As per the rules of the company.

**RESOLVED FURTHER THAT** notwithstanding anything hereinabove contained, wherein any financial year during the tenure of his appointment, the company has incurred loss or its profits are inadequate, the company shall pay to Anup Uppadhyay, the remuneration by way of salary, perquisites, other allowances and other benefits as aforesaid as minimum remuneration, subject however to the limit specified under Section II of Part II of Schedule

V to the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), or such other limits as may be prescribed by the government from time to time as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the different components of the above stated remuneration as may be agreed to by the Board of Directors and Anup Uppadhayay.

**Item no. 6 Appointment of Diaz Murillo Dalupan & Co as branch auditors for Philippines branch**

To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

**RESOLVED THAT** Diaz Murillo Dalupan & Co, Chartered Accountants, Philippines be and hereby appointed as the Branch Auditors of the company for auditing the books of accounts maintained by the Manila Branch of the company situated in Philippines from the conclusion of this meeting until the conclusion of the next annual general meeting, pursuant to Section 143(8) of the Companies Act 2013, at a remuneration to be fixed by the Board of Directors of the Company after discussion with the aforesaid auditors.

**Item no. 7 Payment of Commission to Non- Executive Independent Directors of the company**

To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013, a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 and any other applicable provisions of the Companies Act, 2013, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and the Executive Director) in such amounts or proportions and in such manner as may be directed by the Board of Directors, and such payments shall be made out of profits of the Company for each corresponding year.

*by order of the Board of Directors  
for Infosys BPO Limited*

Sd/-

Bangalore  
April 16, 2015

**A. G. S. Manikantha**  
*Company Secretary*

## Notes

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be accompanied by resolution of the Board / Power of Attorney / Attested specimen signature, as may be applicable.
4. Members / proxies should bring duly-filled attendance slips sent herewith to attend the meeting.
5. The Register of Director's and Key Managerial Personnel and their shareholdings, maintained under Section 170 (1) of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. 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 registered office of the company.

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

### Item No. 3

U. B. Pravin Rao was appointed by the Board of Directors as an additional director of the Company with effect from July 8, 2014 pursuant to Section 161 of the Companies Act, 2013 and Article 114 of the Articles of Association of the Company. U. B. Pravin Rao holds office of the additional director up to the date of the ensuing annual general meeting in terms of Section 161 of the Companies Act 2013. The Company has received a notice in writing from a member along with a deposit of ₹ 1,00,000/- (Rupees One Lakh only) proposing the candidature of U. B. Pravin Rao for the office of the director under the provisions of Section 160(1) of the Companies Act, 2013.

The Company has received from U. B. Pravin Rao (i) consent in writing to act as director in form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification Of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification Of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of Companies Act 2013.

A brief profile of U. B. Pravin Rao, his expertise in specific functional areas, is furnished in the 'Additional Information on directors seeking election at the annual general meeting' forming part of this Notice. The Board considers that the appointment of U. B. Pravin Rao as a Director of the Company would be of immense benefit to the company. Accordingly, the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

None of the directors and Key Managerial Personnel other than U. B. Pravin Rao to whom the resolution relates, are interested or concerned in the proposed resolution as set out in Item No. 3 above.

### Item No. 4

Anup Uppadhayay was appointed as an additional director of the Company with effect from December 1, 2014 pursuant to Section 161 of the Companies Act, 2013 and Article 114 of the Articles of Association of the Company. Anup Uppadhayay holds office of the additional director up to the date of the ensuing annual general meeting and is eligible for reappointment as a Director liable to retire by rotation. The Company has received a notice in writing from a member along with a deposit of ₹ 1,00,000/- (Rupees One Lakhs only) proposing the candidature of Anup Uppadhayay for the office of the director under the provisions of Section 160 of the Companies Act, 2013

Further, brief profile of Anup Uppadhayay, his expertise in specific functional areas, is furnished in the 'Additional Information on directors seeking election at the annual general meeting' forming part of this Notice.

The Board considers that his appointment as a Director will be beneficial to and in the interest of the company. The Directors recommend the resolution for your approval.

None of the directors and Key Managerial Personnel other than Anup Uppadhayay to whom the resolution relates, are interested or concerned in the proposed resolution as set out in Item No. 4 above.

### Item No. 5

Anup Uppadhayay was also appointed as the Chief Executive Officer and Managing Director of the company from December 1, 2014 for a period of 5 years or until attaining the age of his superannuation, whichever is earlier. Further, the company has entered into an employment agreement / contract with Anup Uppadhayay.

The appointment is subject to the approval of members. The terms and conditions of his appointment are as follows:

1. Date of appointment : December 1, 2014
2. Tenure of appointment : Five (5) years with effect from December 1, 2014 or attaining his age of superannuation whichever is earlier.
3. Details of remuneration : As provided in the statement made in the resolution.
4. The agreement executed between the company and Anup Uppadhayay, may be terminated by either party by giving six months' notice in writing.
5. Anup Uppadhayay shall perform such duties as shall from time to time be entrusted to him, subject to the superintendence, guidance and control of the board of directors and he shall perform such other duties as shall from time to time be entrusted to him by the board of directors and / or Chairman.

None of the directors and Key Managerial Personnel other than Anup Uppadhayay to whom the resolution relates, are interested or concerned in the resolution. The copies of relevant resolutions of the Board and agreement with respect to the appointment is available for inspection by the members at the registered office of the company during working hours on any working day till the date of this Annual General Meeting.

The Board accordingly recommends the resolution as set out in item No. 5 of the notice for the approval of the members.



#### Item No. 6

The Board of Directors had appointed Diaz Murillo Dalupan & Co, Chartered Accountants, Philippines as the Branch Auditors of the company for auditing the books of accounts maintained by the Manila Branch of the company situated in Philippines from the date of inception till the date of the next annual general meeting. In this context, it is highlighted to the approval of the shareholders is taken as matter of abundant caution as we have been advised that there is no requirement to have an statutory audit under the laws of Philippines but the audit is done only from tax perspective.

No directors or Key Managerial Personnel of the Company and their relatives are interested or concerned in the proposed resolution as set out in Item No. 6 above.

#### Item No. 7

The shareholders of the Company at the Annual General Meeting held on June 7, 2013, had by a special resolution approved the payment of remuneration by way of commission to directors who are neither in the whole-time employment of the Company or a managing director (non-executive directors), such remuneration not to exceed 1% of the net profits of the Company for each year for a period of five years commencing from April 1, 2013 to March 31, 2018.

Although the approval is valid till March 31, 2018, the resolution proposes to seek approval of members in accordance with section 197 of the Companies Act, 2013 in order to continue payment of commission to non-executive directors. The Board of Directors will determine each year, the specific amount to be paid as commission to the non-executive directors which shall not exceed 1% of the net profits of the Company for that year, as computed in the manner referred to in section 198 of the Act.

The payment of commission would be in addition to the sitting fees payable for attending meetings of the Board and Committees thereof.

All the non-executive directors of the Company may be deemed to be interested in the resolution to the extent of commission payable to them in accordance with the proposed resolution.

The Board recommends the resolution set forth in Item no. 7 for approval of the members.

## Additional information on directors seeking election at the annual general meeting



**U. B. Pravin Rao**  
*Chairman and Director*

As the Chief Operating Officer, Pravin Rao is responsible for driving growth and differentiation across portfolios at Infosys. Additionally, he oversees global delivery, quality and productivity, the supply chain, business enabler functions. He is also the Chairperson of Infosys BPO.

Pravin has over 28 years of experience. Since joining Infosys in 1986, he has held a number of senior leadership roles such as Head of Infrastructure Management Services, Delivery Head for Europe, and Head of Retail, Consumer Packaged Goods, Logistics and Life Sciences. Pravin holds a degree in electrical engineering from Bangalore University, India.



**Anup Uppadhyay**  
*Chief Executive Officer and Managing Director*

Anup has been with Infosys for 21 years, and during this period has led multiple client relationships in US and Europe; and has managed engineering and operations teams in India.

He most recently served as the Senior Vice President & Global Head Delivery – Financial Services with Infosys Limited. In that role he was responsible for strategy, solutions, delivery, engineering and operations of the Financial Services segment across retail, commercial, and investment banking lines of business, and specialized financial services. Prior to that, he built and led the Enterprise Mobility business unit.

Anup has an Engineering degree in Computer Science from Pune University, and an MBA from Indian Institute of Management, Bangalore.

## Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]



**INFOSYS BPO LIMITED**  
 CIN : U72200KA2002PLC030310  
 Electronics City, Hosur Road, Bengaluru 560 100, India  
[cosecretarybpo@infosys.com](mailto:cosecretarybpo@infosys.com) | [www.infosysbpo.com](http://www.infosysbpo.com)

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

Name : ..... Email : .....

Address : .....

..... Signature : \_\_\_\_\_

*or failing him / her*

Name : ..... Email : .....

Address : .....

..... Signature : \_\_\_\_\_

As my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Infosys BPO Limited Annual general meeting of the company, to be held on the 31st day of July 2015 At 10.00 a.m. at the Registered Office of the Company at Plot No. 26/3, 26/4 & 26/6, Electronics City, Hosur Road, Bangalore - 560100 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary business</b>				
1	Adoption of accounts			
2	Appointment of auditors			

(contd...)

Resolution number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Special business</b>				
3	Appointment of U. B. Pravin Rao as Director			
4	Appointment of Anup Uppadhayay as Director			
5	Appointment of Anup Uppadhayay as Chief Executive Officer and Managing Director			
6	Appointment of Diaz Murillo Dalupan & Co as branch auditors for Philippines branch			
7	Payment of Commission to Non- Executive Independent Directors of the company			

Signed this ..... day of ..... 2015.

.....  
Signature of the member

.....  
Signature of the proxy holder(s)

Affix revenue stamp of not less than ₹ 1

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

.....Please tear here.....

**Attendance slip**



**INFOSYS BPO LIMITED**

CIN : U72200KA2002PLC030310

Electronics City, Hosur Road, Bengaluru 560 100, India

[cosecretarybpo@infosys.com](mailto:cosecretarybpo@infosys.com) | [www.infosysbpo.com](http://www.infosysbpo.com)

Registered Folio no. :

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Number of shares held

--	--	--	--	--	--	--	--	--	--

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company held at Plot No.26/3,26/4 and 26/6, Electronics City, Hosur Road, Bangalore 560100, India on Friday, July 31, 2015 at 10.00 A.M.

.....  
Name of the member / proxy  
(in BLOCK letters)

.....  
Signature of the member / proxy

Notes: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.



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

