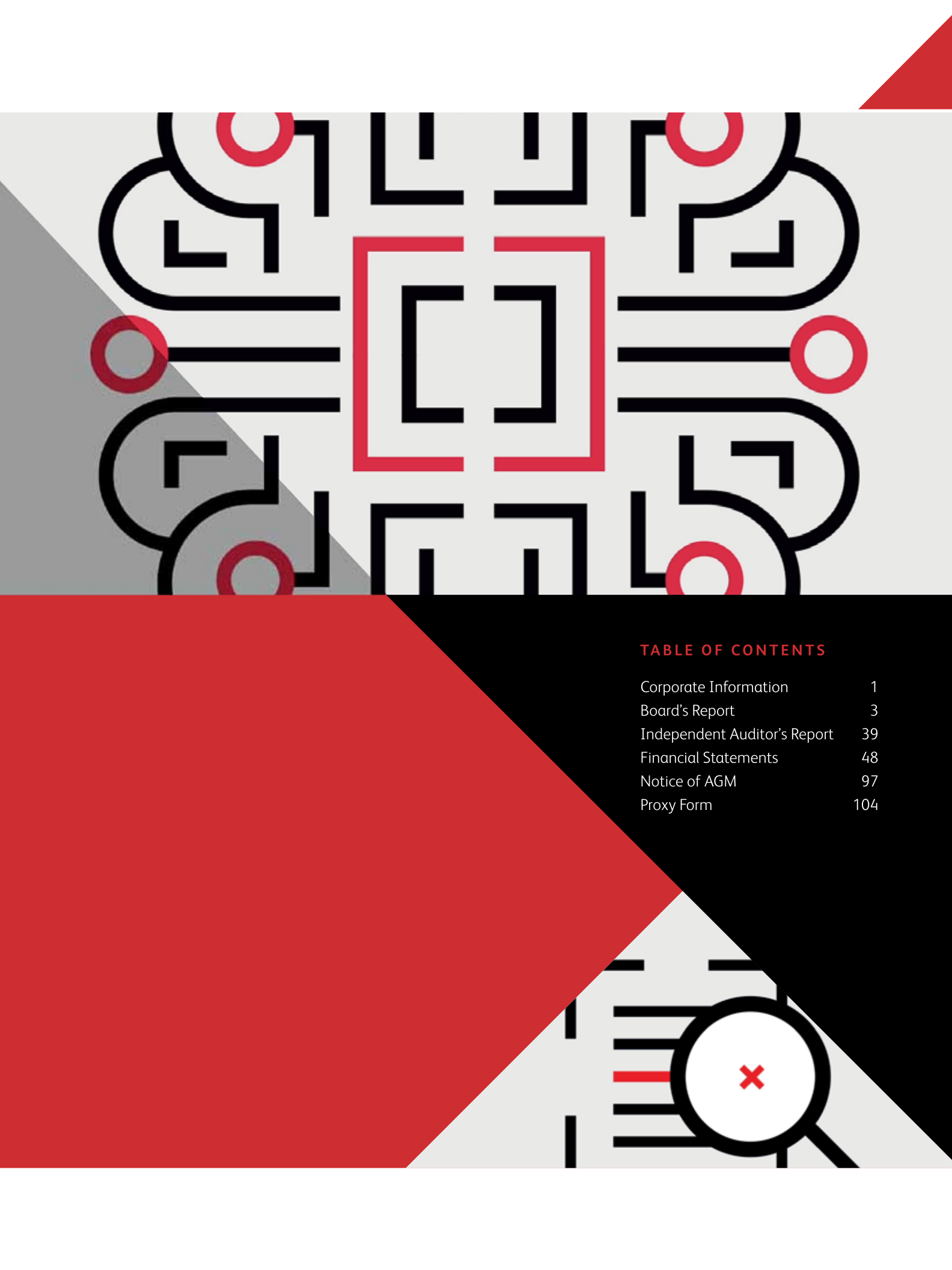


xerox™



2019  
Annual  
Report  
Making a  
Better Future



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# Corporate Information

## BOARD OF DIRECTORS

David Brian Dyas (Director)  
(DIN 07437186)

Rodney Noonoo (Director)  
(DIN 07690361)

Prakash Kulathu Iyer (Independent Director)  
(DIN 00529591)

Rishi Kant Srivastava (Independent Director)  
(DIN 06708853)

## BOARD COMMITTEES

### Audit Committee

Rodney Noonoo (Chairman)  
Prakash Kulathu Iyer  
Rishi Kant Srivastava

### Nomination and Remuneration Committee

David Brian Dyas (Chairman)  
Prakash Kulathu Iyer  
Rishi Kant Srivastava

### Corporate Social Responsibility Committee

Rodney Noonoo (Chairman)  
Rishi Kant Srivastava  
David Brian Dyas

### Stakeholders Relationship Committee

Rishi Kant Srivastava (Chairman)  
Prakash Kulathu Iyer  
Rodney Noonoo

## KEY MANAGERIAL PERSONNEL

Satpreet Singh (Chief Financial Officer)  
Rajiv L. Jha (Company Secretary & GM Legal)

## COMPANY SECRETARY

Rajiv L. Jha

## AUDITORS

### Statutory Auditors

Price Waterhouse & Co Bangalore LLP  
Chartered Accountants

### Secretarial Auditors

Ranjeet Pandey & Associates  
Company Secretaries

### Internal Auditors

Ernst & Young LLP

## BANKERS

ICICI Bank  
Citibank NA  
HDFC Bank Ltd.  
BNP Paribas  
State Bank of India  
Bank of America  
State Bank of India (Bangladesh)

## REGISTRARS & SHARE TRANSFER AGENTS

MCS Share Transfer Agent limited  
F-65, Okhla Industrial Area, Phase I,  
New Delhi – 110020

## REGISTERED OFFICE

5th Floor, Block One,  
Vatika Business Park, Sector 49,  
Sohna Road, Gurgaon – 122018  
Haryana (India)  
Tel.: +91-124-446 3000  
Fax: +91-124-446 3111

## WEBSITE

[www.xerox.com/india](http://www.xerox.com/india)  
Investor Relations Email ID  
[askus@xerox.com](mailto:askus@xerox.com)

## CORPORATE IDENTITY NUMBER (CIN)

U72200HR1995PLC049183

## INTERNATIONAL SECURITY IDENTIFICATION NUMBER (ISIN)

INE034E01013



# Board's Report

## To the Members of Xerox India Limited

Your Directors have the pleasure in presenting the Twenty Third (23<sup>rd</sup>) Annual Report of Xerox India Limited (“the Company”) along with the audited Financial Statements for the Financial Year ended 31<sup>st</sup> March 2019.

## FINANCIAL RESULTS

### Based on the IndAS Financial Statements

Particulars	(Rs. in Lacs)	
	31.03.2019	31.03.2018
Gross Revenue	61819.19	56,203.22
Profit Before Tax	3833.68	7764.86
Less: Current Tax	1567.07	3030.32
Prior years' tax	101.49	(52.83)
Deferred Tax	(154.77)	262.43
Profit After Tax	2319.89	4524.94
<b>Earning per share (par value of Rs. 10/- each)</b>		
Basic	5.61	10.29
Diluted	5.61	10.29

The Company has posted a profit before tax of Rs. 3833.68 Lacs and a profit after tax of Rs. 2319.89 Lacs in the financial year under Report as against profit before tax of Rs. 7764.86 Lacs and profit after tax of Rs. 4524.94 Lacs in the previous year, thereby recording a decline of 50.63% and 48.73%, respectively, while the gross revenue posted in the year under report is Rs. 61819.19 Lacs as compared to the gross revenue of Rs. 56203.22 Lacs in the previous year, marginal increase of 10% (approx).

## RESERVES

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

## DIVIDEND

Your Directors recommend a final dividend of Rs. 23.50 (Rupees Twenty Three & Paise Fifty) per equity share of Rs. 10/- each amounting/aggregating to Rs. 10529 Lacs for the financial year ended 31st March 2019, subject to approval of the members of the Company. The Company will pay the tax on dividend as per the provisions of the Income Tax Act, 1961.

## OPERATIONS

Xerox is a print technology and intelligent work solutions leader. Our experience and broad customer base gives us a unique perspective and understanding of the inner-workings of business, and our technology allows us to add intelligence to the development of solutions to connect the physical and digital worlds of work. We apply our expertise in imaging and printing, data analytics, and the development of secure and automated solutions to help our customers improve productivity and increase client satisfaction. Every day, our innovative technologies and intelligent work solutions – powered by Xerox® – help people communicate and work better.

In our core market, we compete with our traditional print technology and related services. Our primary offerings in this core environment span three main areas: Intelligent Workplace Services (formerly Global Document Outsourcing(GDO)/Managed Document Services (MDS), Workplace Solutions (formerly “Office”) and Production Solutions (formerly ‘Graphic Communications’). Our Intelligent Workplace Services offerings help customers, ranging from small businesses to global enterprises, optimize their printing and related document workflow and business processes. Our Workplace Solutions and Production Solutions offerings support the work processes of our customers by providing them with solutions built upon our broad portfolio of industry-leading printing and workflow offerings. We also have digital solutions and software assets to compete in adjacent Software and Services market. Our main offerings in this market are focused on industry-specific Digital Solutions, Personalization & Communication Software and Content Management Software. Our Industry Digital Solutions leverage our Connect Key software platform to enable integration of technology, software and services to securely design and manage the digitization and workflow of

content for our clients. Our main products in this area are Digital Patient, Digital Insurer, Digital Retailer and Digital Citizen. Our Personalization Software and Content Management Software are products designed for security, cloud and digital enablement. Our main products in these areas are XMPie and DocuShare. Our XMPie offering is a robust personalization and communication software that can support the needs of omni-channel communications customers, giving them the bridge between print and digital, which is a critical element for that market. Our DocuShare enterprise content management offering provides a better way to manage paper and digital content from creation to retention to transformation. Capture, store and share documents either on-premise or by cloud while automating time-consuming, document-heavy processes like accounts payable, HR onboarding, contract management and mortgage processing.

## **INTELLIGENT WORKPLACE SERVICES (FORMERLY GLOBAL DOCUMENT OUTSOURCING/MANAGED DOCUMENT SERVICES)**

Our Intelligent Workplace Services includes a continuum of solutions and services that helps our customers optimize their print and communications infrastructure, ensure the highest levels of security and productivity, and enable their digital business objectives. Our primary offerings in this area are Managed Print Services (MPS), a range of Industry Digital Solutions that leverage Workflow Automation, Personalization and Communication Software, Content Management Solutions, and Digitization Services.

In our MPS business, we help companies assess and optimize their print infrastructure, secure and integrate their environment and automate and simplify their business processes. We provide the most comprehensive portfolio of MPS services in the industry and are recognized as an industry leader by major analyst firms including Gartner, IDC, Quocirca, InfoTrends and Forrester. Our MPS offering targets clients ranging from large, global enterprises to small and medium-sized businesses, including those served via our channel partners. Our Next Generation Xerox Partner Print Services (XPPS) is a comprehensive suite of services that allows channel partners to support their SMB customers with some of our best-in-class tools, processes, and workflow solutions developed by Xerox for large enterprises.

Our Industry Digital Solutions leverage our ConnectKey software platform to enable integration of technology, software and services to securely design and manage the digitization and workflow of content; our main products in this area are Digital Patient, Digital Insurer, Digital Retailer and Digital Citizen.

Our Personalization and Communications Software and our Content Management Solutions are products designed for security, cloud and digital enablement. Our main products in this area are XMPie and DocuShare. Our XMPie offering is a robust personalization and communication software for omni-channel communications customers, giving them the bridge between print and digital, which is a critical element for that market. XMPie offers a range of platform-enabled digital services that deliver relevant and timely communications focused on customer acquisition, onboarding or retention. Our DocuShare enterprise content management offering provides a better way to manage paper and digital content from creation to retention to transformation. Capture, store and share documents either on-premise or by cloud while automating time-consuming, document-heavy processes like accounts payable, HR onboarding, contract management and mortgage processing. In addition, we operate a network of centers that digitize and automate paper & digital workflows, enabling our customers to operate cost efficiently in a fully-digitized environment with speed, quality and 24x7 availability.

## **WORKPLACE SOLUTIONS**

Our Workplace Solutions area is made up of two strategic product groups, Entry and Mid-Range, which share common technology, manufacturing and product platforms. Workplace Solutions revenues include the sale of products and supplies, as well as the associated technical service and financing of those products.

Entry comprises desktop monochrome and color printers and multifunction printers (MFPs) ranging from small personal devices to workgroup printers and MFPs that serve the needs of office workgroups. Entry products are sold to customers in all segments from SMB to enterprise, principally through a global network of reseller partners and service providers, as well as through our direct sales force.

Mid-Range are larger devices that have more features and can handle higher print volumes and larger paper sizes than Entry devices. These products are sold through dedicated partners, our direct sales force, multi-branded channel partners and resellers. We offer a wide range of MFPs, copiers, digital printing presses and light production devices, and solutions that deliver flexibility and advanced features.

Xerox launched a new entry level Monochrome A3 model catering to the 22ppm and 25ppm market. With the introduction of this model, we are now in a strong position to cater to the largest speed segment in the A3 market. With an aim to deliver new value

for channel partners in the evolving business landscape, Xerox India also announced the launch of Xerox Global Partner Program - in India. The globally acclaimed program will help accredited partners expand into new sources of predictable and profitable revenue with award winning products, supplies, and solutions that are easy to sell and easy to use.

## PRODUCTION SOLUTIONS/GRAPHIC COMMUNICATION

Our Production Solutions are designed for customers in the graphic communications, in-plant and production print environments with high-volume printing requirements. These solutions enable full-color, on-demand printing of a wide range of applications, including variable data for personalized content and one-to-one marketing. Graphic Communications Solutions revenues include the sale of products, software and supplies, as well as the associated technical service and financing of those products.

Our cut-sheet presses provide graphic communications and commercial printers with high speed, high-volume printing. They are ideal for publishing, transaction printing, print on demand and one-to-one marketing, offering the best in high speed, productivity and resolution and color. We are the worldwide leader in the cut-sheet color and monochrome production industry.

The year also saw the launch of one of its marquee products namely the Xerox® Iridesse® Production Press that has redefined the scope of taking prints beyond standard CMYK. The Mono devices range from Light Production to High End cut sheet equipment capable of printing from 95 to 314 ppm.

Our inkjet presses offer a broad range of roll fed, continuous feed printing technologies, including waterless inkjet and aqueous inkjet for vivid color, and toner-based flash fusing for black and white. Our portfolio spans a variety of print speeds, image quality, feeding, finishing and media options. We continue to develop and integrate our production inkjet business to bring the high-end capabilities of toner-based presses such as speed and inline color correction to the more price sensitive market of inkjet.

Our Xerox® FreeFlow® portfolio of software offerings brings intelligent automation and integration to the processing of print jobs, from file preparation to final production, for a touchless workflow. It helps customers of all sizes address a wide range of business opportunities including automation, personalization and even electronic publishing.

## PAPER

Xerox sells variety of Xerox Branded copy, print and digital paper to customers for use in their document processing requirements. We are into both Commodity & Digital Paper along with Wide format rolls.

Our strategy is to charge a premium over mill wholesale prices and offer better quality, which is adequate to cover our costs. We are also engaging newer sources of paper and relaunching brands as Colotech Digital range. Companies that provide paper to Xerox for resale must meet stringent requirements that cover all aspects of papermaking, from forest management to production of finished goods.

The market for copy/ print paper is highly competitive and revenues are significantly impacted by pricing as well as availability.

Whatever is the type of document and device – Copier, Printer, Production System, Wide Format machines there is a Xerox Paper to suit from great looking business proposals to everyday office prints, the Xerox range delivers results. Xerox digital colour papers are the benchmark for colour digital printing. They are designed for use in a wide range of dry toner colour printers and copiers of all make. Our Wide format rolls are able to produce exceptional images of all wide printing needs.

We market and sell the products with all India Xerox Paper Partner Network which are present all across the country. We also have presence in many Government and Blue-Chip corporate customers where we are supplying the Xerox branded paper for years.

## CUSTOMER SERVICE

Xerox has taken several initiatives over the last few years that have not only helped us enhance our service levels and drive better experience for our customers and partners but have also helped us to enhance our remote coverage. We have taken steps on retention of existing customers and also increase the usage of Xerox products.

We take ongoing feedback from the customers through regular surveys and take actions to align our deliverables to best suit the customer requirements and we have seen continuous improvement on customer satisfaction levels.

Xerox service represents a significant competitive advantage, we drive a culture of continuous learning of our technical team that is equipped with unique and world-class diagnostic tools and supported by seasoned technical specialist to further support our customers. We have also enhanced our footprint on e-learning platforms with special focus on the skill enhancement of our partner technical team through face-to-face trainings as well as the enhanced usage of Global Partner Program for online training.

We continued on Service Modernisation including Auto Supplies Replenishment resulting in enhanced customer experience. In addition to that, we have ensured that the Customer Escalations and Queries are monitored through a work-flow for a timely closure. Further we have introduced Remote Solve program to enhance device uptime

### ENVIRONMENTAL SOCIAL GOVERNANCE (ESG)

At our core is a deep and long-lasting commitment to ESG, a pledge to inspire and support our people, conduct business ethically across the value chain and preserve our planet. This commitment stems from the corporate values established over sixty years ago. We continue this legacy by turning investments in innovation into products and services that help our customers be more productive, profitable and sustainable. Driving efficiency in our business operations, smart investments in technologies that afford our customers added agility-personalization, automation and better workflow-as part of our customer-centric approach, will underpin our corporate social responsibility efforts. We do this in our own operations, as well as in workplaces, communities and cities around the world. We recognize the world's challenges such as climate change and human rights and understand the role we play. We are constantly thinking about how we can simplify work, deliver more personalized experiences and improve productivity through new technologies. We strive to connect the physical and digital worlds without adversely affecting the environment, human health and safety. Our pledge to inspire and support our people, conduct business ethically and protect our planet remains at the core of everything we do.

The Xerox 2018 Corporate Social Responsibility (CSR) Report, available at [www.xerox.com](http://www.xerox.com), provides an overview of our progress for the year 2018 including these achievements on a global scale

#### Xerox Supplies Recycling and E-Waste Management Program

Together with our suppliers, customers and stakeholders, we strive to maintain the highest standards for preserving our environment and protecting and enhancing the health and safety of our employees and communities. As a responsible corporate citizen of India, we understand our responsibilities in protecting the environment and are striving for adhering to the country's regulations for e-waste management.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has a Corporate Social Responsibility Committee of Directors in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules 2014, as amended from time to time and in force on the date of the Report.

The brief outline of the Corporate Social Responsibility Policy of the Company, including overview of the programmes undertaken, the composition of the CSR Committee, average net profits of the Company for the last three financial years, prescribed CSR expenditure, and the details of the amount spent by the Company on CSR activities during the year under Report, have been disclosed in **Annexure-I** to this Report. As a socially responsible Corporate Citizen, Xerox India has endeavoured to contribute to inclusive growth by undertaking a range of initiatives to address key challenges related to sustainable development in the country. In conjunction with CSR partner organisations, we have launched and continued our initiatives in the areas of education, community health care, women empowerment and skill-building and environmental sustainability.

Our Key CSR initiatives during FY 2018-19 include the following:

### WOMEN EMPOWERMENT & SKILL-BUILDING

Our association with **Samarpan Foundation** continued to be aimed at assisting women to empower themselves. This empowerment not only creates the possibility of a better life for them, but also equips them to have confidence and individuality. Hence, the aim of this continued association is to encourage and enable women to look forward to a better quality of life, by giving them opportunities to learn a skill through which they can become financially independent. Our mission is to continue building up the following skills:

- To impart intermediate skills training and specialisation in tailoring and stitching.
- To ensure basic literacy for optimum utilisation of the skills imparted.
- To enhance the confidence level of women beneficiaries via workshops and activities.
- To encourage the financial independence of the women beneficiaries.

### COMMUNITY HEALTHCARE

In order to ensure delivery of quality healthcare including maternal, newborn, child health and nutrition services to the vulnerable segments of population living in urban slums of Delhi/NCR, we continued our partnership with Dr. A V Baliga Memorial Trust to



implement a model of comprehensive (preventive, promotive and curative) service delivery through Life Line Clinics. The primary target groups of this project are women and children although the entire community will benefit.

## EDUCATION & CRUCIAL LIFE SKILLS

During the year under review, we entered into a CSR partnership with Association for Blindness and Leprosy Eradication (ABLE Charities) under which we contributed for setting up of Non-formal Education Centers in the target communities of children of labourers and migrants living in slums, to cover the basic contents of the first 4-grades of the formal primary school curriculum with the objective to mainstream the children to the appropriate classes in the nearby Government/ formal school, to enroll drop-outs in formal education, to provide life-skill education, and to raise social and preventive health awareness among children and their parents.

Under the same CSR objective, we partnered with Dr. A. V. Baliga Memorial Trust in another CSR project with the objective of conceptualising and implementing a model of enabling better employment and economic empowerment opportunity through vocational skill training in Printing Technology in the National Capital Region/Delhi.

## ENVIRONMENT

Xerox India views environmental preservation as a vital aspect of its CSR strategy. Hence, efforts in conserving biodiversity and ecosystems as well as creating awareness of their role in a healthy society are the mainstay of our CSR focus. Xerox India has continued its partnership with WWF-India for conducting Eco-trails as an initiative where children not just learn but also enjoy their rendezvous with nature. Our experience of the Eco-trails conducted by WWF India in 2018-19 has reinforced our belief that children have an innate ability to bond and learn from the environment and if nurtured correctly, this can lead to sustainable thinking and ecological literacy.

## GREEN INITIATIVES

Electronic copies of the Annual Return 2018-19 and the Notice of the 23<sup>rd</sup> Annual General Meeting of the Company are sent to all the members whose email addresses are registered with the Company/depository participant(s). For members, who have not registered their email addresses, physical copies are sent through the permitted mode.

## IT AND OTHER SUPPORT SERVICES

Your Company continues to successfully provide information technology support services for various software applications, including their day-to-day maintenance, query resolution, and other support activities, including administration, configuration and test activities.

During the year under Report, your company grew its revenue from its support export services.

During the year under Report, software support services activity has been reduced which were being provided to Xerox Corporation. This has resulted into termination of lease of one of the facilities based at Gurugram. The lease agreement for the said property was non-cancellable till July 2021. As per the agreement, the Company was required to pay rent for the non-cancellable period if the agreement is terminated during the lock in period. Subsequent to March 31, 2019, the Company has entered into an agreement with the lessor and negotiated to reduce the non-cancellable period of 28 months to 11.5 months and accordingly, the Company has recognized an expense of Rs. 209.68 lacs, Rs. 10.07 lacs, Rs.51.77 lacs and Rs.123.64 lacs as Rent, Property tax, Maintenance and FA written off under the heading of Rent, Rates and Taxes, Repair and Maintenance - others and Fixed assets written off respectively in the financial statements for the year under review. The Company has also recognized Rs. 83.71 Lacs for Brokerage fee under the heading of Legal and Professional expenses.

## HUMAN RESOURCES DEVELOPMENT

The Company has continuously aligned its structures to changing business needs. We strive to attract the best talent as well as promote internal talent to higher roles and responsibilities. The aggregate number of employees on-roll as on 31<sup>st</sup> March 2019 is 356 whereas there were 596 on-roll employees as on 31<sup>st</sup> March, 2018.

Xerox' focus is on providing an open work environment, fostering continuous improvement and learnings.

The Company's policies center around building a conducive work environment. The Company's workforce policies, its various programs and initiatives, help the organization create an engaging culture.

## **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment in the workplace, and has a policy on the prevention, prohibition and redressal of sexual harassment in the workplace ("the Policy") in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. Your Company has an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed of during the financial year 2018-19:

No. of complaints received: Nil

No. of complaints disposed of: Nil

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The financial statements for the FY 2018-19 have been prepared in accordance with Indian Accounting Standards (IndAS). The IndAS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Effective 1<sup>st</sup> April 2017, the Company has adopted all the IndAS Standards and the adoption was carried out in accordance with applicable transition guidelines.

Based on the representations received from the management, the Board of Directors of your Company hereby declares and confirms the following statements in terms of Section 134(5) r/w Section 134(3)(c) of the Act:

- i. that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2019, the applicable accounting standards had been followed alongwith proper explanation to material departures, if any;
- ii. that such accounting policies as mentioned in Note No. 2 of the Notes to Accounts of the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2019 and of the profit of the Company for the financial year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, and that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis;
- v. that the internal financial controls to be followed by the Company, were in place and that such internal financial controls are adequate and were operating effectively; and
- vi. that proper systems to ensure compliance with the provisions of all applicable laws was in place and that such systems were adequate and operating effectively.

## **ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Your Company has a Policy on Performance Evaluation towards evaluating Board's own performance and effectiveness as well as that of its committees and individual directors including independent directors. Accordingly, in terms of the requirements of the Act and pursuant to the aforesaid Policy, the performance evaluation exercise was carried out through a structured questionnaire covering various aspects, such as Board composition & quality, strategy and risk management, relation with the management, board meetings & procedures.

Further, a separate exercise was carried out to evaluate the performance of individual Directors on laid down parameters such as attendance, contribution and independent judgement. The Directors carried out the aforesaid Performance Evaluation in a confidential manner by way of a structured questionnaire, and provided their feedback on a rating scale of 1 to 5. The results of the evaluation were shared with the Board, Chairman of the respective Committees and individual Directors. The directors were satisfied with the evaluation process. Based on the outcome of the evaluation, the Board and the Nomination & Remuneration Committee (in respective meetings held on 17<sup>th</sup> April 2019) have taken note of action plan to further improve the effectiveness and functioning of the Board and Committees.

## MEETING OF INDEPENDENT DIRECTORS

In terms of Schedule IV to the Act and Rules thereunder, a separate meeting of the Independent Directors (“Annual ID meeting”) for the year 2019 was held on 17<sup>th</sup> April 2019, in which the independent directors, inter alia, discussed:

- the performance of Non-Independent Directors and the Board as a whole;
- the performance of the chairperson of various meetings taking into account the views of executive Directors and non-executive Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board.

The separate Annual ID meeting for the year 2018 was held on 19<sup>th</sup> April 2018.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Rodney Noonoo, Director, retire by rotation and being eligible, has offered himself for re-appointment. The Board recommends the same for your approval.

Ms. Lisa Marie Oliver had resigned from the directorship of the Company effective 1<sup>st</sup> May 2019. Further, effective 23<sup>rd</sup> May 2019, Mr. Raj Kumar Rishi has resigned from the Managing Directorship/Directorship of the Company and thereby also ceased to be the Key Managerial Personnel of the Company.

## INDEPENDENT DIRECTORS’ DECLARATION

During the year under Report, Mr. Prakash Kulathu Iyer and Mr. Rishi Kant Srivastava, who are Independent Directors, had submitted the necessary declaration(s) under Sub-Section (7) of Section 149 of the Act that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act. Further, they have confirmed that there has been no change in the circumstances which may affect their status as independent director during the year under report. The Independent Directors have also complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

## MEETINGS OF BOARD AND BOARD COMMITTEES

The Schedule of meetings of the Board and the Committees thereof for the next calendar/financial year is circulated at the start of the calendar/financial year, to all the members of the Board.

The Board meets at regular intervals to discuss and decide on affairs of the Company/business policy and strategy, in addition to other Board business.

The notices of Board and Committee(s) meetings are given well in advance to all the Directors and Committee(s) members, respectively. Primarily, the meetings of the Board are held at the place of Registered Office of the Company. As a process, information to Directors are circulated alongwith the detailed Agenda well in advance of Board and Committees’ meetings. At these meetings, Directors can provide their inputs and guidance on various strategic and operational matters.

The Board met Four (4) times during the Financial Year 2018-19 on 19<sup>th</sup> April 2018, 23<sup>rd</sup> July 2018, 19<sup>th</sup> November 2018, and 6<sup>th</sup> March 2019. The maximum interval between any two meetings did not exceed 120 days.

## ATTENDANCE OF DIRECTORS IN THE AFORESAID MEETINGS:

Name of Director	Category	No. of Meetings held	No. of Meetings attended	Attendance at the 22 <sup>nd</sup> AGM (Y/N)
Ashraf M.A. Elarman*	Non-Executive Director	4	Nil	N
David Brian Dyas	Non-Executive Director	4	2	N
Prakash Kulathu Iyer	Independent Director	4	4	N
Rishi Kant Srivastava	Independent Director	4	4	N
Rodney Noonoo	Non-Executive Director	4	1	Y
Lisa Marie Oliver	Non-Executive Director	4	1	N
Raj Kumar Rishi	Managing Director	4	4	Y

\*Ashraf M. A. Elarman ceased to be a Director of the Company effective 4<sup>th</sup> December 2018)

## COMMITTEES OF THE BOARD

During the year under Report, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees. There are currently Four (4) Committees of the Board, as follows:

### Audit Committee

The composition of the Audit Committee (including any changes therein, if any, during the year under Report) and the Meetings' Details for FY 2018-19, held on 23<sup>rd</sup> July 2018, 19<sup>th</sup> November 2018, and 6<sup>th</sup> March 2019, are as follows

Name of Director	Category	No. of Meetings held	No. of Meetings attended
Rodney Noonoo	Chairman of the Committee	3	1
Prakash Kulathu Iyer	Member	3	3
Rishi Kant Srivastava	Member	3	3

### Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee (including any changes therein, if any, during the year under Report) and the Meetings' Details for FY 2018-19, held on 19<sup>th</sup> April 2018 and 6<sup>th</sup> March 2019, are as follows:

Name of Director	Category	No. of Meetings held	No. of Meetings attended
David Brian Dyas	Chairman of the Committee	2	2
Prakash Kulathu Iyer	Member	2	2
Rishi Kant Srivastava	Member	2	2
Raj Kumar Rishi	Permanent Invitee	2	2

### Corporate Social Responsibility Committee

The composition of the Corporate Social Responsibility Committee (including any changes therein, if any, during the year under Report) and the Meetings' Details for FY 2018-19, held on 19<sup>th</sup> April 2018, are as follows:

Name of Director	Category	No. of Meetings held	No. of Meetings attended
Rodney Noonoo	Chairman of the Committee	1	Nil
Rishi Kant Srivastava	Member	1	1
David Brian Dyas	Member	1	1
Raj Kumar Rishi	Member	1	1

### Stakeholders Relationship Committee

The composition of the Stakeholders Relationship Committee (including any changes therein, if any, during the year under Report) and the Meetings' Details for FY 2018-19 \* are as follows:

Name of Director	Category	No. of Meetings held	No. of Meetings attended
Ashraf M.A. Elarman **	Member	Nil	N.A.
Rishi Kant Srivastava	Chairman of the Committee	Nil	N.A.
Prakash Kulathu Iyer	Member	Nil	N.A.
Raj Kumar Rishi	Member	Nil	N.A.

\* Acting through a delegated authority by constituting a sub-committee of Authorised Officers of the Company under a given charter for handling of matters related to shareholders of the Company.

\*\* Ceased to be a Member of the Committee on his cessation of directorship of the Company effective 4<sup>th</sup> December 2018.

## POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Policy of the Company provides for Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, the independence of the director and other matters provided under section 178(3) of the Act. Further, information about the elements of the remuneration package of individual directors is provided in the extract of the Annual Return as provided under Section 92(3) of the Act, and is enclosed in **Annexure-VII** in the prescribed Form MGT-9, and forms part of this Report.

## BUSINESS ETHICS AND CODE OF CONDUCT

Your Company has continued to vigorously implement the Business Ethics and Code of Conduct policies with all its employees and its business partners / associates / service providers. The Company has 'Zero tolerance' for any violation of Business Ethics Policies and has a Business Ethics Board comprising of members of the Senior management team, which meets periodically to review the ethics program deployment and deals with ethics related issues.

## RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act read with Rules thereunder.

## PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year under Report, the non-executive Directors of the Company had no pecuniary relationship or transactions with the Company other than as disclosed.

## VIGIL MECHANISM

Your Company has the Board-approved Business Ethics & Vigil Mechanism Policy establishing a whistle blower/vigil mechanism for Directors and employees to report their genuine concerns to the designated authorities regarding any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy, and provides safeguards against the victimization of individuals who avail of the mechanism. The Policy permits all the directors and employees to report any breach of policy directly to the Business Ethics & Compliance Office, or the Chairman of the Audit committee in exceptional cases (viz. serious fraud, cases threatening Company's existence, embezzlement etc.). During the year under review, no employee was denied access to the Business Ethics & Compliance Office or to the Audit Committee. The Business Ethics and Vigil Mechanism Policy is available on the website of the Company ([www.xerox.com/india](http://www.xerox.com/india)).

## DISCLOSURE OF THE NOMINATION & REMUNERATION POLICY

The Company is having a Nomination and Remuneration Policy for the selection and appointment of Directors, Key Managerial Personnel and other senior management personnel, fixing their remuneration including criteria for determining qualifications, positive attributes, independence of a director and related matters as provided under the applicable provisions of the Act. The Nomination and Remuneration Policy is enclosed as **Annexure – II**.

## DEPOSITS UNDER THE COMPANIES ACT, 2013

During the year under Report, your Company has not accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended from time to time), and as such, no amount on account of principal or interest on deposits was outstanding as on the date of the financial statement/ balance sheet. There are no unclaimed deposits as on 31<sup>st</sup> March 2019.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under Report, your Company has not given any loan or provided any guarantee or made any investment within the meaning of Section 186 of the Companies Act, 2013.

## INTERNAL CONTROL

Your Company has laid down standards, processes and structure which enable implementation of internal financial controls across the organization to ensure that the same are adequate and are operating effectively.

Your Company has appointed Ernst & Young LLP to oversee and carry out the internal audit of its activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the Audit Committee. Your Company has an Audit committee, the details of which have been provided elsewhere in this Report. The Audit Committee reviews internal audit reports submitted by the Internal Auditors. Suggestions for improvement (if any) in such audit reports are considered and the Audit committee follows up on corrective actions. The Audit committee also meets the Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems, and keeps the Board of Directors periodically informed of its major observations, if any.

## RISK MANAGEMENT

Your Company has the Board-approved Policy for Risk Assessment & Management, wherein all potential material risks w.r.t. the Company are identified and assessed. Further, the risk management of the Company is overseen by the Audit Committee.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company till the date of this report except as disclosed in this Annual Report read with Financial Statements.

## REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee, any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Act.

## AUDITORS & AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s Price Waterhouse & Co Bangalore LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of the 18<sup>th</sup> Annual General meeting (AGM) of the Company held on 23<sup>rd</sup> September, 2014 (as adjourned from 16<sup>th</sup> September, 2014) till the conclusion of the 23<sup>rd</sup> AGM to be held in the year 2019, subject to ratification of their appointment by the members at every AGM of the Company.

In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is no longer required to be ratified at every Annual General Meeting.

Accordingly, the current Statutory Auditors of the Company (M/s Price Waterhouse & Co Bangalore LLP, Chartered Accountants) ceases to be the auditors of the Company on the conclusion of the ensuing 23<sup>rd</sup> Annual General Meeting. In view of that, your Board (based on the recommendation of the Audit Committee) has recommended the appointment of M/s MSKA & Associates, Chartered Accountants, as the new Auditors of the Company for a period of 5 (Five) years commencing from Financial Year 2019-20 to the shareholders of the Company in the ensuing 23<sup>rd</sup> Annual General Meeting. M/s MSKA & Associates has already conveyed its consent for such appointment as Statutory Auditors and its eligibility thereof as required under First and Second Provisos of Section 139 read with Section 141 of the Act and applicable Rules thereunder.

## EXPLANATION ON AUDITOR'S QUALIFICATIONS

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report for financial year 2018-19, except w.r.t. excess managerial remuneration (though already recovered), and an Emphasis of Matter w.r.t. Proceedings by Directorate of Enforcement, the explanations thereon by your Directors are as follows:

- (A) With respect to the "Basis of Qualified Opinion" (appearing at Sl. Nos. 2, 3 read with Sl. No. 13(f) in the Auditors' Report) for the year under Report, your Directors state that the said matter pertains to the financial year 2008-09 (i.e. 10 years old). In this regard, reference is made to Note No. 42(b) of the Notes to Financial Statements, which provides the relevant information and explanation to the qualification made by the Auditors.

In addition, though the Company had already recovered the amount of excess remuneration in the financial year 2016-17 and the recovery thereof and requisite disclosure in the financial statements of the Company pertaining to the aforesaid financial year had been approved by the shareholders in the Annual General Meetings of the years 2017 and 2018, and the financial statements pertaining to these years were also submitted with the Registrar of Companies, the Board of Directors hereby provides/maintains the explanation to the Auditors' qualification as under:

The Auditors of the Company have stated that the excess remuneration paid to directors in the financial year ended March 31, 2009 could range from Rs. 76.59 lacs to Rs. 96.59 lacs by applying Section II of Part II of Schedule XIII to the erstwhile Companies Act, 1956, in computation of net profits for the financial year 2008-09.

However, the Company is of the view and has been stating as follows:

- (a) The Auditors had considered payments by the Company under Voluntary Retirement Scheme (VRS) for its employees as "usual working charges" of the Company. As per the Auditors' understanding, the Company did not have any "net profits" in accordance with Section 349 of the erstwhile Companies Act, 1956 ("Act") for payment of remuneration to directors for the FY 2008-09. The Company has been disagreeing/disagrees with this view taken by the Auditors.

Payments under the Voluntary Retirement Scheme (being in the nature of ex-gratia), as implemented by the Company during the FY 2008-09, were made by the Company voluntarily, of its own accord, over and above its legal obligations. The same cannot, therefore, constitute usual working charges of the Company. In accordance with Section 349(5)(c) of the Act, such payments (which are made voluntarily/ex-gratia by a company) are not required to be deducted while computing net profits under Section 349 of the Act for the purpose of managerial remuneration. The view taken by the Company is supported by independent legal opinion and by views expressed by authors in noted treatise(s) on the aforesaid Section, and general understanding of the provisions in the industry.

- (b) Due to the above reason, the Auditors appeared to have computed the excess managerial remuneration based on Section II of Part II of Schedule XIII to the Act. However, as per calculations of the Company, the Company earned net profits of Rs. 1,679.64 Lacs in the financial year 2008-09, as computed in accordance with Section 349 of the Companies Act, 1956 (on the basis that VRS payments, being in the nature of ex-gratia, are non-deductible expenses/item and required to be added back in computation of such net profits), and excess managerial remuneration in this case, must therefore be computed based on Section I of Part II of Schedule XIII (as had been done by the Company and submitted with MCA earlier, i.e. Rs. 19.76 Lacs as amount of excess remuneration paid during financial year 2008-09) and not under Section II of Part II of Schedule XIII (as had been done by the Auditors) to the Act.

In view of the aforesaid, with reference to Note No. 42(b) to the Financial Statements of the Company for the financial year under review:

- (a) our shareholders in the 20<sup>th</sup> Annual General Meeting (held on 27<sup>th</sup> September 2016) approved the recognising of the amount of such excess remuneration (amounting to Rs. 19.76 Lacs) as recoverable by the Company in the Audited Financial Statements of the Company for FY 2015-16;
- (b) your Company submitted the aforesaid approved Financial Statements with the Registrar of Companies; and
- (c) your Company, subsequently, submitted a letter with the Ministry of Corporate Affairs (MCA) withdrawing its earlier application seeking approval to the payment of aforesaid excess remuneration in order to enable itself to recover such amount of excess managerial remuneration (amounting to Rs. 19.76 Lacs).
- (C) Based on the aforesaid, during the financial year 2016-17:
- (i) your Company recovered Rs. 19.76 Lacs of excess managerial remuneration (pertaining to FY 2008-09) from its parent company on behalf of the concerned managerial personnel and disclosed the fact of such recovery in the audited financial statements for FY 2016-17 and Board's Report thereon and as also reported by Auditors in the Audit Report for the FY 2016-17;
- (ii) such recovery was subsequently approved and adopted by the shareholders in the 21<sup>st</sup> Annual General Meeting held on 28.09.2017; and
- (iii) necessary filing of the audited financial statements of FY 2016-17 was also done by the Company with the Registrar of Companies in October 2017.

In light of the aforesaid, as far as your Company is concerned, the matters (of recognising excess managerial remuneration as recoverable in our financial statements and actual recovery thereof) stand closed as your Company does not have anything, as of now, which is pending compliance or pending any outcome.

However, these explanations are statutorily required to be given by your Directors in view of the qualification/s being maintained by the Auditor in their Audit Report for the year under Report.

- (B) With respect to the "Emphasis of Matter" (appearing at Sl. No. 4 in the Auditors' Report), for the year under Report, your Directors state that the said matter pertains to the years 2000-03. In this regard, reference is made to Note No. 44(a) of the Notes to Financial Statements, which provides the relevant information and explanation to the Emphasis of Matter made by the Auditors.

## SECRETARIAL AUDITOR'S REPORT

As required under Section 204 of the Act and Rules made thereunder, the Board has appointed M/s Ranjeet Pandey & Associates, Practising Company Secretaries, as the Secretarial Auditor of the Company for the financial year 2019-20.

In terms of Section 204 of the Companies Act, 2013 and the Rules made there under, M/s Ranjeet Pandey & Associates, Practising Company Secretaries, had been appointed as the Secretarial Auditors of the Company for the financial year 2018-19. The Secretarial Auditor's Report for the FY 2018-19 does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as **Annexure - III** to this Report. The contents of the said report are self-explanatory and no further comments / explanations are called for.

## NOTES TO THE FINANCIAL STATEMENTS

All the Notes to the Financial Statement for the Financial Year under Report are self-explanatory and do not require any further comments/remarks from your Directors unless otherwise disclosed herein.

### DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company's management is responsible for establishing and maintaining an adequate system of internal controls over financial reporting. Accordingly, the management has laid down internal financial controls to be followed by the Company in line with the guidance notes issued by the Institute of Chartered Accountants of India and such policies and procedures to be adopted by the Company for ensuring efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the accuracy and completeness of the accounting records and the timely preparation of financial information. The internal controls commensurate with the size, scale and complexity of your Company's operations and facilitate prevention and timely detection of any irregularities, errors and frauds. The internal controls are continuously assessed and improved/modified to meet changes in business conditions, statutory and accounting requirements.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS IMPACTING THE GOING CONCERN STATUS

There are no significant and material order(s) passed by any of the Regulators or courts or tribunals which could impact the going concern status of the company and its future operations.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo required to be disclosed as per the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is set out in **Annexure-IV** forming part of this Report.

### CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into by your Company during the financial year under Report were at arms' length basis and were in the ordinary course of the business of the Company, details of such transactions with Related Parties are provided under Note No. 39 in the accompanying financial statements. Accordingly, the requisite disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is provided under AOC-2 and set out in **Annexure-V** forming part of this Report. All the related party transactions are presented to the Audit Committee and the Board of Directors. The related party transactions entered into by the Company which were not in ordinary course of business, as aforesaid, were undertaken by the Company after obtaining the requisite approvals/ratification of Audit Committee, Board of Directors, and shareholders of the Company, as the case may be.

A statement of all the related party transactions is presented before the Audit committee and Board on a quarterly basis, specifying the nature and value of these transactions.

Also, pursuant to the Ministry of Corporate Affairs' (MCA) Notification dated 14<sup>th</sup> December 2015, the Board of Directors of the Company (in its meeting held on 2<sup>nd</sup> March 2016) laid down the broad criteria for the Audit Committee towards granting omnibus approval to the related party transactions. Based on that, the Audit Committee (on 31<sup>st</sup> March 2018) had granted its omnibus approval to all the related party transactions for the FY 2018-19.

### PARTICULARS OF EMPLOYEES

The information required under Section 134 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended from time to time and as in force on the date of Report) and any other applicable provisions of the Companies Act, 2013 and rules made thereunder, in respect of employees of the Company, is provided in **Annexure-VI** forming part of this Report.

#### Documents placed on the Website ([www.xerox.com/india](http://www.xerox.com/india))

The following documents are available on the Company's website in compliance with the Act:

- Business Ethics & Vigil Mechanism Policy for directors and employees to report genuine concerns as per proviso to section 177(10);



- Terms and conditions of appointment of Independent Directors as per Schedule IV to the Act;
- Business Ethics and Code of Conduct;
- Policy under Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013;
- Corporate Social Responsibility Policy; and
- Nomination and Remuneration Policy

## SUBSIDIARIES/ JOINT VENTURE/ ASSOCIATE

Your Company does not have any subsidiary/ joint venture/ associate company.

## SHARE CAPITAL

Your Company has only one class of share viz. equity share with a face value of Rs. 10/- each. During the year under review, there is no change in the issued, subscribed and paid-up capital of your Company. The outstanding capital as on 31<sup>st</sup> March 2019 is Rs. 4480.80 Lacs comprising 4,48,08,000 equity shares of Rs. 10/- each.

## TRANSFER OF SHARES

During the year under Report, one of the Holding Companies/Promoter Group entities of your Company namely Xerox Developing Markets Limited had transferred its shareholding (comprising 19,80,801 equity shares) in the Company to another Holding Company/Promoter Group entity namely Xerox Investments Europe B.V. The valuation was carried out on internationally accepted valuation methodologies as stipulated by the Reserve Bank of India. By this transaction, the present shareholding of M/s Xerox Investments Europe B.V. in your Company stands at 11.79% (comprising 52,81,121 equity shares) as on 31<sup>st</sup> March 2019. Further, as a result of this, there has been no change in the aggregate promoters' shareholding in your Company and it still aggregates to 96.66% (comprising an aggregate 4,33,11,027 equity shares) as on 31<sup>st</sup> March 2019.

## EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Act, an extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 is enclosed as **Annexure-VII** in the prescribed Form MGT-9 and forms part of this Report. The Annual Return (MGT-7) of the Company as required under the Companies Act, 2013, will be available on the website of the Company at [www.xerox.com/india](http://www.xerox.com/india)

## COMPLIANCE OF SECRETARIAL STANDARDS

During the year under Report, the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, including any amendments/substitution thereof and as in force, have been duly followed by your Company.

## EVENTS OCCURRING AFTER BALANCE SHEET DATE

There were no significant event that occurred after the Balance Sheet Date.

## REMOTE E-VOTING AND BALLOT VOTING AT AGM

To enable the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged for a remote e-voting facility. The Company has engaged NSDL to provide e-voting facility to all the members. Members whose names appear on the Register of Members as on 6<sup>th</sup> September 2019, shall be eligible to participate in the e-voting.

The facility for voting through ballot/polling slips will also be made available at the venue of the AGM and the members who have not cast their votes by remote e-voting can exercise their vote at the AGM.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no such events/ transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.

## ACKNOWLEDGEMENTS

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to earn profits in the last 3 (Three) financial years including the financial year under report.

Your Directors would also like to acknowledge the continued contribution and support by its ultimate parent entity namely Xerox Corporation, United States, to your Company in providing the latest equipments with technological improvements and marketing strategy inputs across all segments of the business in which it operates. This has enabled the Company to provide higher levels of consumer satisfaction through continuous improvement in existing products and introduction of new products (Iridesse) as well.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its customers, alliances and channel partners, suppliers, banks and others associated with the Company.

The Directors also take this opportunity to thank all the Shareholders, Government and Regulatory Authorities, for their continued support.

## CAUTIONARY STATEMENT

Statements in the Annual Report, particularly those which relate to the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

For and on behalf of Board of Directors

Sd/-

**DAVID B. DYAS**

Director  
(DIN 07437186)

Gurugram

16<sup>th</sup> July 2019

Sd/-

**RODNEY NOONOO**

Director  
(DIN 07690361)

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# Annual Report on Corporate Social Responsibility

**A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

Corporate Social Responsibility (CSR) has been a voluntary and long-standing commitment at Xerox India.

The CSR Policy of the Company sets the framework guiding its CSR activities. It outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. The CSR committee is the governing/overseeing body that articulates the scope of CSR activities and ensures compliance with the CSR Policy. The Company's CSR activities are largely focused in the areas of education, health, skill development and environmental development and other activities as the Company may choose to select in fulfilling its CSR objectives.

## OBJECTIVE

The broad objectives as stated in your Company's CSR policy are:

- i) To directly or indirectly take up programs that benefit the communities in and around the Company's workplace and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace.
- ii) To generate through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity and as a good corporate citizen.
- iii) Ensure commitment at all levels in the organization, to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interest of all its stakeholders.

## FOCUS AREAS

Our CSR activities are focussed on the following areas:

1. Literacy and Empowerment
2. Promoting Education
3. Skill Training and Livelihood Enhancement
4. Health care
5. Environmental Sustainability

For more details on Company's CSR policy, visit [https://www.xerox.com/downloads/ind/en/i/ind\\_social\\_responsibility.pdf](https://www.xerox.com/downloads/ind/en/i/ind_social_responsibility.pdf)

## COMPOSITION OF CSR COMMITTEE

The Company has constituted a Board-level Corporate Social Responsibility (CSR) Committee to govern/oversee the implementation of the CSR policy. The CSR committee is presently comprised of Mr. Rodney Noonoo, Non-executive Director (Chairman); Mr. Rishi Kant Srivastava, Independent Director (Member); and Mr. David B. Dyas, Non-executive Director (Member).

## FINANCIAL DETAILS

As per Section 135 of the Companies Act, 2013, for the FY 2018-19, Company was required to spend Rs. 105.10 Lacs towards CSR activities and the Company's spent on CSR activities amounted to Rs. 1,06,22,982/-\*.

The financial details as required under the provisions of the Companies Act, 2013 are as follows:

Particulars	Amount (in Rs.)
1. Average net profit of the company for last three financial years:	Rs. 5255.24 Lacs
2. Prescribed CSR expenditure (two per cent of the amount as in item 1 above):	Rs. 1,05,10,488/-
3. Details of CSR spent during the financial year 2018-19:	
(a) Total amount spend for the financial year :	Rs. 1,06,22,982/- *
(b) Amount unspent, if any:	N.A.

Manner in which the amount spent during the financial year is detailed below:

(Amount in Rs.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify the State and District where project or programs was undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programs: Sub-heads: (1) Direct expenditure on project or programmes (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing authority
1.	Contribution made to the Kerala Chief Minister's Distress Relief Fund (CMDRFKERAL)	Contribution made to Kerala Chief Minister's Distress Relief Fund (CMDRFKERAL)	Kerala Chief Minister's Distress Relief Fund (CMDRFKERAL)	5,00,000/-	Direct: 5,00,000/-	5,00,000/-	Direct contribution to the Kerala Chief Minister's Distress Relief Fund (CMDRFKERAL)
2.	Developing awareness, appreciation & understanding among children of underprivileged schools about environment thereby promoting ecological consciousness and responsibility towards environment through interactive sessions comprising of Nature Trails & Workshops	ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Delhi & NCR	5,50,125/-	Direct: 5,50,125/- (inclusive of committed liability of Rs. 2,75,062/-)	5,50,125/-	Through World Wide Fund for Nature-India (WWF-India)
3.	Imparting skill training to underprivileged women in tailoring and stitching and their basic literacy, thereby enhancing their confidence level and financial self-dependence	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Delhi & NCR	10,50,140/-	Direct: 10,50,140 (inclusive of committed liability of Rs. 5,25,070/-)	10,50,140/-	Through Samarpan Foundation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify the State and District where project or programs was undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programs: Sub-heads: (1) Direct expenditure on project or programmes (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing authority
4.	Making available affordable health services to the underprivileged women and children at their doorstep with community sensitization to promote health seeking behavior thereby providing both preventive and curative healthcare services in the National Capital Region	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Delhi & NCR	14,99,960/-	Direct: 14,99,960 (inclusive of committed liability of Rs. 7,49,980/-)	14,99,960/-	Through Dr. A.V. Baliga Memorial Trust
5.	Setting up of Non-formal Education Centers in the target communities of children of labourers and migrants living in slums, to cover the basic contents of the first 4-grades of the formal primary school curriculum; objective is to mainstream the children to the appropriate classes in the nearby Government/ formal school; to enroll drop-outs in formal education; to provide life-skill education; to raise social and preventive health awareness among children and their parents	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Delhi & NCR	10,03,200/-	Direct: 10,03,200/- (inclusive of committed liability of Rs. 5,01,600/-)	10,03,200/-	Through Association for Blindness and Leprosy Eradication (ABLE Charities)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify the State and District where project or programs was undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programs: Sub-heads: (1) Direct expenditure on project or programmes (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing authority
6.	Donation of Printers to NGOs and other needy organisations	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Delhi & NCR	10,54,753/-	Direct: 6,62,499/-  Direct: 1,98,620/-  Direct: 1,93,634/-	10,54,753/- (rounded-off)	Through Dr. A. V. Baliga Memorial Trust  Through World Wide Fund for Nature-India (WWF-India)  Through Association for Blindness and Leprosy Eradication (ABLE Charities)
7.	Enabling Better Employment and Economic Empowerment Opportunity through Vocational Skill Training in Printing Technology in the National Capital Region/Delhi	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Delhi & NCR	45,00,000/-	Direct: 45,00,000/- (inclusive of committed liability of Rs. 45,00,000/-)	45,00,000/-	Through Dr. A.V. Baliga Memorial Trust
8.	Contribution made to the Prime Minister's National Relief Fund (PMNRF)	Contribution made to the Prime Minister's National Relief Fund (PMNRF)	Prime Minister's National Relief Fund (PMNRF)	4,50,000/-	Direct: 4,50,000/-	4,50,000/-	Direct contribution to the Prime Minister's National Relief Fund

\* inclusive of (a) Rs. 65,51,712/- as amount committed/provided for under MoUs/Agreements entered into by the Company (during FY 2018-19) with aforesaid Agencies towards its ongoing CSR activities; & (b) Rs. 14,804/- towards contribution to Prime Minister National Relief Fund for FY 2017-18.

**In case the company has failed to spend the 2% of the average net profits of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Not Applicable

**A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee hereby affirm that the CSR Policy (as approved by the Board) has been implemented and the CSR committee monitors the implementation of the projects and activities in compliance with our CSR objectives.

Sd/-

Sd/-

**RAJ KUMAR RISHI**

Managing Director

Gurugram  
17<sup>th</sup> April 2019

**RODNEY NOONOO**

Chairman (CSR committee)

Uxbridge  
17<sup>th</sup> April 2019

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# Nomination and Remuneration Policy

## INTRODUCTION:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel's (KMP's) and employees of the Company based on skill, experience, industry standards and Company's performance, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of prevailing provisions of the Companies Act, 2013, Nomination and Remuneration Policy (hereinafter referred to as the "Policy") for Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

## Objective and purpose of the Policy:

The objective and purpose of this policy are:

- To lay down criteria and terms & conditions with regard to identifying person(s) who are qualified to become Directors (both Executive and Non-Executive) and persons who may be appointed in Senior management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the sector engaged in the business of trading of Xerographic equipments. In addition to above, experience of concerned person(s) or contribution to achieve the Company's objective will also be considered.
- To carry out evaluation of the performance of Company's Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations and growth.
- To retain, motivate and promote talent and to ensure long term sustainability of talented Managerial person(s) & employee(s) and create competitive advantage.

Considering the aforesaid objective, future prospect and growth of the Company, this Policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 03 March, 2015.

The key features of the Nomination & Remuneration Policy are as under:

## PART – A

### MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- i) Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii) Identify person(s) who are qualified and eligible to become Director (Executive, Non-Executive viz. Independent or Non-Independent) and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy.
- iii) Recommend to the Board, appointment and removal of Director, KMP's and Senior Management Personnel.

## PART – B

### POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP's AND SENIOR MANAGEMENT

#### Appointment criteria and qualifications:

- i) Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person(s) for appointment as Director, KMP's or at Senior Management level and recommend to the Board his / her appointment.
- ii) A person 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 in the best interest of the Company.

- iii) The Company shall not appoint or continue the employment of any person as Managing Director/Whole time Director who has attained the age of seventy years (70 years). Provided however that the term of the person holding such position may be extended beyond the age of seventy 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 seventy years.

**Term / Tenure:**

**Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive 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 however 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.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

**Evaluation of Performance:**

The Committee shall carry out evaluation of performance of every Director, KMP's and Senior Management personnel at regular interval.

**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 or otherwise as the Committee and Board may think fit in the best interest of the Company, the Committee may recommend, to the Board with reasons recorded in writing, removal of any Director, KMP's or Senior Management Personnel subject to the provisions and compliance of the applicable Act, rules and regulations made there under.

**Retirement:**

The Director, 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 Director, KMP's, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the best interest and benefit of the Company.

## **PART – C**

### **POLICY RELATING TO THE REMUNERATION FOR THE MANAGING DIRECTOR, WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

**General:**

- i) The remuneration / compensation / commission etc. to the Managing Director, Whole-time Director and KMP's will be determined by the Committee and recommended to the Board for approval. However, the remuneration/ compensation / commission etc. to the Managing Director and Whole-time Director, shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. Appointment of Senior Management Personnel including their remuneration to be finalized by the Managing Director of the Company and in absence of MD, by CFO of the Company.
- ii) The remuneration and commission to be paid to the Managing Director and/or Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made there under.

- iii) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director and/or Whole-time Director subject to the provisions of the Companies Act, 2013 and rules & regulations made thereunder. Increments will be effective from the date as may be decided by the Board in line with recommendation of Committee.
- iv) Where any insurance is taken by the company on behalf of its Managing Director(s), Whole-time Director(s), Chief Executive Officer, Chief Financial Officer, 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 however that if such person is proved to be guilty, the premium paid towards such insurance policy shall be treated as part of the remuneration.
- v) Remuneration to Managing Director/Whole-time Director/ Executive Director, KMP's and Senior Management Personnel:

**a) Fixed Remuneration/Salary/Compensation:**

Managing Director/ Whole-time Director / KMP's shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, other perquisites etc. shall be decided and approved by the Board on the recommendation of the Committee. Provided however Remuneration to Managing Director/ Whole time Director/ Executive Director shall be approved by the shareholders and Central Government, wherever required. Remuneration of Senior Management Personnel to be finalized by the Managing Director of the Company and in absence of MD, by CFO of the Company.

**b) Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director and/or 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.

**c) Provisions for excess remuneration:**

If any Executive Director/ Managing Director/ Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**D) Remuneration to Non-Executive / Independent Director:**

**Remuneration and commission:**

The remuneration / commission, if applicable, shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

**Sitting Fees:**

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof as may be approved by the Board from time to time. Provided however that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**Commission:**

Commission 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, as recommended by the Committee and approved by the Board.

**Stock Options:**

An independent Director shall not be entitled to any stock option of the Company.

**E) Stock Option**

Stock options in the form of ESOP/ESOS may be given by the Company to the Directors/ KMPs and/or other employees of the Company as per scheme framed by the Company from time to time in terms with provisions of Section 62, Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 and Articles of Association of the Company. Provided however that Independent Directors shall not be eligible to participate in ESOP scheme of the Company.

For more details on Company's Nomination and Remuneration policy, visit [https://www.xerox.com/downloads/ind/en/i/ind\\_social\\_responsibility.pdf](https://www.xerox.com/downloads/ind/en/i/ind_social_responsibility.pdf)

# SECRETARIAL AUDIT REPORT

For the financial year ended on 31<sup>st</sup> March, 2019

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

**The Members,  
Xerox India Limited,  
5<sup>th</sup> Floor, Block One, Vatika Business Park,  
Sector- 49, Sohna Road,  
Gurgaon-122018, Haryana**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “**Xerox India Limited**” (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Xerox India Limited'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019, 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- iv) The Legal Metrology Act, 2009 and rules made thereunder (specifically applicable legislation to the Company, being engaged in the business of trading of xerographic equipment, multifunction devices etc.)

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above. Further, during the audit period under review:

1. The Company has carried out related party transactions in the ordinary course of business and at arms' length price with the appropriate approvals and disclosures to the extent applicable.

**We further report that:-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors (including woman director) 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 has been given to all directors to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent within prescribed timeline, 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.

Based on the verification of the records and minutes, we report that all the decisions are carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

**We 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.

**We further report that** during the audit period, the Company has not carried out any specific events/action having a major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

**FOR RANJEET PANDEY & ASSOCIATES  
COMPANY SECRETARIES**

**Sd/-**

**Place: NEW DELHI  
16/July/2019**

**CS RANJEET PANDEY  
FCS- 5922, CP No.- 6087**

This report is to be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.

**Annexure-I**

**To**

**The Members,  
Xerox India Limited,  
5<sup>th</sup> Floor, Block One, Vatika Business Park,  
Sector- 49, Sohna Road,  
Gurgaon-122018, Haryana**

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR RANJEET PANDEY & ASSOCIATES  
COMPANY SECRETARIES**

**Sd/-**

**Place: NEW DELHI  
16/July/2019**

**CS RANJEET PANDEY  
FCS- 5922, CP No.- 6087**

# Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are as follows:

## A. CONSERVATION OF ENERGY

- a. The operations of the Company, being IT related, require normal consumption of electricity.
- b. Disclosure of particulars with respect to conservation of energy  
Your Company has been taking every necessary step to reduce the consumption of energy, significant among these during the financial year under report are covered under initiatives on sustainability from the Company under its CSR programme, etc. in the Board's Report. Additionally, during the year under Report, following are the steps taken by your company w.r.t. energy conservation at its Gurgaon (Haryana) office/s:
  - During Dec'18, we have replaced lights of one of the floors from CFL to LED lights, from 85 lights (36 Watts) to 40 lights (18 Watts). Yearly cost saved INR 92,000/- (approx.)
  - Recently, your Company has replaced two 4 Ton ACs of server room with 5 star rating ACs. This will also save cost for us going forward.
  - Your Company has also stopped usage of plastic glasses.
- c. The steps taken by the company for utilising alternate sources of energy: Nil, the focus has only been on energy conservation.
- d. The capital investment on energy conservation equipments: Two 5 Star ACs amounting to Rs. 67,500/-

## B. TECHNOLOGY ABSORPTION

Disclosure of particulars with respect to Technology Absorption is covered under "Environmental Social Governance" in the Board's Report (to the extent applicable).

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earnings and outgo during the year under review were Rs. 9105.93 Lacs (previous year Rs. 11,578.69 Lacs) and Rs. 1623.81 Lacs (previous year Rs. 2442.95 lacs), respectively.

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## FORM NO. AOC-2

(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)

Form for 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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: None

a.	Name(s) of the related party and nature of relationship	NIL
b.	Nature of contracts/arrangements/transactions	
c.	Duration of the contracts/arrangements/transactions	
d.	Salient terms of the contracts/arrangements/transactions including the value, if any	
e.	Justification for entering into such contracts/arrangements/Transactions	
f.	Date(s) of approval by the Board	
g.	Amount paid as advances, if any	
h.	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

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

a.	Name(s) of the related party and nature of relationship	Xerox Technology Services India LLP, Bangalore (India); a group entity having common ultimate parent/holding company
b.	Nature of contracts/arrangements/transactions	(i) Providing management services to Xerox Technology Services India LLP ("XTSI") and receiving management services from XTSI vide an inter-company "Services Agreement" dated 31 <sup>st</sup> July 2017; and (ii) sharing of office space with XTSI at 6 <sup>th</sup> Floor, Block One, Vatika Business Park, Sector 49, Sohna Road, Gurgaon, Haryana, vide "Permission to use office space" dated 2 <sup>nd</sup> May 2017 (as extended and in force).
c.	Duration of the contracts/arrangements/transactions	<b>Services Agreement:</b> Initial period of Three (3) years and thereafter for successive One (1) year period <b>Permission to Use Office Space:</b> Initial period of Eleven (11) months, extendible for a period of Eleven (11) months at a time
d.	Salient terms of the contracts/arrangements/ transactions including the value, if any	As per the "Services Agreement" (dated 31.07.2017) and "Permission to Use Office Space" (dated 02.05.2017).
e.	Date(s) of approval by the Board, if any	25.04.2017
f.	Amount paid as advances, if any	N.A.

**For and on behalf of Board of Directors**

**Sd/-**  
**David Brian Dyas**  
Director  
(DIN 07437186)

**Sd/-**  
**Rodney Noonoo**  
Director  
(DIN 07690361)

Gurugram  
16<sup>th</sup> July 2019

ANNEXURE-VI

Statement pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Board's Report for the year ended March 31, 2019

Names of Top 10 employees of the Company in terms of remuneration drawn:

Sl. No.	Name	Designation	Educational Qualification	Experience (in years)	Remuneration (in Rs.)	Previous Employment & Designation
1.	Raj Kumar Rishi	Managing Director	BE	30	2,18,16,504/-	HP Inc
2.	Deepika Chaudhry	Executive Director-Legal	LLB, B.Sc	28	1,70,94,565/-	Microsoft India
3.	Satpreet Singh	Chief Financial Officer	CA, B.Com	22	1,52,70,031/-	Verifone India Sales Pvt. Ltd.
4.	Kazunaga Tanaka	General Manager-Business Development (Japanese Accounts)	Graduate	19	1,44,89,578/-	Fuji Xerox Co. Ltd.
5.	Kanchan Chehal	Executive Director-HR, Asia Pacific	BA, PGDBM	22	1,37,12,522/-	GAP Inc
6.	Anurag Gupta	Director-Customer Service Operations	B.Sc.	35	1,14,61,113/-	Tata Teleservices Ltd.
7.	Ritesh Gandotra	Director-GDO Sales	Exec. Masters in International Business, B.Tech.	22	1,01,92,610/-	IBM India Pvt. Ltd.
8.	Maruthi Srinivas Badam	Program Manager-A4	BE (Elec. & Comm.)	27	90,52,583/-	Hewlett Packard India Sales Pvt. Ltd
9.	Shankaracharya Laskar	Director-Marketing & Mid Markets	PGDM-Marketing	18	88,32,666/-	Hewlett Packard India Sales Pvt. Ltd
10.	Aditya Sawant	Associate Director-GDO Operations	BE (Elec.& Telecomm.)	20	78,49,873/-	Ericsson India Pvt. Ltd

Employees employed throughout the financial year 2018-19 who were in receipt of an aggregate remuneration equal to or exceeding Rs. 1,02,00,000/- per annum:

Sl. No.	Name of the Employee/Director	Designation	Remuneration received (in Rs.)	Nature of Employment (whether contractual or permanent)	Qualifications and Experience (in years)	Date of commencement of Employment with the Company	Age (in years)	Last employment held before joining the Company
1	Raj Kumar Rishi	Managing Director	2,18,16,504/-	Permanent	BE; (30 years)	15-12-2017	54	HP Inc
2	Deepika Chaudhry	Executive Director - Legal	1,70,94,565/-	Permanent	LLB, B.Sc; (28 years)	22-07-2013	53	Microsoft India
3	Satpreet Singh	Chief Financial Officer	1,52,70,031/-	Permanent	CA, B.Com; (22 years)	06-03-2012	49	Verifone India Sales Pvt. Ltd.

Annual Report 2019

Sl. No.	Name of the Employee/ Director	Designation	Remuneration received (in Rs.)	Nature of Employment (whether contractual or permanent)	Qualifications and Experience (in years)	Date of commencement of Employment with the Company	Age (in years)	Last employment held before joining the Company
4	Kazunaga Tanaka	General Manager- Business Development (Japanese Accounts)	1,44,89,578/-	Permanent	BBA (19 years)	26-02-2018	42	Fuji Xerox Co. Ltd.
5	Kanchan Chehal	Executive Director - Human Resources, Asia Pacific	1,37,12,522/-	Permanent	BA, PGDBM; (22 years)	24-11-2014	44	GAP Inc.
6	Anurag Gupta	Director – Customer Service Operations	1,14,61,113/-	Permanent	B.Sc. (35 years)	25-01-2005	53	Tata Teleservices- Customer Support Manager

Employees employed for part of the financial year 2018-19 who were in receipt of a remuneration for any part of the financial year 2018-19, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month:

Sl. No.	Name of the Employee/ Director	Designation	Remuneration received (in Rs.)	Nature of Employment (whether contractual or permanent)	Qualifications and Experience (in years)	Date of commencement of Employment with the Company	Age (in years)	Last employment held before joining the Company
1	Balaji Rajagopalan*	Executive Director - Technology & Channels	1,89,50,509	Permanent	DEE, MBA (Mktg. & Intl. Business); (36 years)	01-11-1983	55	Indian Reprographic Systems (P) Ltd.

\*Date of cessation of employment: 15.10.2018



## FORM NO. MGT-9

Extract of Annual Return  
as on the financial year ended on 31<sup>st</sup> March, 2018[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN - **U72200HR1995PLC049183**
- ii) Registration Date - 29<sup>th</sup> December 1995
- iii) Name of the Company - **Xerox India Limited**
- iv) Category/Sub-category of the Company - Public Company limited by Shares / Non-Government Company
- v) Address of the Registered Office and Contact Details - **Xerox India Limited**  
5<sup>th</sup> Floor, Block One, Vatika Business Park,  
Sector 49, Sohna Road, Gurugram - 122018, Haryana  
Tel: +91 124 446 3000 | Fax: +91 124 446 3111  
email: [askus@xerox.com](mailto:askus@xerox.com)
- vi) Whether Listed Company (Yes / No) - No
- vii) Name, Address and Contact Details of Registrar and Transfer Agent, if any - **M/s. MCS Share Transfer Agent Limited**  
**Regd. Office:** 12/1/5 Manoharpukur Road, Kolkata – 700026  
Tel: +91 33 40724051 | Fax: +91 33 40724050  
**Regional Office:** F-65, 1st Floor, Okhla Industrial Area,  
Phase – I, New Delhi - 110020  
Tel: +91 11 41406149 | Fax: +91 11 41709881  
email: [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com) / [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1.	Trading in Xerographic Equipments & its Consumables, Multi-Function Devices, Laser Printers, Paper; and Provision of After Sales Services therefor under the following Segments contributing 10% or more of the total turnover of the Company for the financial year under Report:	46591, 82191, 82199, 33129, 17093	
	(a) Global Document Outsourcing		19.46
	(b) Office		22.31
	(c) Graphic Communications		34.47
	(d) Other Support Services		10.72

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Xerox Corporation 201 Merritt 7, Norwalk, Connecticut 06851 United States	Not Applicable	Holding	Nil	2(46) & 2(69) r/w 2(87) of Companies Act, 2013
2.	Xerox limited, UK Bridgehouse, Oxford Road, Uxbridge, Middlesex UB8 1HS	Not Applicable	Holding	45.58%	2(46) & 2(69) r/w 2(87) of Companies Act, 2013
3.	XC Trading Singapore Pte. Ltd. 80, Anson Road, Singapore	Not Applicable	Holding	39.29%	2(46) & 2(69) r/w 2(87) of Companies Act, 2013
4.	Xerox Investments Europe B.V. De Corridor 5, Breukelen, 3621 ZA, The Netherlands	Not Applicable	Holding	11.79%	2(46) & 2(69) r/w 2(87) of Companies Act, 2013

### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)

#### i. Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
Individual/ HUF	0	0	0	NA	0	0	0	NA	NA
Central Government	0	0	0	NA	0	0	0	NA	NA
State Government(s)	0	0	0	NA	0	0	0	NA	NA
Bodies Corporate(s)	0	0	0	NA	0	0	0	NA	NA
Banks/FIs	0	0	0	NA	0	0	0	NA	NA
Any Other	0	0	0	NA	0	0	0	NA	NA
<b>Sub-total (A)(1): -</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>NA</b>
<b>(2) Foreign</b>									
NRIs-Individuals	0	0	0	NA	0	0	0	NA	NA
Other-Individuals	0	0	0	NA	0	0	0	NA	NA
Bodies Corporate(s)	0	43311027	43311027	96.66	0	43311027	43311027	96.66	N.A.
Banks/FIs	0	0	0	NA	0	0	0	NA	NA
Any Other	0	0	0	NA	0	0	0	NA	NA
<b>Sub-total (A)(2):-</b>	<b>0</b>	<b>43311027</b>	<b>43311027</b>	<b>96.66</b>	<b>0</b>	<b>43311027</b>	<b>43311027</b>	<b>96.66</b>	<b>N.A.</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>0</b>	<b>43311027</b>	<b>43311027</b>	<b>96.66</b>	<b>0</b>	<b>43311027</b>	<b>43311027</b>	<b>96.66</b>	<b>N.A.</b>

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	0	1538	1538	0.0034	0	1538	1538	0.0034	NIL
(b) Banks/FIs	0	10254	10254	0.0229	0	10254	10254	0.0229	NIL
(c) Central Government	0	0	0	0	0	0	0	0	NIL
(d) State Government(s)	0	0	0	0	0	0	0	0	NIL
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
(f) Insurance Companies	39746	622	40368	0.0901	39746	622	40368	0.0901	NIL
(g) FIIs	0	1711	1711	0.0038	0	1711	1711	0.0038	NIL
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	NIL
(i) Others (specify)	0	0	0	0	0	0	0	0	NIL
<b>Sub-total (B)(1):-</b>	<b>39746</b>	<b>14125</b>	<b>53871</b>	<b>0.1202</b>	<b>39746</b>	<b>14125</b>	<b>53871</b>	<b>0.1202</b>	<b>NIL</b>
<b>2. Non-Institutions</b>									
(a) Bodies Corporate									
i) Indian	3060	531112	534172	1.192	11067	532066	543133	1.212	(+) 0.02
ii) Overseas	0	0	0	0	0	0	0	0	NIL
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	20883	759182	780065	1.741	47179	705046	752225	1.68	(-) 0.061
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	125238	125238	0.28	12433	131369	143802	0.32	(+) 0.04
(c) Others:									
Non-Resident Individual	0	3627	3627	0.0081	439	3503	3942	0.009	(+)0.0007

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (B)(2):-	23943	1419159	1443102	3.22	71118	1371984	1443102	3.22	NIL
Total Public Shareholding (B) = (B) (1) + (B)(2)	63689	1433284	1496973	3.34	10864	1386109	1496973	3.34	NIL
(C) Shares held by Custodian for GDRs & ADRs	0	0	0	NA	0	0	0	NA	NA
Grand Total (A+B+C)	63689	44744311	44808000	100.00	110864	44697136	44808000	100.00	

## ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)			Cumulative Shareholding during the year			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to Total Shares	
1.	Xerox Limited	20423200	45.58	Nil	20423200	45.58	Nil	Nil
2.	XC Trading Singapore Pte. Ltd.	17606706	39.29	Nil	17606706	39.29	Nil	Nil
3.	Xerox Developing Markets Ltd.	1980801	4.42	Nil	Nil	Nil	Nil	(-) 4.42
4.	Xerox Investments Europe B.V.	3300320	7.37%	Nil	5281121	11.79	Nil	(+) 4.42

## iii. Change in Promoters' Shareholding (please specify, if there is no change):

There is a change in promoters' shareholding during FY 2018-19 on account of an inter se transfer of 19,80,801 (Nineteen Lacs Eighty Thousand Eight Hundred & One only) equity shares from Xerox Developing Markets Ltd. to Xerox Investments Europe B.V. However, there was no change in the aggregate shareholding of the promoters in your Company during the year under Report.

Sl. No.	Particulars	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	<b>At the beginning of the year</b>	43311027	96.66		
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for the increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc.):	N.A.	N.A.	N.A.	N.A.
3.	<b>At the end of the year</b>			<b>43311027</b>	<b>96.66</b>

**iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Remarks	Date	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Damani Estates & Finance Pvt. Ltd.	At the beginning of the year	01.04.2018	344488	0.76	344488	0.76
		At the end of the year	31.03.2019				
2.	Your Investment (India) Limited	At the beginning of the year	01.04.2018	95000	0.21	95000	0.21
		At the end of the year	31.03.2019				
3.	Radhakishan S Damani	At the beginning of the year	01.04.2018	75757	0.17	75757	0.17
		At the end of the year	31.03.2019				
4.	Toplight Corporate Management Pvt. Ltd.	At the beginning of the year	01.04.2018	48179	0.11	48179	0.11
		At the end of the year	31.03.2019				
5.	The Oriental Insurance Company Limited	At the beginning of the year	01.04.2018	39746	0.09	39746	0.09
		At the end of the year	31.03.2019				
6.	Rakesh Jhunjhunwala	At the beginning of the year	01.04.2018	33366	0.07	33366	0.07
		At the end of the year	31.03.2019				
7.	Vipul Priyakant Dalal	At the beginning of the year	01.04.2018	35	0.00*	12468	0.028
		Date wise increase (+)/decrease(-) with reasons, during the year	14.09.2018 (Purchase)	12433	0.028		
8.	Ajay J. Doshi	At the beginning of the year	01.04.2018	12000	0.027	12000	0.027
		At the end of the year	31.03.2019				
9.	Bright Star Investments Pvt. Ltd.	At the beginning of the year	01.04.2018	11794	0.026	11794	0.026
		At the end of the year	31.03.2019				
10.	Shrikantadevi R Damani	At the beginning of the year	01.04.2018	10246	0.023	10246	0.023
		At the end of the year	31.03.2019				

\*Minimal Percentage

**Note:** The details of shareholding, given above, is from 01-Apr-2018/the date of entering the Top 10 shareholders list till 31-Mar-2019 / the date of leaving Top 10 shareholders list.

The above details are given as on 31<sup>st</sup> March, 2019. The Company is an unlisted company and 0.25% shareholding is in dematerialized form. Under the Depository system, the International Security Identification Number (ISIN) allotted to the Company's shares is INE034E01013.

The aforesaid holdings by top ten shareholders did not undergo any change except as mentioned above.

The Company has not allotted/transferred or issued any bonus or sweat equity shares during the year under Report.

## v. Shareholding of Directors and Key Managerial Personnel

Directors and Key Managerial Personnel of the Company do not have any shareholding in the Company.

## V. INDEBTEDNESS

The Company has not availed any loan during the year under review.

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans (Inter- corporate Deposits)	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
<b>1. Addition</b>	-	-	-	-
<b>2. Reduction</b>	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of the Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	<b>Gross Salary:</b>	<b>Raj Kumar Rishi</b>	
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,98,160,73	1,98,160,73
(b)	Value of Perquisites u/s 17(2) of Income Tax Act, 1961	12,42,878	12,42,878
(c)	Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	N.A.	N.A.
2.	Stock Option	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.
4.	Commission	N.A.	N.A.
	- As % of profit		
	- Others, specify		
5.	Others, please specify	N.A.	N.A.
	<b>Total (A)</b>	2,10,58,951	2,10,58,951
	<b>Ceiling as per the Act</b>	As per the applicable provisions of the Companies Act, 2013 and Rules made thereunder	

## B. Remuneration to other directors:

Sl. No.	Particulars of the Remuneration	Name of Directors					Total Amount
1.	Independent Directors	Prakash Kulathu Iyer	Rishi Kant Srivastava				
	- Fee for attending Board/ Committee meetings	1000000	1100000				2100000
	- Commission	Nil	Nil				Nil
	- Others, please specify	Nil	Nil				Nil
	<b>Total (1)</b>	<b>1000000</b>	<b>1100000</b>				<b>2100000</b>
2.	Other Non-Executive Directors		Ashraf M.A. Elarman*	Lisa Marie Oliver\$	David Brian Dyas	Rodney Noonoo	
	- Fee for attending Board/ committee meetings		NA	NA	NA	NA	NA
	- Commission		Nil	Nil	Nil	Nil	Nil
	- Others, please specify		Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total (B) – (1+2)</b>	<b>1000000</b>	<b>1100000</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>2100000</b>
	<b>Total Managerial Remuneration</b>						<b>2,31,58,951</b>
	<b>Overall Ceiling as per the Act @</b>						

@ fee for attending Board/Committee meetings is as per Section 197 of the Companies Act, 2013, as decided by the Board

\* Ashraf M.A. Elarman ceased from the Directorship of the Company effective 4<sup>th</sup> December 2018

\$ Lisa Marie Oliver has resigned from the directorship of the Company effective 1<sup>st</sup> May 2019

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

Sl. No.	Particulars of the Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	<b>Gross Salary:</b>	N.A.	Rajiv L. Jha	Satpreet Singh	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		3266717	14382331	17649048
	(b) Value of Perquisites u/s 17(2) of Income Tax Act, 1961		32400	27000	59400
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961		0	0	0
2.	Stock Option		N.A.	N.A.	N.A.
3.	Sweat Equity		N.A.	N.A.	N.A.
4.	Commission		N.A.	N.A.	N.A.
	- As % of profit				
	- Others, specify				
5.	Others, please specify		N.A.	N.A.	N.A.
	<b>Total</b>		3299117	14409331	17708448

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

During the year under Report, there were no instance of any penalty/punishment/compounding of offences involving the Company, its Directors, and other officers in default under the provisions of the Companies Act, 2013.

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# Independent Auditor's Report

To the Members of Xerox India Limited

Report on the audit of the financial statements

## QUALIFIED OPINION

1. We have audited the accompanying financial statements of Xerox India Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and except for the indeterminate effects of adjustments that may arise if the outcome of the matter described in the Basis of Qualified Opinion paragraph below is unfavorable and if the unapproved amounts lie within the range estimate mentioned therein, 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 March 31, 2019, and total comprehensive income (comprising of profit/ loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

## BASIS FOR QUALIFIED OPINION

3. We draw your attention to Note 42(b), regarding the payment of remuneration to directors in excess of the limits specified in Schedule XIII to the Companies Act, 1956 during the year ended March 31, 2009, for which the Company had since sought clarification from the Central Government on the amount approved by it under sections 309 and 310 of the Companies Act, 1956 and has applied for approval of the excess remuneration of Rs 19.76 lacs. Pending receipt of any clarification/approval from the Central Government, the Company submitted a withdrawal letter with respect to the clarification/approval sought from the Central Government and during the year ended March 31, 2017 recovered the excess amount paid of Rs 19.76 lacs from the parent company on behalf of the concerned managerial personnel. However, on the basis of our understanding and evaluation of the matter, the excess remuneration paid to directors in the previous year ended March 31, 2009 could be in the range of Rs 76.59 lacs to Rs 96.59 lacs.

## EMPHASIS OF MATTER

4. We draw attention to Note 44 (a) of the financial statements in respect of investigation proceedings by Directorate of Enforcement (ED) relating to "Cash and carry wholesale trading" activities undertaken by the Company during the period 2000 to 2003 and consequent non-compliance with the provision of Foreign Exchange Management Act, 1999 outcome of which cannot be reliably estimated pending disposal of the Company's representation to Department of Industrial Policy and Promotion (DIPP).

Our opinion is not qualified in respect of the aforesaid matter.

## OTHER INFORMATION

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

12. As required by the Companies (Auditor's Report) Order, 2016 ("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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. 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 (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (h) 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 21 and 28 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.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.
    - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse & Co Bangalore LLP  
 Firm Registration Number: 007567S/S-200012  
 Chartered Accountants

Rahul Chattopadhyay  
 Partner  
 Membership Number 096367  
 UDIN: 19096367AAAAAG6685

Place of the Signature: Gurugram  
 Date: July 16, 2019

# Annexure A to Independent Auditors' Report

**Referred to in paragraph 13(g) of the Independent Auditors' Report of even date to the members of Xerox India Limited on the financial statements for the year ended March 31, 2019**

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of Xerox India Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

## Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed 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. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co Bangalore LLP  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

Rahul Chattopadhyay  
Partner  
Membership Number 096367  
UDIN: 19096367AAAAAG6685

Place of the Signature: Gurugram  
Date: July 16, 2019

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# Annexure B to Independent Auditors' Report

## Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Xerox India Limited on the financial statements as of and for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, the Management during the year has physically verified a portion of the fixed assets and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company. Title deeds of leasehold land of Rs 17.56 Lacs and freehold land of Rs 6.49 Lacs, being assets held for sale, as disclosed in Note 3 to the financial statement are in possession of the transferee. Refer Note 43 to the financial statement.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including income tax, professional tax, goods and service tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise duty, value added tax or goods and service tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

**Amount in Rs. lacs**

Name of the Statute	Nature of Dispute	Total Demand	Paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	104.98*	-	1995-96	Delhi High Court
Income Tax Act, 1961	Income Tax	8.63	8.63	1998-99	Assessing Officer
Income Tax Act, 1961	Income Tax	307.15	139.39	2003-04	Assessing Officer
Income Tax Act, 1961	Income Tax	46.83*	-	2004-05	ITAT, Delhi ( Revenue Appeal)
Income Tax Act, 1961	Income Tax	1,849.94	1573.53#	2007-08	ITAT Delhi
Income Tax Act, 1961	Income Tax	3,726.60	2,080.94	2008-09	ITAT Delhi
Income Tax Act,1961	Income Tax	849.41	242.96	2009-10	ITAT Delhi

Amount in Rs. lacs

Name of the Statute	Nature of Dispute	Total Demand	Paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	184.59	-	2010-11	ITAT Delhi
Income Tax Act, 1961	Income Tax	892.03	-	2011-12	ITAT Delhi
Income Tax Act, 1961	Income Tax	20.56	-	2012-13	CIT(A)
Income Tax Act, 1961	Income Tax	140.60	-	2012-13	CIT(A)
Central Excise Act, 1944	Excise Duty	3572.95*	-	Apr-02 to Nov-06	Hon'ble Supreme Court
Central Excise Act, 1944	Excise Duty	3050.14*	-	Apr-02 to Nov-06	Central Excise and Service Tax Appellate Tribunal & Supreme court
Central Excise Act, 1944	Excise Duty	525.26	-	Dec-06 to Dec-09	Commissioner of Central Excise, Meerut-II
Central Excise Act, 1944	Excise Duty	13.20	-	May-08 to Jan-09	Additional Commissioner Central Excise, Meerut II
Central Excise Act, 1944	Excise Duty	0.26	-	Jan-10 to Mar-10	Assistant Commissioner of Central Excise, Gangapur-Rampur
Central Excise Act, 1944	Excise Duty	5.11	-	1994-95	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	435.42*	-	26-May-1988 to March 1998	High Court - Allahabad
Chapter V of Finance Act, 1994	Service Tax	5326.61*	#	May 2006 to March 2008	Hon'ble Supreme Court
Chapter V of Finance Act, 1994	Service Tax	5079.28*	#	April 2008 to Sep 2011	Hon'ble Supreme Court
Chapter V of Finance Act, 1994	Service Tax	140.11	#	August 2002 to Dec 2005	Central Excise and Service Tax Appellate Tribunal
Chapter V of Finance Act, 1994	Service Tax	1629.99*	70.46#	Oct-11 to Jun-12	Central Excise and Service Tax Appellate Tribunal
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	52.90	-	1999-00 and 2000-01	Hyderabad High Court
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	8.94	-	2004-05	Appellate Tribunal
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	10.22	11.25	Oct-2005	Appellate Deputy Commissioner
Central Sales Tax Act, 1956 (Andhra Pradesh)	Sales Tax	196.89	-	1999-00 & 2000-01	Hyderabad High Court
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	1.85	1.85	2016-17	Assessing Authority
Haryana VAT Act, 2003	Sales Tax	1.17	-	2013-14	Jt. Excise and Taxation Commissioner (Appeals)
Haryana CST Act, 1956	Sales Tax	0.30	-	2013-14	Jt. Excise and Taxation Commissioner (Appeals)
Delhi Sales Tax Act, 1975	Sales Tax	13.59	-	2006-07	Additional Commissioner
Delhi VAT Act, 2004	Sales Tax	4.93	-	2015-16	Additional Commissioner
Tamilnadu General Sales Tax Act, 1959	Sales Tax	9.48	5.42	2006-07	Joint Commissioner CT, Chennai

Amount in Rs. lacs

Name of the Statute	Nature of Dispute	Total Demand	Paid under protest	Period to which the amount relates	Forum where dispute is pending
Tamilnadu Value Added Tax Act, 2006	Sales Tax	39.12	39.12	2009-10, 2010-11 & 2011-12	Joint Commissioner ST, Chennai
Central Sales Tax Act, 1956 (Tamil Nadu)	Sales Tax	12.22	-	2007-08, 2008-09 & 2009-10	Assessing Authority
Maharashtra VAT Act, 2002	Sales Tax	67.22	4.00	2011-12	Joint Commissioner of Sales Tax, (Appeal) VI, Mumbai-51
Maharashtra VAT Act, 2002	Sales Tax	298.49	20.00	2012-13	Joint Commissioner of Sales Tax, (Appeals)
Maharashtra VAT Act, 2002	Sales Tax	52.17	29.06	2013-14	Tribunal
Kerala General Sales Tax Act, 1963	Sales Tax	1.73	-	2008-09	Deputy Commissioner, (Appeal , Ernakulam)
Kerala VAT Act, 2003	Sales Tax	0.84	0.09	2010-11	DCCT (Appeals) – Ernakulam
Central Sales Tax Act, 1956 (Kerala)	Sales Tax	11.72	4.50	2008-09	DCCT, (Appeals) Ernakulam
Karnataka Valued Added Tax Act, 2003	Sales Tax	357.92	-	2013-14	Deputy Commissioner of CT (Audit-4.7) Koramangala, Bangalore
Karnataka Valued Added Tax Act, 2003	Sales Tax	216.27	-	2014-15	Deputy Commissioner of CT (Audit-4.7) Koramangala, Bangalore
Central Sales Tax Act, 1956	Sales Tax	270.92	-	2014-15	Deputy Commissioner of CT (Audit-4.7) Koramangala, Bangalore
Karnataka Tax on Entry of Goods Act, 1979	Sales Tax	1.28	-	2014-15	Deputy Commissioner of CT (Audit-4.7) Koramangala, Bangalore
U.P Trade Tax Act, 1948	Sales Tax	5.54	5.54	2006-07	Tribunal
U.P Trade Tax Act, 1950	Sales Tax	2.50	2.50	2013-14	ACCT Mobile Squad, Jalaun
U.P Trade Tax Act, 1950	Sales Tax	0.21	0.21	2010-11	DCCT, Lucknow
U.P Trade Tax Act, 1950	Sales Tax	0.39	-	2006-07 & Jan-08 to Mar-08	DCCT, Rampur
U.P Trade Tax Act, 1950	Sales Tax	6.65	2.04	2010-11 & 2013-14	DCCT, Lucknow
U.P Trade Tax Act, 1950	Sales Tax	43.42	7.31	2009-10	Tribunal / High Court
U.P Entry tax	Sales Tax	0.36	0.18	2013-14	DCCT, Lucknow
U.P Entry tax	Sales Tax	2.50	0.50	2009-10	Tribunal / High Court
U.P Entry tax	Sales Tax	1.52	-	Apr-07 to Dec-07 & Jan-08 to Mar-08	DCCT, Rampur
Central Sales Tax Act, 1956 (UP)	Sales Tax	0.03	-	Jan-08 to Mar-08	DCCT, Rampur
Central Sales Tax Act, 1956 (UP)	Sales Tax	370.36	73.30	2009-10	Tribunal / High Court
Central Sales Tax Act, 1956 (UP)	Sales Tax	19.69	92.13	2010-11	DCCT, Lucknow
U.P Trade Tax Act, 1950	Sales Tax	9.43	6.81	2016-17	DCCT, Lucknow



Amount in Rs. lacs

Name of the Statute	Nature of Dispute	Total Demand	Paid under protest	Period to which the amount relates	Forum where dispute is pending
U.P Trade Tax Act, 1950	Sales Tax	0.47	2.22	2011-12	DCCT, Lucknow
Rajasthan VAT Tax Act, 2003	Sales Tax	1.41	1.41	1998-99	Assessing Authority
Rajasthan VAT Tax Act, 2003	Sales Tax	1.53	1.53	1998-99	Rectification Application before Appellate authority
Himachal Sales Tax Act	Sales Tax	2.41	2.41	1998-99	Deputy commissioner Excise & Taxation, Parwanoo

Note: The above exclude demands decided in favour of the Company, for which effect yet to be given by the relevant authorities.

- \* Above includes demand decided in favour of the Company at the appellate authority stage for which the Department has preferred an appeal to the higher authorities.
- # Represents demands which has been granted full stay or are under interim stay by the Courts.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Bangalore LLP  
Firm Registration Number: 007567S/S-200012  
Chartered Accountants

Rahul Chattopadhyay  
Partner  
Membership Number 096367  
UDIN: 19096367AAAAAG6685

Place : Gurugram  
Date: July 16, 2019

## Balance Sheet as at March 31, 2019

[All figures in Rs. lacs, unless otherwise stated]

	Note No.	As at March 31, 2019	As at March 31, 2018
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3,852.65	3,005.05
Capital work in progress		120.34	517.33
Investment property	5	4.15	4.15
Intangible assets	4	120.76	199.95
<b>Financial assets</b>			
i. Loans and deposits	7	81.50	211.16
ii. Other financial assets	8	551.62	437.86
Deferred tax assets	9	3,532.82	3,206.12
Current tax assets	10	6,052.13	5,284.04
Other non-current assets	11	1,378.83	1,808.45
Assets classified as held for sale	43	24.05	24.05
<b>Current assets</b>			
Inventories	12	3,446.02	3,775.89
<b>Financial assets</b>			
i) Trade receivables	6	6,502.43	6,065.72
ii) Contract Assets	16	1,705.35	1,300.51
iii) Cash and cash equivalents	13	20,263.66	19,834.20
iv) Bank balances other than cash and cash equivalents	13	4.33	4.75
v) Loans and deposits	14	30.84	-
vi) Other financial assets	15	294.40	306.77
Other current assets	17	1,655.37	2,117.50
<b>Total</b>		<b>49,621.25</b>	<b>48,103.49</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	18	4,480.80	4,480.80
<b>Other Equity</b>			
Reserves and surplus		29,413.50	26,903.38
Other Reserves		81.59	(9.16)
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities	19	4.16	31.40
Liabilities directly associated with assets classified as held for sale	27	2,250.00	2,250.00
Other non current liabilities	20	-	0.82
Provisions	21	4,324.06	4,042.00
Deferred tax liabilities	9	419.82	247.89
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
i. Trade payables	22	-	49.64
Total outstanding dues of micro enterprises and small enterprises		-	49.64
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,547.04	7,013.89
ii. Other financial liabilities	23	1,731.11	1,615.25
Other current liabilities	24	515.81	581.24
Contract Liabilities	25	580.01	583.65
Provisions	26	273.34	312.69
<b>Total</b>		<b>49,621.25</b>	<b>48,103.49</b>

The accompanying notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

**For Price Waterhouse & Co., Bangalore LLP**

Firm Registration No.: 007567S/S-200012

Chartered Accountants

**Rahul Chattopadhyay**

Partner

Membership Number: 096367

UDIN:19096367AAAAAG6685

Gurugram, India

July 16, 2019

For and on behalf of Board of directors

**David Brian Dyas**

Director

DIN: 07437186

**Rodney Noonoo**

Director

DIN: 07690361

**Satpreet Singh**

Chief Financial

Officer

**Mohit Kumar**

Finance

Controller

**Rajiv L.Jha**

Company

Secretary &amp;

GM Legal

Gurugram, India

July 16, 2019

# Statement of Profit and Loss for the year ended March 31, 2019

[All figures in Rs. lacs, unless otherwise stated]

	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
<b>Income</b>			
Revenue from operations	30	59,790.32	54,742.38
Other income	31	2,028.87	1,460.84
			-
<b>Total Revenue</b>		<b>61,819.19</b>	<b>56,203.22</b>
<b>Expenses</b>			
Purchase of goods and services	32	39,526.96	31,948.43
Change in inventories of goods	33	321.76	(486.59)
Employee benefit expense	34	9,657.51	9,336.46
Finance costs	35	11.75	35.15
Depreciation and amortization expense	36	1,314.20	1,118.50
Other expenses	37	7,153.33	6,486.41
<b>Total expenses</b>		<b>57,985.51</b>	<b>48,438.36</b>
<b>Profit before tax</b>		3,833.68	7,764.86
<b>Profit before tax</b>		<b>3,833.68</b>	<b>7,764.86</b>
Tax expense			
Current tax		1,567.07	3,030.32
Prior years tax		101.49	(52.83)
Deferred tax		(154.77)	262.43
		<b>1,513.79</b>	<b>3,239.92</b>
<b>Profit for the year</b>		<b>2,319.89</b>	<b>4,524.94</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operation		90.75	(26.55)
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations		157.81	173.42
Income tax relating to these items		55.15	60.02
<b>Other comprehensive income for the year, net of tax</b>		<b>193.41</b>	<b>86.85</b>
<b>Total comprehensive income for the year</b>		<b>2,513.30</b>	<b>4,611.79</b>
Earnings per equity share [Nominal value per share: Rs. 10 (March 31, 2018: Rs. 10)]	38		
Basic		5.61	10.29
Diluted		5.61	10.29

The accompanying notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

**For Price Waterhouse & Co., Bangalore LLP**  
Firm Registration No.: 007567S/S-200012  
Chartered Accountants

**Rahul Chattopadhyay**  
Partner  
Membership Number: 096367  
UDIN:19096367AAAAAG6685

Gurugram, India  
July 16, 2019

For and on behalf of Board of directors

**David Brian Dyas**     **Rodney Noonoo**     **Satpreet Singh**  
Director                     Director                     Chief Financial  
DIN: 07437186             DIN: 07690361             Officer

**Mohit Kumar**  
Finance  
Controller

**Rajiv L.Jha**  
Company  
Secretary &  
GM Legal

Gurugram, India  
July 16, 2019

## Statement of changes in equity

[All figures in Rs. lacs, unless otherwise stated]

A	Equity share capital	Notes	
	As at April 1, 2017		4,480.80
	Changes in equity share capital	18	-
	As at March 31, 2018		4,480.80
	Changes in equity share capital	18	-
	As at March 31, 2019		4,480.80

B	Other equity						
	Particulars	Reserves and surplus			Other reserves	Total Equity	
		General reserve	Retained earnings	Share based payment reserve	Total	Foreign currency translation reserve	Total
	<b>Balance as at April 1, 2017</b>	7,253.18	14,812.02	151.31	22,216.51	17.39	22,233.90
	Profit for the year		4,611.79		4,611.79		4,611.79
	Other comprehensive income		26.55		26.55	(26.55)	-
	<b>Total comprehensive income for the year</b>	-	<b>4,638.34</b>	-	<b>4,638.34</b>	<b>(26.55)</b>	<b>4,611.79</b>
	Share based payment expenses			48.53	48.53		48.53
	<b>Balance as at March 31, 2018</b>	<b>7,253.18</b>	<b>19,450.36</b>	<b>199.84</b>	<b>26,903.38</b>	<b>(9.16)</b>	<b>26,894.22</b>
	Profit for the year		2,513.30		2,513.30		2,513.30
	Other comprehensive income		(90.75)		(90.75)	90.75	-
	<b>Total comprehensive income for the year</b>	-	<b>2,422.55</b>	-	<b>2,422.55</b>	<b>90.75</b>	<b>2,513.30</b>
	Share based payment expenses			87.57	87.57		87.57
	<b>Balance as at March 31, 2019</b>	<b>7,253.18</b>	<b>21,872.91</b>	<b>287.41</b>	<b>29,413.50</b>	<b>81.59</b>	<b>29,495.09</b>

Nature and purpose of general reserve: General reserves are the free reserves of the Company which are kept aside out of company's profits to meet future obligations. No amount has been transferred to general reserve during the year ended March 31, 2019.

Foreign currency translation reserve: Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

The accompanying notes are an integral part of these financial statements.

This is the statement of changes in equity referred to in our report of even date.

**For Price Waterhouse & Co., Bangalore LLP**

Firm Registration No.: 007567S/S-200012  
Chartered Accountants

**Rahul Chattopadhyay**

Partner  
Membership Number: 096367  
UDIN:19096367AAAAAG6685

Gurugram, India  
July 16, 2019

For and on behalf of Board of directors

<b>David Brian Dyas</b> Director DIN: 07437186	<b>Rodney Noonoo</b> Director DIN: 07690361	<b>Satpreet Singh</b> Chief Financial Officer
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**Mohit Kumar**  
Finance  
Controller

Gurugram, India  
July 16, 2019

**Rajiv L. Jha**  
Company  
Secretary &  
GM Legal

# Statement of Cash Flows for the year ended March 31, 2019

[All figures in Rs. lacs, unless otherwise stated]

	Year ended March 31, 2019	Year ended March 31, 2018
<b>A. Cash flow from operating activities</b>		
Profit before tax	3,833.68	7,764.86
<b>Adjustments for non-cash / non-operating items:</b>		
Depreciation and amortization expense	1,314.20	1,118.50
Provision for doubtful advances	140.25	281.47
Finance cost	11.75	35.15
Interest income	(1,050.31)	(764.77)
Employee share based payment expense	87.57	48.53
Unwinding of discount on security deposits	(11.51)	(16.60)
Provision for obsolescence of Inventories	343.15	284.98
Other non cash adjustments	518.81	181.50
Unrealised foreign exchange loss (net)	67.97	86.84
<b>Operating profit before working capital changes</b>	<b>5,255.56</b>	<b>9,020.46</b>
(Increase) / Decrease in trade receivables & other financial assets	(936.42)	574.94
(Increase) / Decrease in inventory and other current assets	606.67	(281.46)
Increase / (Decrease) in trade payables & other financial liabilities	(1,546.23)	3,111.09
Increase / (Decrease) in other current liabilities & provisions	(58.57)	(460.68)
(Increase) / Decrease in other non-current assets	429.62	192.00
Increase / (Decrease) in other non-current liabilities & provisions	(16.85)	(139.58)
<b>Cash generated from operations</b>	<b>3,733.78</b>	<b>12,016.77</b>
Income tax paid including tax deducted at source	(2,632.05)	(3,451.47)
<b>Net cash generated from operating activities</b>	<b>1,101.73</b>	<b>8,565.30</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property plant and equipment and intangible assets, net of sales	(1,768.16)	(2,116.91)
Interest received	1,103.70	776.89
<b>Net Cash from/ (used in) investing activities</b>	<b>(664.46)</b>	<b>(1,340.02)</b>
<b>C. Cash flows from financing activities</b>		
Finance cost	(11.75)	(35.15)
<b>Net Cash used in financing activities</b>	<b>(11.75)</b>	<b>(35.15)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>425.52</b>	<b>7,190.13</b>
Effect of exchange differences on balance with banks in foreign currency	3.94	(24.01)
Cash and cash equivalents at the beginning of the year	19,834.20	12,668.08
Cash and cash equivalents at the end of the year	20,263.66	19,834.20
Cash and cash equivalents comprise of:		
Bank balances		
- EEFC Account	373.96	542.53
- In current accounts	3,251.55	2,704.86
- Demand deposits (less than 3 months maturity)	16,638.15	16,586.81
<b>Total</b>	<b>20,263.66</b>	<b>19,834.20</b>

The accompanying notes are an integral part of these financial statements.  
This is the cash flow statement referred to in our report of even date.

**For Price Waterhouse & Co., Bangalore LLP**

Firm Registration No.: 007567S/S-200012  
Chartered Accountants

**Rahul Chattopadhyay**

Partner  
Membership Number: 096367  
UDIN:19096367AAAAAG6685

Gurugram, India  
July 16, 2019

For and on behalf of Board of directors

**David Brian Dyas**

Director  
DIN: 07437186

**Rodney Noonoo**

Director  
DIN: 07690361

**Satpreet Singh**

Chief Financial  
Officer

**Mohit Kumar**

Finance  
Controller

**Rajiv L.Jha**

Company  
Secretary &  
GM Legal

Gurugram, India  
July 16, 2019

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 1. COMPANY INFORMATION

Xerox India Limited ('the Company') was incorporated in India on December 29, 1995 and is engaged in the business of trading of xerographic equipment, multifunction devices, laser printers, systems, consumables, paper and providing after-sales services of machines sold which include servicing, repairing, selling spare parts. The registered office of the Company is located at 5th Floor, Tower A, Vatika Business Park, Sohna Road, Gurugram, Haryana. The Company is a Public Limited Company ultimately controlled by Xerox Corporation, USA.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year ended March 31, 2019.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (IND AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The IND AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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.

### 2.2 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) is measured at fair value;
- Defined benefit plans - plan assets measured at fair value;
- Share based payments

### 2.3 Use of estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions in conformity with the applicable accounting principles in India that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Example of such estimates include provisions for doubtful debts, employee retirement benefit plans, warranty, provision for taxes and the useful life of fixed assets.

These estimates can change from year to year and also the actual results could vary from the estimates. The 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.

### 2.4 Property, plant and equipment

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Property, plant and equipment are stated at acquisition cost (including non-refundable duties and taxes), accumulated depreciation and accumulated impairment losses, if any. Cost includes original cost of acquisition and includes expenses incidental to such acquisition. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at historical cost.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements under other non-current Assets (refer note 3).

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 2.5 Intangible assets

Intangible assets includes software. Such intangibles are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives.

## 2.6 Depreciation and amortisation

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life or in case of leasehold improvements, over the shorter lease term. The Company has provided depreciation basis its useful life determined on technical evaluation which matches with the useful life as prescribed in Schedule II of Companies Act 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

**Estimated useful life of property, plant, equipment and intangibles are as follows:**

Assets	Useful Lives (in years)
Equipment given on operating lease	5
Leasehold improvements	Life of lease or 5 years, whichever is shorter
Buildings	60
Furniture, fixtures and equipment	10
Vehicles	8
Office equipment	5
Computers	3
Software	2-7

Depreciation on addition to fixed assets is provided on pro-rata basis from the date of asset put to use. Depreciation on disposal from fixed assets is provided for up to the date of disposal.

## 2.7 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

## 2.8 Impairment of assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

## 2.9 Inventories

Inventories are stated at lower of cost and net realisable value. The basis for determination of cost of various categories of inventory is as follows:

Finished goods – Trade	Weighted average
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# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

Components for sales and service of field

Machines Weighted average

Loose tools Weighted average

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Spare parts are consumed for rendering services or held as merchandise for sale hence considered as inventory.

A provision for obsolescence on loose tools, components for sale and service of field machines held to support servicing of discontinued/ obsolete/ dormant models is accrued at their book value. The recoverability of all other inventories is periodically reviewed and provision for obsolescence is recorded for the difference between net realisable values and carrying value.

## 2.10 Foreign currency transactions

### (i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

### (iii) Translation of foreign branch

The results and financial position of foreign branch that has a functional currency different from the presentation currency is translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

## 2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer credit notes and other similar allowances.

Effective April 1, 2018, the Company adopted IND AS 115, Revenue from Contracts with Customers. The effect on the adoption of IND AS 115 was insignificant. The adoption of IND AS 115 required enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The details of such disclosure are available in Note 30.

**Equipment:** Revenues from the sale of equipment directly to end customers, including those from finance leases, are recognized when obligations under the terms of a contract with the customer are satisfied and control has been transferred to the customer. For equipment placements that require the Company to install the product at the customer location, revenue is normally recognized when the equipment has been delivered and installed at the customer location. Sales of customer installable products are recognized upon shipment or receipt by the customer according to the customer's shipping terms. Revenue from the equipment performance obligation also includes certain analyst training services performed in connection with the installation or delivery of the equipment.



# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

The Company utilize distributors and resellers to sell equipment, supplies and maintenance services to end-user customers. The Company refers to distributor and reseller network as their two-tier distribution model. Revenues on sales to distributors and resellers are generally recognized when products are shipped to such distributors and resellers. However, revenue is only recognized when the distributor or reseller has economic substance apart from the Company such that collectability is probable and the Company have no further obligations related to bringing about the resale, delivery or installation of the product that would impact transfer of control. Revenues associated with maintenance agreements sold through distributors and resellers to end customers are recognized in a consistent manner to maintenance services. Revenue that may be subject to a reversal of revenue due to contractual terms or uncertainties is not recorded as revenue until the contractual provisions lapse or the uncertainties are resolved.

Distributors and resellers participate in various rebate, price-protection, cooperative marketing and other programs, and the Company estimate the variable consideration associated with these programs and record those amounts as a reduction to revenue when the sales occur. Similarly, the Company account for estimates of sales returns and other allowances when the sales occur based on historical experience.

**Maintenance services:** The Company provide maintenance agreements on equipment that include service and supplies for which the customer may pay a base minimum plus a price-per-page charge for usage. In arrangements that include minimums, those minimums are normally set below the customer's estimated page volumes and are not considered substantive. These agreements are sold as part of a bundled lease arrangement or through distributors and resellers. The Company normally account for these maintenance agreements as a single performance obligation for printing services being delivered in a series with delivery being measured by usage as billed to the customer. Accordingly, revenue on these agreements are normally recognized as billed to the customer over the term of the agreements based on page volumes. A substantial portion of our products are sold with full service maintenance agreements, accordingly, other than the product warranty obligations associated with certain of our entry level products, the Company do not have any significant warranty obligations, including any obligations under customer satisfaction programs.

**Bundled lease arrangements:** A significant portion of the Company's direct sales of equipment to end customers are made through bundled lease arrangements that typically include equipment, maintenance and financing components for which the customer pays a single negotiated fixed minimum monthly payment for all elements over the contractual lease term. These arrangements also typically include an incremental, variable component for page volumes in excess of contractual page volume minimums, which are often expressed in terms of price-per-page. The fixed minimum monthly payments are multiplied by the number of months in the contract term to arrive at the total fixed minimum payments that the customer is obligated to make (fixed payments) over the lease term. Revenues under bundled arrangements are allocated using the residual method.

Lease deliverables include the equipment, financing, maintenance and other executory costs, while non-lease deliverables generally consist of the supplies and non-maintenance services. The allocation for the lease deliverables begins by allocating revenues to the maintenance and other executory costs plus a profit thereon. These elements are generally recognized over the term of the lease as service revenue. The remaining charges are allocated towards other elements using residual approach.

**Supplies:** Supplies revenue is recognized upon transfer of control to the customer, generally upon utilization or shipment to the customer in accordance with the sales contract terms.

Software support services and business support services are rendered to overseas affiliates of the Company. Revenue from such contracts are recognised on cost plus margin in accordance with the terms of the agreement entered between the Company and these affiliates.

**Revenue from extended warranty:** Revenue from extended warranty is recognised over the period of warranty.

**Revenue from fixed price contracts:** Where there is no uncertainty as to measurement or collectability of consideration, revenue is recognised based upon the percentage of completion method. When there is uncertainty about measurement or ultimate collectability, revenue recognition is deferred until such uncertainty is resolved.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities. Similarly, if the Company satisfies a performance obligation before it receives the

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

consideration, the Company recognises either a contract asset or a receivable, depending on whether something other than the passage of time is required before the consideration is due.

Government grants: Exports incentives under various schemes have been recognised in accordance with the terms of the scheme on accrual basis.

## 2.12 Employee benefits

Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

The liabilities for retention bonus is recognised at discounted value over the vesting period.

Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plans (gratuity and provident fund); and
- (b) Defined contribution plans (superannuation plan).

**Gratuity:** Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation on the projected unit credit (PUC) method adjusted for past service and fair value of plan assets as at the balance sheet date. The company contributes all the ascertained liabilities to a fund maintained by a trust set up by the company and administered by a board of trustees, which has taken two Gratuity cum insurance policies with the Life Insurance Corporation of India to cover the gratuity liability of the employees.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. Interest cost along with current service cost is included in employee benefit expense in the statement of profit and loss. Premeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability.

**Provident fund:** In accordance with the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined benefit plan in which both the company and the employee contribute monthly at a determined rate. These contributions are made to a fund maintained by a trust set up by the company and administered by the Board of trustees. The Company's liability is actuarially determined (using Projected Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the trust set up by the company is additionally provided for.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

**Superannuation:** Benefits payable to eligible employees of the company under the superannuation plan, a defined contribution plan is accounted for on the basis of contributions calculated at a specified percentage (at present 13%) of salary paid to the employees. The Company contributes all the ascertained liabilities to a fund set up by the company and administered by a board of trustees, which has taken a policy with Life Insurance Corporation of India to cover such liability.

**Termination benefits:** Termination benefits are recognised in the Statement of Profit and Loss as and when incurred.

Group settled share based payments: Share-based compensation benefits are provided to employees via equity settled stock options granted under Award Plans of Xerox Corporation, USA

The fair value of awards granted under Employee Stock Option Plans is recognized as an employee benefits expense with a corresponding credit to reserve and surplus. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions
- Excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time)

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to Reserve and surplus.

## 2.13 Income tax

### Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its branches operate and generate taxable income. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 2.14 Provisions and contingent liabilities

**Provisions:** A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

**Contingent liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## 2.15 Lease

As a lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor

Global document outsourcing contract in the nature of embedded lease where the minimum lease term is for the major part of the assets economic life and the minimum lease payments amounts to substantially all the fair value of the assets are considered as a Finance Lease. Other embedded leases are considered as Operating Lease.

For embedded leases in the nature of a Finance Lease, the equipment's fair value is recognised as a Lease Receivable. The minimum lease payments are identified by segregating the embedded lease payments from the rest of the payments as per the contract. Each lease receipt is allocated between the receivable and finance lease income so as to achieve a constant rate on the Lease Receivable outstanding.

In the case of Operating Leases or embedded operating leases, the lease income from the operating lease is recognised in revenue over the lease term to reflect the pattern of use benefit derived from the leased asset. The respective leased assets are included in the Balance Sheet based on their nature and depreciated over its economic life.

## 2.16 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 2.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## 2.18 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, net of any expected credit losses.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 2.19 Other financial assets

Classification - The Company classifies its financial assets in the following measurement categories:

- Fair value through other comprehensive income (FVOCI),
- Fair value through profit and loss,
- At amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

### Measurement –

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### Debt instruments –

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on debt instruments that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expenses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

### Impairment of financial assets –

The Company assesses impairment based on past history of recovery, credit worthiness of the counter party adjusted with forward looking estimates associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### Derecognition of financial assets –

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 2.20 Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other gains/(losses).

## 2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors has been identified as being the chief operating decision maker. Refer note 51 for segment information presented.

## 2.22 Recent accounting pronouncement

### Standards notified but not yet effective:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

### Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements.

The Company will recognise with effect from April 1, 2019 new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortisation charge for the right-to-use asset, and (b) interest accrued on lease liability

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified as an operating lease if the head lease is classified as a short term lease. In all other cases, the sublease shall be classified as a finance lease.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

On transition, for leases other than short-term leases and leases of low value assets, the Company will recognise a right of-use asset and a corresponding lease liability with the cumulative effect of applying the standard by adjusting retained earnings net of taxes. There will be consequent reclassification in the cash flow categories in the consolidated statement of cash flows.

The company is in the process of evaluating the impact of new standard on the financial statements.

## **Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

## **Ind AS 19 – Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

## **2A Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

- Recognition of revenue – Refer note 30
- Estimation of provision for direct tax matters, indirect tax matters and other legal matters- Refer note 21
- Estimation of defined benefit obligation - Note 34

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2018	Additions during the Year	Adjustments/ Sold during the Year	As at March 31, 2019	Upto April 1, 2018	Provided during the Year	Adjustment during the Year	Upto March 31, 2019	As at March 31, 2019
<b>Own Assets:</b>									
Leasehold improvements	247.96	11.05	113.21	145.80	121.96	22.12	39.32	104.76	41.04
Buildings	71.91	-	-	71.91	4.44	0.64	-	5.08	66.83
Furniture, fixtures & equipment	115.23	6.74	52.50	69.47	31.51	15.13	15.82	30.82	38.65
Vehicles	3.08	-	-	3.08	2.76	0.32	-	3.08	0.00
Office equipment	244.65	49.93	11.14	283.44	107.15	29.48	6.95	129.68	153.76
Computers	325.47	85.47	7.57	403.37	220.38	77.82	7.47	290.73	112.64
<b>Total (A)</b>	<b>1,008.30</b>	<b>153.19</b>	<b>184.42</b>	<b>977.07</b>	<b>488.20</b>	<b>145.51</b>	<b>69.56</b>	<b>564.15</b>	<b>412.92</b>
<b>Assets given on operating lease:</b>									
Equipments	4,286.53	2,084.44	553.52	5,817.45	1,801.58	1,090.11	513.97	2,377.72	3,439.73
<b>Total (B)</b>	<b>4,286.53</b>	<b>2,084.44</b>	<b>553.52</b>	<b>5,817.45</b>	<b>1,801.58</b>	<b>1,090.11</b>	<b>513.97</b>	<b>2,377.72</b>	<b>3,439.73</b>
<b>Total (A+B)</b>	<b>5,294.83</b>	<b>2,237.63</b>	<b>737.94</b>	<b>6,794.52</b>	<b>2,289.78</b>	<b>1,235.62</b>	<b>583.53</b>	<b>2,941.87</b>	<b>3,852.65</b>

**Note:** Leasehold land and freehold land having a net book value of Rs.17.56 and Rs. 6.49 respectively (aggregating Rs. 24.05 ) (March 31, 2018 Rs. 24.05) held for sale at the year end are not included above and have been classified as asset held for sale. Original title deeds has been handed over to the transferee. Refer note 43.

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2017	Additions during the Year	Adjustments/ Sold during the Year	As at March 31, 2018	As at April 1, 2017	Provided during the Year	Adjustment during the Year	As at March, 31 2018	As at March 31, 2018
<b>Own Assets:</b>									
Leasehold improvements	248.53	-	0.57	247.96	64.97	56.99	-	121.96	126.00
Buildings	71.91	-	-	71.91	2.22	2.22	-	4.44	67.47
Furniture, fixtures & equipment	115.42	0.05	0.24	115.23	15.80	15.81	0.10	31.51	83.72
Vehicles	3.08	-	-	3.08	1.46	1.30	-	2.76	0.32
Office equipment	206.43	43.77	5.55	244.65	49.14	62.42	4.41	107.15	137.50
Computers	272.09	56.09	2.71	325.47	110.81	111.57	2.00	220.38	105.09
<b>Total (A)</b>	<b>917.46</b>	<b>99.91</b>	<b>9.07</b>	<b>1,008.30</b>	<b>244.40</b>	<b>250.31</b>	<b>6.51</b>	<b>488.20</b>	<b>520.10</b>
<b>Assets given on operating lease:</b>									
Equipments	2,878.22	1,447.55	39.24	4,286.53	1,047.98	788.80	35.20	1,801.58	2,484.95
<b>Total (B)</b>	<b>2,878.22</b>	<b>1,447.55</b>	<b>39.24</b>	<b>4,286.53</b>	<b>1,047.98</b>	<b>788.80</b>	<b>35.20</b>	<b>1,801.58</b>	<b>2,484.95</b>
<b>Total (A+B)</b>	<b>3,795.68</b>	<b>1,547.46</b>	<b>48.31</b>	<b>5,294.83</b>	<b>1,292.38</b>	<b>1,039.11</b>	<b>41.71</b>	<b>2,289.78</b>	<b>3,005.05</b>

## 4. INTANGIBLE ASSETS

Particulars	Gross Block				Amortisation				Net Block
	As at April 1, 2018	Additions during the Year	Adjustments/ sold during the Year	As at March 31, 2019	Upto April 1, 2018	Provided during the Year	Adjustment during the Year	Upto March 31, 2019	As at March 31, 2019
Software	328.89	2.32	47.47	283.74	128.94	78.59	44.55	162.98	120.76
<b>Total</b>	<b>328.89</b>	<b>2.32</b>	<b>47.47</b>	<b>283.74</b>	<b>128.94</b>	<b>78.59</b>	<b>44.55</b>	<b>162.98</b>	<b>120.76</b>



# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

Particulars	Gross Block				Amortisation				Net Block
	As at April 1, 2017	Additions during the Year	Adjustments/ sold during the Year	As at March 31, 2018	Upto April 1, 2017	Provided during the Year	Adjustment during the Year	Upto March 31, 2018	As at March 31, 2018
Software	287.58	115.86	74.55	328.89	62.76	79.39	13.21	128.94	199.95
<b>Total</b>	<b>287.58</b>	<b>115.86</b>	<b>74.55</b>	<b>328.89</b>	<b>62.76</b>	<b>79.39</b>	<b>13.21</b>	<b>128.94</b>	<b>199.95</b>

## 5. INVESTMENT PROPERTY

Particulars	Gross carrying amount				Gross carrying amount			
	Gross block as at April 1, 2018	Additions	Adjustments/ Sold during	As at March 31, 2019	Deemed cost as at April 1, 2017	Additions	As at March 31, 2018	
<b>Own Assets:</b>								
Freehold land	4.15	-	-	4.15	4.15	-	4.15	
<b>Total</b>	<b>4.15</b>			<b>4.15</b>	<b>4.15</b>	<b>-</b>	<b>4.15</b>	

a) Fair value	March 31, 2019	March 31, 2018
Investment property	13.04	16.50

The Company obtains independent valuations for its investment property at least annually. The best evidence of fair value is current prices in an active market for similar properties.

The fair values of investment property has been determined by independent valuer. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

There is no amount recognised in Profit and loss account for investment property in current as well as in previous year.

Further, there is no contractual obligation relating to this investment property.

## 6. TRADE RECEIVABLES

	As at March 31, 2019	As at March 31, 2018
Trade receivables	6,861.95	6,204.94
Receivables from related parties (refer note - 39)	409.51	796.76
Less: Loss allowance	(769.03)	(935.98)
<b>Total receivables</b>	<b>6,502.43</b>	<b>6,065.72</b>
<b>Current portion</b>	6,502.43	6,065.72
<b>Non-current portion</b>	-	-
Trade receivables considered good - Unsecured	6,594.58	6,143.08
Trade receivables - credit impaired	676.88	858.62
	7,271.46	7,001.70
Less: Loss allowance	(769.03)	(935.98)
<b>Total</b>	<b>6,502.43</b>	<b>6,065.72</b>

## 7. LOANS AND DEPOSITS

Unsecured, considered good :		
Security deposits	81.50	211.16
Unsecured, considered doubtful :		
Security deposits	16.05	16.05
Less: Provision for credit impaired	(16.05)	(16.05)
<b>Total</b>	<b>81.50</b>	<b>211.16</b>

## Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	As at March 31, 2019	As at March 31, 2018
<b>8. OTHER NON-CURRENT FINANCIAL ASSETS</b>		
Finance lease receivables	545.89	420.82
Miscellaneous Deposits	8.58	19.04
- Less: Provision for doubtful recoverable	(2.85)	(2.00)
<b>Total</b>	<b>551.62</b>	<b>437.86</b>

<b>9. DEFERRED TAX ASSETS AND LIABILITIES</b>		
Deferred tax assets	3,532.82	3,206.12
Deferred tax liabilities	419.82	247.89

Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

Particulars	As at March 31, 2019	Movement during the year	As at March 31, 2018
<b>Deferred tax liabilities - Bangladesh Branch</b>			
Deferred tax on unremitted earnings from Bangladesh branch	419.82	171.93	247.89
<b>Deferred tax liabilities</b>	<b>419.82</b>	<b>171.93</b>	<b>247.89</b>
<b>Deferred tax assets - India Entity</b>			
Property, plant and equipment and Intangible asset and lease receivable	1,471.18	(57.80)	1,528.99
Provision for doubtful trade receivables	268.73	(55.19)	323.92
Provision for doubtful advances	155.11	(17.64)	172.75
Provision for impairment of inventories	311.33	5.71	305.62
Provision for leave encashment	68.27	24.37	43.90
Provision for warranty	25.77	7.61	18.16
Interest on Income tax refunds	275.31	2.64	272.67
Provision for litigation and disputes	851.61	379.14	472.47
Other provisions	74.19	29.32	44.87
Deferred revenue	31.03	10.48	20.55
Lease equalisation reserve	0.29	(1.93)	2.22
<b>Deferred tax assets</b>	<b>3,532.82</b>	<b>326.70</b>	<b>3,206.12</b>

	Year ended March 31, 2019	Year ended March 31, 2018
<b>(a) Tax recognised in statement of profit and loss</b>		
<b>Income tax expense</b>		
Current tax on profits for the year	1,567.07	2,970.30
Adjustments for current tax of prior periods	101.49	(52.83)
<b>Total current tax expense</b>	<b>1,668.56</b>	<b>2,917.47</b>
Decrease / (increase) in deferred tax assets	(326.70)	74.56
(Decrease) / increase in deferred tax liabilities	171.93	247.89

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	Year ended March 31, 2019	Year ended March 31, 2018
<b>Total deferred tax expense/(benefit)</b>	<b>(154.78)</b>	<b>322.45</b>
<b>Income tax expense</b>	1,513.78	3,239.92
<b>(b) Tax recognised in other comprehensive income :</b>		
Remeasurement of defined benefit obligation	55.15	60.02
<b>(c) Reconciliation of effective tax rate:</b>		
Profit before tax	3,991.49	7,938.27
Tax using the Company's domestic tax rate (Current year : 34.944% and previous year : 34.608%)	1,394.79	2,747.28
Tax effect of:		
Income tax @ different rate	141.57	351.02
Non-deductible tax expenses	123.93	254.47
Tax reversal of earlier years	(91.35)	(52.83)
<b>Tax expense including tax recognised in other comprehensive income</b>	<b>1,568.94</b>	<b>3,299.94</b>

## 10. CURRENT TAX ASSETS (NET)

Advance Income tax \* including tax deducted at source recoverable Rs.23,429.46 (March 31, 2018 Rs. 20,913.76 ), net of corresponding Income tax provisions for the period where the assessments are pending Rs 16,867.56 (March 31, 2018: Rs. 15,178.93 )]

– Less: Provision for doubtful TDS recoverable

**Total**

	As at March 31, 2019	As at March 31, 2018
	6,561.90	5,734.83
	(509.77)	(450.79)
	<b>6,052.13</b>	<b>5,284.04</b>

\*It includes income tax refund of previous years being adjusted by the tax authorities against pending demand under litigation. (Refer note no. 28)

## 11. OTHER NON-CURRENT ASSETS

Sales tax and Works Contract tax Deposits under protest (refer note 28 (a iii))

– Less: Provision for doubtful recoverable

Excise duty (refer note 28 (a iv))

Prepaid expenses

Claim Recoverable (SAD)

– Considered good

– Considered doubtful

– Less: Provision for doubtful advances

Deferred rent

**Total**

	1,318.67	1,695.53
	(7.91)	(7.91)
	1,310.76	1,687.62
	-	37.27
	60.57	72.01
	-	9.93
	30.07	40.01
	(30.07)	(40.01)
	7.50	9.93
	1.62	
	<b>1,378.83</b>	<b>1,808.45</b>

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 12. INVENTORIES

### Traded goods

[Including stocks in transit Rs. 82.30 (March 31, 2018 Rs. 734.72) and stocks lying in warehouses managed by third parties Rs. 773.81 (March 31, 2018 Rs. 410.41)]

### "Components for sale and servicing of field machines

[Including stocks in transit Rs.510.90 (March 31, 2018 Rs. 490.21) and stocks lying with engineer in field and in warehouses managed by third parties Rs.2,952.27 (March 31, 2018 Rs. 3,005.70)"]

Loose tools lying in warehouses managed by third parties

Less: Provision for inventory

### Total

### Detail of inventory

#### i) Traded goods

- Equipments
- Paper

### Total

#### ii) Components for sale and servicing of field machines:

- Consumables
- Parts

### Total

### Movement of provision for inventory is as below:

Beginning balance

Addition during the year

Write off

Closing balance

	As at March 31, 2019	As at March 31, 2018
	856.11	1,145.13
	3,463.17	3,495.91
	17.68	17.93
	4,336.96	4,658.97
	(890.94)	(883.08)
<b>Total</b>	<b>3,446.02</b>	<b>3,775.89</b>
	836.58	1,138.21
	19.53	6.92
<b>Total</b>	<b>856.11</b>	<b>1,145.13</b>
	1,875.14	1,796.35
	1,588.03	1,699.56
<b>Total</b>	<b>3,463.17</b>	<b>3,495.91</b>
	883.08	689.08
	343.15	284.98
	(335.29)	(90.98)
	<b>890.94</b>	<b>883.08</b>
	3,251.55	2,704.86
	373.96	542.53
	16,638.15	16,586.81
	<b>20,263.66</b>	<b>19,834.20</b>

## 13. CASH AND CASH EQUIVALENTS

### a) Cash and cash equivalents

Bank balances

– Current accounts \*

– EEFC Account

– Demand deposits (less than 3 months maturity)

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	As at March 31, 2019	As at March 31, 2018
<b>b) Bank balances other than cash and cash equivalents</b>		
– Deposit with banks held as margin money **	4.33	4.75
	4.33	4.75
<b>Total</b>	<b>20,267.99</b>	<b>19,838.95</b>

\* Includes an amount of Rs 1,135.28 lacs ( March 31, 2018 - Rs. 545.98 lacs ) under repatriation restrictions.

\*\* Held as lien by bank against Bank guarantee

## 14. LOANS AND DEPOSITS

Unsecured, considered good :

- Security deposits given

**Total**

30.84	-
<b>30.84</b>	<b>-</b>

## 15. OTHER CURRENT FINANCIAL ASSETS

Interest accrued on fixed deposits

Finance lease receivables

**Total**

88.51	141.90
205.89	164.87
<b>294.40</b>	<b>306.77</b>

## 16. CONTRACT ASSETS

Unbilled Revenue

**Total**

1,705.35	1,300.51
<b>1,705.35</b>	<b>1,300.51</b>

## 17. OTHER CURRENT ASSETS

Unsecured considered good (unless otherwise stated)

– Advance to employees

– Advances to vendors (including works Contract tax certificates receivable)

Less: Provision for doubtful claims

Claims Recoverable

– Unsecured considered good

– Unsecured considered doubtful

Less: Provision for doubtful claims

Amounts recoverable from government authorities

– VAT input credit

– Service tax/ GST

Prepaid Gratuity

Prepaid expenses

Deferred rent

**Total**

1.39	43.18
268.82	343.27
(98.08)	(33.76)
170.74	309.51
116.35	174.65
173.46	299.80
(173.46)	(299.80)
116.35	174.65
0.84	0.84
599.95	941.87
582.89	464.41
174.59	177.82
8.62	5.22
<b>1,655.37</b>	<b>2,117.50</b>

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 18. SHARE CAPITAL

### Authorised:

10,00,00,000 (March 31, 2018: 10,00,00,000)  
equity shares of Rs. 10 each

### Issued:

4,48,08,000 (March 31, 2018: 4,48,08,000)  
equity shares of Rs. 10 each

### Subscribed and paid up:

4,48,08,000 (March 31, 2018: 4,48,08,000)  
equity shares of Rs. 10 each

	As at March 31, 2019	As at March 31, 2018
	10,000.00	10,000.00
	4,480.80	4,480.80
	4,480.80	4,480.80
	<b>4,480.80</b>	<b>4,480.80</b>

### a. Reconciliation of number of shares

#### Equity shares:

Balance as at the beginning of the year  
Add: Shares issued during the year  
Balance as at the end of the year

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
	4,48,08,000	4,480.80	4,48,08,000	4,480.80
	-	-	-	-
	4,48,08,000	4,480.80	4,48,08,000	4,480.80

### b. Rights, preferences and restrictions attached to shares

#### Equity Shares:

The Company has one class of equity shares having a par value of Rs. 10 per share. Each member is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### c. Shares held by holding company and subsidiaries of holding company

#### Equity shares:

2,04,23,200 (March 31, 2018: 2,04,23,200)  
shares held by Xerox Limited, United Kingdom, a  
subsidiary of Xerox Corporation, USA, the ultimate  
holding/parent company

1,76,06,706 (March 31, 2018: 1,76,06,706)  
shares held by XC Trading Singapore Pte Limited,  
a subsidiary of Xerox Corporation, USA, the  
ultimate holding/parent company

52,81,121 (March 31, 2018: 33,00,320) shares  
held by Xerox Investments Europe B.V., a  
subsidiary of Xerox Corporation, USA, the ultimate  
holding/parent company

	As at March 31, 2019	As at March 31, 2018
	2,042.32	2,042.32
	1,760.67	1,760.67
	528.11	330.03

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	As at March 31, 2019	As at March 31, 2018
NIL (March 31, 2018: 19,80,801) shares held by Xerox Developing Markets Limited, a subsidiary of Xerox Corporation, USA, the ultimate holding/parent company *	-	198.08
*During the year, Xerox Developing Markets Limited has transferred the shares held by it to Xerox Investments Europe B.V, a subsidiary of Xerox Corporation, USA, the ultimate holding/ parent company		

## d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% of total	No. of shares	% of total
Xerox Limited, UK	2,04,23,200	45.58	2,04,23,200	45.58
XC Trading Singapore Pte Limited	1,76,06,706	39.29	1,76,06,706	39.29
Xerox Investments Europe B.V.	52,81,121	11.79	33,00,320	7.37

## 19. FINANCIAL LIABILITIES

Payable to employees	4.16	31.40
<b>Total</b>	<b>4.16</b>	<b>31.40</b>

## 20. OTHER NON CURRENT LIABILITIES

Lease equalisation reserve	-	0.82
<b>Total</b>	<b>-</b>	<b>0.82</b>

## 21. NON CURRENT PROVISIONS

	As at March 31, 2019	As at March 31, 2018
Other provisions		
- Litigation & disputes- Income tax**	1,015.83	973.10
- Litigation & disputes- Indirect tax and legal cases*	3,308.23	3,068.90
<b>Total</b>	<b>4,324.06</b>	<b>4,042.00</b>
<b>* Indirect taxes &amp; legal cases</b>		
Balance provision as at the beginning of the year	3,068.90	3,208.70
Addition during the year	298.07	115.64
Amount written back / utilised	(58.74)	(255.44)
Balance at the end	<b>3,308.23</b>	<b>3,068.90</b>
<b>** Income tax cases</b>		
Balance provision as at the beginning of the year	973.10	851.62
Addition during the year	42.73	121.48
Amount written back / utilised	-	-
Balance at the end	<b>1,015.83</b>	<b>973.10</b>

### Critical judgement in calculating amount:

Other provisions includes provisions made mainly for probable claims arising out of certain indirect tax, direct tax and legal matters under various statutes. These estimates take into account the specific circumstances of each matter and relevant external advice,

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

are inherently judgmental and could change substantially over time as each matter progresses. The ultimate liability for claims may vary from the amounts provided and is dependent upon the outcome of the relevant proceedings, change in circumstances and there can be no assurance that the ultimate result will not differ from the provisions reported in the Company's financial statements by a material amount. The timing and probability of the outflow and expected reimbursements if any with regard to these matters, depends on the ultimate settlement / conclusion of these matters.

## 22. TRADE PAYABLES

Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 41)		
Payables to related parties (Refer Note 39)		
<b>Total</b>		

	As at March 31, 2019	As at March 31, 2018
	-	49.64
	2,633.86	2,349.93
	2,913.18	4,663.96
<b>Total</b>	<b>5,547.04</b>	<b>7,013.89</b>

## 23. OTHER CURRENT FINANCIAL LIABILITIES

Payable to employees		
Security deposits received		
Other liabilities		
Non-trade payable for other contractual obligation		
<b>Total</b>		

	461.89	521.00
	24.28	67.88
	42.58	9.66
	1,202.36	1,016.71
<b>Total</b>	<b>1,731.11</b>	<b>1,615.25</b>

## 24. OTHER CURRENT LIABILITIES

Statutory dues including Provident Fund and Tax Deducted at Source		
Lease equalisation reserve		
<b>Total</b>		

	514.99	575.63
	0.82	5.61
<b>Total</b>	<b>515.81</b>	<b>581.24</b>

## 25. CONTRACT LIABILITIES

Advance from customers		
Deferred Revenue		
<b>Total</b>		

	425.53	427.86
	154.48	155.79
<b>Total</b>	<b>580.01</b>	<b>583.65</b>

## 26. CURRENT PROVISION

Provision for employees retirement benefits (Refer note 34)		
– Leave encashment		
– Superannuation		
Provision for warranty*		
<b>Total</b>		

	195.38	255.60
	4.21	4.60
	73.75	52.49
<b>Total</b>	<b>273.34</b>	<b>312.69</b>

### \* Provision for warranty

Balance as at the beginning of the year		
Additions		
Amount used		
Balance as at the end of the year		

	52.49	25.02
	222.99	181.01
	(201.73)	(153.54)
<b>Total</b>	<b>73.75</b>	<b>52.49</b>



# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 27. LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

	As at March 31, 2019	As at March 31, 2018
Other Advances (refer note 44)	2,250.00	2,250.00
<b>Total</b>	<b>2,250.00</b>	<b>2,250.00</b>

## 28. CONTINGENT LIABILITIES

### a) Statutory & legal matters:

i)	Contingent liabilities, net of provisions amounting to Rs.232.89 (March 31, 2018 Rs.224.12) in respect of pending legal suits that are not acknowledged as debts.	614.61	629.69
ii)	Disputed Income tax demands including interest, net of provision Rs. 326.58 lacs(March 31, 2018 Rs.283.09 lacs) against which the company/ authorities have preferred an appeal against the orders. The company has deposited Rs.4,937.51 lacs under protest (March 31, 2018 Rs.4937.51 lacs) against such litigations. During the year, contingent demand has been increased by Rs.541.20 lacs.	11,597.14	11,055.94
iii)	Sales tax demands, net of provision of Rs.2,481.74 lacs (March 31, 2018 Rs.2,277.63 lacs) disputed by the company against which the company has preferred an appeal. The company has deposited Rs.1,307.78 lacs (March 31, 2018 Rs.1,695.53 lacs) against all Sales tax demands. During the year demands aggregating to Rs.943.91 lacs have been received during the year. Demand of Rs.1132.76 lacs has been settled during the year.	758.27	1,035.76
iv)	Excise duty demands, net of provision of Rs.566.41 lacs (Rs.538.37 lacs as on March 31, 2018) disputed by the company/ department against which the company has preferred an appeal. During the year received refund for Rs.37.27 lacs against which equal amount of provision created in the books in earlier years has been released. However on issue related to photoreceptor drum provision amounting Rs.65.31 Lacs has been created during the year.	7,101.24	7,063.97
v)	On October 23, 2007 the Company received a show cause notice from the Commissioner of Service Tax, New Delhi for evasion of service tax on leasing & financing services for the period August 16, 2003 to November 4, 2004. The Company has filed a reply to the show cause notice in 2007. An order of the Commissioner of Service was received on February 14, 2013 demanding Rs.65.11 lacs with penalty of Rs.75.01 lacs. The Company has filed an appeal against said Order with Tribunal on May 14, 2013 . A full and unconditional stay has been granted by the Tribunal vide Order dated August 30, 2013.	140.12	140.12

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	As At March 31, 2019	As At March 31, 2018
vi) The Company has received nine show cause notices from the Commissioner of Service Tax, New Delhi for the period July' 03 to June'12 for claiming material abatement on maintenance & printing contracts. Of the above nine show cause notices, first three notices were adjudicated vide Order dated November 30, 2010 dropping demand raised in first and providing partial relief in other two. Other five notices were adjudicated vide Order dated December 31, 2013 giving partial relief of Rs. 1175.50 lacs & last one notice has also adjudicated vide Order dated July 27, 2015 giving partial relief of Rs. 596.50 lacs & against this relief & dropping demand SCN department has also filed an appeal before CESTAT, New Delhi. Company has also deposited amount of Rs.70.46 Lacs for entertain the appeal before CESTAT Delhi. And on first three SCN's department has filed an appeal before CESTAT against drop the demand under SCN Rs.2060.66 lacs & relief given on Rs.268.89 lacs in paper sale/full material sale under XGS. The Company received in Apr'18, two Orders dt. 13-Mar-18 and 20-Mar-18 passed by CESTAT, Chandigarh allowing the Company appeals (and dismissing Revenue appeals) in 9 show cause notices for the period July'03 to June'12. The amount of contingency shown in this disclosure also include the amount of Rs. 8345.23 lacs pertaining to said 8 show cause notices for which favourable order has been received, as Revenue has filed SLP before Supreme Court on 15-Dec-18 against first Adj order for first three SCN. however it is expected revenue will file SLP in Supreme Court for other five SCN.	12,035.88	9,975.22

It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

## 29. CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has not been paid, Rs.NIL (March 31, 2018 Rs.NIL).

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 30. REVENUE FROM OPERATIONS

	Year ended March 31, 2019	Year ended March 31, 2018
Sale of products		
– Traded goods	23,791.97	19,020.94
Sale of services	29,586.90	28,896.20
Other operating revenue		
– Software support services	5,841.98	6,190.58
– Business support services	569.47	634.66
<b>Total</b>	<b>59,790.32</b>	<b>54,742.38</b>
<b>Details of sales (Traded goods)</b>		
Equipment	15,034.47	11,506.17
Paper	4,575.52	3,678.61
Components	4,181.98	3,836.16
<b>Total</b>	<b>23,791.97</b>	<b>19,020.94</b>

### Critical judgements in calculating amounts

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Accruals are made at the time of sale for the estimated rebates, discounts or allowances payable or returns to be made, based on available market information current and projected, historical experience and contractual and legal obligations. The level of accrual is reviewed and adjusted regularly in the light of past experience, projected market conditions etc. Because the amounts are estimated it may differ from the final outcome, which could affect the future results of the Company.

### Transaction price allocated to the remaining performance obligations

Transaction price is the expected consideration to be received in exchange for transferring goods or services, to the extent that it is highly probable that there will not be a significant reversal of revenue.

### Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	Year ended March 31, 2019
Contracted price	61,696.91
<b>Adjustments for :</b>	
Cash discounts	(46.68)
Volume discounts	(1,834.48)
Extended warranty	(25.43)
<b>Revenue recognised</b>	<b>59,790.32</b>

### Disaggregation of Revenue

Revenue is disaggregated by product group and by geography. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer note 51).

### Timing of Revenue Recognition

Revenue is disaggregated by product group and by geography. This is consistent with the revenue information that is disclosed

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

for each reportable segment under Ind AS 108 (refer note 51).

## Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables either as receivable or as Contract Asset. A receivable is a right to consideration that is unconditional upon passage of time. Contract assets consist of unbilled revenue. Contract liabilities consist of deferred revenue and advance from customers. These are previously as part of Other Current Liabilities.

### Movement in Contract Liability is as follows:

Particulars	March 31, 2019
Balance at the beginning of the year	472.03
Revenue recognised that was included in the deferred revenue balance at the beginning of the year	(275.71)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	338.57
<b>Balance at the end of the year</b>	<b>534.89</b>

### Movement in Unbilled Revenue is as follows:

Particulars	March 31, 2019
Balance at the beginning of the year	1,300.51
Invoiced raised during the current year	(1,300.51)
Revenue recognised in current year as unbilled revenue	1,705.35
<b>Balance at the end of the year</b>	<b>1,705.35</b>

## 31. OTHER INCOME

Interest income from financial assets at amortised cost	
Interest income on taxes and others	
Interest Income on finance lease receivables	
Net foreign exchange differences	
Unwinding of discount on security deposits	
Liabilities / provisions written back to the extent no longer required	
Net gain/ (Loss) on disposal of property, plant and equipment	
Scrap sale	
Miscellaneous income	
Fair value gains / (losses) on derivatives not designated as hedge*	
<b>Total</b>	

\* Not designated to hedge accounting relationship

	Year ended March 31, 2019	Year ended March 31, 2018
	973.40	715.84
	7.87	0.23
	69.04	48.70
	597.01	322.85
	11.51	16.60
	49.85	-
	49.72	(8.51)
	3.02	0.05
	311.84	375.53
	(44.39)	(10.45)
<b>Total</b>	<b>2,028.87</b>	<b>1,460.84</b>

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 32. PURCHASE OF GOODS AND SERVICES

Purchase of services and components for sale and servicing of field machines (including warranty costs)

Purchase of traded goods

Provision for obsolescence of inventories

**Total**

**Details of consumption and purchases**

**(a) Purchase of traded goods**

Equipment

Paper

**Total**

	Year ended March 31, 2019	Year ended March 31, 2018
Purchase of services and components for sale and servicing of field machines (including warranty costs)	20,371.40	18,580.27
Purchase of traded goods	18,812.41	13,083.18
Provision for obsolescence of inventories	343.15	284.98
<b>Total</b>	<b>39,526.96</b>	<b>31,948.43</b>
<b>Details of consumption and purchases</b>		
<b>(a) Purchase of traded goods</b>		
Equipment	14,443.52	9,569.74
Paper	4,368.89	3,513.44
<b>Total</b>	<b>18,812.41</b>	<b>13,083.18</b>

## 33. CHANGE IN INVENTORIES OF GOODS

**Traded goods**

– At the beginning of the year

– At the end of the year

**Components for sale and servicing of field machines**

– At the beginning of the year

– At the end of the year

**Decrease / (Increase) in inventories**

– At the beginning of the year	1,145.13	694.88
– At the end of the year	856.11	1,145.13
	289.02	(450.25)
– At the beginning of the year	3,495.91	3,459.57
– At the end of the year	3,463.17	3,495.91
	32.74	(36.34)
<b>Decrease / (Increase) in inventories</b>	<b>321.76</b>	<b>(486.59)</b>

## 34. EMPLOYEE BENEFIT EXPENSE

Salaries, wages and bonus

Contribution to Provident and other funds (refer note 34 (b) below)

Group settled share based payment

Gratuity (refer note 34 (b) below)

Staff welfare

**Total**

**(a) Contribution to provident and other funds**

Amount recognised in the Statement of Profit and Loss:

– Provident fund

– Pension fund

– Superannuation

– Labour welfare fund

**Total**

Salaries, wages and bonus	9,085.30	8,780.22
Contribution to Provident and other funds (refer note 34 (b) below)	360.02	378.86
Group settled share based payment	133.66	48.53
Gratuity (refer note 34 (b) below)	42.02	91.42
Staff welfare	36.51	37.43
<b>Total</b>	<b>9,657.51</b>	<b>9,336.46</b>
<b>(a) Contribution to provident and other funds</b>		
Amount recognised in the Statement of Profit and Loss:		
– Provident fund	220.31	215.85
– Pension fund	85.30	104.80
– Superannuation	53.41	57.12
– Labour welfare fund	1.00	1.09
<b>Total</b>	<b>360.02</b>	<b>378.86</b>

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## Employee benefits payable

### a) Leave encashment

The leave obligations cover the group's liability for earned leave. The entire amount of the provision is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

### b) Defined benefit plans

**Provident fund:** Provident fund for certain eligible employees is managed by the company through the "Xerox India Employees' Provident Fund Trust", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

**Gratuity:** Gratuity for the eligible employees is managed by contributing all ascertained liabilities to a fund set up by the Company and administered by a board of trustees, which has taken two Gratuity cum insurance policies with the Life Insurance Corporation of India to cover the gratuity liability of the employees. Every employee is entitled to a benefit in line with the Payment of Gratuity Act, 1972, which is payable at the time of separation from the company or retirement, whichever is earlier. The benefit vest after five years of continuous service.

Gratuity	Present value of obligation	Fair value of plan assets
April 1, 2017	863.69	1,243.94
Current service cost	120.09	-
Interest expense/(income)	65.12	93.79
<b>Total amount recognised in profit or loss</b>	<b>185.21</b>	<b>93.79</b>
Remeasurements		
Return on plan assets, excluding amounts included in interest expense/ (income)	-	-
(Gain)/loss from change in demographic assumptions	(42.92)	-
(Gain)/loss from change in financial assumptions	(104.47)	-
(Gain)/loss from experience adjustment	(28.48)	(2.45)
<b>Total amount recognised in other comprehensive income</b>	<b>(175.87)</b>	<b>(2.45)</b>
Adjustment due to business transfer		-
Employer contributions	-	2.17
Benefit payments	(37.70)	(37.70)
<b>March 31, 2018</b>	<b>835.33</b>	<b>1,299.75</b>
<b>April 1, 2018</b>	835.33	1,299.75
Current service cost	77.45	-
Interest expense/(income)	63.74	99.17
<b>Total amount recognised in profit or loss</b>	<b>141.19</b>	<b>99.17</b>
Remeasurements		
Return on plan assets, excluding amounts included in interest expense/ (income)		
(Gain)/loss from change in demographic assumptions	(66.05)	-
(Gain)/loss from change in financial assumptions	(37.08)	-
Experience (gains)/losses	(60.67)	(5.99)
<b>Total amount recognised in other comprehensive income</b>	<b>(163.80)</b>	<b>(5.99)</b>
Employer contributions	-	2.68
Benefit payments	(100.41)	(100.41)
<b>March 31, 2019</b>	<b>712.31</b>	<b>1,295.20</b>

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	As at March 31, 2019	As at March 31, 2018
Present value of funded obligations	712.31	835.33
Fair value of plan assets	1,295.20	1,299.75
Surplus of funded plan before asset ceiling	<b>582.89</b>	<b>464.42</b>
Impact of Asset ceiling	-	-
Surplus of funded plan after asset ceiling	<b>582.89</b>	<b>464.42</b>

Provident Fund	Present value of obligation	Fair value of plan assets
<b>April 1, 2017</b>	6,653.36	6,935.94
Current service cost	215.86	-
Interest expense/(income)	501.66	501.66
<b>Total</b>	<b>717.52</b>	<b>501.66</b>
Remeasurements		
Return on plan assets, excluding amounts included in interest expense/(income)	-	26.91
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(0.19)	-
Experience (gains)/losses	73.55	-
<b>Total</b>	<b>73.36</b>	<b>26.91</b>
Settlements/Transfer In	227.31	185.69
Employer contributions	409.52	215.86
Employer/Employee contributions	(1,031.90)	(1,031.90)
Benefit payments		409.52
<b>March 31, 2018</b>	<b>7,049.17</b>	<b>7,243.68</b>
<b>April 1, 2018</b>	7,049.17	7,241.35
Current service cost	220.31	-
Interest expense/(income)	537.85	537.85
<b>Total</b>	<b>758.16</b>	<b>537.85</b>
Remeasurements		
Return on plan assets, excluding amounts included in interest expense/(income)	-	42.37
(Gain)/loss from change in demographic assumptions	(1.02)	-
(Gain)/loss from change in financial assumptions	0.17	-
Experience (gains)/losses	60.40	-
<b>Total</b>	<b>59.55</b>	<b>42.37</b>
Settlements/Transfer In	204.63	204.63
Employer contributions	-	220.31
Benefit payments	(1,156.48)	(1,156.48)
Employee contributions	400.99	400.99
<b>March 31, 2019</b>	<b>7,316.02</b>	<b>7,491.02</b>

## Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	As at March 31, 2019	As at March 31, 2018
Present value of funded obligations	7,316.02	7,049.17
Fair value of plan assets	7,491.02	7,243.68
Surplus of funded plan before asset ceiling	175.00	194.51
Impact of Asset ceiling	-	-
Surplus of funded plan after asset ceiling	175.00	194.51

**Significant estimates: actuarial assumptions and sensitivity**

The significant actuarial assumptions were as follows:

**Gratuity**

Discount rate	7.18%	7.63%
Salary growth rate	8.00%	9.00%

**Provident fund**

Discount rate	7.18%	7.63%
Expected Statutory Rate on Ledger Balance	8.65%	8.65%
Expected Shortfall in interest rate	0.05%	0.05%

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Gratuity As at March 31, 2019	Provident Fund As at March 31, 2019
<b>Impact of Change in discount rate</b>		
<b>Present Value of Obligation at the end of period</b>	<b>712.31</b>	<b>7,316.02</b>
1) impact due to 0.5% increase	(15.69)	(0.19)
2) impact due to 0.5% decrease	16.40	0.20
<b>Impact of Change in salary growth rate</b>		
<b>Present Value of Obligation at the end of period</b>	<b>712.31</b>	<b>-</b>
1) impact due to 0.5% increase	16.19	-
2) impact due to 0.5% decrease	(15.64)	-
	<b>As at March 31, 2018</b>	<b>As at March 31, 2018</b>
<b>Impact of Change in discount rate</b>		
1) impact due to 0.5% increase	(37.61)	(1.00)
2) impact due to 0.5% decrease	40.46	1.06
<b>Impact of Change in salary growth rate</b>		
1) impact due to 0.5% increase	39.74	-
2) impact due to 0.5% decrease	(37.31)	-

"The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

The major categories of plans assets for Provident Fund are as follows:

	As at March 31, 2019	As at March 31, 2018
Government securities (Central & state)	57%	52%
Corporate bonds/debentures/loans	0%	0%
Equity shares of listed companies	3%	3%
Fixed deposits under special deposit scheme of central government	0%	0%
Public sector unit bonds	39%	44%
Fixed deposits and money market instruments	0%	0%
Others	1%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

## Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

- Salary Increases** – Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk** – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate** – Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability** – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals** – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

The company's best estimate of contribution towards Gratuity is Rs.41.21 and towards Provident Fund is Rs.224.99 for the year ending 31 March 2020.

The weighted average duration of Gratuity is 5.40 years (31 March 2018 – 12.69 years). The weighted average duration of provident fund is 5.40 years (31 March 2018 – 12.69 years). The expected maturity analysis of undiscounted gratuity and provident fund is as follows:

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
<b>March 31, 2019</b>					
Defined benefit obligation (gratuity)	132.12	79.49	198.94	301.76	712.31
Defined benefit obligation (provident fund)	3,905.02	378.00	815.00	2,218.00	7,316.02
<b>Total</b>	<b>4,037.14</b>	<b>457.49</b>	<b>1,013.94</b>	<b>2,519.76</b>	<b>8,028.33</b>
<b>March 31, 2018</b>					
Defined benefit obligation (gratuity)	39.86	22.99	174.67	597.81	835.33
Defined benefit obligation (provident fund)	3,516.02	65.00	476.00	2,962.00	7,019.02
<b>Total</b>	<b>3,555.88</b>	<b>87.99</b>	<b>650.67</b>	<b>3,559.81</b>	<b>7,854.35</b>

## 35. FINANCE COSTS

	Year ended March 31, 2019	Year ended March 31, 2018
Interest		
– Interest on advance income tax	-	16.57
– Others	-	0.66
Factoring cost	-	0.00
Unwinding of discount on provisions	2.44	4.68
Bank charges	9.31	13.24
<b>Total</b>	<b>11.75</b>	<b>35.15</b>

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 36. DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on property, plant and equipment	1,235.61	1,039.11
Amortisation of intangible assets	78.59	79.39
<b>Total</b>	<b>1,314.20</b>	<b>1,118.50</b>

## 37. OTHER EXPENSES

Consumables and spare parts - own use equipments	29.96	23.07
Charity and Donations	106.23	75.41
Repair and Maintenance - others*	297.03	231.69
Bad debts and advances written off	0.82	-
Less: Provision for bad debts and advances written back	-	0.82
Provision/(Release) for doubtful advances	140.25	281.47
Provision for doubtful debts	52.08	67.40
Provision for litigations and disputes	298.07	115.64
Electricity expenses	124.82	128.98
Rates and taxes*	32.32	45.99
General expenses	189.99	213.32
Rent*	827.52	569.31
Insurance	184.12	165.38
Legal and professional expenses*	764.29	710.69
Auditors' Remuneration		
- Statutory audit	43.00	43.00
- Other services	1.25	1.25
- Reimbursement of expenses	1.59	1.03
Printing and stationery	6.66	9.18
Cost of services purchased	1,115.78	1,036.57
Communication expenses	87.26	111.53
Fixed assets written off*	132.26	6.04
Advertisement and publicity	204.76	172.97
Transportation and warehousing	1,598.20	1,462.51
Conveyance and travelling	915.07	1,013.98
<b>Total</b>	<b>7,153.33</b>	<b>6,486.41</b>

\* Refer Note No 44 (c)

## 38. EARNINGS PER SHARE (EPS)

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share

(a) Net profit after tax	2,513.30	4,611.79
(b) Weighted average number of equity shares outstanding during the year	448.08	448.08
(c) Nominal value of equity shares (Rs.)	10.00	10.00
(d) Basic/diluted* earnings per share (Rs.)	5.61	10.29

\*There are no potential dilutive equity shares

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 39. RELATED PARTY TRANSACTIONS

In the normal course of business, the company enters into transactions with its parent company and other affiliated companies. The names of related parties of the company as required to be disclosed under Ind AS 18 is as follows:

(a) **The Company is controlled by the following entity:**

Ultimate holding/parent company	Xerox Corporation, USA
Ownership Interest as at March 31, 2019	96.66%
as at March 31, 2018	96.66%
Entities exercising significant Influence in the company:	Xerox Limited, UK XC Trading Singapore Pte Limited

(b) **Other Related parties with whom transactions have taken place during the year:**

Fellow subsidiaries and other companies/ entities which do not exercise control or significant influence over the company:	Conduent India Pvt Limited (erstwhile Xerox Business Services India LLP) Xerox (Europe) Limited Xerox Egypt S.A.E. Xerox Technology Services India LLP Fuji Xerox Co Limited Xerox OY (FINLAND)
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Key Managerial Personnel as per The Companies Act, 2013

Ashraf M. A. Elarman- Managing Director (from June 22, 2015 to December 31, 2017)
Raj Kumar Rishi - Managing Director (from December 15, 2017 to May 22, 2019)
Satpreet Singh- Chief Financial Officer (from February 01, 2016)
Rajiv L. Jha - Company Secretary & DGM Legal (from March 24, 2015)
Rajat Jain - Non Executive Director (upto December 31, 2017)
Prakash K Iyer - Independent Director (from March 03, 2015)
Rishi K Srivastava- Independent Director (from March 03, 2015)

**Key management personnel compensation**

	Year ended March 31, 2019	Year ended March 31, 2018
Short-term employee benefits	400.47	753.29
Post-employment benefits	15.58	33.34
Director sitting fee	21.00	39.04
<b>Total compensation</b>	<b>437.05</b>	<b>825.67</b>

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

Included in the financial statements are the following amounts relating to transactions with related parties:

	Year ended March 31, 2019	Year ended March 31, 2018
<b>(a) Revenue</b>		
Ultimate holding/parent company		
Xerox Corporation, USA		
– Sale of products	0.00	1.56
– Software support services	5,841.98	6,190.58
– Business support services	139.15	162.14
– Sale of services	-	52.83
Entities exercising significant Influence in the company:		
Xerox Limited, UK		
– Product sale	-	38.38
– Other Income	87.18	102.92
– Business support services	66.01	65.99
XC Trading Singapore Pte Limited		
– Business support services	283.13	296.73
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company		
Xerox Technology Services India LLP		
– Business support services	81.18	109.80
– Sale of services	65.58	46.96
<b>(b) Reimbursement of expenses paid on their behalf</b>		
Ultimate holding/parent company		
– Xerox Corporation, USA	1.82	3.08
Entities exercising significant Influence in the company:		
– Xerox Limited, UK	99.99	127.37
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company		
– Xerox OY (FINLAND)	0.50	-
<b>(c) Expenses</b>		
Ultimate holding/parent company		
Xerox Corporation, USA		
– Purchases	(0.00)	-
– Reimbursement of salary paid on our behalf	59.77	47.55
– Other expenses	6.60	9.34
Entities exercising significant Influence in the company:		
Xerox Limited, UK		
– Purchases (including purchase of equipment)	30,101.57	22,189.77
– Other expenses	4.88	16.96

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	Year ended March 31, 2019	Year ended March 31, 2018
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company		
Fuji Xerox Co Limited		
– Reimbursement of salary paid on our behalf	58.56	57.32
Xerox Egypt SAE		
– Reimbursement of salary paid on our behalf	35.60	-
– Other expenses	-	-
Xerox Technology Services India LLP		
–Others Services	111.78	111.34
Others		
– Reimbursement of salary paid on our behalf	-	-
– Other expenses	59.26	34.16
<b>(d) Balance outstanding as at the year end</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2019</b>
<b>Receivables</b>		
Ultimate holding/parent company		
– Xerox Corporation, USA	335.85	706.85
Entities exercising significant Influence in the company:		
– Xerox Limited, UK	41.86	33.48
– XC Trading Singapore Pte Limited	21.09	36.71
Conduent India Pvt Limited (erstwhile Xerox Business Services India LLP)	-	-
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company		
– Others	-	-
Xerox Technology Services India LLP	10.71	19.72
<b>Payables</b>		
Ultimate holding/parent company		
– Xerox Corporation, USA	19.21	2.05
Enterprise having substantial interest in the company		
– Xerox Limited, UK	2,859.82	4,613.25
–Others	4.14	5.73
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company		
–Fuji Xerox Co Ltd	3.68	14.63
Xerox Technology Services India LLP	26.33	28.30

**Note:**

- 1 The name of related parties is based on information provided by Xerox Corporation, USA.
- 2 Terms and conditions:

All transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 40. LEASES

	Year ended March 31, 2019	Year ended March 31, 2018
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### (a) Operating leases where the company is a lessee :

The Company has taken office premises on operating leases. These lease arrangements range for a period between 11 months and 09 years, which include both cancellable and non cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

Lease payments recognised in the Statement of Profit and Loss during the year	827.52	569.31
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**With respect to non-cancellable operating leases, the future minimum lease payments are as follows :**

Not later than one year	477.22	26.20
Later than one year but not later than five years	454.24	18.04
More than five years	-	-

### (b) Operating leases where the company is a lessor :

The Company has given certain asset-equipments on leases arrangement ranging for period 3-5 years.

(i) Gross carrying amount	5,817.45	4,286.53
(ii) Accumulated Depreciation	2,377.72	1,801.58
(iii) Depreciation provided during the year	1,090.11	788.80

### (c) Finance leases where the company is a lessor :

The Company has given certain asset-equipments on leases arrangement ranging for period 4-5 years.

	As at March 31, 2019		
	Future minimum lease payments	Finance cost	Present value of minimum lease payments
Within one year	274.66	68.76	205.89
Later than one year but not later than five years	635.09	89.20	545.89
Later than five years	-	-	-

	As at March 31, 2018		
	Future minimum lease payments	Finance cost	Present value of minimum lease payments
Within one year	218.48	53.61	164.87
Later than one year but not later than five years	492.27	71.46	420.82
Later than five years	-	-	-

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 41. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	As at March 31, 2019	As at March 31, 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	49.64
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

The above disclosure is based on information available with the company regarding status of the suppliers as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.

## 42. MANAGERIAL REMUNERATION

a) Managerial remuneration under Section 197 of the Companies Act, 2013 paid to the Managing Director of the Company is as follows:

	Year ended March 31, 2019	Year ended March 31, 2018
Salary and other perquisites *	214.85	615.52
Provident fund *	7.20	26.18
<b>Total</b>	<b>222.05</b>	<b>641.70</b>

\* the payment has been made to the Managing Director for the period beginning April 1, 2018 (Previous year the payment was from Apr 1, 2017 till March 31, 2018.)

As no commission is payable to the Directors, the computation of net profits in accordance with Section 197(8) read with Section 198 of the Companies Act, 2013 has not been given.

b) With reference to the approval granted by the Ministry of Corporate Affairs (MCA) vide its letter No. 12/1055/2007-CL.VII dated December 8, 2008 and SRN No. A54650601-CL.VII dated June 30, 2009 in respect of managerial remuneration paid to a former whole time director for the year ended March 31, 2009, the Company, over the years, wrote to MCA seeking clarification on inclusion of perquisites in the approved remuneration as aforesaid as well as sought approval from MCA for payment of excess managerial remuneration of Rs. 19.76 as paid by the Company to the managerial personnel during the said financial year 2008-09. The said excess managerial remuneration was computed based on Section I of Part II of Schedule XIII to the erstwhile Companies Act, 1956 (hereinafter "the Act"), as VRS expenditure being a non-deductible item in the computation of the net profits under the provisions of Section 349 of the Act.

In the absence of clarification/approval from MCA as aforesaid, the excess managerial remuneration (amounting to Rs. 19.76) pertaining to the financial year 2008-09 was first accounted for by the Company as recoverable (in the audited financial statements for FY 2015-16) under the provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956) by

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

disclosing the same under "Miscellaneous Income". The said audited financial statements (of FY 2015-16) was subsequently approved and adopted by the shareholders of the Company in the 20th AGM held on 27.09.2016 and accordingly the Company submitted a letter (in October 2016) with the MCA withdrawing its application seeking approval to the payment of aforesaid excess remuneration. Thereafter, based on the aforesaid, during the financial year 2016-17, the Company recovered Rs. 19.76 of excess managerial remuneration (pertaining to FY 2008-09) from its parent company on behalf of the concerned managerial personnel. Such recovery was subsequently approved by the shareholders in the last Annual General Meeting (21st AGM) held on 28.09.2017, and necessary filing of the audited financial statements of FY 2016-17 was also done by the Company with the Registrar of Companies in October 2017.

## 43 RAMPUR CLOSURE:

Pursuant to the approval of the shareholders of the Company in their Extra-Ordinary General Meeting held on March 25, 2010 for disposal of Rampur undertaking, the Company closed the said undertaking w.e.f. March 31, 2010 and accordingly, initiated the process for its disposal. The said disposal was subject to entering into definitive agreements and obtaining of regulatory approvals thereof.

During FY 2011-12, the Company entered into an agreement with Modipur Devices Pvt. Ltd. for sale of the aforesaid undertaking including the leasehold land, controlled land, freehold land, buildings and other assets at Rampur for an aggregate consideration of Rs. 2250 Lacs, out of which Rs. 1150 Lacs was received by the Company in the financial year 2011-12 and the balance in the financial year 2013-14. However, the sale of undertaking had not been recognised in the books pending registration of the deed of conveyance/sale deed or assignment of lease. The registration of the deed of conveyance/sale deed or assignment of lease was conditional upon the obtaining of necessary regulatory approval which has been awaited.

In respect of the aforesaid leasehold land, during the financial year ended March 31, 2016, the first tranche of lease (i.e. first 30 years out of the three tranches/sub-terms of total lease term for 90 years) granted by the relevant Government to the Company expired on September 20, 2015. However, much prior to the said expiry and thereafter, the Company wrote several letters to the relevant Government department/authority requesting renewal/extension of the lease for the second tranche of 30 years as well as permission for assignment/transfer of leasehold land in favour of Modipur Devices Pvt. Ltd. Further, in March 2016, the Company received a letter from the concerned Government Department seeking explanation with respect to the renewal of the lease, which was appropriately replied by the Company in April 2016.

During the FY 2016-17, the concerned Government Department announced a scheme (vide notification no. 10-638/77-3-16-9 dt. April 29, 2016) providing for conversion of leasehold land into freehold land. In order to achieve the objective of the aforesaid agreement, the Company, accordingly, applied to the concerned Government Department (vide its application dated July 14, 2016) for allowing conversion of the said leasehold land into freehold land as well as transfer of the said freehold land (upon conversion) in favour of Modipur Devices Pvt. Ltd. However, the concerned Government Department returned the conversion application with an advice to complete the process of renewal first and then re-apply.

During the year under review, the Board of Directors of the Company passed a resolution on 13th February 2019 authorising the current officials of the Company to sign, execute and effectuate the renewal of lease on receipt of approval from the concerned Government Department.

Pending such approvals, the assets (including leasehold land) attributable to the said undertaking have been classified as assets held for sale.

## 44 OTHER NOTES

### a) Disclosure:

Subsequent to the submission of the required information with the Directorate of Enforcement ("ED") in the FY 2014-15 relating to the trading activities undertaken by the Company during the years 2000-2003, the Company (vide its letter dt. 8th September 2014) requested the Reserve Bank of India (RBI) for clarity on the approval requirement with respect to the aforesaid trading activities undertaken by the Company. To that, RBI issued a letter (dt. 23rd November 2016) to the Company stating that in terms of Press Note 2 of 2000 dated February 11, 2000, FDI in cash and carry wholesale trading required prior approval of the Foreign Investment Promotion Board (FIPB).



# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

Pursuant to the aforesaid RBI letter, the Company submitted applications with FIPB on 29th December 2016 and 23rd May 2017 (which was processed by Department of Industrial Policy and Promotion). However, both these applications were rejected by FIPB on technical grounds (vide its letter dated 24th April 2017 citing, inter alia, that the Company did not seek specific approval) and thereafter by Department of Industrial Policy and Promotion (DIPP) (vide its letter dated 25th August 2017 citing that no merit was found to change the earlier decision of the Govt. as communicated vide the said FIPB letter of 24th April 2017).

Presently, the Company's application/re-presentation (submitted on 24th November 2017) seeking post-facto approval to the aforesaid trading activities is under process with DIPP which took over from the FIPB after its dis-banding in June 2017. During the year under review, the Government renamed DIPP as Department for Promotion of Industry and Internal Trade (DPIIT).

Meanwhile, the Company, received a summon from the ED (dt. 5th March 2018) requiring appearance of the principal officer along with detailed information/documents w.r.t. wholesale and retail trading undertaken by the Company during the year 2000-2003 item-wise, value-wise and quantity-wise. However, these being extremely old information and as the matter of DPIIT post-facto approval seems to be in the last leg, we have been seeking extension for submission of the sought information from ED from time to time, and the latest extension is valid till 9th October 2019.

Considering the above, based on the legal opinion obtained by the Company, the management is of the view that an estimate of the financial liability on the Company cannot be determined with reasonable certainty at this point in time as the same may depend on various factors viz. view taken by DIPP (now DPIIT) in relation to the Company's re-presentation, the aggregate foreign investment in the Company, revenue and profits earned from the trading activities during the years 2000-2003, comments, if any, of ED on the matter. Accordingly, liability would be recognised in the year such uncertainty gets resolved.

## **b) Criminal complaint:**

In March 2003, the Company filed a criminal complaint under Section 200 of the Code of Criminal Procedure for offences punishable u/s 120B read with Sections 408, 468 and 471 of the Indian Penal Code against a former employee of the Company and an entity to which the payments were alleged to have been made for services to secure refunds from the Income Tax Authorities. In this case, the complaint had been filed by the Company and even if the case is decided against the Company, there can be no financial exposure to the Company. The matter is presently sub-judice.

**c)** During the year, software support services activity has been reduced which are being provided to Xerox corporation. This has resulted into termination of lease of one of the facility based at Gurugram. The lease agreement for the said property was non-cancellable till July 2021. As per the agreement, the Company was required to pay rent for the non-cancellable period if the agreement is terminated during the lock in period. Subsequent to March 31, 2019, the Company has entered into an agreement with the lessor and negotiated to reduce the non-cancellable period of 28 months to 11.5 months and accordingly, the Company has recognized an expense of Rs. 209.68 lacs, Rs. 10.07 lacs, Rs.51.77 lacs and Rs.123.64 lacs as Rent, Property tax, Maintenance and FA written off under the heading of Rent, Rates and Taxes, Repair and Maintenance - others and Fixed assets written off respectively. The Company has also recognized Rs. 83.71 Lacs for Brokerage fee under the heading of Legal and Professional expenses.

**45** The company has a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the company appoints independent consultants for conducting a Transfer Pricing Study to determine whether the transactions with associate enterprises are undertaken, during the financial year, on an "arms length basis". Adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed for the current financial year. However the management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation. The transfer pricing study for the financial year 2017-18 did not result in any adjustment.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 46 EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

- (a) Gross amount required to be spent by the Company during the year: Rs. 105.10  
 (b) Amount spent during the year : Rs. 106.23

## 47 FINANCIAL RISK MANAGEMENT

The company's activities expose it to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities to protect the currency exposure risk are carried out by the team that have the appropriate skills, experience and supervision.

### (A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financial activities including deposits with banks. The carrying amounts of financial assets represent the maximum credit risk exposure.

#### Trade and other receivables

The Trade receivables of the Company are usually un-secured and derived from services rendered or sales made to a large number of contract based as well as independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk.

As there is no independent credit rating of the customers available with the Company, the management reviews the credit-worthiness of its customers based on their financial position, past experience and other factors. In determining the allowances for doubtful trade receivables the Company has used a simplified approach by computing the expected credit loss (ECL) allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information.

#### Reconciliation of ECL provision – Trade receivables

ECL provision on 1 April 2017	833.22
Changes in ECL provision during the year including bad debts written off against provision	102.76
ECL provision on 31 March 2018	935.98
Changes in ECL provision during the year including bad debts written off against provision	(166.95)
ECL provision on 31 March 2019	769.03

#### Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits accounts in different banks.

#### Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

### (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding to meet obligations when due. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Based on past performance and current expectations, the Company believes that the Cash and cash equivalents and cash generated from operations will satisfy its working capital needs, capital expenditure, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at March 31, 2019	As at March 31, 2018
Overdraft Fund Limit	759.37	916.70
Non fund based limit	6,253.88	6,107.60

## Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

### Contractual maturities of financial liabilities:

	Carrying Amount	0-1 Year	> 1 Year
<b>March 31, 2019</b>			
Trade payables	5,547.04	5,547.04	-
Other financial liabilities	1,735.27	1,731.11	4.16
<b>Total</b>	<b>7,282.31</b>	<b>7,278.15</b>	<b>4.16</b>
<b>March 31, 2018</b>			
Trade payables	7,063.53	7,063.53	-
Other financial liabilities	1,646.65	1,615.25	31.40
<b>Total</b>	<b>8,710.18</b>	<b>8,678.78</b>	<b>31.40</b>

## (C) Market risk

### (i) Foreign currency exposure

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Exposures are broadly categorised into receivables and payable exposures. The Company manages its foreign currency risk by entering into derivatives on net exposures, i.e. netting off the receivable and payable exposures in order to take full benefit of Natural Hedge.

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	As at 31 March 2019	As at 31 March 2018
Exposure to foreign currency risk (assets)		
Financial assets		
EEFC Account Balance	373.96	542.53
Trade receivables	524.43	724.37
<b>Net exposure to foreign currency risk (assets)</b>	<b>898.39</b>	<b>1,266.90</b>
Exposure to foreign currency risk (liabilities)		
Trade payables	2,926.66	4,683.31
Foreign exchange forward contracts (Buy USD)	2,193.36	3,156.08
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>733.30</b>	<b>1,527.23</b>

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

Other than above (USD), the Company has unhedged foreign currency exposure expressed in INR, are as follows: :

Trade payables	As at 31 March 2019	As at 31 March 2018
GBP	5.73	11.70
JPY	3.68	14.15
EURO	4.14	10.83

## (ii) Foreign currency sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

Impact on profit after tax		
USD sensitivity*		
INR/USD Appreciates by 2.5%	(33.16)	(55.85)
INR/USD Depreciates by 2.5%	33.16	55.85

\* Holding all other variables constant

## 48 CAPITAL MANAGEMENT

The company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders,

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2018 and March 31, 2019.

### Dividend

	As at March 31, 2019	As at March 31, 2018
	Amount in Rs.	Amount in Rs.
<b>Dividend not recognised at the end of the reporting period</b>	10,529.88	NIL
The directors have recommended the payment of a final dividend of Rs. 23.5 per fully paid equity share (March 31, 2019 of Rs.10), in its meeting held on July 16, 2019. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		
Dividend distribution tax on above	2,164.45	NIL

## 49 FAIR VALUE MEASUREMENTS

### a) Financial instruments by category

	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Trade receivables	-	-	6,502.43	-	-	6,065.72
Contract Assets	-	-	1,705.35	-	-	1,300.51

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Cash and cash equivalents	-	-	20,263.66	-	-	19,834.20
Bank balances other than cash and cash equivalents	-	-	4.33	-	-	4.75
Loans	-	-	112.34	-	-	211.16
Other Financial Assets	-	-	846.02	-	-	744.63
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>29,434.13</b>	<b>-</b>	<b>-</b>	<b>28,160.97</b>
<b>Financial liabilities</b>						
Trade payables	-	-	5,547.04	-	-	7,063.53
Other Financial Liabilities	-	-	1,692.69	-	-	1,636.99
Foreign exchange forward contracts*	42.58	-	-	9.66	-	-
<b>Total financial liabilities</b>	<b>42.58</b>	<b>-</b>	<b>7,239.73</b>	<b>9.66</b>	<b>-</b>	<b>8,700.52</b>

\*Classified as Level 2 of fair value hierarchy: the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

## (b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements.

### Fair value hierarchy

	As at March 31, 2019			As at March 31, 2018		
	Level-1	Level-2	Level-3	Level-1	Level-2	Level-3
<b>Financial assets</b>						
Trade receivables	-	-	6,502.43	-	-	6,065.72
Contract Assets	-	-	1,705.35	-	-	1,300.51
Cash and cash equivalents	20,263.66	-	-	19,834.20	-	-
Bank balances other than cash and cash equivalents	4.33	-	-	4.75	-	-
Loans	-	-	112.34	-	-	211.16
Other Financial Assets	-	-	846.02	-	-	744.63
<b>Total financial assets</b>	<b>20,267.99</b>	<b>-</b>	<b>9,166.14</b>	<b>19,838.96</b>	<b>-</b>	<b>8,322.01</b>
<b>Financial liabilities</b>						
Trade payables	-	-	5,547.04	-	-	7,063.53
Other Financial Liabilities	-	-	1,692.69	-	-	1,636.99
Foreign exchange forward contracts	-	42.58	-	-	9.66	-
<b>Total financial liabilities</b>	<b>-</b>	<b>42.58</b>	<b>7,239.73</b>	<b>-</b>	<b>9.66</b>	<b>8,700.52</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

## Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of short term trade receivables, trade payables, cash and cash equivalents, other bank balances, security deposits and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of security deposit are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. There is no material difference between carrying amount and fair value of security deposit as on March 31, 2019, March 31, 2018.

## 50 SHARE BASED PAYMENTS

### Equity settled share based payments

Xerox Corporation, USA have a long-term incentive plan whereby eligible employees of the Company may be granted restricted stock units (RSUs), performance shares (PSs) in order to continue to attract and retain employees and to better align employees' interests with those of the shareholders. Each of these awards is subject to settlement with newly issued shares of common stock of Xerox Corporation.

**Restricted stock units:** Compensation expense is based upon the grant date market price and is recorded over the vesting period, which is normally three years from the date of grant, based on management's estimate of the number of shares expected to vest.

**Performance shares:** Vest contingent upon meeting pre-determined cumulative goals for revenue, earnings per Share (EPS) and cash flow from operations, typically over a three-year performance period. If the cumulative three-year actual results exceed the stated targets, then all plan participants have the potential to earn additional shares of common stock up to a maximum overachievement of 100% of the original grant. In 2017, the maximum overachievement that could be earned was changed to 100% (from 25%) for all participants to align their maximum overachievement with that of the officers and selected executives. Previously that level was only available to officers and certain senior executives. All performance shares entitle the holder to one share of common stock, payable after a three-year service period and attainment of the stated goals. The fair value of performance shares is based upon the market price of our stock on the date of the grant. Compensation expense is recognized over the vesting period, which is normally three years from the date of grant, based on management's estimate of the number of shares expected to vest. If the stated targets are not met, any recognized compensation cost would be reversed.

Set out below is a summary of awards granted under the plan:

Particulars	Restricted stock unit	Performance shares
	No. of shares	No. of shares
Outstanding as at April 1, 2017	1,790.00	3,614.00
Granted during year	4,299.00	836.00
Forfeited/Expired during year	-	-
Exercised/vested during year	-	(914.00)
Outstanding at the March 31, 2018	6,089.00	3,536.00
Granted during year	7,783.00	4,448.00
Forfeited/Expired during year	-	-
Exercised/vested during year	(901.00)	(1,339.00)
Outstanding as at March 31, 2019	12,971.00	6,645.00

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

Weighted average grant date market price of the shares for the awards granted during the year is as follows (US\$):

	As at March 31, 2019	As at March 31, 2018
Restricted Stock Unit	25.14	28.91
Performance Shares	24.03	28.73

Awards outstanding at the end of the year have the following expiry date:

Grant Date	Expiry Date	As at March 31, 2019	As at March 31, 2018
<b>Restricted stock unit</b>			
01-Jul-16	01-Jul-19	1,467.00	1,467.00
01-Oct-16	01-Oct-19	323.00	323.00
01-Jul-17	01-Jul-20	2,497.00	2,497.00
01-Jan-18	01-Jan-19		901.00
01-Jan-18	01-Jan-20	901.00	901.00
06-Apr-18	06-Apr-19	1,035.00	
06-Apr-18	06-Apr-20	1,035.00	
06-Apr-18	06-Apr-21	1,819.00	
14-Jan-19	14-Jan-20	971.00	
14-Jan-19	14-Jan-21	971.00	
14-Jan-19	14-Jan-22	1,952.00	
		<b>12,971.00</b>	<b>6,089.00</b>
<b>Performance shares</b>			
01-Jul-15	01-Jul-18		1,339.00
01-Jul-16	01-Jul-19	1,361.00	1,361.00
01-Jul-17	01-Jul-20	836.00	836.00
06-Apr-18	06-Apr-20	-	
06-Apr-18	06-Apr-21	1,353.00	
14-Jan-19	14-Jan-22	3,095.00	
		<b>6,645.00</b>	<b>3,536.00</b>

Weighted average remaining contractual life outstanding at end of period:

	As at March 31, 2019	As at March 31, 2018
Restricted Stock Unit	1.32 Years	1.68 Years
Performance Shares	1.92 Years	1.11 Years

## Share based expense

Total expenses arising from share-based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Share based payments	133.66	48.53

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 51. SEGMENT REPORTING

The Board of directors of the company collectively examines the Company's performance both from a product and geographic perspective and has identified six reportable segments of its business as Global Document Outsourcing, Office, Graphic Communications, Paper and Other support service and Bangladesh Project.

- **GDO** business segment offers clients a clear path to digital transformation in their internal and external facing operations by optimizing their print infrastructure and simplify their communication and business processes.
- **Office** segment serves global, national and small to mid-size commercial customers as well as government, education and other public sector customers by providing wide range of color and black-and-white multifunction printers and copiers.
- **Graphic communication** segment serves customers in the publishing, security printing and Graphic arts industry and large enterprises by providing high end digital colour and monochrome printing devices.
- **In paper business**, Xerox sells variety of Xerox branded Copy/ print/ digital paper to customers for use in their document processing requirements.
- Under **other support services**, company provide information technology support services for various software applications, including their day to day maintenance, query resolution and other support activities to the parent organization.
- In **Bangladesh Project** segment, company is executing a Project in Bangladesh awarded by Bangladesh Bureau of Statistics for creating a database by providing assistance in questionnaire printing, data capture and processing using ICR technology.

[All figures in Rs. lacs, unless otherwise stated]

Reportable Segments	Year ended March 31, 2019						Year ended March 31, 2018							
	Global document outsourcing	Office	Graphic communication	Paper	Other Support Services	Bangladesh Project	Total	Global document outsourcing	Office	Graphic communication	Paper	Other Support Services	Bangladesh Project	Total
<b>Segment Revenue</b>	11,633.31	13,338.59	20,609.17	4,575.52	6,411.45	3,222.28	59,790.32	10,447.40	10,487.94	18,660.52	3,678.61	6,825.24	4,642.67	54,742.38
<b>Segment Result</b>	3,731.55	1,976.81	4,889.32	192.00	452.85	1,390.43	12,632.97	3,979.54	3,255.46	5,992.14	146.62	1,024.63	2,116.74	16,515.14
Unallocated Other Expenses	-	-	-	-	-	-	(10,804.85)	-	-	-	-	-	-	(10,175.97)
Other Income	-	-	-	-	-	-	2,017.31	-	-	-	-	-	-	1,460.84
Finance Costs	-	-	-	-	-	-	(11.75)	-	-	-	-	-	-	(35.15)
Tax expense	-	-	-	-	-	-	(1,513.79)	-	-	-	-	-	-	(3,239.92)
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	193.41	-	-	-	-	-	-	86.85
<b>Total comprehensive (loss)/ gain for the year</b>							<b>2,513.30</b>							<b>4,611.79</b>
<b>Other Information</b>														
Segment assets	3,671.13	1,486.08	2,383.87	2.51	232.35	740.97	8,516.91	3,002.28	1,595.58	2,218.59	3.52	219.09	349.06	7,388.12
Trade receivables	1,774.00	**	**	129.44	398.80	125.63	6,502.43	1,316.63	**	**	183.55	-	50.87	6,065.72
Accrued revenue	1,612.95	-	92.40	-	-	-	1,705.35	830.10	-	58.58	-	-	411.83	1,300.51
Unallocated assets	-	-	-	-	-	-	32,896.56	-	-	-	-	-	-	33,349.14
<b>Total assets</b>							<b>49,621.25</b>							<b>48,103.49</b>
Trade payable	389.24	**	**	42.27	-	16.40	5,547.04	420.32	**	**	85.50	-	210.53	7,063.53
Accruals	536.48	-	-	-	-	287.73	824.21	394.91	-	-	-	-	149.01	543.92
Unallocated liabilities	-	-	-	-	-	-	43,250.00	-	-	-	-	-	-	40,496.04
<b>Total liabilities</b>							<b>49,621.25</b>							<b>48,103.49</b>

\*\* Refer note 5 below



# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## SEGMENT REPORTING CONTINUED

[All figures in Rs. lacs, unless otherwise stated]

Reportable Segments	Year ended March 31, 2019					Year ended March 31, 2018								
	Global document outsourcing	Office	Graphic communication	Paper	Other Support Services	Bangladesh Project	Total	Global document outsourcing	Office	Graphic communication	Paper	Other Support Services	Bangladesh Project	Total
Capital expenditure (including capital work in progress & capital advances)	2,204.78	-	-	-	53.13	-	2,257.91	1,964.88	-	-	-	28.53	-	1,993.41
Unallocated capital expenditure	-	-	-	-	-	-	102.38	-	-	-	-	-	-	187.24
Depreciation	1,090.11	-	-	-	147.28	-	1,237.39	788.80	-	-	-	150.65	-	939.45
Unallocated depreciation	-	-	-	-	-	-	76.82	-	-	-	-	-	-	179.05
<b>Other Non-cash Adjustments</b>														
Provision for indirect taxes and legal cases	-	-	-	-	-	-	298.07	-	-	-	-	-	-	115.64
Provision for doubtful advances	-	-	-	-	-	-	140.25	-	-	-	-	-	-	281.47
Provision for doubtful debts	-	-	-	-	-	-	52.08	-	-	-	-	-	-	67.40
Provision for obsolescence of inventories	-	-	-	-	-	-	343.15	-	-	-	-	-	-	284.99
Loss / (profit) on sale of tangible assets (net)	-	-	-	-	-	-	(49.72)	-	-	-	-	-	-	8.51
Fixed assets written off	-	-	-	-	-	-	132.26	-	-	-	-	-	-	6.04
Unwinding of discount on security deposits	-	-	-	-	-	-	(11.51)	-	-	-	-	-	-	16.60
Provisions written back	-	-	-	-	-	-	(49.85)	-	-	-	-	-	-	-
Unrealised foreign exchange loss (net)	-	-	-	-	-	-	67.97	-	-	-	-	-	-	86.84
Fair value gains / (losses) on derivatives not designated as hedge	-	-	-	-	-	-	44.39	-	-	-	-	-	-	10.45
Bad debt written off	-	-	-	-	-	-	0.82	-	-	-	-	-	-	-
<b>Segment revenue by location of customer</b>														
Domestic	-	-	-	-	-	-	52,179.46	-	-	-	-	-	-	44,702.25
America	-	-	-	-	-	-	5,981.13	-	-	-	-	-	-	6,354.28
Bangladesh	-	-	-	-	-	-	3,222.28	-	-	-	-	-	-	4,642.67
Europe	-	-	-	-	-	-	153.19	-	-	-	-	-	-	207.29
Rest of world	-	-	-	-	-	-	283.13	-	-	-	-	-	-	296.73
<b>Total</b>							<b>61,819.19</b>							<b>56,203.22</b>

### Revenue from Major Customers :

There's no customer having revenue amounting to 10% or more of Company's total revenue.

### Note:

- 1 Net profit has not been measured and reported segment wise, as cost components have not been allocated to reportable segments. Additionally, management's decisions on resources and performance are based on the revenue by products or services and costs in the aggregate.
- 2 Other Income has not been measured and reported business segment wise as these components are not realistically allocable and identifiable.
- 3 Depreciation expense on GDO and Other support services has been allocated, while all other expenses are unallocated corporate expenses.
- 4 Inventory, GDO fixed assets and Receivables from GDO, Paper and Other support service have been allocated, while all other assets are unallocated.
- 5 Trade Receivable include Rs. 4074.56 (March 31, 2018 Rs. 4514.67) towards Office and Graphic communication. Trade payables include Rs.5099.13 (March 31, 2018 Rs. 6,347.18) towards Office, Graphic communication and Other support service. These are not separately identifiable.
- 6 Other operating income in the form of other support services has been identified as separate segment for reporting in this note.

# Notes to the Financial Statements

[All figures in Rs. lacs, unless otherwise stated]

## 52 EVENTS OCCURRING AFTER THE REPORTING PERIOD

The Company evaluate events and transactions that occur subsequent to the balance sheet date but prior to issue of the financial statement to determine the necessity for recognition and / or reporting of any of these events and transactions in financial statements. As of July 16, 2019 there were no subsequent events to be recognized or reported in these financial statements.

**53** Previous year figures have been regrouped and reclassified to conform to this year's classification.

### For Price Waterhouse & Co., Bangalore LLP

Firm Registration No.: 007567S/S-200012

Chartered Accountants

### Rahul Chattopadhyay

Partner

Membership Number: 096367

UDIN:19096367AAAAAG6685

Gurugram, India

July 16, 2019

For and on behalf of Board of directors

**David Brian Dyas**

Director

DIN: 07437186

**Rodney Noonoo**

Director

DIN: 07690361

**Satpreet Singh**

Chief Financial

Officer

**Mohit Kumar**

Finance

Controller

**Rajiv L.Jha**

Company

Secretary &

GM Legal

Gurugram, India

July 16, 2019

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**XEROX INDIA LIMITED****CIN: U72200HR1995PLC049183****Regd. Office:** 5<sup>th</sup> Floor, Block One, Vatika Business Park, Sector 49, Sohna Road, Gurugram - 122018, Haryana;**Tel:** 0124 446 3000, **Fax:** 0124 446 3111**Email:** askus@xerox.com; **Website:** www.xerox.com/india**NOTICE CONVENING 23<sup>RD</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the **TWENTY THIRD (23<sup>rd</sup>) ANNUAL GENERAL MEETING** of **XEROX INDIA LIMITED** will be held on **Wednesday, the 18<sup>th</sup> day of September, 2019** at **Grand Ball Room - 2 , Radisson Gurugram Sohna Road City Center, Main Sohna Road, Sector 49, Gurugram -122018, Haryana** at **12.00 Noon** to transact the following business(es):

**ORDINARY BUSINESS:****Item No. 1: Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2019 including Audited Balance Sheet as at 31<sup>st</sup> March 2019 and the Statement of Profit and Loss for the year ended on that date along with the reports of the Auditors and Board of Directors thereon.

**Item No. 2: Declaration of Dividend**

To declare a dividend of Rs. 23.50 (235%) per equity share for the financial year ended 31<sup>st</sup> March, 2019.

**Item No. 3: Appointment of Mr. Rodney Noonoo as a Director liable to retire by rotation**

To consider and appoint a director in place of Mr. Rodney Noonoo (DIN 07690361), who retires by rotation, and being eligible, offers himself for re-appointment.

**Item No. 4: Appointment of Statutory Auditor of the Company**

To consider and approve appointment of M/s. MSKA & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W), as Statutory Auditors of the Company to hold office from the conclusion of this 23<sup>rd</sup> Annual General Meeting till the conclusion of 28<sup>th</sup> Annual General Meeting and to fix their remuneration, by considering and if thought fit, passing, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013 and the Rules framed thereunder or any amendment/re-enactment thereto or modification thereof and subject to the other applicable provisions thereof, the appointment of M/s. MSKA & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W), as Statutory Auditors of the Company, for a period of 5 (Five) years, i.e. from the conclusion of this 23<sup>rd</sup> Annual General Meeting (AGM) till the conclusion of 28<sup>th</sup> Annual General Meeting of the Company, be and is hereby approved on the remuneration including out of pocket expenses (collectively “Auditors’ Remuneration”) as recommended by the Audit Committee and the Board of Directors, in consultation with the Statutory Auditors.”

**SPECIAL BUSINESS:****Item No. 5: Approval of Change in Terms and Conditions (including Remuneration payable) of Mr. Raj Kumar Rishi as the Managing Director during the Financial Year 2018-19**

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

“RESOLVED THAT pursuant to the provisions of Section 197, 198 and 203 read with Schedule V and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and all other applicable rules, regulations, circulars, notifications issued thereunder, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and subject to any other approval as may be required in this regard, and based on the recommendation of the Nomination and Remuneration Committee read with

the Appointment Letter/Terms of Mr. Raj Kumar Rishi (DIN 07979575), the erstwhile Managing Director, the change in terms and conditions of his remuneration in the form/nature of performance awards (as set out in the Explanatory Statement annexed to the Notice) for the Financial Year 2018-19, be and is hereby approved.”

**BY ORDER OF THE BOARD OF DIRECTORS  
XEROX INDIA LIMITED**

Sd/-

**Rajiv L. Jha**

**Company Secretary & GM Legal**

Membership No.: FCS 5948

Gurugram  
16<sup>th</sup> July 2019

**Regd. Office:**

5<sup>th</sup> Floor, Block One, Vatika Business Park  
Sector 49, Sohna Road, Gurugram 122018, Haryana  
CIN: U72200HR1995PLC049183  
Tel: +91 124 446 3000 Fax: +91 124 446 3111  
E-mail: askus@xerox.com  
Website: www.xerox.com/india

**NOTES:**

- 1. AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”) WITH RESPECT TO THE SPECIAL BUSINESS SET OUT IN ITEM NO. 5 ABOVE, IS ANNEXED HERETO.**
- 2. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY(IES) 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 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.

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 FORTY-EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/ authority, as applicable.

3. Members/Proxies who wish to attend this AGM are requested to bring Attendance Slip sent herewith duly filled in and the copy of the Annual Report. Copies of Annual Report will not be distributed at the venue of this AGM. Members are requested to affix their signatures at the place provided on the Attendance Slip annexed to the Proxy Form and handover the Attendance Slip at the entrance to the place of this AGM. The identity/signature of the Members holding shares in dematerialized form are liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the Depository Participant (DP ID) and Account Number (Client ID) to this AGM for recording of their attendance at this AGM.
4. As required under SS-2 issued by the ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed to the Notice the AGM.
5. To promote green initiative, Members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the Registrar & Transfer Agent, giving reference of their Registered Folio Numbers.
6. Members are requested to intimate any change in their addresses to MCS Share Transfer Agent Limited, Registrar and Share Transfer Agents of the Company, at F-65, 1st Floor, Okhla Industrial Area, Phase I, New Delhi – 110020, and if shares are held under dematerialised mode, then intimate such changes to their Depository Participants with whom they are maintaining their demat accounts.

7. Members may also note that the Annual Report for FY 2018-19 will also be available on the Company's website [www.xerox.com/india](http://www.xerox.com/india) for their download.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be made available for inspection by members of the Company. The Register of Contracts in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be made available for inspection by members of the Company.
9. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules 2014, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 6th day of September, 2019 to Wednesday, the 18th day of September 2019 (both days inclusive).
10. The final dividend of Rs. 23.50 (Rupees Twenty Three & Paise Fifty) per Equity Share, as recommended by the Board of Directors, if declared at the ensuing 23<sup>rd</sup> Annual General Meeting to be held on Wednesday, 18<sup>th</sup> September 2019 will be paid on or after Monday, 23<sup>rd</sup> September 2019:
  - (i) to those members who hold shares in physical form and whose names appear on the Company's Register of Members as holders of Equity Shares as on Friday, 6<sup>th</sup> September 2019, after effecting the transfers lodged on that date which are valid and found to be in order;
  - (ii) in respect of shares held in dematerialised form, to the Beneficial Owners of the shares as at the close of business hours on Friday, 6<sup>th</sup> September 2019 as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
11. Members who hold equity shares in the dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of equity shares held in dematerialised form.
 

Members who are holding equity shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent namely MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area, Phase I, New Delhi – 110020.

Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:

  - a) change in the residential status on return to India for permanent settlement.
  - b) particulars of the NRE account with a Bank in India, if not furnished earlier.
12. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. With effect from 2<sup>nd</sup> October 2018, transfer of shares in physical form of an unlisted company is disallowed vide Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 vide notification (Dt. 10<sup>th</sup> September 2018) from the Ministry of Corporate Affairs, Government of India. However, transmission and transposition of shares can be processed. Members can contact the Company or its RTA for assistance in this regard.
13. A member desirous of getting any information on financial statements or operations of the Company is requested to forward his / her / its queries to the Company at least seven working days prior to the date of the meeting, so that the required information can be made available at the meeting.
14. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days except Saturdays and Sundays, during business hours up to the date of the meeting.
15. The Annual Report 2018-19 alongwith the Notice of the 23<sup>rd</sup> Annual General Meeting, Attendance Slip, and Proxy Form is being sent by electronic mode to all the shareholders who have registered their email ids with the depository participants (DPs)/registrar and share transfer agent (RTA) unless where any member has requested for the physical copy. Members who have not registered their email ids, physical copies of the Annual Report 2018-19 along with the Notice of Annual General Meeting, Attendance Slip, and Proxy Form, are being sent by the permitted mode. Members may further note that the said documents will also be available on the Company's website viz. [www.xerox.com/india](http://www.xerox.com/india). Physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours

on working days except Saturdays and Sundays. For requesting any of the above documents, the shareholders may write to the Registrar and Transfer Agent (RTA) at their email id [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com) / [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com) or to the undersigned at [rajiv.jha@xerox.com](mailto:rajiv.jha@xerox.com).

16. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, companies are allowed to send communication to shareholders electronically. We thus request you to kindly register/update your email ids with your respective depository participant. In case of physical shares, register/update your email ids with the Company's Registrar and Transfer Agent.
17. Members are requested to communicate their Personal Details in order to update the Register of Members under Section 88 of the Companies Act, 2013.
18. With a view to serving the members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folios are requested to write to the Registrar and Transfer Agent to consolidate their holdings under one folio.
19. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in dematerialized form may file nomination in the prescribed Form SH-13 and SH-14 (in duplicate) with the respective Depository Participant(s) and in respect of shares held in physical form, such nomination may be filed with the Company's Registrar and Transfer Agents.
20. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. Members who have not cast their votes by remote e-voting can exercise their voting rights at the AGM. The Company shall make arrangements of ballot papers/polling papers/polling slips in this regard at the venue of the AGM.

The remote e-voting period commences on Sunday, 15<sup>th</sup> September 2019 (IST 9:00 a.m.) and ends on Tuesday, 17<sup>th</sup> September 2019 (IST 5:00 p.m.). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 6<sup>th</sup> September 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

**The instructions for remote e-voting are as under:**

How to vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

[How to Log-in to NSDL e-Voting website?](#)

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status
3. Select "EVEN" of the Company (i.e. **111081**) for which you wish to cast your vote
4. Now you are ready for e-Voting as the Voting page opens
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rpa@rpalegal.com](mailto:rpa@rpalegal.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**BY ORDER OF THE BOARD OF DIRECTORS  
XEROX INDIA LIMITED**

Sd/-

**Rajiv L. Jha**

**Company Secretary & GM Legal**

**Membership No.: FCS 5948**

**Gurugram  
16<sup>th</sup> July 2019**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1)  
OF THE COMPANIES ACT, 2013**

**Item No. 5**

The Board of Directors of the Company appointed Mr. Raj Kumar Rishi as the Managing Director of the Company for the period commencing 15<sup>th</sup> December 2017 to 14<sup>th</sup> December 2022 (both days inclusive) and approved the remuneration payable to him as the Managing Director of the Company based on the recommendation of the Nomination and Remuneration Committee. The said appointment and remuneration were subsequently approved by the shareholders in the 22<sup>nd</sup> Annual General Meeting held on 28.09.2018.

As per the terms and conditions of his appointment, and as approved by the Nomination & Remuneration Committee and Board of Directors of the Company, Mr. Rishi was paid performance-related incentives/awards which are as follows :

- (a) an amount of Rs. 92,46,351/- for over-achieving on the performance parameters contained therein in the year 2018-19;
- (b) an amount of Rs. 71,400/- recognising the outstanding performance of Mr. Raj Kumar Rishi (Managing Director) in the year 2018-19;
- (c) awarded the "EMEA Award 2018" in the EMEA Operations Leadership Meeting under which he was paid an amount of USD 750 (equivalent to INR 53,393/-)

All the aforesaid payments were subject to applicable taxes and any other approval, as may be necessary.

Though all the aforesaid payments may be treated as part of his approved terms and conditions (including his remuneration), however, on account of observing abundant caution, the Board (based on the recommendation of the Nomination and Remuneration Committee) has recommended these payments for shareholders' approval and any other approval as may be required in this regard.

Accordingly, based on the aforesaid details, your Directors recommend the Resolution as set out in Item No. 5 of the accompanying Notice for the approval of the shareholders at the ensuing Annual General Meeting.



None of the Directors or Key Managerial Personnel (KMP) of the Company or the relatives of Directors and KMPs is, in any way, concerned or interested in the Resolution set out at Item No. 5 of the accompanying Notice.

**BY ORDER OF THE BOARD OF DIRECTORS  
XEROX INDIA LIMITED**

Sd/-

Rajiv L. Jha

Company Secretary & GM Legal

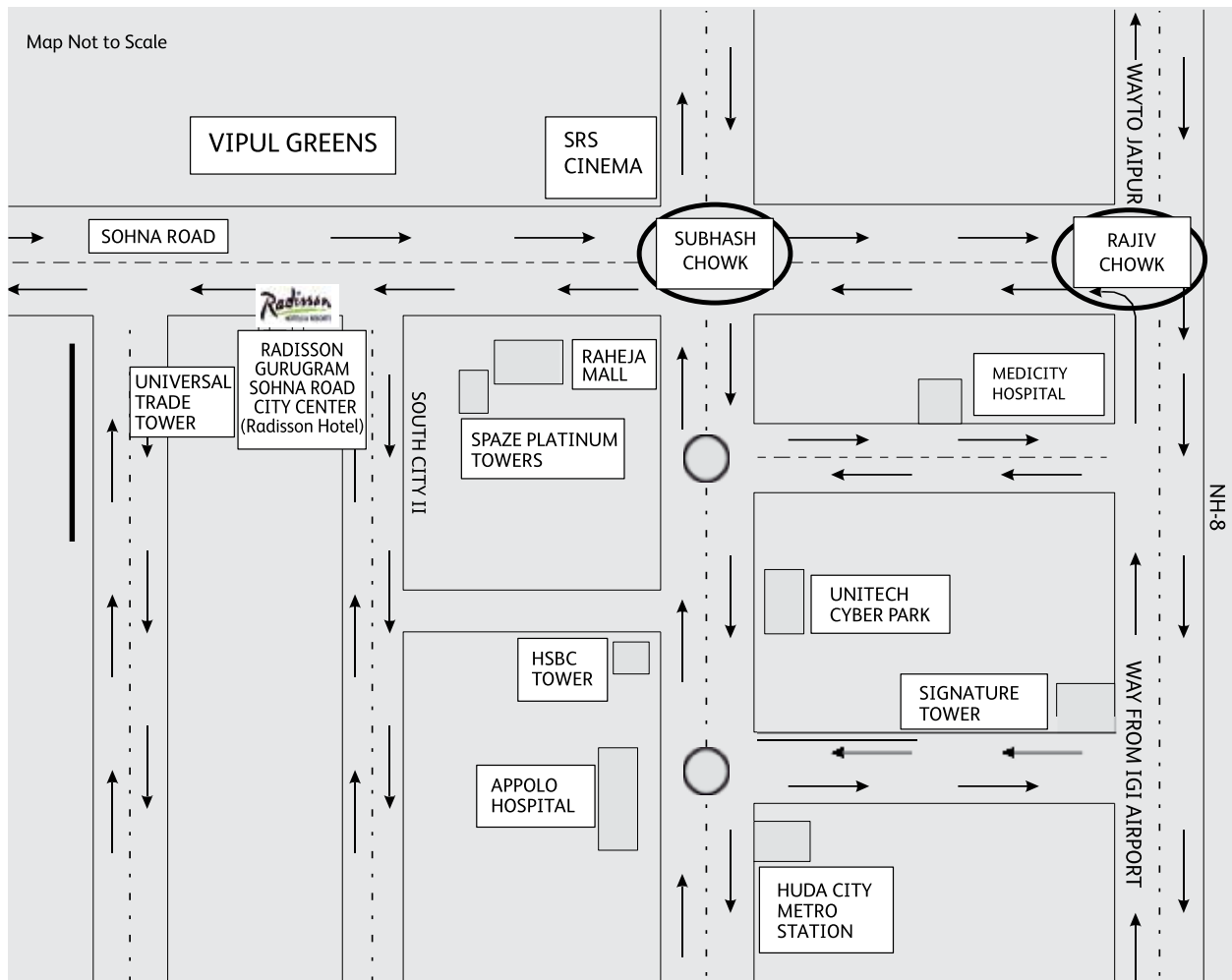
Membership No.: FCS 5948

Gurugram  
16<sup>th</sup> July 2019

**Regd. Office:**

5<sup>th</sup> Floor, Block One, Vatika Business Park  
Sector 49, Sohna Road, Gurugram 122018, Haryana  
CIN: U72200HR1995PLC049183  
Tel: +91 124 446 3000 Fax: +91 124 446 3111  
E-mail: [askus@xerox.com](mailto:askus@xerox.com)  
Website: [www.xerox.com/india](http://www.xerox.com/india)

**Guide Map to Reach Venue of 23<sup>rd</sup> Annual General Meeting of Xerox India Limited**



**Form No. MGT-11**

**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**XEROX INDIA LIMITED**

**CIN: U72200HR1995PLC049183**

**Regd. Office:** 5<sup>th</sup> Floor, Block One, Vatika Business Park, Sector-49, Sohna Road, Gurugram-122018, Haryana

**Website:** [www.xerox.com/india](http://www.xerox.com/india); **Email:** [rajiv.jha@xerox.com](mailto:rajiv.jha@xerox.com)

**Tel:** +91 124 446 3000; **Fax:** +91 124 446 3111

Name of the member (s):.....

Registered address: .....

E-mail Id: .....

Folio No./ Client Id: .....

DP ID:.....

I/We, being the member (s) of ..... shares of the above named Company, hereby appoint:

1. Name: ..... Address: .....

E-mail Id: ..... Signature: .....or failing him/her;

2. Name: ..... Address: .....

E-mail Id: ..... Signature: .....or failing him/her;

3. Name: ..... Address: .....

E-mail Id: ..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on Wednesday, 18<sup>th</sup> September 2019 at 12:00 Noon at Grand Ball Room-2, Radisson Gurugram Sohna Road City Center, Main Sohna Road, Sector 49, Gurugram -122018, Haryana, and at any adjournment thereof in respect of such resolution/s as are indicated below:

<b>Resolution No.</b>	<b>Description of Resolutions</b>		
<b>Ordinary Business</b>		<b>Assent</b>	<b>Dissent</b>
1.	Adoption of Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March 2019 including audited Balance Sheet as at 31 <sup>st</sup> March 2019 and the Statement of Profit and Loss for the year ended on that date along with the reports of the Auditors and Board of Directors thereon.		
2.	Declaration of Dividend for the Financial Year ended 31 <sup>st</sup> March 2019		

3.	Appointment of a director in place of Mr. Rodney Noonoo (DIN 07690361), who retires by rotation, and being eligible, offers himself for re-appointment.		
4.	Appointment of M/s MSKA & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W) as the Statutory Auditor of the Company		
<b>Special Business</b>		<b>Assent</b>	<b>Dissent</b>
5.	Approval of Change in Terms and Conditions (including Remuneration payable) of Mr. Raj Kumar Rishi as the Managing Director during the Financial Year 2018-19		

Signed this ..... day of ....., 2019

Signature of Shareholder.....

Signature of Proxy holder(s).....



Note:

1. 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.
2. A person can act as proxy on behalf of Members upto and not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. Further, a Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy, however, such person shall not act as proxy for any other person or Member.
3. For the resolution(s), explanatory statement and notes thereon, please refer to the Notice of 23<sup>rd</sup> Annual General Meeting.

\*it is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'Assent' or 'Dissent' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

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(Deliberately Left Blank)



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Color Multifunction Printer



Xerox® VersaLink® C505  
Color Multifunction Printer



Xerox® AltaLink B8045  
Color Multifunction Printer



Xerox® VersaLink B615  
Multifunction Printer



Xerox® AltaLink B8065  
Multifunction Printer



Xerox® VersaLink C7000  
Color Printer



Xerox® VersaLink B400  
Printer



Xerox® VersaLink B7025  
Multifunction Printer



## Xerox India Limited

5<sup>th</sup> Floor, Block One, Vatika Business Park, Sector 49,  
Sohna Road, Gurugram 122018, Haryana  
CIN: U72200HR1995PLC049183,  
Tel.: +91-124-446 3000, Fax: +91-124-446 3111  
Email: askus@xerox.com,

[www.xerox.com/india](http://www.xerox.com/india)

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