

## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's philosophy on Corporate Governance envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations and its interaction with its stakeholders including shareholders, customers, vendors, employees, lenders, Government and the society. The Company's philosophy is built on fair and transparent governance and disclosure practices. The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the Company endeavors continuously to improve upon these aspects. This is done by adopting innovative approaches for leveraging resources and converting opportunities into achievements through proper empowerment and motivation, thereby fostering a healthy growth and development of its human resources.

### GOVERNANCE FRAMEWORK

Your Company's Governance Structure consists of Board of Directors, its Committees and the Management.

#### I. BOARD OF DIRECTORS

##### A. Composition of Board of Directors ("Board")

Your Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors with considerable experience in their respective fields. Out of 7 (seven) members on the Board, your company has a Managing Director & CEO, Non-Executive Chairman who is also the Promoter of the Company, a Non-Executive Director and 4 (Four) Independent Directors including one Woman Director who are known for high level of experience and good governance. The Managing Director & CEO is responsible for the overall management of the affairs of the Company under the supervision of the Board of Directors.

The composition of our Board and category of Directors along with the number of Directorships/membership of committee as on March 31, 2017 is detailed below:

**Table 1**

Name of the Director	Category	Number of Directorships held in other companies	Number of Board Committee Memberships held in other companies	Number of Chairmanship of Board Committees held in other companies
Mr. Sanjay Govil, Promoter & Chairman	Non - Executive	1	-	-
Mr. Upinder Zutshi, Managing Director & CEO	Executive	3	-	-
Mr. Ravindra Rama Rao Turaga	Non-Executive Independent	-	-	-
Mr. Narendra Kumar Agrawal	Non - Executive	9	-	-
Mr. Ajai Kumar Agrawal	Non-Executive Independent	-	-	-
Mr. Ashok Kumar Garg	Non-Executive Independent	-	-	-
Mrs. Sadhana Dikshit	Non-Executive Independent	-	-	-

**Note:**

- Table 1 excludes Directorships in Private Companies, Foreign Companies and Companies registered under section 8 of the Companies Act, 2013.
- In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the purposes of the membership in the committee, Chairmanship/membership of Audit Committee and the Stakeholders' Relationship Committee is considered.

As of March 31, 2017, none of the Directors are related inter-se and none of the Non-Executive Directors hold any shares/convertible instruments of the Company

As per the disclosures received, none of the Directors of the Company hold membership in more than ten committees nor act as a Chairman of more than five committees of Boards across all Companies where he/she holds Directorships.

## B. Independent Directors

The Independent Directors have submitted declarations that they meet the criteria of Independence as per the provisions of the Companies Act, 2013 and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A statement in regard to this is given in the Boards' Report. Further, the Independent Directors have confirmed that they do not hold Directorship in more than 7(seven) listed companies in compliance to Regulation 25 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015.

### Board Meetings Procedures

The Board meets at least 4 (four) times a year i.e; atleast once in every quarter and the maximum gap between two meetings is not more than 120 days. The Board also meets as and when necessary to address specific issues concerning the business of your Company. The tentative annual calendar of the Board Meetings for the ensuing year is decided in advance by the Board.

The Board Meetings are governed by a structured agenda. The agenda along with the detailed explanatory notes and supporting material is circulated to the members of the Board before each meeting to facilitate effective decision making. The Board members are also apprised by the Managing Director & CEO on the overall performance of the Company through presentations and detailed notes.

The Board has complete access to any information within the Company which includes the information as specified in Schedule II, Part A to Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are updated about their roles and responsibilities in the Company.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any.

The Company in accordance with the provisions of Companies Act, 2013 and the Rules thereunder provides for the facility to the Directors to attend the Meetings of the Board through video conferencing mode except the meetings which are not permitted to be carried out by video conferencing.

The proceedings of each of the meetings of the Board and its Committees are captured in accordance with the provisions of the Companies Act, 2013 and the Companies (Meetings of the Board and its Powers) Rules, 2014.

During the Financial Year 2016-17, 7 (Seven) Board Meetings of the Company were held on May 19, 2016; August 24, 2016; September 29, 2016; October 12, 2016; November 14, 2016, December 09, 2016 and February 14, 2017.

**Table 2**

Attendance of Directors at Board Meetings and at the last Annual General Meeting (AGM)

Name of the Director	No. of Board Meetings Attended	Whether attended the last AGM held on September 29, 2016
Mr. Sanjay Govil	1	Yes
Mr. Upinder Zutshi	5	Yes
Mr. Ravindra Rama Rao Turaga	2	No
Mr. Narendra Kumar Agrawal	7	Yes
Mr. Ajai Kumar Agrawal	7	Yes
Mr. Ashok Kumar Garg	7	Yes
Mrs. Sadhana Dikshit	7	Yes

### Familiarization Programme for the Independent Directors

Your Company conducts Familiarization Programs for the Independent Directors about their roles, rights, responsibilities in the company, nature of industry in which the company operates, business model and operations of the Company etc. They are also informed about the Code of Conduct for the Board Members and the Code of Conduct to regulate, monitor and report Insider trading etc.

The Familiarization Programs in terms of Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is uploaded on the website of the Company and can be accessed through the following link:

<http://infinite.com/downloads/policies/FamilizationProgrammeforIndependentDirectors.pdf>

### Independent Directors Meeting

The Independent Directors Meeting in accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and the Rules made thereunder and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was held on May 19, 2016, without the presence of Non-Independent Directors and members of the management.

The Independent Directors in their meeting, have assessed the quality, quantity and timeliness of flow of information between the management and the Board of Directors that is necessary for the board to effectively and reasonably perform their duties.

## Performance Evaluation

The Nomination & Remuneration Committee of the Company, in accordance with the provisions of Companies Act, 2013 and the Rules made thereunder and Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 laid down the criteria for the Performance Evaluation of the Board and every Director including Independent Directors.

Accordingly, the performance evaluation of the Board, each Director and the Committee was carried out for the financial year under review. All the Directors were participative, interactive and communicative.

## II. COMMITTEES OF THE BOARD

The Board has constituted 4 (four) sub-committees namely Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

The proceedings of the meetings are captured in the same manner as the Board meeting. The minutes of the Committee meetings are tabled at the Board meeting and the members of the Board are debriefed on the important discussions and deliberations.

### A. Audit Committee

The Company has a duly constituted Audit Committee in line with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and the Rules made thereunder. Majority of members of the Committee are Independent Directors.

The Chairman of the Committee is Mr. Ravindra Rama Rao Turaga. He is a member of the Institute of Chartered Accountants of India and is into practice for the last 36 years. He heads a practicing CA firm T. Rama Rao & Co., providing professional services in the field of Audit, Taxation, Accountancy, Company Law, Finance, Investments and Capital Market Services. All the other members of the Committee are financially literate and have accounting or related financial management expertise.

The Company invites such of the executives as it considers appropriate to be present at the Audit Committee meetings. The Executive Vice President & CFO ("Head of Finance"), Statutory and the Internal Auditors are invited to attend and participate in these meetings. The Company Secretary of the Company acts as the Secretary to the Committee.

#### Composition and Attendance

During the Financial Year 2016-17, 4 (four) meetings of the Committee were held on May 19, 2016; August 24, 2016; November 14, 2016 and February 14, 2017.

The Composition of the Committee and details of the meetings held and attended by the members is as under:

**Table 3**

Name of the Director	Category of Director	Chairman / Member	No. of Board Meetings Attended
Mr. Ravindra Rama Rao Turaga	Non - Executive Independent Director	Chairman	2
Mr. Narendra Kumar Agrawal	Non - Executive Director	Member	4
Mr. Ajai Kumar Agrawal	Non - Executive Independent Director	Member	4
Mr. Ashok Kumar Garg*	Non - Executive Independent Director	Member	4

\*Mr. Ashok Kumar Garg was appointed as a member of the Audit Committee on April 21, 2016.

#### Powers of the Audit Committee

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### Terms of Reference of the Audit Committee

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors.
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.

- b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d. Significant adjustments made in the Financial Statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to Financial Statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s)/Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
  6. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Reviewing and monitoring the auditor's independence and performance and effectiveness of the audit process.
  8. Approval or any subsequent modification of transactions of the Company with related parties.
  9. Scrutiny of inter-corporate loans and investments.
  10. Valuation of undertakings or assets of the Company, wherever it is necessary.
  11. Evaluation of internal financial controls and risk management systems.
  12. Reviewing with the management, performance of statutory and internal auditors and the adequacy of internal control systems.
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  14. Discussing with Internal Auditors any significant findings and follow up thereon.
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board.
  16. Discussing with Statutory Auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  18. To review the functioning of the Whistle Blower Mechanism.
  19. Approval of appointment of CFO (i.e. Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

**The audit committee to mandatorily review the following information**

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**B. Nomination & Remuneration Committee**

The Company has a duly constituted Nomination & Remuneration Committee in line with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and the Rules made thereunder. Majority of the members of the Committee are Independent Directors.

### Composition & Attendance

During the Financial Year 2016-17, 4 (four) meetings of the Committee were held on May 19, 2016; August 24, 2016; November 14, 2016 and February 14, 2017.

The composition of the Nomination & Remuneration Committee is as follows:

**Table 4**

Name of the Director	Category of Director	Chairman/Member	No. of Board Meetings Attended
Mr. Ajai Kumar Agrawal	Non - Executive Independent Director	Chairman	4
Mr. Narendra Kumar Agrawal	Non - Executive	Member	4
Mr. Ravindra Rama Rao Turaga	Non - Executive Independent Director	Member	3

### Terms of Reference

1. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with prescribed criteria, recommend to the Board their appointment and removal.
2. Lay down the evaluation criteria for performance evaluation of Independent Directors and the Board.
3. Carry out evaluation of every director's performance and also the performance of the Board.
4. Formulation of the criteria for determining, qualifications, positive attributes and independence of a Director.
5. Recommending to the Board a policy, relating to the remuneration of Directors, Key Managerial Personnel and other employees. While formulating the policy, the committee must ensure that:
  - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
  - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - c. Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
  - d. Taking into account factors it deems relevant and gives due regard to the interest of shareholders and to the financial and commercial health of the Company.
6. Devise a policy on Board diversity.
7. Administration and Superintendence of the Employee Stock Option Scheme (ESOS)
8. Formulation of detailed terms and conditions of the ESOS.
9. To determine the number of stock options to be granted under the Company's ESOS and perform such other functions as may be specified under the SEBI (ESOS & ESOS) Guidelines, 1999.
10. To secure attendance of any person/outside with relevant expertise, if it considers necessary
11. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended by the Nomination & Remuneration Committee.

### Remuneration Policy

The Remuneration Policy of the Company is based on the following criteria:

- Performance of the Company, its divisions and units
- Track Record, potential and individual performance
- External Competitive Environment
- Balance between the fixed and incentive pay

### Details of the Compensation to Non-Executive Directors

Non-Executive Directors are not entitled to any remuneration except sitting fees being paid to them in accordance with the provisions of section 197 of the Companies Act, 2013 for attending the Board and Committee Meetings.

The details of the sitting fees paid for the Financial Year 2016-17 and the number of shares held by the Non-Executive Directors in the Company are as follows:

**Table 5**

Name of the Director	Sitting Fee (in ₹)	No.of Shares held
Mr. Sanjay Govil	-	8,100
Mr. Ravindra Rama Rao Turaga	180,000	550
Mr. Narendra Kumar Agrawal	420,000	NIL
Mr. Ajai Kumar Agrawal	400,000	NIL
Mr. Ashok Kumar Garg	280,000	NIL
Mrs. Sadhana Dikshit	160,000	NIL

**Details of Remuneration to Managing Director & CEO**

The table below shows the amount paid to the Managing Director & CEO of the Company for the Financial Year 2016-17:

**Table 6**

Name	Upinder Zutshi Managing Director & CEO
Salary & Allowances	20,300,000
Bonus/Performance Incentive	20,300,000
Perquisites	39,600
Stock options	-
Tenure	Upto March 31, 2018
Notice Period & Severance Pay	Two months' notice period and a severance pay of twelve months salary plus 1.5 months' salary for every year of service from the start date of the prior employment contract i.e. April 01, 2008
Performance Criteria	As determined by the Nomination & Remuneration Committee

**C. Stakeholders Relationship Committee**

The Company has a duly constituted Stakeholders Relationship Committee in line with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and the Rules made thereunder. Majority of the members of the Committee are Independent Directors.

The Committee has a mandate to review and redress the shareholder grievances.

**Composition and Attendance**

During the Financial Year 2016-17, 4(four) meetings of the Committee were held on May 19, 2016; August 24, 2016; November 14, 2016 and February 14, 2017.

The Composition of the Committee and details of the meetings attended by the members is as under.

**Table 7**

Name of the Director	Category of Director	Chairman / Member	No. of Meetings Attended
Mr. Narendra Kumar Agrawal	Non - Executive	Chairman	4
Mr. Ajai Kumar Agrawal	Non - Executive Independent Director	Member	4
Mr. Ravindra Rama Rao Turaga	Non - Executive Independent Director	Member	2

**Compliance Officer**

Mr. Rajesh Kumar Modi is the Company Secretary & Compliance Officer of the company.

### Terms of Reference

- To approve share transfers and transmissions.
- To approve splitting of share certificates, consolidation of share certificates and related matters including issue of fresh share certificates in lieu of split/consolidated certificates.
- Issue of duplicate share certificates in lieu of lost, mutilated and destroyed certificates.
- Matters relating to dematerialization of shares and securities.
- Investor relations and redressal of shareholder's grievances in general and relating to non-receipt of dividends, interests, non-receipts of balance sheet etc. or any other matter as the Board may think fit/delegate to the Committee.

The Company gives utmost priority to the interests of the shareholders. All the requests/complaints of the shareholders have been resolved to the satisfaction of the shareholders within the statutory time limits.

The status of the shareholders' complaints received during the Financial Year 2016-17 are as follows:

Particulars	Pending as on April 01, 2016	Received during the year	Disposed of during the year	Pending as of March 31, 2017
Complaint related to non-receipt of dividend	0	1	1	0

### D. Corporate Social Responsibility (CSR) Committee

The Company has a duly constituted Corporate Social Responsibility (CSR) Committee in line with section 135 of the Companies Act, 2013 and the Rules made thereunder. Majority of the members of the Committee are Independent Directors.

#### Composition and Attendance

During the Financial Year 2016-17, the Committee met twice on May 19, 2016 and February 14, 2017.

The Composition of the Committee and details of the meetings attended by the members is as under:

**Table 8**

Name of the Director	Category of Director	Chairman / Member	No. of Meetings Attended
Mr. Ashok Kumar Garg	Non - Executive Independent Director	Chairman	2
Mr. Ravindra Rama Rao Turaga	Non - Executive Independent Director	Member	1
Mr. Narendra Kumar Agrawal	Non - Executive Director	Member	2

#### Terms of Reference:

- Formulate and Recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the CSR activities referred in Schedule VII.
- Monitor the CSR Policy of the Company from time to time.
- Such other activities as the Board of Directors may determine from time to time.

The details of the CSR initiatives of the Company form part of the CSR section in the Annual Report. The CSR Policy has been placed on the website of the Company and can be accessed through the following link:

<http://www.infinite.com/downloads/policies/CorporateSocialResponsibilityPolicy.pdf>

### III. SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian Subsidiary as defined under Regulation 16(1) (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The minutes of the unlisted subsidiary companies, wherever applicable, as also any significant transaction or arrangement entered into by any of its unlisted subsidiary companies, are placed before the Board for its noting. The Audit Committee reviews the financial statements including investments made by the unlisted subsidiary companies of the Company.

The Board of Directors of the Company at their meeting held on November 13, 2014 approved a policy for determining "material subsidiaries". The said Policy has been placed on the website of the company at the below address:

<http://www.infinite.com/downloads/policies/PolicyfordeterminingMaterialSubsidiaries.pdf>

## IV. DISCLOSURES

### A. Basis of related party transactions

There are no materially significant Related Party Transactions during the year having potential conflict with the interests of the Company at large. Transactions with the Related Parties, as per the requirements of Indian Accounting Standard 24(Ind AS), are disclosed in the notes to accounts annexed to the Financial Statements.

Further, the Company has not entered into any transaction of a material nature with the Promoters or Directors or their subsidiaries or their relatives etc. that may have potential conflict with the interests of the Company.

The related party transactions are placed before the Audit Committee meetings for approval on a quarterly basis. The policy on related party transactions is placed on the website of the Company and can be accessed through the following link:

<http://www.infinite.com/downloads/policies/PolicyonRelatedPartyTransactions.pdf>

### B. Disclosure of accounting treatment

The Company has not followed any differential treatment from that prescribed under Accounting Standards, for preparation of Financial Statements during the year.

### C. Board disclosures – Risk management

The Company has laid down systems to inform Audit Committee and the Board about the risk assessment and minimization procedures. The risks and company's mitigation strategies are discussed and reviewed by Board of Directors, whenever required, to ensure effective controls.

### D. Code of Conduct

The Company has in place a Code of Conduct for its Board Members and Senior Management as required under Regulation 17 (5) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 and the same is posted on the Company's website.

All the Board Members and Senior Management have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2017 and a declaration to this effect signed by the Managing Director & CEO is provided in this Annual Report.

The said code can be accessed at the below link:

<http://www.infinite.com/downloads/policies/CodeofConductforBoardMembersandSeniorManagement.pdf>

### E. Proceeds from public issues, rights issues, preferential issues etc.

There were no public issue/right issue/preferential issues etc. taken place during the Financial Year 2016-17.

### F. Management

A detailed report on Management Discussion and Analysis is given as a separate section in this Annual Report.

During the year, there have been no material financial and commercial transactions made by the management, where they have personal interest that may have a potential conflict with the interest of the Company at large.

### G. Shareholders:

#### i. Means of Communication

##### Financial Results & Company's Website

The Company's quarterly and annual financial results and any presentation made to the analysts are posted on the Company's website ([www.infinite.com](http://www.infinite.com)). In accordance with the Listing Regulations, the quarterly financial results are generally published in the Business Standard (English & Hindi) editions. Financial Results and all material information are also regularly provided to the Stock Exchanges after these are taken on record by the Board.

##### Investors Calls

Earnings conference calls are conducted after the announcement of quarterly/annual financial results wherein the Management updates the investors on the progress made by the Company and also answers their queries. The call transcript is uploaded on the website of the Company for public information.

#### ii. Disclosure regarding appointment or re-appointment of Directors

Detailed resume of the Director seeking re-appointment in the Eighteenth Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 are provided in the notes appended to the Notice of 18<sup>th</sup> Annual General Meeting.

#### iii. The details of Stakeholders Relationship Committee are given in this report.

#### iv. The details of Share Transfer Systems are given in this report.



## H. Details of Non-Compliance

No penalty, strictures was imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the Year 2016-17.

## I. Details of Compliance with Mandatory requirements of the Listing Regulations

During the year, the Company has complied with all applicable mandatory corporate governance requirements of the Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations, 2015.

## J. Vigil Mechanism

The Company has established the necessary Vigil mechanism in line with Regulation 22 of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 and the Companies Act, 2013, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.

## K. CEO/CFO Certification

As required under the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, the Certificate from CEO/CFO to the Company's Board is given in the annual report (Page No. 57).

## L. Details of Compliance with Non-mandatory requirements of the Listing Regulations

The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 and has adopted non-mandatory requirements as per details given below as mentioned under Part E of the Schedule II.

### The Board

The Company maintains the Office of the Chairman at its Corporate Office at Plot No. 157, EPIP Zone, Phase II, Whitefield, Bengaluru - 560066 and also reimburses the expenses incurred in performance of his duties.

### Shareholders Rights

The quarterly financial results are published in newspapers as mentioned above under the heading "Means of Communication" and also displayed on the website of the Company. The results are not separately circulated to shareholders.

### Audit Qualifications

There are no audit qualifications in the Company's financial statements for the year under reference.

### Separate posts of Chairman and CEO

The Company has separate persons for the positions of Chairman and Managing Director.

## M. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

## GENERAL BODY MEETINGS

Details in respect of the last three Annual General Meetings (AGMs) of the Company are as mentioned below:

Table 9:

Financial Year	Date of AGM	Venue	Time	Special Resolutions Passed
2013-14	September 24, 2014	Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road, New Delhi - 110003	3.00 P.M.	Creating mortgage/ charge on the assets of the Company
2014-15	September 30, 2015	Kamani Auditorium, No.1, Copernicus Marg, New Delhi - 110001	11.30 A.M.	1 Appointment of Mr. Ashok Kumar Garg as an Independent Director of the Company for a period of 5 years w.e.f. November 13, 2014.  2. Appointment of Mrs. Sadhana Dikshit as an Independent Director of the Company for a period of 3 years w.e.f. February 12, 2015.
2015-16	September 29, 2016	Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road, New Delhi - 110003	10.30 A.M.	.....

### Special Resolution through Postal Ballot

During the year, the Company sought the approval of the shareholders by way of Special Resolution through notice of postal ballot dated August 24, 2016 for Buy-back of Equity Shares of the Company, the results of which were announced on October 08, 2016. Mr. Prashant Balodia, Partner, M/s. PDS & Co, Practicing Company Secretaries (COP 6153, M.No. F6047) was appointed as a Scrutinizer for carrying out the Postal Ballot process in a fair and transparent manner and in accordance with the Companies (Management and Administration) Rules, 2014.

#### Details of Voting Pattern were as under:

Description of the Resolution	Votes in Favour of the Resolution		Votes against the resolution	
	Number of Valid Votes cast (Shares)	% of total number of Valid Votes cast	Number of Valid Votes cast (Shares)	% of total number of Valid Votes cast
Approval for Buy-back of Equity Shares through Tender Offer route at a price not exceeding ₹ 250/- per share for Buy-back size of ₹ 150 Crores	32,579,566	99.98	7,390	0.02

However, the Board of Directors at their meeting held on October 12, 2016, approved the Buy-back of equity shares at a Buy-back price not exceeding ₹ 270/- per share for a total consideration aggregating up to ₹ 150 crores from the existing shareholders of the Company on the record date, through Tender Offer route, subject to the approval of regulatory authorities and the shareholders through postal ballot notice dated November 02, 2016, results of which were announced on December 09, 2016. The Board at this meeting also withdrew the earlier Buy-back approved by the Board of Directors on August 24, 2016 and the shareholders on October 08, 2016. Mr. Prashant Balodia, Partner, M/s. PDS & Co, Practicing Company Secretaries (COP 6153, M.No. F6047) was again appointed as a Scrutinizer for carrying out the Postal Ballot process in a fair and transparent manner and in accordance with the Companies (Management and Administration) Rules, 2014.

#### Details of Voting Pattern were as under:

Description of the Resolution	Votes in Favour of the Resolution		Votes against the resolution	
	Number of Valid Votes cast (Shares)	% of total number of Valid Votes cast	Number of Valid Votes cast (Shares)	% of total number of Valid Votes cast
To confirm the decision of the Board of Directors of the Company to withdraw the proposed Buy-back approved by the Board of Directors on August 24, 2016 and the shareholder on October 08, 2016.	32,031,058	99.99	1,260	0.01
Approval for Buy-back of Equity Shares through Tender Offer route at a price not exceeding ₹ 270/- per share for Buy-back size of ₹ 150 Crores	32,035,388	99.99	1,033	0.01

#### Procedure for postal ballot:

The Company conducted the postal ballot in accordance with the provisions of section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014. The Company has dispatched the postal ballot notice along with the Explanatory Statement, postal ballot form and self-addressed business reply envelope to all the existing shareholders through physical as well as electronic mode whose email was registered with Company/Depositories. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the provisions of the Companies Act, 2013 and Rules framed thereunder. In compliance with the provisions of sections 108 and 110 of the Companies Act, 2013 and Rules 20 and 22 of the Companies (Management & Administration) Rules, 2014 read with Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company had offered the facility of e-voting to its members to enable them to cast their vote electronically. The voting under the postal ballot was kept open as per the applicable provisions of the Act. Upon completion of scrutiny of the postal ballot forms and votes cast through e-voting in a fair and transparent manner, the scrutinizer submitted its report to the Company and the results were announced accordingly, by the Company. The voting results were sent to the Stock Exchanges and also displayed on the Company's website. A copy of postal ballot notice including the procedure is also available on the websites of Stock Exchanges i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on the Company's website [www.infinite.com](http://www.infinite.com).

#### Details of Special Resolution proposed to be conducted through postal ballot:

No Special Resolution is proposed to be conducted through postal ballot as on date of this report.

## GENERAL SHAREHOLDER INFORMATION

Date of Incorporation	: September 06, 1999
Registration No./CIN No.	: L72200DL1999PLC171077
Corporate Office Address	: Plot No. 157, EPIP Zone, Phase II, Kundalahalli, Whitefield, Bengaluru - 560066. Tel No.: 080-41930000   Fax No.: 080-41930009 Email id: <a href="mailto:shareholder@infinite.com">shareholder@infinite.com</a>   Website: <a href="http://www.infinite.com">www.infinite.com</a>
Registered Office/Address for Correspondence	: 155, Somdutt Chambers II, 9, Bhikaji Cama Place, New Delhi - 110066 Tel No.: 011-46150845, 46, 47   Fax No.: 011-46150830 Email id: <a href="mailto:shareholder@infinite.com">shareholder@infinite.com</a>   Website: <a href="http://www.infinite.com">www.infinite.com</a>
Date, Time and Venue of 18th AGM	: September 28, 2017 at 10.30 a.m. at Sri Sathya Sai International Centre, Pragati Vihar, Lodi Road, New Delhi - 110003.
Book Closure Dates	: September 22, 2017 to September 28, 2017 (both days inclusive)
Dividend Payment Date	: N.A
Financial Year	: April 01, 2017 - March 31, 2018
Financial Calendar for 2017-18 (tentative and subject to change)	: Financial reporting for the first quarter ending June 30, 2017 <i>2nd week of August 2017</i> : Financial reporting for the second quarter ending September 30, 2017 <i>2nd week of November 2017</i> : Financial reporting for the third quarter ending December 31, 2017 <i>2nd week of February 2018</i> : Financial reporting for the year ending March 31, 2018 <i>3rd week of May 2018</i> : Annual General Meeting for the Financial Year ending March 31, 2018 <i>September 2018</i>
Listing on Stock Exchanges	: The shares of the Company are listed on the following stock exchanges
Bombay Stock Exchange Limited	: Stock Code: 533154
National Stock Exchange of India Limited	: Stock Symbol: INFINITE
ISIN Number of the Company	: INE486J01014
The Company has paid the Annual Listing fee for the financial year 2017-18 to both the Stock Exchanges i.e., BSE & NSE.	
Registrar and Transfer Agent (For share transfers and other communication relating to share certificates and change of address)	: Bigshare Services Private Limited 4E/8, First Floor, Jhandewalan Extn. New Delhi-110055 Tel: 011-42425004   Fax: 011-23522373 Contact Person: Mr. Y.K. Singhal Email: <a href="mailto:bssdelhi@bigshareonline.com">bssdelhi@bigshareonline.com</a>

### Share Transfer System

With a view to expedite the process of share transfers, the Stakeholders Relationship Committee of the Company has delegated the power of Share Transfer to Managing Director & CEO with appropriate limit. The Managing Director & CEO attend(s) to and approves the share transfers received by the Company and reports the same to the Stakeholders Relationship Committee at their periodical meetings.

### Dematerialization of Equity Shares

The shares of the Company are compulsorily traded in dematerialized form and are available for trading in the depository systems of both NSDL & CDSL.

As of March 31, 2017, 32,962,909 equity shares of the Company, forming 99.75% of the share capital of the Company, stands dematerialized.

Shareholding Pattern of the Company as of March 31, 2017

Category of Shareholders	No. of Shares Held	% to Total
Promoters	25,011,036	75.68*
Corporate Bodies	721,755	2.19
Foreign Inst. Investor, Fls & Banks	1,421,531	4.30
Non Resident Indians	1,336,795	4.05
Indian Public & Others	4,555,342	13.78
<b>TOTAL</b>	<b>33,046,459</b>	<b>100.00</b>

\*The Promoter's holding has increased due to Buy-back of shares. The Promoter/Promoter Group will reduce their shareholding to achieve Minimum Public Shareholding as per the applicable laws.

Distribution Schedule as of March 31, 2017

No. of Shares	No. of Shareholders	% of Total	No. of Shares Held	% of Total	
1	500	25,414	96.17	1,209,472	3.66
501	1000	484	1.83	379,834	1.15
1001	2000	252	0.95	373,537	1.13
2001	3000	74	0.28	187,133	0.56
3001	4000	35	0.13	125,624	0.38
4001	5000	40	0.15	187,359	0.57
5001	10000	57	0.22	417,037	1.26
10001	& above	69	0.27	30,166,463	91.29
<b>TOTAL</b>	<b>26,425</b>	<b>100.00</b>	<b>33,046,459</b>	<b>100.00</b>	

Details of shares held in Suspense Account

The details of shares held in Suspense Account related to Public Issue/Initial Public Offering (IPO), which remain unclaimed and lie in the Escrow Account of the Company as on March 31, 2017 are as follows:

Description	No. of Shareholders	No. of Shares.
Aggregate No. of shareholders & shares pending at the beginning of the year	9	488
No. of shareholders who approached for transfer of shares from suspense account during the year	Nil	Nil
No. of shareholders and shares transferred from suspense account during the year	Nil	Nil
No. of shareholders and shares outstanding at the end of year	9	488

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

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

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as of March 31, 2017.

Plant Locations

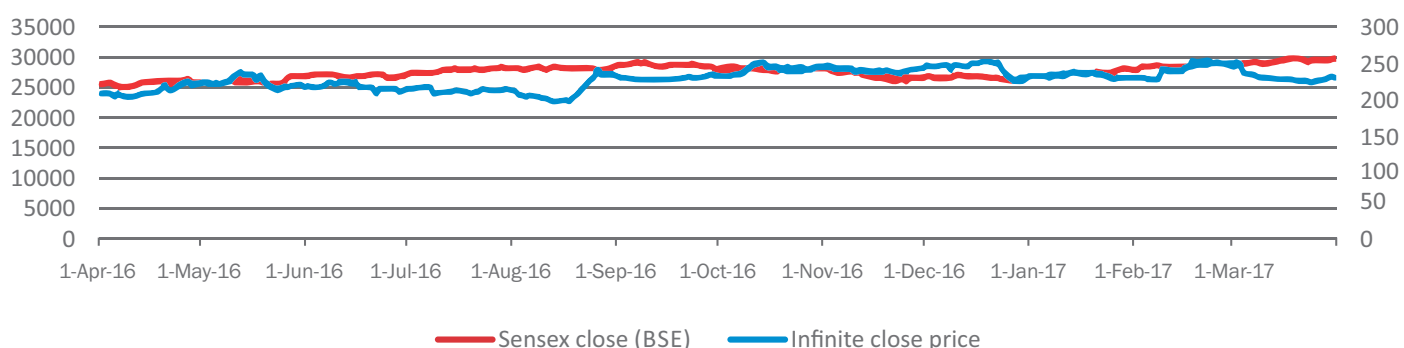
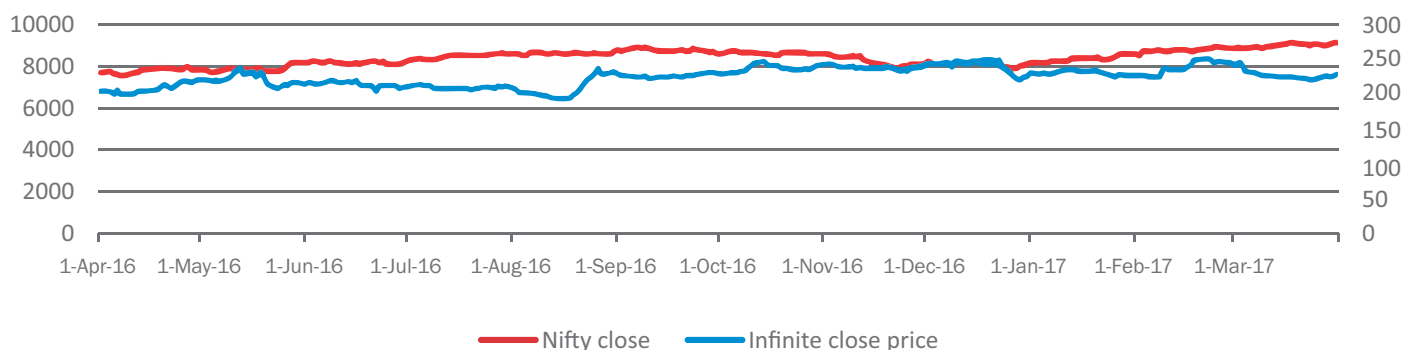
The Company is in software business and does not require any manufacturing plants but has developments centers in India and abroad.

### Market Price Data

The monthly high and low quotations of the Company's equity shares traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited during each month of the financial year ended March 31, 2017, are as follows:

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2016	247.50	190.00	224.00	194.00
May 2016	239.90	205.00	241.00	205.00
June 2016	221.75	194.30	221.85	196.30
July 2016	213.50	203.10	215.00	199.10
August 2016	238.20	188.50	239.10	189.65
September 2016	233.75	220.50	233.95	221.30
October 2016	249.80	228.15	251.00	228.00
November 2016	245.50	230.05	245.95	228.10
December 2016	253.00	209.00	253.20	210.05
January 2017	239.00	222.00	236.85	222.85
February 2017	255.00	220.30	277.00	221.55
March 2017	249.00	218.10	249.50	218.20

Share performance chart of the Company in comparison to broad based indices



### Corporate Governance Certificate

In compliance with Regulation 34 and Schedule V of Listing Regulations, a certificate from the Auditors of the Company confirming compliance with the conditions of the Corporate Governance has been placed at the end of this Report.



## AUDITORS' CERTIFICATE

### Regarding Compliance of conditions of Corporate Governance

#### TO THE MEMBERS OF

Infinite Computer Solutions (India) Limited

We have examined all the relevant records of Infinite Computer Solutions (India) Limited for the purpose of certifying compliance of the conditions of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015 for the period from April 01, 2016 up to March 31, 2017. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance.

This certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015, as applicable.

Sd/-

**C V Savit Kumar Rao**

For **Amit Ray & Co.**

Chartered Accountants

Partner (M.No: 70009)

Firm ICAI Reg. No: 000483-C

Place : Bengaluru

Date : May 23, 2017

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## CODE OF CONDUCT

### Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct of Board of Directors and Senior Management

I, Upinder Zutshi, Managing Director and Chief Executive Officer (CEO) of Infinite Computer Solutions (India) Limited ("the Company") confirm that the Company has adopted a Code of Conduct ("Code") for its Board Members and senior management personnel and the Code is available on the Company's website.

I, further confirm that the Company has in respect of the Financial Year ended March 31, 2017, received from its Board Members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

Sd/-

**Upinder Zutshi**

Managing Director & CEO

(DIN: 01734121)

Place : Bengaluru

Date : May 23, 2017

## CEO/CFO CERTIFICATION

Certificate by the Chief Executive Officer and Chief Financial Officer as per Regulation 17(8) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015

The Board of Directors  
Infinite Computer Solutions (India) Limited

We, Upinder Zutshi, Managing Director & Chief Executive Officer and Sanjeev Gulati, Chief Financial Officer of the company, certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2017 and that to the best of their knowledge and belief:
  - i. statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee.
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-  
**Upinder Zutshi**  
Managing Director & CEO  
(DIN: 01734121)

Sd/-  
**Sanjeev Gulati**  
EVP & CFO

Place : Bengaluru  
Date : May 23, 2017