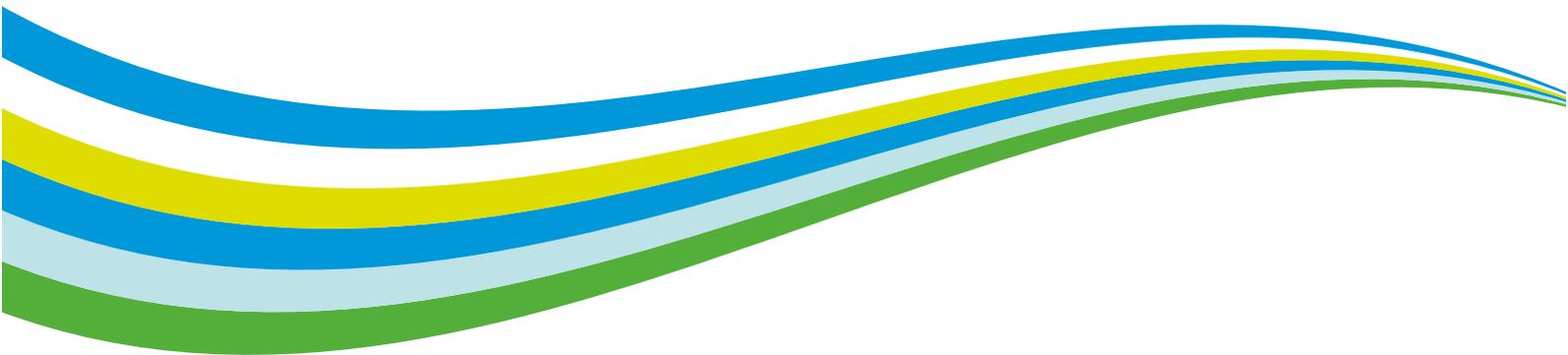




# ANNUAL REPORT 2015



# XEROX INDIA LIMITED

## COMPANY INFORMATION

### CORPORATE INFORMATION

#### Board of Directors

Ashraf M.A. Elarman (Managing Director)  
Royston Charles Harding (Director)  
Daniel Marc Benoit (Director)  
Darren James Hooker (Director)  
Daniela Cosette Untescu (Director)  
Rajat Jain (Director)  
Prakash Kulathu Iyer (Director)  
Rishi Kant Srivastava (Director)

#### Board Committees:

##### Audit Committee

Daniel Marc Benoit (Chairman)  
Prakash Kulathu Iyer  
Rishi Kant Srivastava

##### Stakeholders Relationship Committee

Royston Charles Harding  
Rajat Jain  
Prakash Kulathu Iyer  
Rishi Kant Srivastava

##### Nomination and Remuneration Committee

Royston Charles Harding  
Rajat Jain  
Prakash Kulathu Iyer  
Rishi Kant Srivastava

##### Corporate Social Responsibility Committee

Royston Charles Harding  
Daniel Marc Benoit  
Rishi Kant Srivastava

#### Key Managerial Personnel

Ashraf M.A. Elarman (Managing Director)  
Rodney Noonoo (Chief Financial Officer)  
Rajiv L. Jha (Company Secretary & DGM Legal)

#### Statutory Auditors

Price Waterhouse & Co Bangalore LLP  
(Formerly Price Waterhouse & Co., Bangalore)  
Chartered Accountants

#### Secretarial Auditors

Ranjeet Pandey & Associates  
Company Secretaries

#### Internal Auditors

Ernst & Young, LLP

#### Bankers

Citibank NA  
Deutsche Bank  
BNP Paribas  
HDFC Bank  
ICICI Bank  
State Bank of India  
Axis Bank  
Bank of America

#### Registrars & Share Transfer Agents

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

#### Registered Office

5<sup>th</sup> Floor, Block One,  
Vatika Business Park, Sector 49,  
Sohna Road, Gurgaon – 122018  
Haryana (India)  
Tel. : 91 124 39400400  
Fax : 91 124 3371225

#### Website

[www.xerox.com/india](http://www.xerox.com/india)

#### Investor Relations Email ID

[askus@xerox.com](mailto:askus@xerox.com)

#### Corporate Identity Number

U72200HR1995PLC049183

## Directors' Report

Your Directors have the pleasure in presenting the Nineteenth (19<sup>th</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 2015.

### Financial Results

Particulars	(Rs. in Lacs)	
	31.03.2015	31.03.2014
Gross Revenue	54,085.07	58,744.49
Profit / (Loss) Before Tax	3,574.15	(1,196.12)
Less : Current Tax	625.16	-
Prior Years' Tax-write back	(46.83)	-
Deferred Tax	(147.19)	(295.67)
Profit / (Loss) After Tax	3,143.01	(900.45)

The Company has posted a profit of Rs. 3,143.01 Lacs in the financial year under report as compared to a loss of Rs. 900.45 lacs in the previous year, a substantial improvement, while the gross revenue posted in the year under report is Rs. 54,085.07 Lacs as compared to the gross revenue of Rs. 58,744.49 Lacs in the previous year, a decline of 7.93%.

### Dividend

Keeping in view of the fact that your Company in the previous three years had incurred a loss, and has earned a profit only for the financial year under Report, therefore, in order to conserve resources and maximize the future wealth of the members of the Company, your Directors do not recommend a dividend for the financial year ended on 31<sup>st</sup> March, 2015.

### Operations

Xerox India is a part of Xerox Corporation, USA, world's leading enterprise for business process and document management solutions. We offer a wide range of innovative solutions for document management, managed print services and digital printing equipment to make office work simpler. Digital printing equipment include color and black-and-white printing and publishing systems, digital presses and multifunction devices, laser and solid ink network printers. Xerox's services expertise helps businesses develop online document archives, analyzing how employees can most efficiently share documents and knowledge in the office, operating in-house print shops or mailrooms, and building web-based processes for personalizing direct mail, invoices, brochures and more. Xerox India also offers associated software, support and supplies such as toner, paper and ink. Our operations are guided by core values such as environmental sustainability, citizenship, diversity and quality integrating innovation, speed and adaptability. Xerox's services, expertise and technology enable workplaces – from small businesses to large global enterprises – to simplify the way work gets done so they operate more effectively and focus more on what matters the most - their real business.

### Production

In the production category, we provide High End Digital Colour and Monochrome systems designed for customers in the graphic communications industry and for large enterprises.

These high end devices enable digital on demand printing, digital full colour printing and enterprise printing. Xerox Production Portfolio ranges from entry Production Colour systems of 60 pages per minute (ppm) to High End Production Colour systems of 150 ppm which includes the Flagship Xerox iGen 4 Diamond Edition & Xerox iGen 150 Press. The Mono devices range from Light Production to High End cut sheet equipment capable of printing from 95 to 314 ppm. The production cut sheet devices are complemented by a complete line of Mono & Colour continuous feed printers with speed up to 375 metres per minute and together constitute the largest production portfolio in the industry. With acquisition of Impika last year, we have also added the continuous feed inkjet solutions to our portfolio to address this rapidly growing segment of market.

We also offer a variety of pre-press and post-press options and the industry's broadest set of workflow software. Our FreeFlow® digital workflow collection of software technology solutions, digital technology, combined with total document solutions and services that enable personalization and printing on demand, delivers value that improves our customers' business results. For the Wide Format systems business, we offer devices designed to reproduce large format engineering and architectural drawings.

This year we launched an array of new devices that are helping us reinforce our position in this segment. We launched the Versant Series with V80 and V2100 models in the 80-100 ppm range. The new devices deliver enhanced image quality at enhanced resolution, higher productivity, better media handling and improved cost efficiencies to our customers. In the entry production segment, we have launched C60 and C70 that not only deliver enhanced image quality, but also deliver an improved cost efficiency and unmatched energy efficiency resulting in significantly improved Total Cost of Ownership (TCO) for our customers. With the launch of these new products, your company is well poised to reinforce its position in the market.

### Office Segment

In the Office Segment, Xerox markets and sells a range of color and black-and-white multifunction, printers & copiers. Our office segment serves global, national and small to mid-size commercial customers as well as government, education and other public sector customers. Office systems and services, which include monochrome devices at speeds up to 90 ppm and color devices up to 55 ppm, include our family of WorkCentre® and WorkCentre Pro digital multifunction systems, Phaser® desktop printers and MFD's for the specific customer needs.

We offer a complete range of services and solutions in partnership with independent software vendors that allow our customers to analyze, streamline, automate, secure and track their digital workflows, which we then use to identify the most efficient, productive mix of office equipment and software for that business, helping to reduce the customer's document related costs.

We introduced several new products in the office segment that have strengthened our office portfolio. In Entry mono, we

introduced 5022 and 5024 models, upgrading our offerings in the entry mono space to higher speeds of 22 and 24 pages per minute (ppm). We also extended the revolutionary ConnectKey technology to our A4 range of printers across mono (WC 3615/WC3655 & Phaser 3610) and color (with CQ 8900) bringing improved functionality of intelligent workflows, mobile printing, cloud connectivity, cost control tools and built-in security features. This significantly improves our capabilities to deliver enhanced services and solutions to modern enterprises and also makes our XPPS offering a more powerful proposition with enhanced flexibility in solutioning and cost effectiveness. In high end color, we introduced WC7970 that delivers a very high productivity in color for office environment.

### **Global Document Outsourcing**

Global Document Outsourcing (GDO) helps clients optimize their print infrastructure and simplify their communication and business processes so that they can grow revenue, reduce costs, enhance customer experience and operate more effectively. Our end-to-end document outsourcing portfolio consists of Managed Print Services (MPS), Communication and Marketing Services (CMS) and Document Transaction Process Services (DTPS).

In MPS, we help our clients cut costs, increase productivity and meet their environmental sustainability goals while supporting their mobile and security needs of the ever changing workplace. Our Next Generation MPS approach is built on three stages providing an effective roadmap to manage clients' information today and provide ongoing insight for continuous innovation tomorrow. We also help our clients with on-site print centre support which consists of on-demand printing and copying, complete finishing, production printing, mail & distribution and e-publishing. Backed by local innovation capabilities, we provide the most comprehensive portfolio of MPS services in the industry, supporting large, mid-size and small enterprises. Over the past many years, we have been consistently recognized as an industry leader by several major analyst firms including Gartner, IDC, Quocirca and Forrester.

CMS delivers end-to-end outsourcing for design, creation, marketing, logistics and distribution services that help clients communicate with their customers and employees more effectively. We deliver communications through traditional routes, such as print as well as through a growing number of multimedia channels including SMS, web, email and mobile media. We help our clients identify how their customers want to be engaged, tailor content, translate content, personalize communication, select the appropriate channel, execute on campaigns and measure the resulting success.

As part of DTPS, we help our clients automate and digitise paper based processes making documents available in a workflow leading to increased business velocity due to reduced processing time with higher traceability and accessibility through online archiving. We have solutions that introduce process improvement and workflow automation across the entire lifecycle of the end customer from customer acquisition & on-boarding to customer service. Examples

include digitization solutions such as Backlog Document Scanning, Digital Mailroom, Customer Acquisition/On-Boarding Processing & Invoice Processing.

This year we launched the Next Generation MPS that takes MPS to the next level. It follows a 3 stage process of Assess & optimise, Secure & integrate and Automate & Simplify delivering enhanced benefits of savings, security, mobility & cloud connectivity, productivity and sustainability reinforcing our already world leading MPS offering to the next level.

Document Outsourcing Services is a nascent but fast growing market in India and with a wide range of industry leading offerings, your company is well-poised to take advantage of this growth.

### **Paper**

We sell cut-sheet paper to our customers for use in their document processing products. The market for cut-sheet paper is highly competitive and revenues are significantly affected by pricing. Our strategy is to charge a premium over mill wholesale prices, which is adequate to cover our costs and the value we add as a distributor, as well as to provide unique products that enhance the New Business of Printing and color output.

### **Customer Service Logistics Organization**

We believe that our service force represents a significant competitive advantage because it is continually trained on our products and its diagnostic equipment is state-of-the-art. In major metropolitan areas we are available 24 hours a day, 7 days a week, providing consistent and superior level of service.

We have taken several initiatives over the last few years that have helped us enhance our service levels and drive better experience for our customers and partners. We launched Service Modernisation through which we could diagnose machines remotely, based on the same proactively provide service and support resulting in enhanced customer experience. The launch of Partner Certification program has been strengthened and that is helping us provide uniform service delivery by all partners across geography. The enhanced usage of PartnerNet portal for online training of partners has helped us improve the skill levels of our partners while improving speed and reducing cost to train. All these initiatives are helping us deliver uniform and faster service delivery across region.

We have continued to build more efficiency in our Logistics and Distribution model to build higher efficiencies from the lean Warehousing and Distribution model that we implemented in last quarter of the previous year. This has helped us reduce our logistics and distribution costs significantly helping us reduced the costs and improve the margins.

### **Green Initiatives taken by the Company**

#### **Reduce energy use to protect our climate**

Industry must do its part to protect our climate. To this end, we reduce our carbon footprint by cutting energy use in our

facilities, investing in product designs that conserve energy and lower greenhouse gas emissions and offering digital multifunction printers and energy-efficient solutions to our customers.

### Energy Star Savings

- Each new generation of Xerox product offers more functionality and uses less energy – saving our customers' money and reducing their carbon footprint.
- Xerox is a charter partner of the International Energy Star program and has introduced nearly 500 Energy Star qualified products since 1994.

We introduced C60 and C70 in the entry production with significantly lower power consumption.

### Multifunction Printers save energy:

- Xerox multifunction printers reduce the amount of energy used by combining the functions of multiple products into one machine.
- Approximately 50% less energy is used by one multifunction printer than the combined annual consumption of the individual products it replaces.

### Energy Saving Solutions and Services

- Xerox Managed Print Services help customers become more productive, improve energy efficiency and reduce material use and related waste by streamlining their print environment and processes.
- Our digital production printing solutions go a long way to reduce the use of chemicals and improve indoor air quality.
- The Next generation MPS launched by Xerox is also helping us not just in print for less but also print less paper, i.e only the paper that is required to print.

### Inside Innovation at Xerox

Xerox researchers and business teams worldwide are delighting our customers by creating a continuing stream of product and service innovations for Xerox.

Xerox Research Centre at Bangalore is continuously living up to its commitment to excellence and innovation. A number of prototypes and solutions are in the process of development and testing which will add to the productivity and efficiency in the document management solutions. From managing document based transactions electronically, the centre combines its expertise in data analytics, mobile computing and process optimizations to build sustainable innovations to enhance Xerox's services business.

### 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 IT support export services.

### Human Resources Development

The Company has continuously adopted structures that help attract the best talent and promote internal talent to higher roles and responsibilities. Xerox' people-centric focus provides an open work environment, fostering continuous improvement and development.

The Company's HR Policies commits to providing a healthy and safe work environment for all employees. The Company's progressive workforce policies and benefits, its various employee engagement and welfare initiatives, such as the Stand-up campaign have addressed stress management and promoted work life balance.

### 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 adopted 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. An Internal Complaints Committee (ICC) has been set up by your Company to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed of during the financial year 2014-15:

No. of complaints received : Nil

No. of complaints disposed of : Nil

### Directors' Responsibility Statement

Pursuant to the requirement of Section 134(5) of the Act, and based on the representations received from the management, the directors hereby confirm that:

- i. in the preparation of the annual accounts for the financial year 2014-15, the applicable accounting standards have been followed along with proper explanation to material departures, if any;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be

followed by the Company and that such internal financial controls are adequate and operating properly; and

- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Independent Directors' Declaration

Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Section 149(6) of the Companies Act, 2013 :-

- a) Mr. Prakash Kulathu Iyer
- b) Mr. Rishi Kant Srivastava

In compliance with the provisions of Section 149(7) of the Companies Act, 2013, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

### Corporate Social Responsibility (CSR)

The status/applicability of the Corporate Social Responsibility provisions of your Company for the year under Report as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been disclosed in Annexure-I to this Report.

### Board Evaluation

During the year under Report, on 3<sup>rd</sup> March, 2015, the Board of Directors of the Company appointed two independent directors as required under the provisions of the Companies Act, 2013, and accordingly re-constituted the Nomination and Remuneration Committee (as renamed from erstwhile Remuneration Committee) on 03<sup>rd</sup> March, 2015 including both these independent directors as part of this Committee. The said Committee in its meeting held on 03 March, 2015 formulated the Nomination & Remuneration Policy of the Company which, inter alia, provides for the evaluation of the performance of all directors, KMPs and senior management personnel at regular intervals.

In light of the aforesaid, since your Company had appointed the Independent Directors under the provisions of the Companies Act, 2013 for the first time on 3<sup>rd</sup> March, 2015 only, i.e. within the transitional period of one year from the notification of the new Companies Act, 2013, the Independent Directors did not have the opportunity to formally interact with the Board members, including the Non-Executive Directors. In addition, since 1<sup>st</sup> January, 2015, your Company did not have a Managing Director/Executive Director, and the Board was only comprised of non-executive directors.

Therefore, the review of the performance of the Non-Executive Directors, as well as the Board as a whole, was practically difficult for the FY 2014-15 from the governance perspective. However, in light of the aforesaid, your Board (then comprising only of non-executive directors), while approving and adopting the Nomination & Remuneration Policy of the Company in its meeting held on 3<sup>rd</sup> March, 2015,

discussed the requirement to review the performance of the Board as a whole, its committees and individual directors, and it advised that going forward, the performance of the Board as a whole, its committees and individual directors will be evaluated by the Nomination & Remuneration Committee based on various parameters, viz. attendance, contribution, guidance/support to management outside Board/Committee meetings, and independent judgement on completion of the evaluation cycle internally.

A separate meeting of the independent directors ("Annual ID meeting") was held during the year under Report on 25<sup>th</sup> March, 2015, and given the aforesaid, the independent directors decided to do the evaluation at the end of the FY 2015-16.

### Directors and Key Managerial Personnel

During the year under Report, Mr. Rajat Kumar Jain ceased to be the Managing Director of the Company on 31<sup>st</sup> December 2014. However, he continues to be on the Board of Directors as a non-executive director w.e.f. 1<sup>st</sup> January, 2015.

Mr. Prakash Kulathu Iyer and Mr. Rishi Kant Srivastava have been appointed as Additional Directors of the Company on 3<sup>rd</sup> March, 2015 under the category of Independent Directors, based on the recommendation of the Nomination and Remuneration Committee.

Ms. Daniela Cosette Untescu has been appointed as an Additional Director of the Company on 30<sup>th</sup> March, 2015, based on the recommendation of the Nomination and Remuneration Committee. She is the first woman director of the Company under the provisions of the Companies Act, 2013.

Pursuant to Section 161(1) of the Act, Mr. Prakash Kulathu Iyer, Mr. Rishi Kant Srivastava and Ms. Daniela Cosette Untescu hold office only up to the date of the forthcoming 19<sup>th</sup> Annual General Meeting (AGM) of the Company and are eligible for appointment as Directors.

The Board recommends their appointments, and accordingly resolutions seeking approval of the members for their appointments have been included in the Notice of the forthcoming 19<sup>th</sup> Annual General Meeting of the Company along with their brief profile.

Mr. Daniel Marc Benoit and Mr. Darren James Hooker, Directors, retire by rotation and being eligible, have offered themselves for re-appointment.

The Board recommends the same for your approval.

Pursuant to the provisions of Section 203 of the Act, the appointment of Mr. Rodney Noonoo, Chief Financial Officer and Mr. Vijay Breja, Company Secretary (for the period from 3<sup>rd</sup> April, 2014 to 2<sup>nd</sup> February, 2015) and Mr. Rajiv L. Jha, Company Secretary (effective 24<sup>th</sup> March, 2015), were formalized/taken note of as the Key Managerial Personnel of the Company.

During the current year, i.e. FY 2015-16, the Board of Directors of your Company (in its meeting held on 29<sup>th</sup> June, 2015) has appointed Mr. Ashraf Mohamed Ahmed Elarman as

## Directors' Report (Contd...)

the Managing Director of the Company w.e.f. 22<sup>nd</sup> June, 2015 till 30<sup>th</sup> June, 2017 on the recommendation of the Nomination & Remuneration Committee of Directors. The said appointment is subject to the approval of the shareholders in the ensuing 19<sup>th</sup> Annual General Meeting, and approval of the Central Government, if required, and accordingly, your directors recommend the resolutions pertaining thereto, forming part of the Notice of this AGM, for your approval.

### Number of Meetings 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 notice of Board meetings are given well in advance to all the Directors. Usually the meetings of the Board are held at the place of Registered Office of the Company. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed along with the requisite documents for the meeting to enable the Directors to take an informed decision.

The Board met seven (7) times in the Financial year 2014-2015 viz., on 19<sup>th</sup> May, 2014; 24<sup>th</sup> July, 2014; 15<sup>th</sup> September, 2014; 29<sup>th</sup> October, 2014; 3<sup>rd</sup> December, 2014; 3<sup>rd</sup> March, 2015; and 30<sup>th</sup> March, 2015. 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 18 <sup>th</sup> AGM (N/Y)
Royston Charles Harding	Non-Executive Director	7	5	N
Daniel Marc Benoit	Non-Executive Director	7	4	Y
Darren James Hooker	Non-Executive Director	7	3	N
Rajat Jain *	Managing Director Non-Executive Director	7	3 1	Y
Prakash Kulathu Iyer **	Independent Director	7	-	N
Rishi Kant Srivastava **	Independent Director	7	-	N
Daniela Cosette Untescu ***	Non-Executive Director	7	-	N

\* Rajat Jain acted as the Managing Director of the Company till 31<sup>st</sup> December, 2014. Effective 1<sup>st</sup> January, 2015, Rajat Jain is on the Board of Directors of the Company as a Non-Executive Director

\*\* Prakash Kulathu Iyer and Rishi Kant Srivastava have been appointed as the Independent Directors of the Company w.e.f. 3<sup>rd</sup> March, 2015

\*\*\* Daniela Cosette Untescu has been appointed as the Woman Director (Non-Executive) of the Company w.e.f. 30<sup>th</sup> March, 2015.

### Committees of the Board

During the year under Report, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees, and also formed a Corporate Social Responsibility Committee. There are currently four (4) Committees of the Board, as follows:

#### • Audit Committee

##### Meeting details for FY 2014-15

Name of Director	Category	No. of Meetings held	No. of Meetings attended
Daniel Marc Benoit	Chairman of Audit Committee	5	1
Darren James Hooker *	Member	5	1
Rajat Jain **	Member	5	4
Royston Charles Harding ***	Member	5	2
Prakash Kulathu Iyer ****	Member	5	1
Rishi Kant Srivastava *****	Member	5	1

\* Member of Audit Committee till 3<sup>rd</sup> March, 2015

\*\* Ceased to be a Member of the Audit Committee after 3<sup>rd</sup> March, 2015

\*\*\* Member of Audit Committee till 3<sup>rd</sup> March, 2015

\*\*\*\* Member of Audit Committee since 3<sup>rd</sup> March, 2015

\*\*\*\*\* Member of Audit Committee since 3<sup>rd</sup> March, 2015

## Directors' Report (Contd...)

### • Stakeholders Relationship Committee

#### Meeting details for FY 2014-15

Name of Director	Category	No. of Meetings held	No. of Meetings attended
Daniel Marc Benoit*	Member	4	2
Darren James Hooker *	Member	4	2
Rajat Jain	Member	4	3
Royston Charles Harding **	Member	4	1
Prakash Kulathu Iyer **	Member	4	-
Rishi Kant Srivastava **	Member	4	-

\* Ceased to be Member of the Stakeholders Relationship Committee after 3<sup>rd</sup> March, 2015

\*\* Member of Stakeholders Relationship Committee since 3<sup>rd</sup> March, 2015

### • Nomination and Remuneration Committee (as renamed from the previous "Remuneration Committee")

#### Meeting details for FY 2014-15

Name of Director	Category	No. of Meetings held	No. of Meetings attended
Royston Charles Harding	Member	1	1
Rajat Jain	Member	1	1
Prakash Kulathu Iyer*	Member	1	-
Rishi Kant Srivastava*	Member	1	-

\* Member of Nomination and Remuneration Committee since 3<sup>rd</sup> March, 2015.

### • Corporate Social Responsibility Committee

The CSR Committee was constituted on 30<sup>th</sup> March, 2015, comprising Mr. Royston Charles Harding, Mr. Daniel Marc Benoit, and Mr. Rishi Kant Srivastava. No meeting of the CSR Committee has taken place during FY 2014-15

#### Independent Directors' Declaration

Mr. Prakash Kulathu Iyer and Mr. Rishi Kant Srivastava, who are Independent Directors, have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

#### Policy of Directors' Appointment and remuneration

The Company's policy on 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 are covered under the *Nomination and Remuneration Policy* of the Company. 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-VI in the prescribed Form MGT-9, and forms part of this Report.

#### Business Ethics and Code of Conduct

The 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 deal 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.

#### Vigil Mechanism

The Company has a 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

On the recommendation of the Nomination & Remuneration Committee and in compliance of Section 178(3) of the Act, the Board has framed a Nomination and Remuneration policy for the selection and appointment of Directors, Key Managerial Personnel and other key employees, fixing their remuneration including criteria for determining qualifications, positive attributes, independence of a director and related matters as provided under the aforesaid section. The Nomination and Remuneration policy is enclosed in Annexure – II.

### Deposits under the Companies Act, 2013

During the year under Report, the Company has not accepted any public deposits as per the provisions of the Companies Act, 2013 and as such, no amount on account of principal or interest on deposits was outstanding as on the date of the balance sheet.

### Particulars of Loans, Guarantees and Investments

There have been no loans, guarantees and investments under Section 186 of the Act w.r.t. your Company during the financial year 2014-15.

### Internal Control

Your Company has laid down standards, processes and structure which enables 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 audit reports submitted by the internal auditors. Suggestions for improvement 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.

### Risk Management

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

### 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.

### Auditors & Auditors' Report

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s Price Waterhouse & Co., Bangalore, Chartered Accountants (now known as Price Waterhouse & Co Bangalore LLP), were appointed as 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.

The Report given by the Auditors on the financial statements of the Company for the financial year 2014-15 is forming part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report, except w.r.t. excess managerial remuneration, the explanation thereon by your Directors are as follows:

With respect to the "Basis of Qualified Opinion" and "Qualified Opinion" (appearing at Sl. Nos. 8, 9, respectively and Sl. No. 11(d), in the Auditors' Report), for the year under Report, your Directors state that the said matter pertains to financial year 2008-09. In this regard, reference is made to Note No. 38(b) of the Notes to Financial Statements, which provides the relevant information and explanation to the qualification made by the auditors.

In addition, in the interest of providing further clarity, the Board of Directors hereby provides further explanation to the auditors' qualification as under.

The auditors of the Company have stated that the excess remuneration paid to directors in the year ended March 31, 2009 could lie in the range of Rs.76.59 lacs to Rs.96.59 lacs. It appears that the auditors have made the estimate of this excess remuneration based on the following grounds:

- (a) The auditors have considered payments by the Company under Voluntary Retirement Scheme (VRS) for its employees as "usual working charges" of the Company. As a result, the auditors have concluded (based on their review) that the Company does not have any "net profits" in accordance with Section 349 of the erstwhile Companies Act, 1956 ("Act"), for payment of remuneration to directors. The Company disagrees with this view taken by the auditors. Payments under the Voluntary Retirement Scheme, 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 by a company, are not required to be deducted for computing net profits under Section 349 of the Act. The view taken by the Company is supported by an independent legal opinion, and by views expressed by authors in noted treatise(s) on the Section, and general understanding of the provisions in the industry.
- (b) Due to above reason, the auditors appear 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 has earned net profits of Rs. 1,679.64 lacs in the financial year 2008-09, computed in accordance with Section 349 of the Companies Act, 1956 (on the basis that VRS payments are not required to be deducted), and excess remuneration in this case, must therefore be computed based on Section I of Part II of Schedule XIII of the Act.

(c) Based on the above, the auditors have computed excess remuneration paid to directors to be in the range of Rs.76.59 – Rs.96.59 lacs.

In view of the aforesaid, and with a bona fide intent to resolve the matter, in the current financial year, your Company will be exploring all the options available to it, including but not limited to seeking waiver from the recovery of excess remuneration under the provisions of the Companies Act, 2013 (and also the erstwhile Companies Act, 1956, to the extent applicable).

### Secretarial Auditors Report

M/s Ranjeet Pandey & Associates, Company Secretaries, the Secretarial Auditor, carried out the secretarial audit of the Company for the financial year under Report.

There are no qualifications, reservations or adverse remarks or disclaimers in the Secretarial Auditors Report and the matters/observations contained therein are self explanatory.

The Secretarial Audit Report for FY 2014-15 is enclosed in Annexure - III.

### Notes to the Financial Statement

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.

### Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014, are set out in Annexure-IV to this Report.

### Contracts or Arrangements with Related Parties

All related party transactions that were entered into during the financial year under Report were in the ordinary course of the business of the Company, and were on arm's length basis and are disclosed in the Notes (No. 35) to the Financial Statement. Accordingly, the disclosure of related party transactions as required under Section 134 (3) (h) of the Companies Act, 2013 is not applicable to your Company for the Financial Year under Report. All such Related Party Transactions are placed before the Audit Committee for approval/ratification/taking note thereof, as the case may be, from time to time.

### Particulars of Employees

The information required under Section 197 of the Act and rules made thereunder, in respect of employees of the Company, is provided in Annexure-V forming part of this Report.

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

The following documents have been placed on the 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);
- The 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

### Subsidiaries/ Joint Venture/ Associate

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

### Extract of Annual Return

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 is enclosed in Annexure-VI in the prescribed Form MGT-9 and forms part of this Report.

### 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 financial year under report.

Your Directors would also like to acknowledge the excellent contribution by Xerox Corporation, United States (Parent Company) to your Company in providing the latest equipment with technological improvements and marketing strategy inputs across almost all segments of the business in which it operates. This has enabled the Company to provide higher levels of consumer delight through continuous improvement in existing products and introduction of new products.

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

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

### Cautionary Statement

*Statements in the Annual Report, particularly those which relate to management discussion and analysis, describing 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**

**ASHRAF M. A. ELARMAN**  
Managing Director

**RAJAT JAIN**  
Director

Gurgaon  
22<sup>nd</sup> July, 2015

#### **CORPORATE SOCIAL RESPONSIBILITY**

During the year under Report, the Board (in its meeting held on 30<sup>th</sup> March 2015) has constituted the Corporate Social Responsibility Committee (CSR Committee) comprising of Mr. Daniel Mark Benoit, Mr. Royston Charles Harding and Mr. Rishi Kant Srivastava as its members, though the provisions with respect to the expenditure on CSR activities and reporting thereof are not applicable to the Company for the financial year under Report on account of the Company incurring losses in the two financial years out the last three financial years, i.e. the Company incurred losses in the financial years 2012-13 and 2013-14.

Given that the CSR spending is applicable to your Company from the current financial year, i.e. 2015-16, the CSR Committee is under the process of formulating the Corporate Social Responsibility Policy of the Company (within the broad scope laid down in Schedule VII to the Act as projects/programmes /activities, excluding activities in its normal course of business).

#### **Responsibility Statement**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, Mr. Ashraf M.A. Elarman, Managing Director and Mr. Royston C. Harding, Chairman-CSR Committee, do confirm that the implementation and monitoring of CSR policy (once approved and adopted by the Board of Directors of the Company), shall be in compliance with the CSR objectives and policy of the Company effective financial year 2015-16.

**ASHRAF MOHAMED AHMED ELARMAN**

Managing Director

Gurgaon

Date : 22<sup>nd</sup> July, 2015

**ROYSTON CHARLES HARDING**

Chairman (CSR Committee)

London

Date : 22<sup>nd</sup> July, 2015

#### 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 equipment's. 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.

## Annexures to the Directors' Report

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### **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.

## Annexures to the Directors' Report

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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/ KMP's 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.

**SECRETARIAL AUDIT REPORT**  
**For the financial year ended on 31<sup>st</sup> March, 2015**

*[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**

**5th 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, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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, 2015, 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 equipments, multifunction devices etc.)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above subject to the following observations:

1. As explained, the Company is carrying out related party transactions in the ordinary course of business and at arms' length price.
2. The Registrar of Companies, NCT of Delhi and Haryana has issued letter no. ROC/206/49183/8505 dated 29/10/2014 highlighting violations of section 129 (Provisions relating to financial statements), section 134 (Provisions relating to financial statements, Board report etc.) and section 137 (copy of financial statements to be filed with Registrar) of the Companies Act, 1956. The ROC has also directed scrutiny of balance sheet of the Company for the financial year ended on 31<sup>st</sup> March, 2012, 31<sup>st</sup> March, 2013 and 31<sup>st</sup> March, 2014 vide its letter stated above. The Company has submitted its reply in response to the above show cause notice and the matter is pending for adjudication before the Registrar of Companies, NCT of Delhi and Haryana.

**We further report that:-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. Mr. Rajat Kumar Jain ceased to be Managing Director of the Company w.e.f. 1<sup>st</sup> January, 2015, and therefore, the Company has appointed Mr. Ashraf Mohamed Ahmed Elarman as the Managing Director of the Company w.e.f. 22/06/2015 subject to the approval of Central Government in order to comply the provisions of section 203 of the Companies Act, 2013.

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. The details of directors and/or changes in the composition of the Board of Directors that took place during the period under review is enclosed and marked as **Annexure-I**.

Adequate notice has been given to all directors to schedule the Board Meetings during the financial year under review, agenda and detailed notes on agenda were sent properly before the scheduled meeting, and a system exists for seeking and obtaining further

## Annexures to the Directors' Report

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information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 members of the Company have accorded their approval to the Board of Directors to borrow money which shall exceed aggregate of Paid up Capital and Free Reserve, provided that the total amount shall not exceed Rs. 300 Crore at any time and necessary compliance of the Companies Act, 2013 was made in this regard.

We further report that during the audit period, the members of the Company have also accorded their approval to the Board of Directors to create, charge, hypothecate, mortgages, pledge any movable or immovable properties of the Company and necessary compliance of the Companies Act, 2013 was made in this regard.

**FOR RANJEET PANDEY & ASSOCIATES  
COMPANY SECRETARIES**

**Place: NEW DELHI  
Date: 22.07.2015**

**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-II** and forms an integral part of this report.

## Annexures to the Directors' Report

### Annexure-I

Name of Director	Designation	Date of Appointment	Date of Cessation	Remarks
Mr. Rajat Kumar Jain	Non-Executive Director	20/02/2012	Not Applicable	Ceased to be Managing Director of the Company w.e.f. 01/01/2015
Mr. Royston Charles Harding	Non-Executive Director	16/04/2012	Not Applicable	N.A.
Mr. Darren Hooker	Non-Executive Director	28/02/2007	Not Applicable	N.A.
Mr. Daniel Marc Benoit	Non-Executive Director	22/02/2012	Not Applicable	N.A.
Mr. Rishi Kant Srivastava	Independent Director	03/03/2015	Not Applicable	N.A.
Mr. Prakash Kulathu Iyer	Independent Director	03/03/2015	Not Applicable	N.A.
Ms. Daniela Cosette Untescu	Non-Executive Additional Director	30/03/2015	Not Applicable	N.A.

### Annexure-II

To,  
The Members  
Xerox India Limited  
5th 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

Place: NEW DELHI  
Date: 22.07.2015

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

### 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

The Company has been taking every necessary step to reduce the consumption of energy, significant among these during the financial year under report are:

- (i) The Company organized special energy conservation drives to educate people on energy conservation by observing an energy conservation week and creating posters to increase awareness on energy conservation;
  - (ii) Manual effort by office support staff under supervision to turn off lights etc. on the facility;
  - (iii) Evaluating a third party agency which is using monitoring devices to track energy usage. The Company eventually hope to use this data to do proper energy planning and stop wastage.
- c. The steps taken by the company for utilising alternate sources of energy: Nil
  - d. The capital investment on energy conservation equipments: Nil

#### B. Technology Absorption

Disclosure of particulars with respect to Technology Absorption

- (i) the efforts made towards technology absorption: Nil
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
  - (a) the details of technology imported: N.A.
  - (b) the year of import: N.A.
  - (c) whether the technology been fully absorbed: N.A.
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.
  - (e) the expenditure incurred on Research and Development: Nil

#### C. Foreign exchange earnings and Outgo-

The information in this regard is provided in Note nos. 31 to 33 of the Financial Statement.

**ANNEXURE-V**  
**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 Directors' Report for the year ended March 31, 2015**

<b>Particulars of employees forming part of Directors' Report for the twelve months period ended 31st March, 2015 in terms of Section 134(3) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment &amp; Remuneration of Managerial Personnel) Rules, 2014</b>									
<b>(A) Employees employed throughout the financial year 2014-15 who were in receipt of an aggregate remuneration equal to or exceeding Rs. 60,00,000/- per annum</b>									
Sl. No.	Employee/Director Name	Designation	Remuneration received (in Rs.)	Nature of Employment (whether Contractual or Permanent)	Qualification & Experience (in Years)	Date of Commencement of Employment with the Company	Age (in Years)	Last Employment held before joining the Company-Designation	
1	BALAJI RAJAGOPALAN	EXECUTIVE DIRECTOR - TECHNOLOGY & CHANNELS	1,34,71,180	Permanent	DEE, MBA (MKTG & INTL. BUSINESS); 33 Years	1-Nov-83	51	INDIAN REPROGRAPHIC SYSTEMS (P) LTD. - SERVICE ENGINEER	
2	ANURAG GUPTA	DIRECTOR-CUSTOMER SERVICE OPERATIONS	77,01,855	Permanent	B.SC; 31 Years	25-Jan-05	49	TATA TELESERVICES - CUSTOMER SUPPORT MANAGER	
3	SHOURYA ROY	AREA MANAGER - TEXT & GRAPH ANALYTICS	75,70,883	Permanent	M. TECH IN COMPUTER SCIENCE; 11 Years	11-Jun-09	38	IBM INDIA PVT. LTD. - BUSINESS DEVELOPMENT LEAD	
4	KOUSTUV DASGUPTA	AREA MANAGER - DISTRIBUTOR AND MOBILE COMPUTING	68,14,042	Permanent	PHD IN COMPUTER SCIENCE; 11 Years	23-Aug-10	40	IBM INDIA PVT. LTD. - RESEARCH STAFF MEMBER	
5	RAMESH NAGARAJAN	SOFTWARE OFFSHORE STRATEGY & MANAGEMENT	2,31,88,025	Permanent	BE (ELECTRICAL & ELECTRONICS), MS; 20 Years	3-May-10	44	XEROX CORPORATION / SOFTWARE OFFSHORE STRATEGY & MANAGEMENT	
6	RAJIV LUTHRA	REGIONAL BUSINESS HEAD-NORTH, CENTRAL & EAST	77,11,716	Permanent	B.COM., PGDBA; 29 Years	23-Mar-11	50	VIDECON TELECOMMUNICATIONS LTD - REGIONAL CHIEF OPERATING OFFICER	
7	VISHAL AWAL	EXECUTIVE DIRECTOR - SERVICES	1,78,38,980	Permanent	BE., MBA; 22 Years	31-May-11	45	ERICSSON INDIA PVT. LTD - VICE PRESIDENT & HEAD CUSTOMER UNIT - ETISALAT	
8	RODNEY NOONOO	CHIEF FINANCIAL OFFICER	3,43,50,324	Permanent	BA ECONOMICS, MBA; 29 Years	9-Jul-12	53	XEROX CORPORATION - CFO	
9	VIVEK CHANDEL	EXECUTIVE DIRECTOR-MARKETING	1,28,38,744	Permanent	B.TECH; PGDM; 24 Years	9-Aug-11	48	TATA TELESERVICES - CHIEF OPERATING OFFICER UP WEST AND HEAD - VAS AND ROAMING	
10	SATPREET SINGH	FINANCE CONTROLLER	71,53,339	Permanent	B. COM. CA; 18 Years	6-Mar-12	44	VERIFONE INDIA SALES PVT. LTD - FINANCIAL CONTROLLER	
11	GEETHA MANJUNATH	LAB MANAGER - DATA ANALYTICS LAB	76,32,868	Permanent	PHD (IISC); 23 Years	25-Apr-13	47	HEWLETT PACKARD - PRINCIPAL RESEARCH SCIENTIST & RESEARCH MANAGER	
12	MANISH GUPTA	DIRECTOR - XRCI	2,20,21,816	Permanent	PH.D; M.S; B.TECH; 22 Years	3-Jun-13	49	GOLDMAN SACHS SERVICES PVT. LTD. - MANAGING DIRECTOR TECHNOLOGY	
13	DEEPIKA CHAUDHRY	EXECUTIVE DIRECTOR - LEGAL	1,12,79,127	Permanent	LLB; B.SC; 24 Years	22-Jul-13	49	MICROSOFT INDIA - DIRECTOR, COMMERCIAL LICENSING & COMPLIANCE	
14	VINAYA SATHYANARAYAN	SENIOR MANAGER - SOFTWARE LAB	70,25,000	Permanent	B. TECH COMPUTER ENGINEERING, MBA; 23 Years	6-Nov-13	45	COGNIZANT GLOBAL SERVICES - SENIOR DIRECTOR PROJECTS	
15	PANKAJ KALRA	HEAD - PRODUCTION SYSTEMS GROUP	81,37,281	Permanent	BE-ELECTRICAL & ELECTRONICS ENGG.; 17 Years	14-Jan-05	41	SAUDI XEROX - PRODUCT SPECIALIST	
<b>(B) Employees employed for part of the financial year 2014-15 who were in receipt of a remuneration for any part of financial year 2014-15, at a rate which, in the aggregate, was not less than Rs. 5,00,000/- per month</b>									
1	SATISH PRASAD RATH	PRINCIPAL RESEARCH SCIENTIST	30,00,000	Permanent	M.D. (PAEDIATRICS), MKCG MEDICAL COLLEGE; 15 Years	1-Oct-14	39	DATA ARCHITECT	
2	MASATO YAGI	GENERAL MANAGER - BUSINESS DEVELOPMENT (JAPANESE ACCOUNTS)	52,05,589	Permanent	GRADUATE; 15 Years	27-Oct-14	38	FUJI XEROX CO.LTD.-SENIOR STAFF	
3	KANCHAN CHEHAL	EXECUTIVE DIRECTOR - HUMAN RESOURCES	32,41,549	Permanent	BA, PGDBM; 18 Years	24-Nov-14	40	GAP INC.- SENIOR DIRECTOR-HR	
4	NEETA PANDE	PRINCIPAL RESEARCH ENGINEER	35,09,609	Permanent	M-TECH, IIT BOMBAY; 14 Years	24-Nov-14	37	CHIEF MEDICAL INNOVATION OFFICER	
5	SUSHANT DWIVEDI	CLIENT MANAGING DIRECTOR & REGIONAL SALES MANAGER - SOUTH & WEST	32,62,087	Permanent	PGDM (MARKETING) / B.E. ELECTRONICS & COMMUNICATION; 24 Years	5-Jan-15	46	DIRECTOR - ENTERPRISE	
6	VIPIN TUTEJA*	EXECUTIVE DIRECTOR - TECHNOLOGY & CHANNELS	48,08,744	Permanent	B.COM. PG DIPLOMA IN SALES & MARKETING; 34 Years	1-Jan-05	54	RICOH INDIA LTD. - ASSOCIATE VICE PRESIDENT FIELD OPERATIONS	
7	NISCHAL M PIRATLA**	LAB MANAGER - SERVICES INNOVATION LAB	84,63,554	Permanent	PHD IN ELECTRICAL ENGINEERING; 14 Years	2-Aug-10	41	DEUTSCHE TELECOM - CHIEF SCIENTIST	
8	RAJAT K JAIN***	MANAGING DIRECTOR	3,60,23,002	Permanent	B.TECH., MBA; 27 Years	20-Feb-12	51	MOBILE2WIN INDIA PVT. LTD. - MD, CEO AND CHAIRMAN	

\* Date of Cessation of Employment: 05.09.2014; \*\* Date of Cessation of Employment: 27.02.2015; \*\*\* Date of Cessation of Employment: 31.12.2014

**NOTES:**

- 1 Remuneration has been considered on the basis of the actual cost incurred by the Company and recorded in compliance with its accounting policies in the books of accounts. Remuneration includes salary, Company's contribution to PF, Super Annuity Fund.
- 2 None of the employees named above is related to any Director of the Company (the Company does not have any Manager as per the Companies Act, 2013).
- 3 None of the employee either singly or together with his/her spouse or dependent children has held more than 2% of the equity shares of the Company.
- 4 Expenses paid for Group Personal Accidental Insurance, Group Medical Insurance & Group Life Insurance not considered being statutory liability of the company and that the same are taken for the entire Company and not been separately determined.
- 5 Two employees (not being Directors or their relatives) of the Company are posted and working in country/ies outside India (the requisite particulars thereof will be made available to any shareholder of the Company on specific request made by him/herself, in writing, before the date of the 19th Annual General Meeting of the Company).

**FORM NO. MGT-9**

Extract of Annual Return

as on the financial year ended on 31 March, 2015

[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 December 1995
- iii) Name of the Company – Xerox India Limited
- iv) Category / Sub-Category of the Company - Information Technology Services
- v) Address of the Registered office

5th Floor, Block One, Vatika Business Park, and contact details Sector 49, Sohna Road, Gurgaon - 201218, Haryana  
Tel: +91 124 39400400, Fax: +91 124 3371225 email: 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

**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: (a) Global Document Outsourcing (b) Office (c) Graphic Communications (d) Other Support Services	46591, 82191, 82199, 33129, 17093	24.66% 22.97% 33.63% 12.99%

**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 45, Glover Avenue, Norwalk, CT 06856-4505 United States	Not Applicable	Holding	Nil	2(46)
2	Xerox Limited, UK Bridgehouse, Oxford Road, Uxbridge, Middlesex UB8 1HS	Not Applicable	Holding	45.58%	2(46)
3	XC Trading Singapore Pte Ltd. 80, Anson Road, Singapore	Not Applicable	Holding	39.29%	2(46)

## Annexures to the Directors' Report

### IV. SHAREHOLDING PATTERN (Equity share capital breakup as percentage of total equity)

#### I. Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	NA	0	0	0	NA	NA
(a) Individual/ HUF	0	0	0	NA	0	0	0	NA	NA
(b) Central Government	0	0	0	NA	0	0	0	NA	NA
(c) State Government(s)	0	0	0	NA	0	0	0	NA	NA
(d) Bodies Corporate(s)	0	0	0	NA	0	0	0	NA	NA
(e) Banks/FIs	0	0	0	NA	0	0	0	NA	NA
(f) Any Other	0	0	0	NA	0	0	0	NA	NA
Sub-total (A)(1): -	0	0	0	NA	0	0	0	NA	NA
(2) Foreign									
(a) NRIs-Individuals	0	0	0	NA	0	0	0	NA	NA
(b) Other-Individuals	0	0	0	NA	0	0	0	NA	NA
(c) Bodies Corporate(s)	0	40010707	40010707	89.29	0	40010707	40010707	89.29	NIL
(d) Banks/FIs	0	0	0	NA	0	0	NA	NA	NA
(e) Any Other	0	0	0	NA	0	0	NA	NA	NA
Sub-total (A)(2):-	0	40010707	40010707	89.29	0	40010707	40010707	89.29	NIL
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	0	40010707	40010707	89.29	0	40010707	40010707	89.29	NIL
B. Public Shareholding									
1. Institutions									
(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) FIs	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
Sub-total (B)(1):-	39746	14125	53871	0.1202	39746	14125	53871	0.1202	NIL
2. Non-Institutions									
(a) Bodies Corporate									
i) Indian	0	3834452	3834452	8.56	0	3834452	3834452	8.56	NIL
ii) Overseas	0	0	0	0	0	0	0	0	NIL
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4202	774924	779126	1.738	8791	771314	780105	1.741	0.003
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	125238	125238	0.28	0	125238	125238	0.28	NIL
c) Others:									
Non-Resident Individual	0	4606	4606	0.01	0	3627	3627	0.0081	-0.0019

## Annexures to the Directors' Report

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (B)(2):- Total Public Shareholding (B) = (B)(1) + (B)(2)	4202	4739220	4743422	10.59	8791	4734631	4743422	10.59	NIL
	43948	4753345	4797293	10.71	48537	4735631	4797293	10.71	NIL
(C) Shares held by Custodian for GDRs & ADRs	0	0	0	NA	0	0	0	NA	NA
<b>Grand Total (A+B+C)</b>	<b>43948</b>	<b>44764052</b>	<b>44808000</b>	<b>100</b>	<b>48537</b>	<b>44746338</b>	<b>44808000</b>	<b>100</b>	<b>NA</b>

Note : Percentage in bracket represents negative percentage (denoting change)

### ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			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	1980801	4.42	Nil	Nil

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

There is no change in promoter's shareholding during FY 2014- 15.

Sl. No.		Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	<b>At the beginning of the year</b>	N.A.			
	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.):				
	<b>At the end of the year</b>				

## Annexures to the Directors' Report

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

Sl. No.		Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	<b>For each of the top ten shareholders</b>				
	<b>At the beginning of the year</b>	<b>3882659</b>	<b>8.66</b>	<b>3882659</b>	<b>8.66</b>
	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.):	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
	<b>At the end of the year (or on the date of separation, if separated during the year)</b>	<b>3882659</b>	<b>8.66</b>	<b>3882659</b>	<b>8.66</b>

The above details are given as on 31 March, 2015. The Company is unlisted and 0.11% shareholding is in dematerialized form.

The aforesaid holdings by top ten shareholders did not undergo any change. Further, the Company has not allotted/transferred or issued any bonus or sweat equity shares during the year.

### v. Shareholding of Directors and Key Managerial Personnel

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

### V. Indebtedness

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	-	36,00,00,000	-	36,00,00,000
ii) Interest due but not paid	-	-	-	-
iii) interest accrued but not due	-	93,21,000	-	93,21,000
<b>Total (i + ii + iii)</b>	-	36,93,21,000	-	36,93,21,000
Change in Indebtedness during the financial year				
• <b>Addition</b>	-	-	-	-
• <b>Reduction</b>	-	11,00,00,000	-	11,00,00,000
<b>Net Change</b>	-	(11,00,00,000)	-	(11,00,00,000)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	25,00,00,000	-	25,00,00,000
ii) Interest due but not paid	-	-	-	-
iii) interest accrued but not due	-	60,41,096	-	60,41,096
<b>Total (i + ii + iii)</b>	-	25,60,41,096	-	25,60,41,096

## Annexures to the Directors' Report

### 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> (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of Perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	<b>Mr. Rajat Kumar Jain*</b> 34774583	34774583
2	<b>Stock Option</b>	N.A.	N.A.
3	<b>Sweat Equity</b>	N.A.	N.A.
4	<b>Commission</b> - As % of profit - Others, specify	N.A. N.A.	N.A. N.A.
5	<b>Others, please specify</b>		
	<b>Total (A)</b>	34804283	34804283
	<b>Ceiling as per the Act</b>	5% of the Net Profits of the Company (computed as per Section 197 of the Companies Act, 2013)	

\* till the date of his cessation (i.e. 31.12.2014) as the Managing Director of the Company

#### B. Remuneration to other directors:

Sl. No.	Particulars of the Remuneration	Name of Directors							Total Amount
		Mr. Prakash Kulathulyer	Mr. Rishi Kant Srivastava						
1	<b>Independent Directors</b>  - Fee for attending Board/ committee meetings - Commission - Others, please specify	200000 Nil Nil	200000 Nil Nil						400000
	<b>Total (1)</b>	<b>200000</b>	<b>200000</b>						<b>400000</b>
2	<b>Other Non-Executive Directors</b>  - Fee for attending Board/ committee meetings - Commission - Others, please specify			Mr. Royston Charles Harding	Mr. Darren James Hooker	Mr. Daniel Marc Benoit	Ms. Daniela Cossette Untescu	Mr. Rajat Kumar Jain *	
				NA	NA	NA	NA	400000	400000
				Nil	Nil	Nil	Nil	Nil	Nil
				Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>400000</b>	<b>400000</b>
	<b>Total (B) – (1+2)</b>	<b>200000</b>	<b>200000</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>400000</b>	<b>800000</b>
	<b>Total Managerial Remuneration</b>	<b>35604283</b>							
	<b>Overall Ceiling as per the Act</b>	11% of Net Profits of the Company (computed as per Section 197 of the Companies Act, 2013)							

\* w.e.f. 01 January 2015 in the capacity as a non-executive director

## Annexures to the Directors' Report

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

Sl. No.	Particulars of the Remuneration	Key Managerial Personnel				
		CEO	Company Secretary	Company Secretary	CFO	Total
<b>1</b>	<b>Gross Salary:</b>	N.A.	<b>Mr. Vijay Breja *</b>	<b>Mr. Rajiv L. Jha **</b>	<b>Mr. Rodney Noonoo</b>	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		2029207	58048	17765038	19852293
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961		0	0	14641292	14641292
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961		0	0	0	0
<b>2</b>	<b>Stock Option</b>		N.A.	N.A.	N.A.	N.A.
<b>3</b>	<b>Sweat Equity</b>		N.A.	N.A.	N.A.	N.A.
<b>4</b>	<b>Commission</b>		N.A.	N.A.	N.A.	N.A.
	- As % of profit					
	- Others, specify					
<b>5</b>	<b>Others, please specify</b>		N.A.	N.A.	N.A.	N.A.
	<b>Total</b>		2029207	58048	32406330	34493585

\* for the period beginning from 03 April 2014 till 02 February 2015

\*\* for the period beginning from 24 March 2015 till 31 March 2015

### 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.

# Independent Auditors' Report

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## To the Members of Xerox India Limited

### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Xerox India Limited ("the Company"), which comprise the Balance Sheet as at March, 31, 2015 and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, which we have signed in reference to this report.

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Basis for Qualified Opinion

8. We draw your attention to Note 38(b), regarding the payment of remuneration to directors in excess of the limits specified in Schedule XIII to the Companies Act, 1956 (the "Act") during the year ended March 31, 2009, for which the Company since sought clarification from the Central Government on the amounts approved by it under Section 309 and 310 of the Act and applied for the approval for the excess remuneration of Rs. 19.76 lacs, which is awaited. However, on the basis of our understanding and evaluation of the matter, the excess remuneration paid to directors in the year ended March 31, 2009 could range from Rs. 76.59 lacs to Rs. 96.59 lacs.

### Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and except for the indeterminate effects of adjustment that may arise if the outcome of the matter described in the Basis for Qualified Opinion paragraph above is unfavourable 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, 2015, and its profit/loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

# Auditors' Report

To the Members of Xerox India Limited  
Report on the Financial Statements

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11. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, except for the indeterminate effects of the matter discussed in the Basis for qualified opinion paragraph above, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (k) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2015 . on its financial position in its standalone financial statements – Refer Note 21;
    - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2015
    - 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, 2015.

Gurgaon, Haryana  
July 22, 2015

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

Rahul Chattopadhyay  
Partner  
Membership Number 096367

# Independent Auditors' Report

## Annexure to Independent Auditors' Report

Referred to in paragraph 10 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, 2015

- 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, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory, excluding stocks with third parties, has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii) (a) and (iii) (b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- 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 regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, 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, there are no dues of wealth tax which have not been deposited on account of any dispute. The particular of dues of income tax, sales tax, service tax, custom duty and excise duty, cess and penalty under Foreign Exchange Management Act, 2000 as at March 31, 2015 which have not been deposited on account of a dispute are as follows:-

(All figures Rs.in lacs)

Name of the Statute	Nature of Dispute	Total Demand	Paid under protest	Period to which the amount relates	Forum where dispute is pending
J&K General Sales Tax Act, 1962	Sales Tax	2.11	-	1999-2000	Joint Commissioner (Appeal)
J&K General Sales Tax Act, 1962	Sales Tax	16.04	6.00	2000-01	Amnesty Scheme
Central Sales Tax Act, 1956 (J&K)	Sales Tax	0.05	-	2000-01	Amnesty Scheme
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	90.73	-	1999-00 & 2000-01	Hyderabad High Court
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	37.40	21.87	2002-03, to 2004-05	Appellate Tribunal
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	10.22	11.25	(Oct-05)	Appellate Deputy Commissioner
Central Sales Tax Act, 1956 (Andhra Pradesh)	Sales Tax	343.21	-	1999-00 & 2000-01	Hyderabad High Court
Central Sales Tax Act, 1956 (Andhra Pradesh)	Sales Tax	24.66	18.85	2002-03 to 2003-04	Appellate Tribunal
Bihar Finance Act, 1981	Sales Tax	11.76	-	1992-93 & 1993-94	Revision Application filed with CCT
Bihar Finance Act, 1981	Sales Tax	0.39	-	1994-95	DCCT
Delhi Sales Tax Act, 1975	Sales Tax	13.59	-	2006-07	Additional Commissioner

# Independent Auditors' Report

## Annexure to Independent Auditors' Report

Referred to in paragraph 10 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, 2015

(Rs.in lakhs)

Name of the Statute	Nature of Dispute	Total Demand	Paid under protest	Period to which the amount relates	Forum where dispute is pending
Delhi Sales Tax Act, 1975	Sales Tax	703.68	108.26	2008-09	Tax Tribunal
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	9.48	5.42	2006-07	Joint Commissioner CT, Chennai
General Sales Tax Act, 1960	Sales Tax	799.27	512.46	2007-08, to 2011-12	Appellate Deputy commissioner, Chennai
Central Sales Tax Act, 1956 (Tamil Nadu)	Sales Tax	12.22	-	2007-08, to 2009-10	Assessing Authority
General Sales Tax Act, 1959	Sales Tax	32.84	-	2001-02	High Court
Gujarat Sales Tax Act, 1969	Sales Tax	554.73	554.73	2003-04	Joint Commissioner
Gujarat Sales Tax Act, 1969	Sales Tax	144.30	68.62	2004-05 to 2006-07	Tribunal
Central Sales Tax Act, 1956 (Gujarat)	Sales Tax	13.62	5.32	2006-07 & 2007-08	Tribunal
Central Sales Tax Act, 1956 (Gujarat)	Sales Tax	15.70	15.70	2003-04	Joint Commissioner
Central Sales Tax Act, 1956 (Gujarat)	Sales Tax	28.94	6.16	2008-09 & 2009-10	DCCT (Appeal)
Gujarat Sales Tax Act, 1969	Sales Tax	19.44	4.00	2009-10	DCCT (Appeals)
M.P. Vanijyik Kar Adhiniyam, 1994	Sales Tax	9.95	4.95	1999-00	Revision to be Filed
M.P. Vanijyik Kar Adhiniyam, 1994	Sales Tax	39.40	14.93	1997-98 to 2000-01 & 2002-03	Appellate Deputy Commissioner
M.P. Entry Tax Act, 1976	Entry Tax	4.50	2.01	1996-97, 1997-98, 1999-00, 2002-03	Appellate Deputy Commissioner
Central Sales Tax Act, 1956 (MP)	Sales Tax	2.67	1.16	2000-01 to 2002-03	Appellate Deputy Commissioner
Kerala General Sales Tax Act, 1963	Sales Tax	1.73	-	2008-09	Deputy Commissioner, (Appeal Ernakulum)
Kerala General Sales Tax Act, 1963	Sales Tax	0.89	-	2010-11	Intelligence Inspector, Ernakulum
Central Sales Tax Act, 1956 (Kerala)	Sales Tax	11.75	4.50	2008-09	DCCT, (Appeals) Ernakulum
Orissa Entry Tax Act, 1999	Sales Tax	10.55	8.00	2000-01	Tribunal
Orissa Entry Tax Act, 1999	Sales Tax	1.16	0.75	2001-02 & 2002-03	Appeal Asst. Comm.
Central Sales Tax Act, 1956 (Orissa)	Sales Tax	8.39	3.00	2000-01	Tribunal
U.P Trade Tax Act, 1948	Sales Tax	70.58	87.51	1998-99 to 2006-07	Tribunal
U.P Trade Tax Act, 1948	Sales Tax	9.79	9.79	2008-09	Additional Commissioner-Grade 2, Moradabad
U.P Trade Tax Act, 1949	Sales Tax	20.78	8.51	2006-07 & 2008-09	Joint Commissioner (Appeals)
U.P Trade Tax Act, 1950	Sales Tax	0.41	0.41	2010-11 & 2012-13	DCCT Lucknow
U.P Trade Tax Act, 1950	Sales Tax	0.39	-	2006-07 & Jan-08 to Mar-08	DCCT, Rampur
U.P Entry tax	Sales Tax	8.16	1.65	2008-09	JCCT - Appeals Moradabad
U.P Entry tax	Sales Tax	2.50	2.50	2013-14	ACCT Mobile Squad, Jalaun
U.P Entry tax	Sales Tax	1.52	-	Apr-07 to Dec-07 & Jan-08 to Mar-8	DCCT, Rampur
Central Sales Tax Act, 1956 (UP)	Sales Tax	11.37	-	2002-03	Tribunal
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	45.72	28.61	2008-09	JCCT - Appeals Moradabad
U.P Trade Tax Act, 1950	Sales Tax	414.36	-	2009-10 & 2010-11	Assessing Authority
U.P Entry tax	Entry Tax	78.83	-	2009-10 & 2010-11	Assessing Authority
Central Sales Tax Act, 1956 (UP)	Sales Tax	741.13	-	2009-10 & 2010-11	Assessing Authority
Rajasthan VAT Tax Act, 2003	Sales Tax	109.00	54.48	Apr-06 to Jun-06 , Jul-06 to Dec-06, Oct-06 to 18-Dec-06, Apr-2007 to Jun-07, Jul-07 to Sep-07, Oct-07 to 16-Nov-07, 2005-06	Rajasthan Tax Board
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
Rajasthan VAT Tax Act, 2003	Sales Tax	48.58	25.68	1989-90 , 2001-02 , 2007-08	Amnesty Scheme 2015- Assessing Authority
Central Sales Tax Act, 1956 (Assam)	Sales Tax	5.14	1.29	1998-99 to 2000-01	Assessing Authority
Himachal Sales Tax Act	Sales Tax	2.41	2.41	1998-99	Deputy Commissioner Excise & Taxation, Parwanoo
Uttarakhand VAT Act	Sales Tax	2.87	-	Oct-05 to Mar-06	DCCT, Dehradun
Chapter V of Finance Act, 1994	Service Tax	2,997	#	May 2006 to March 2008	Central Excise and Service Tax Appellate Tribunal
Chapter V of Finance Act, 1994	Service Tax	3,903.78	#	April 2008 to Sep 2011	Central Excise and Service Tax Appellate Tribunal
Chapter V of Finance Act, 1994	Service Tax	140.12	#	August 2002 to Dec. 2005	Central Excise and Service Tax Appellate Tribunal
Foreign Exchange Management Act	Penalty	22.75	4.55	1983-84 to 1993-94	Enforcement Directorate
Central Excise Act, 1994	Excise Duty	3572.95	-	April 2002 to November 2006	Hob'ble Supreme Court
Central Excise Act, 1994	Excise Duty	3,050.14	37.27#	April 2002 to November 2006	Central Excise & Service Tax Appellate Tribunal & Supreme Court
Central Excise Act, 1994	Excise Duty	5.11	-	1994-95	Central Excise & Service Tax Appellate Tribunal

# Independent Auditors' Report

## Annexure to Independent Auditors' Report

Referred to in paragraph 10 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, 2015

(Rs.in lakhs)

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	928.30	928.30	2002-03	CIT(A) Delhi
Income Tax Act , 1961	Income Tax	307.15	139.39	2003-04	Assessing Officer. Circle - 27(2)
Income Tax Act , 1961	Income Tax	46.83	46.83	2004-05	ITAT Delhi
Income Tax Act , 1961	Income Tax	29.95	29.95	2005-06	ITAT Delhi
Income Tax Act , 1961	Income Tax	1,849.94	-#	2007-08	ITAT Delhi
Income Tax Act , 1961	Income Tax	3,726.60	923.47#	2008-09	ITAT Delhi
Income Tax Act , 1961	Income Tax	849.41	-	2009-10	ITAT Delhi
Income Tax Act , 1961	Income Tax	430.79	425.95	1997-98	ITAT Delhi

### Note:

The above exclude demand decided in favour of the Company, for which effect is 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.

# Represent demands which have been granted full stay or are under Interim stay by the Courts.

- c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company
- xi. The Company has not raised any term loans. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company
- xii. 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 on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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

Rahul Chattopadhyay  
Partner  
Membership Number 096367

Gurgaon, Haryana  
July 22, 2015

# XEROX INDIA LIMITED

## Balance Sheet as at March 31, 2015

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

	Note No.	As at March 31, 2015	As at March 31, 2014
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	4,480.80	4,480.80
Reserves and surplus	4	14,376.95	11,257.89
<b>Non-Current liabilities</b>			
Other long term liabilities	5	2,351.86	2,379.87
Long- term provisions	6	3,581.49	3,499.92
<b>Current Liabilities</b>			
Short-term borrowings	7	2,500.00	3,600.00
Trade payables	8	5,481.00	5,985.58
Other current liabilities	9	1,642.62	1,958.91
Short-term provisions	10	520.74	604.00
<b>Total</b>		<b>34,935.46</b>	<b>33,766.97</b>
<b>Assets</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible assets	11	4,629.69	4,868.59
Capital work in progress		85.24	7.00
Intangible assets	12	104.60	48.22
Deferred tax assets (net)	13	2,880.68	2,720.81
Long-term loans and advances	14	7,305.96	7,495.58
Other non-current assets	15	65.89	28.63
<b>Current Assets</b>			
Inventories	16	4,075.35	4,489.03
Trade receivables	17	6,739.27	7,475.49
Cash and bank balances	18	7,392.55	5,091.58
Short-term loans and advances	19	958.38	936.02
Other current assets	20	697.85	606.02
<b>Total</b>		<b>34,935.46</b>	<b>33,766.97</b>

The notes referred to above form an integral part of the accounts.

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

Gurgaon, India

July 22, 2015

### For and on behalf of Board of Directors

**Ashraf M. A. Elarman**  
Managing Director

**Rajat Jain**  
Director

**Rodney Noonoo**  
Chief Financial Officer

**Satpreet Singh**  
Finance Controller

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

Gurgaon, India  
July 22, 2015

# XEROX INDIA LIMITED

## Statement of Profit and Loss for the year ended March 31, 2015

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

	Note No.	Year ended March 31, 2015	Year ended March 31, 2014
<b>Income</b>			
Revenue from operations (Net)	23	53,490.17	57,579.05
Other Income	24	594.90	1,165.44
<b>Total Revenue</b>		<b>54,085.07</b>	<b>58,744.49</b>
<b>Expenses</b>			
Purchase of goods and services	25	30,140.08	37,724.59
Change in inventories of goods	26	655.07	2,737.93
Employee benefits	27	9,247.91	8,714.71
Finance costs	28	380.43	473.46
Depreciation and amortization	29	2,204.38	1,938.66
Others	30	7,883.05	8,351.26
<b>Total Expenses</b>		<b>50,510.92</b>	<b>59,940.61</b>
<b>Profit/ (loss) before tax</b>		<b>3,574.15</b>	<b>(1,196.12)</b>
<b>Tax Expense</b>			
Current Tax		625.16	-
Prior years tax-write back		(46.83)	-
Deferred tax		(147.19)	(295.67)
<b>Profit/ (loss) for the year</b>		<b>3,143.01</b>	<b>(900.45)</b>
<b>Earnings per equity share [Nominal value per share: Rs. 10 (March 31, 2014: Rs. 10)]</b>			
Basic	34	7.01	(2.01)
Diluted		7.01	(2.01)

The notes referred to above form an integral part of the accounts.

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

Gurgaon, India

July 22, 2015

### For and on behalf of Board of Directors

**Ashraf M. A. Elarman**  
Managing Director

**Rajat Jain**  
Director

**Rodney Noonoo**  
Chief Financial Officer

**Satpreet Singh**  
Finance Controller

Gurgaon, India  
July 22, 2015

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

# XEROX INDIA LIMITED

## Statement of Cash Flows for the Year Ended March 31, 2015

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

	Year ended March 31, 2015	Year ended March 31, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit / (Loss) before tax</b>	<b>3,574.15</b>	(1,196.12)
<b>Adjustments for non-cash / non-operating items:</b>		
Depreciation	2,204.38	1,938.66
Interest cost on loans considered separately	380.43	477.89
Interest income considered separately	(145.38)	(48.81)
Other non cash adjustments	433.26	1,408.26
Unrealised foreign exchange loss (net)	35.85	51.74
<b>Operating profit before working capital changes</b>	<b>6,482.69</b>	2,631.62
(Increase) / Decrease in inventory	237.60	2,738.77
(Increase) / Decrease in trade receivables	727.75	883.51
(Increase) / Decrease in Short-term advances & other current assets	(141.60)	533.96
Increase / (Decrease) in trade payables	(549.76)	(3,114.22)
Increase / (Decrease) in other current liabilities & provisions	(323.24)	(838.25)
(Increase) / Decrease in long-term advances and other non-current assets	42.36	(260.97)
Increase / (Decrease) in other non-current liabilities & provisions	(71.98)	407.57
<b>Cash generated from operations</b>	<b>6,403.82</b>	2,981.99
Income tax refund / (paid) including tax deducted at source	(557.81)	(524.57)
<b>Net Cash Generated From Operating Activities</b>	<b>5846.01</b>	2,457.42
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(2,168.24)	(1,740.11)
Proceeds from sale of fixed assets	12.57	98.61
Interest received	116.00	48.81
<b>Net Cash used in investing activities</b>	<b>(2,039.67)</b>	(1,592.69)

# XEROX INDIA LIMITED

## Statement of Cash Flows for the Year Ended March 31, 2015 (Contd..)

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

	Year ended March 31, 2015	Year ended March 31, 2014
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of intercompany deposits	(1,100.00)	-
Interest paid on loans	(413.23)	(477.89)
<b>Net Cash used in / generated from financing activities</b>	<u>(1,513.23)</u>	<u>(477.89)</u>
<b>Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>2,293.11</b>	<b>386.84</b>
Effect of exchange differences on translation of foreign		
Currency balance in EEFC account	7.86	22.31
<b>Cash and cash equivalents at the beginning of the year</b>	<u>5,091.58</u>	<u>4,682.43</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>7,392.55</u>	<u>5,091.58</u>
Cash and cash equivalents comprise of:		
Cheques on hand	963.14	969.53
Remittance in transit	-	32.66
Bank balances		
- In current accounts	2,047.21	4,089.39
- in demand deposits	4,382.20	-
<b>Total</b>	<u>7,392.55</u>	<u>5,091.58</u>

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  
Gurgaon, India  
July 22, 2015

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

**Ashraf M. A. Elarman**  
Managing Director

**Rajat Jain**  
Director

**Rodney Noonoo**  
Chief Financial Officer

**Satpreet Singh**  
Finance Controller

Gurgaon, India  
July 22, 2015

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

# XEROX INDIA LIMITED

## Notes to the Financial Statements

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

### 1. General Information

Xerox India Limited ('the Company') was incorporated in India on December 29, 1995 and is engaged in the business of trading of xerographic equipments, multifunction devices, laser printers, systems, consumables, paper and providing after-sales services of machines sold which include servicing, repairing, selling spare parts and has a research & software development and support center. The Company is a Public Limited Company controlled by Xerox Corporation of USA.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year ended March 31, 2015.

### 2. Summary of Significant Accounting Policies

#### 2.1 Basis of accounting

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211 (3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

#### 2.2 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 lives of fixed assets.

These estimates could change from period to period 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.

#### 2.3 Tangible assets

Tangible assets are stated at acquisition cost, net of Central value added tax (Cenvat) / Countervailing Duty (CVD), wherever claimed, accumulated depreciation and accumulated impairment losses, if any. Cost includes original cost of acquisition and includes expenses incidental to such acquisition. Items of fixed assets transferred from Inventory are capitalised at carrying cost at the time of transfer.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

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. Any expected loss is recognised immediately in the Statement of Profit and Loss.

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.

#### 2.4 Intangible assets

Intangible assets 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. A rebuttable presumption that the useful life of an intangible asset will not exceed 10 years from the date when the asset is available for use is considered by the management. The amortisation period and amortisation method are reviewed at each financial year end and if the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

#### 2.5 Depreciation and Amortisation

Depreciation on Xerox equipments, whether self used or deployed at customer place (Global document outsourcing contracts) is provided on straight-line method over their estimated useful life (5 years). Leasehold land and leasehold improvements are

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

amortised over the period of the lease. Intangible assets are amortised on straight-line method over their estimated useful life (2 - 7 years). Depreciation on all other fixed assets is provided on the written down value method over the estimated useful life of the assets at rates specified in Schedule II to the Companies Act, 2013. All assets costing Rs.5,000 or below are depreciated in the year of having been put to use by the way of a one time depreciation charge.

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 upto the date of disposal.

### 2.6 Impairment of assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

### 2.7 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:

Loose tools	Weighted average
Finished goods - trade	Weighted average
Components for sales and service of field machines	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.

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.

### 2.8 Foreign currency transactions

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency (INR) and the foreign currency prevailing at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period using the exchange rate prevailing at the reporting date. As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is also recognised as income or as expense for the period.

### 2.9 Revenue recognition

**Sale of products:-** Revenue from sale of products is recognised as products are dispatched to the customers and upon the transfer of significant risks and rewards to the customer. Revenue from sale of products with a conditional clause on installation is recognised on completion of installation and acknowledgement by the customer. Sales are recorded at invoice value, net of trade discount, sales taxes, returns.

**Sale of services:-** Revenue from maintenance services and other services are recognized as per the terms of the agreement as and when the services are actually rendered.

In both the above situations, revenue is recognised when no significant uncertainty exists regarding collection of the consideration.

Software services and Other services (Business support) are rendered to overseas affiliates of Xerox India and the revenue is recognised on cost plus basis in accordance with the terms of the agreement entered between the company and these affiliates.

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

### 2.10 Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

### 2.11 Employee benefits

#### 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. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### 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 and premium paid to such insurance company is charged to the statement of profit and loss. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the Statement of Profit and Loss Account.

#### 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 (currently 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.

#### Leave encashment:

Leave encashment benefits (compensated absences) payable to employees on retirement, death while in service or on termination of employment with respect to accumulated leaves outstanding at the year are accounted for on the basis of an actuarial valuation using the projected unit credit method as at the balance sheet.

Short term employee benefits are recognised as an expense for services rendered during the year.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of year are treated as short term employee benefits, while accumulated compensated absences expected to be availed or encashed beyond 12 months from the end of year are treated as other long term employee benefits. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### Termination benefits:

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

### 2.12 Current and deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions and is based on the expected outcome of assessment.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right exists to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Minimum alternate tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the

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

carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### 2.13 Provisions and contingent liabilities

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value.

**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.

### 2.14 Warranty

#### In house:

Model wise average warranty for spare and labour cost per month is determined based on historical consumption pattern. The warranty provision is made based on the rate determined above as a multiple of the number of months of warranty. In case of new models introduced for which historical data is not available, then the cost will be determined on the basis of similar type of existing models.

#### Outsourced:

In case the warranty service is outsourced to authorized service providers, the warranty cost per month is fixed for each model as per the agreement. The warranty provision is made based on the actual fixed rate as a multiple of the number of months of warranty. The warranty provision is made in the month of sale of equipment.

### 2.15 Leases

#### As a Lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease Rentals in respect of operating lease arrangements are charged to expenses when due as per the terms of the related agreement on a straight line basis over the lease term.

#### As a Lessor

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss over the lease term which is representative of the time pattern in which the benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

### 2.16 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents means cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

### 2.17 Earnings per share

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

### 2.18 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

### 2.19 Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue is accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".



# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### 4. Reserves and surplus

#### General reserve

#### Surplus in Statement of profit and loss

Balance as at the beginning of the year

Less: Adjustment as per Schedule II \*

Profit/ (Loss) for the year

**Balance as at the end of the year**

**Total**

\*Refer note no. 29

	As at March 31, 2015		As at March 31, 2014
	7,253.18		7,253.18
	4,004.71		4,905.16
	23.95		-
	3,143.01		(900.45)
	<u>7,123.77</u>		<u>4,004.71</u>
	<u>14,376.95</u>		<u>11,257.89</u>

### 5. Other long-term liabilities

Security deposits received

Advance from customers

Other advances (Refer Note 41)

**Total**

	As at March 31, 2015		As at March 31, 2014
	72.28		88.53
	29.58		41.34
	2,250.00		2,250.00
	<u>2,351.86</u>		<u>2,379.87</u>

### 6. Long-term provisions

Provision for employee benefits

- Leave encashment

Provision for employee payments

Other provisions

- Litigation & disputes- Income tax

- Litigation & disputes- Indirect tax and legal cases

**Total**

**Litigation & disputes:**

**Income tax**

Balance provision as at the beginning of the year

Additions

Amount written back / used

Balance as at the end of the year

**Indirect taxes & legal cases**

Balance provision as at the beginning of the year

Additions

Amount used

Balance as at the end of the year

	As at March 31, 2015		As at March 31, 2014
	265.85		253.52
	57.77		114.07
	802.49		849.32
	2,455.38		2,283.01
	<u>3,581.49</u>		<u>3,499.92</u>
	849.32		849.32
	-		-
	(46.83)		-
	<u>802.49</u>		<u>849.32</u>
	2,283.01		2,594.62
	172.37		344.26
	-		(655.87)
	<u>2,455.38</u>		<u>2,283.01</u>

Provision for litigation & disputes represents claims against the company, in respect of Income tax, Sales Tax, Excise Duty, Custom Duty, Service Tax and other laws that are expected to materialise in respect of matters in litigation.

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	As at March 31, 2015	As at March 31, 2014
<b>7. Short term borrowings</b>		
<b>Unsecured</b>		
Intercompany Deposits	2,500.00	3,600.00
<b>Total</b>	<u>2,500.00</u>	<u>3,600.00</u>

Represents inter-company deposits accepted from Xerox Business Services India Private Limited (formerly known as Affiliated Computer Services of India Private Limited), a related party @ 10.5% p.a. from 1st April 2014 to 31st October 2014 and @ 9.80% p.a. from 1st November 2014 to 31st March 2015 (March 31, 2014 @ 11% p.a. from 1st April 2013 to 31st October 2013 and @ 10.5% p.a from 1st November 2013 to 31st March 2014) and is repayable by October 31, 2015 unless further extended by mutual consent. (Also refer Note 35).

	As at March 31, 2015	As at March 31, 2014
<b>8. Trade payables</b>		
Trade payables (Refer Note 37)	5,481.00	5,985.58
<b>Total</b>	<u>5,481.00</u>	<u>5,985.58</u>

	As at March 31, 2015	As at March 31, 2014
<b>9. Other current liabilities</b>		
Interest accrued on borrowings	60.41	93.21
Advance from customers	66.10	128.75
Payable to employees	122.63	197.45
Statutory dues including Provident Fund and Tax deduction at source	524.71	557.58
Others	9.27	10.73
Non-trade payable for other contractual obligation	859.50	971.19
<b>Total</b>	<u>1,642.62</u>	<u>1,958.91</u>

	As at March 31, 2015	As at March 31, 2014
<b>10. Short-term provisions</b>		
Provision for employees retirement benefits		
- Gratuity	-	43.02
- Leave encashment	3.07	3.56
- Superannuation	4.75	6.84
Provision for employees payments	393.47	315.13
Provision for warranty	119.45	235.45
<b>Total</b>	<u>520.74</u>	<u>604.00</u>
<b>Provisions for Warranty</b>		
Balance as at the beginning of the year	235.45	210.61
Additions	163.69	246.14
Amount used	(279.69)	(221.30)
Balance as at the end of the year	<u>119.45</u>	<u>235.45</u>

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### 11. Tangible assets

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at April 1, 2014	Additions during the Year	Adjustments/ Sold during the Year	As at March 31, 2015	Upto March 31, 2014	Provided during the Year	Adjustments during the Year	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
<b>Own Assets:</b>										
Freehold land	4.15	-	-	4.15	-	-	-	-	4.15	4.15
Leasehold improvements	1,131.24	150.74	0.43	1,281.55	500.79	143.93	0.33	644.39	637.16	630.45
Buildings	276.58	-	-	276.58	194.31	5.34	-	199.65	76.93	82.27
Plant & machinery	0.61	-	0.61	-	0.56	0.03	0.59	-	-	0.05
Furniture, fixtures & equipment	368.86	34.67	1.46	402.07	126.89	77.56	0.73	203.72	198.35	241.97
Vehicles	63.24	-	24.49	38.75	41.56	6.83	16.70	31.69	7.06	21.68
Office equipment	234.30	61.42	9.07	286.65	148.33	73.55	14.21	207.67	78.98	85.97
Computers	1,319.65	282.70	279.63	1,322.72	958.23	364.11	277.93	1,044.41	278.31	361.42
<b>Total (A)</b>	<b>3,398.63</b>	<b>529.53</b>	<b>315.69</b>	<b>3,612.47</b>	<b>1,970.67</b>	<b>671.35</b>	<b>310.49</b>	<b>2,331.53</b>	<b>1,280.94</b>	<b>1,427.96</b>
<b>Assets given on operating lease:</b>										
Equipments	8,381.10	1,426.96	788.89	9,019.17	4,940.47	1,492.51	762.56	5,670.42	3,348.75	3,440.63
<b>Total (B)</b>	<b>8,381.10</b>	<b>1,426.96</b>	<b>788.89</b>	<b>9,019.17</b>	<b>4,940.47</b>	<b>1,492.51</b>	<b>762.56</b>	<b>5,670.42</b>	<b>3,348.75</b>	<b>3,440.63</b>
<b>Total (A+B)</b>	<b>11,779.73</b>	<b>1,956.49</b>	<b>1,104.58</b>	<b>12,631.64</b>	<b>6,911.14</b>	<b>2,163.86</b>	<b>1,073.05</b>	<b>8,001.95</b>	<b>4,629.69</b>	<b>4,868.59</b>
<b>March 31, 2014</b>	<b>10,913.25</b>	<b>1,742.33</b>	<b>875.85</b>	<b>11,779.73</b>	<b>5,749.54</b>	<b>1,871.46</b>	<b>709.86</b>	<b>6,911.14</b>	<b>4,868.59</b>	<b>-</b>

Note: Leasehold Land and Freehold Land having a net book value of Rs.17.56 lacs and Rs. 6.49 lacs respectively (total Rs. 24.05 lacs) held for sale at the year end are not included above and have been classified as other non-current assets. Refer note 15 and 41.

### 12. Intangible assets

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at April 1, 2014	Additions during the Year	Adjustments/ Sold during the Year	As at March 31, 2015	Upto March 31, 2014	Provided during the Year	Adjustments during the Year	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
Goodwill	63.84	-	-	63.84	63.84	-	-	63.84	-	-
Internal use Software	230.76	133.51	-	364.27	182.54	77.13	-	259.67	104.60	48.22
<b>Total</b>	<b>294.60</b>	<b>133.51</b>	<b>-</b>	<b>428.11</b>	<b>246.38</b>	<b>77.13</b>	<b>-</b>	<b>323.51</b>	<b>104.60</b>	<b>48.22</b>
March 31, 2014	372.59		77.99	294.60	226.41	67.19	47.22	246.38	48.22	

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	As at March 31, 2015	As at March 31, 2014
<b>13. Deferred tax assets (net)</b>		
Deferred tax assets (net)	2,880.68	2,720.81
<b>Total</b>	<u>2,880.68</u>	<u>2,720.81</u>

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

Particulars	As at March 31, 2015	Movement during the year*	As at March 31, 2014
<b><u>Deferred tax liabilities</u></b>			
Sales tax recoverable	510.36	41.88	468.48
<b>Total gross deferred tax liabilities</b>	<u>510.36</u>	<u>41.88</u>	<u>468.48</u>
<b><u>Deferred tax assets</u></b>			
Depreciation	1,349.48	533.62	815.86
Provision for doubtful debts	354.63	18.60	336.03
Provision for doubtful advances	245.23	37.15	208.08
Provision for impairment of inventories	240.25	(63.02)	303.27
Provision for leave encashment	93.07	9.66	83.41
Provision for gratuity	-	(13.96)	13.96
Provision for warranty	41.34	(35.05)	76.39
Interest on Income tax refunds	84.37	5.28	79.09
Provision for litigation and disputes	849.75	109.03	740.72
Other provisions	132.92	10.51	122.41
Brought forward losses - unabsorbed depreciation	-	(410.07)	410.07
<b>Total gross deferred tax assets</b>	<u>3,391.04</u>	<u>201.75</u>	<u>3,189.29</u>
<b>Net deferred tax assets</b>	<u>2,880.68</u>	<u>159.87</u>	<u>2,720.81</u>

\*Of this Rs. 12.67 lacs has been adjusted against the General reserve. Refer note 29.

	As at March 31, 2015	As at March 31, 2014
<b>14. Long-term loans and advances</b>		
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits		
- Considered good	268.18	259.01
- Considered doubtful	16.05	16.05
Less: Provision for doubtful deposits	<u>(16.05)</u>	<u>(16.05)</u>
	268.18	259.01
<b>Other loans and advances</b>		
Sales tax (refer note 21(b)(iii))	1,877.50	1,957.10
- Less: Provision for doubtful recoverable	<u>(11.65)</u>	<u>(11.65)</u>
Excise duty (refer note 21(b)(iv))	37.27	37.27
Advance Income tax including Tax deducted at source recoverable Rs. 13,633.58 lacs (March 31, 2014 Rs. 13,077.26 lacs), net of corresponding Income tax provisions for the period where the assessments are pending Rs. 8,414.07 lacs (March 31, 2014: Rs. 7,788.64 lacs)]	5,219.51	5,288.62
- Less: Provision for doubtful TDS recoverable	<u>(89.00)</u>	<u>(50.22)</u>
Others	14.06	23.25
- Less: Provision for doubtful recoverable	<u>(9.91)</u>	<u>(7.80)</u>
<b>Total</b>	<u>7,305.96</u>	<u>7,495.58</u>

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	As at March 31, 2015		As at March 31, 2014	
<b>15. Other non-current assets</b>				
<b>Unsecured :</b>				
Trade receivables under dispute				
- Considered doubtful	881.05		822.37	
Less: Provision for doubtful receivables	(881.05)	-	(822.37)	-
Other advances				
- Considered good	41.84		4.58	
- Considered doubtful	37.48		40.04	
Less: Provision for doubtful advances	(37.48)	41.84	(40.04)	4.58
Assets held for sale (Refer note 41)		24.05		24.05
<b>Total</b>		<b>65.89</b>		<b>28.63</b>
<b>16. Inventories</b>				
<b>Traded goods</b>				
[Including stocks in transit Rs. 193.98 lacs (March 31, 2014 Rs. 76.36 lacs) and stocks lying in warehouses managed by third parties Rs. 905.40 lacs (March 31, 2014 Rs. 1284.74 lacs)]		1,099.38		1,405.13
<b>Components for sale and servicing of field machines</b>				
[Including stocks in transit Rs. 921.67 lacs (March 31, 2014 Rs. 764.99 lacs) and stocks lying in warehouses managed by third parties Rs.2,318.83 lacs (March 31, 2014 Rs. 2,684.83 lacs)]		3,652.30		4,001.62
Loose tools		17.90		17.01
		4,769.58		5,423.76
Less: Provision for inventory		(694.23)		(934.73)
<b>Total</b>		<b>4,075.35</b>		<b>4,489.03</b>
<b>Detail of inventory</b>				
i) Traded goods				
- Equipments		1,067.51		1,348.80
- Paper		31.87		56.33
<b>Total</b>		<b>1,099.38</b>		<b>1,405.13</b>
ii) Components for sale & servicing of field machines:				
- Consumables		1,854.99		2,051.39
- Parts		1,797.31		1,950.23
<b>Total</b>		<b>3,652.30</b>		<b>4,001.62</b>
<b>17. Trade receivables</b>				
Unsecured, considered good				
- Outstanding for a period exceeding six months from the date they are due for payment		20.45		80.90
- Others		6,718.82		7,394.59
Unsecured, considered doubtful				
- Outstanding for a period exceeding six months from the date they are due for payment		109.47		131.54
- Others		34.18		81.79
Less: Provision for Doubtful Debts		(143.65)		(213.33)
<b>Total</b>		<b>6,739.27</b>		<b>7,475.49</b>

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### 18. Cash and Bank balances

Cash and cash equivalents  
 Cheques in hand  
 Remittance in transit  
 Bank balances  
 - in current accounts  
 - in demand deposits  
**Total**

	As at March 31, 2015		As at March 31, 2014
	963.14		969.53
	-		32.66
	2,047.21		4,089.39
	4,382.20		-
	<u>7,392.55</u>		<u>5,091.58</u>

### 19. Short-term loans & advances

Unsecured considered good (unless otherwise stated)  
 - Advance to employees  
 - Advances to vendors  
 Less: Provision for doubtful claims  
 - Security deposits given  
 Loans & advances recoverable from government  
 - VAT input credit  
 - Service tax  
**Total**

	As at March 31, 2015		As at March 31, 2014
	78.24		77.94
	240.60		234.63
	<u>(63.13)</u>		<u>(24.37)</u>
	21.07		29.39
	12.95		32.14
	668.65		586.29
	<u>958.38</u>		<u>936.02</u>

### 20. Other current assets

Claims Recoverable  
 - Unsecured considered good  
 - Unsecured considered doubtful  
 Less: Provision for doubtful claims  
 Interest accrued on fixed deposits  
 Prepaid expenses  
 Fixed deposit with banks held as margin money\*  
**Total**

	As at March 31, 2015		As at March 31, 2014
	446.81		455.78
	481.37		491.19
	<u>(481.37)</u>		<u>(491.19)</u>
	29.87		0.49
	220.16		125.61
	1.01		24.14
	<u>697.85</u>		<u>606.02</u>

\* Held as lien by bank against Bank guarantee

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### 21. Contingent Liabilities

- a) Bank Guarantees given of Rs. 2,299.89 lacs (March 31, 2014 Rs. 2,320.19 lacs) represent guarantees given in the normal course of the company's operations and are not expected to result in any loss to the company on the basis of the beneficiary fulfilling its ordinary commercial obligations. Also refer note 21(b) below.

	As at March 31, 2015	As at March 31, 2014
<b>b) Statutory matters:</b>		
i) Contingent liabilities, net of provisions amounting to Rs.236.26 lacs (March 31, 2014 Rs.201.46 lacs) in respect of pending legal suits that are not acknowledged as debts.	<b>747.83</b>	401.58
ii) Disputed Income tax demands, net of provision Rs. 802.49 lacs (March 31, 2014 Rs. 849.32 lacs) against which the company/ authorities have preferred an appeal against the orders. The company has deposited Rs.3,731.27 lacs (March 31, 2014 Rs.3,818.60 lacs) and given Bank guarantees amounting to Rs. 1,849.94 lacs (March 31, 2014 Rs. 1,849.94 lacs) as included in Note 21(a) above against such litigations. During the year, demands aggregating to Rs.1,616.17 lacs were decided in favour of the company and additional demands of Rs.777.45 lacs have been appealed against the company by the revenue.	<b>9,344.61</b>	9,569.05
iii) Sales tax demands, net of provision of Rs.2,164.85 lacs (March 31, 2014 Rs.1,983.52 lacs) disputed by the company against which the company has preferred an appeal. The company has deposited Rs.1,865.85 lacs (March 31, 2014 Rs.1,945.45 lacs) against all Sales tax demands. During the year demands aggregating to Rs.1,288.36 lacs have been received during the year and demand Rs. 24.80 lacs have been disposed during the year.	<b>2,387.02</b>	1,304.79
iv) Excise duty demands, net of provision of Rs.37.27 lacs (Rs. 37.27 lacs as on March 31, 2014) disputed by the company/ department against which the company has preferred an appeal. Amount deposited by the company is Rs.37.27 lacs (March 31, 2014 Rs.37.27 lacs).	<b>7,129.65</b>	7,129.65
v) Penalty imposed by the Enforcement Directorate, Ministry of Finance as per FERA File No: T-4/377-D/2002 and T-4/20/DZ/2001/DD(AV) which are disputed by the company and against which the company has preferred an appeal. The company has deposited Rs.4.55 lacs (March 31, 2014 Rs.4.55 lacs) and carries a provision of Rs. 22.75 lacs (March 31, 2014 Rs.22.75 lacs)	-	-
vi) 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 tax 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.	<b>140.12</b>	140.12
vii) The company has received nine show cause notices from the Commissioner of Service tax, New Delhi for the period May' 06 to Jun' 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 & against this relief department has also filed an appeal before CESTAT, New Delhi.	<b>9,613.02</b>	8,437.51

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	As at March 31, 2015	As at March 31, 2014
viii) The company has received two show cause notice from Commissioner of Service tax, New Delhi seeking to impose service tax of Rs. 237.89 lacs on expatriate salary reimbursed outside India during the period April-2009 to March-2012 and April-2012 to March-2013 under reverse charge mechanism. The company has filed its reply against said Notices on March 28, 2014 and June 23, 2014.	237.89	180.87
ix) The company has received seven 'less charged demand notices' under section 28 of the Custom Act, 1962 to pay back refund claims already granted aggregating to Rs. 213.21 lacs (March 31, 2014 Rs. 213.21 lacs) for which the company has filed an appeal. The Commissioner of Custom (Appeal) vide its order dated 4th July 2014 has decided the case in favour of the company and advised the assessing officer to allow the claim post verification the facts that parts/consumable were actually used under the FSMA contract.	-	213.21

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.

## 22. Capital and other commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has not been paid, Rs.117.17 lacs (March 31, 2014 Rs. 33.21 Lacs).

### b) Forward contracts and unhedged foreign currency exposure

Forward contract outstanding as at the reporting date

Particulars	Purpose	As at March 31, 2015		As at March 31, 2014	
		Rs.	Foreign Currency	Rs.	Foreign Currency
Forward contracts to buy USD	Hedge of firm commitment	USD 33.80 lacs; Rs. 2,128.71 lacs		USD 29.60 lacs; Rs. 1,808.56 lacs	

The year end foreign currency exposures that have not been hedged by a forward contract or otherwise is as follows:

	As at March 31, 2015		As at March 31, 2014	
	Rs.	Foreign Currency	Rs.	Foreign Currency
i) Receivables in foreign currency				
- Trade receivables	735.86	USD 11.77	690.59	USD 11.53
- Trade receivables	0.67	£0.01	23.21	£0.23
ii) Payables in foreign currency				
- Trade payable	1,379.41	USD 22.06	1,217.26	USD 20.33
- Trade payable	7.31	£0.08	63.58	£0.64
- Trade payable	3.45	JPY 6.62	0.00	JPY 0.00
- Trade payable	2.30	€ 0.03	11.07	€ 0.13

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### 23. Revenue from operations

Sale of products

- Traded goods

Sale of services

Other operating revenue

- Software services income

- Other services

**Total**

**Details of sales (Traded goods)**

Equipment

Paper

Components

Year ended  
March 31, 2015

Year ended  
March 31, 2014

18,765.94

23,135.03

27,776.50

30,464.70

1,937.05

406.52

5,010.68

3,572.80

53,490.17

57,579.05

10,783.53

12,423.10

3,074.97

5,077.18

4,907.44

5,634.75

18,765.94

23,135.03

### 24. Other income

Interest income

- from banks

- from others

Exchange gain on foreign currency transactions (net)

**Others**

- Liabilities / provisions written back to the extent no longer required

- Scrap sale

- Miscellaneous income

**Total**

Year ended  
March 31, 2015

Year ended  
March 31, 2014

145.09

46.51

0.29

0.74

312.44

279.78

43.26

740.10

2.57

8.45

91.25

89.86

594.90

1,165.44

### 25. Purchase of goods and services

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

Purchase of traded goods

Less: capitalised under Fixed assets

Provision for obsolescence of inventories (net of write-off)

**Total**

**Details of consumption and purchases**

(a) Purchase of traded goods

Equipment

Paper

**Total**

Year ended  
March 31, 2015

Year ended  
March 31, 2014

18,983.34

24,247.12

12,407.62

14,000.88

(1,426.96)

(701.11)

176.08

177.70

30,140.08

37,724.59

8,061.48

8,530.01

2,919.18

4,769.76

10,980.66

13,299.77

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd..)

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

	Year ended March 31, 2015		Year ended March 31, 2014	
	%	Amount	%	Amount
<b>(b) Value of imported and indigenous components consumed</b>				
Components*				
- Imported	98.71	10,201.75	98.24	11,246.24
- Indigenous	1.29	132.89	1.76	201.95
	<u>100.00</u>	<u>10,334.64</u>	<u>100.00</u>	<u>11,448.19</u>

\*Represents component sold and used for servicing of field machines and is included in "Purchase of services and components for sale and servicing of field machines".

	Year ended March 31, 2015	Year ended March 31, 2014
<b>26. Change in inventories of goods</b>		
<b>Traded Goods</b>		
- At the beginning of the year	1,405.13	3,989.04
- At the end of the year	1,099.38	1,405.13
	<u>305.75</u>	<u>2,583.91</u>
<b>Components for sale and servicing of field machines</b>		
- At the beginning of the year	4,001.62	4,155.64
- At the end of the year	3,652.30	4,001.62
	<u>349.32</u>	<u>154.02</u>
	<u>655.07</u>	<u>2,737.93</u>
<b>(Increase) / Decrease in Stocks</b>		

	Year ended March 31, 2015	Year ended March 31, 2014
<b>27. Employee benefits</b>		
Salaries, wages and bonus	8,800.36	8,089.67
Contribution to Provident and other Funds (refer note 27(a) below)	371.56	363.37
Gratuity (refer note 27(b) below)	11.64	158.89
Staff welfare	64.35	102.78
<b>Total</b>	<u>9,247.91</u>	<u>8,714.71</u>
<b>(a) Defined contribution plans</b>		
Amount recognised in the Statement of Profit and Loss:		
- Provident fund	234.05	228.56
- Pension fund	76.94	62.69
- Superannuation	59.94	71.65
- Labour welfare fund	0.63	0.47
<b>Total</b>	<u>371.56</u>	<u>363.37</u>

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### (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.

	Provident Fund		Gratuity	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>(i) Present value of defined benefit obligation</b>				
Balance at the beginning of the year	4,270.79	3,162.29	850.27	713.53
Current service cost	234.05	228.56	152.83	136.95
Interest cost	341.66	276.70	68.02	57.08
Contribution by plan participants	394.56	379.80	-	-
Actuarial (gains) / losses	(12.84)	(6.89)	(133.51)	30.13
Benefits paid	(534.27)	(303.79)	(123.89)	(87.42)
Past service costs	-	-	-	-
Curtailments	-	-	-	-
Settlements	138.23	534.12	-	-
Balance at the end of the year	4,832.18	4,270.79	813.72	850.27
<b>(ii) Fair value of plan assets</b>				
Balance at the beginning of the year	4,438.85	3,289.83	807.25	659.69
Expected return on plan assets	388.40	287.98	72.65	58.38
Actuarial gains / (losses)	7.38	22.35	3.04	6.89
Contribution by the Company	234.05	228.56	165.47	169.71
Contribution by plan participants	394.56	379.80	-	-
Benefits paid	(534.27)	(303.79)	(110.04)	(87.42)
Settlements	138.23	534.12	-	-
	5,067.20	4,438.85	938.37	807.25
Actual return on plan assets	-	-	72.65	58.38
<b>(iii) Assets and liabilities</b>				
Present value of defined benefit obligations	4,832.18	4,270.79	813.72	850.27
Less: Fair value of Plan assets	5,067.20	4,438.85	938.37	807.25
Less: Unrecognised Past service costs	-	-	-	-
Shortfall / (excess) - refer note ix below	(235.02)	(168.06)	(124.65)	43.02
Amounts recognised as liability / prepaid expenses	-	-	(124.65)	43.02
Recognised under:				
- Long term provision	-	-	-	-
- Short term provision	-	-	(124.65)	43.02
<b>(iv) Expense recognised in the Statement of Profit and Loss</b>				
Current service cost	234.05	228.56	152.83	136.95
Interest cost	-	-	68.02	57.08
Expected return on Plan assets	-	-	(72.65)	(58.38)
Actuarial Gains / losses	-	-	(136.56)	23.24
Past Service costs	-	-	-	-
Settlements	-	-	-	-
Curtailments	-	-	-	-
Total expense	-	-	-	-
Amount recognised as expense	234.05	228.56	11.64	158.89

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	Provident Fund		Gratuity	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>(v) Major Category of Plan Assets as a percentage of total Plan Assets</b> (Refer note below)				
Government securities (Central & State)	45%	49%	-	-
Corporate bonds/debentures/loans	-	-	-	-
Equity shares of listed companies	-	-	-	-
Fixed deposits under special deposit scheme of central govt.	-	-	-	-
Public sector unit bonds	53%	45%	-	-
Fixed deposits and money market instruments	-	-	-	-
Others	2%	6%	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>-</b>	<b>-</b>

The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

	Provident Fund		Gratuity	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>(vi) Actuarial Assumptions</b>				
Discount rate	-	-	8%	8%
Expected return on Plan assets	8.75%	8.75%	9.00%	8.85%
Salary growth rate	11%	11%	11%	11%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

### (vii) Amounts recognised in current year and previous four years

	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Gratuity					
Defined benefit obligation	813.72	850.27	713.53	605.87	457.66
Plan asset	938.37	807.25	659.69	481.03	317.53
(Surplus) / deficit	(124.66)	43.02	53.84	124.84	140.13
Experience adjustments in plan liabilities	-	-	-	-	-
Experience adjustments in plan assets	-	-	-	-	-

	Year ended March 31, 2015	Year ended March 31, 2014
<b>(viii) Expected Contribution to the Funds in the next year</b>		
- Gratuity	194.34	172.94

The plan assets of the company are managed by Life Insurance Corporation of India through two Gratuity cum Insurance policies taken to fund the obligations of the company with respect to its gratuity plan. The categories of plan assets is as per the investment pattern of Life Insurance Corporation of India for group gratuity fund managed for total investments for several other companies.

- (ix) In respect of company's obligation towards guaranteed returns on Provident fund contribution made to the Xerox India Employees' Provident Fund Trust, as the total overall interest earnings and cumulative surplus, on the basis of unaudited accounts of the trust, have been estimated to be more than the statutory requirement, no additional provision for the year has been made. The company does not envisage any shortfall on completion of audit of the trust for the year ended March 31, 2015. Pending completion of the audit of the trust for the year ended March 31, 2015, the excess of planned assets over the present value of defined benefit obligation of Rs. 235.03 lacs (March 31, 2014: Rs. 168.07 lacs) has not been recognised in these accounts.

### Leave encashment fund

The status of the leave encashment plan including reconciliation of the opening and closing balance of the present value of defined benefit obligations are as follows:

	Year ended March 31, 2015	Year ended March 31, 2014
<b>(i) Present value of defined benefit obligation</b>		
Balance as at the beginning of the year	257.08	260.46
Service cost	103.31	83.26
Interest cost	20.57	20.84
Benefits paid	(55.84)	(41.29)
Actuarial (gain)/loss	(56.20)	(66.19)
Balance as at the end of the year	268.92	257.08

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	Year ended March 31, 2015		Year ended March 31, 2014		
<b>(ii) Fair value of Plan assets</b>					
Fair value of plan assets at the beginning of the period		-		-	
Acquisition adjustment		-		-	
Actual return on plan assets		-		-	
Contribution		-		-	
Benefits paid		-		-	
Fair value of plan assets at the end of the period		-		-	
Funded status		-		-	
Excess of actual over estimated return on plan assets		-		-	
<b>(iii) Expense recognised in the Statement of Profit and Loss</b>					
Current service cost		103.31		83.26	
Interest cost		20.57		20.84	
Expected return on Plan assets		-		-	
Actuarial (gains) / losses		(56.20)		(66.19)	
Past service costs		-		-	
Settlements		-		-	
Curtailments		-		-	
Total expense		-		-	
Amount recognised as expense in Salaries, Wages and Bonus		67.68		37.91	
<b>(iv) The amounts to be recognised in balance sheet and related analysis</b>					
Present value of obligation as at the end of the period		268.92		257.08	
Fair value of plan assets at the end of the period		-		-	
Funded status / difference		-		-	
Excess of actual over estimated		-		-	
Unrecognised actuarial (gains)/loss		-		-	
Net assets/(liability) recognised in balance sheet		(268.92)		(257.08)	
<b>(v) Expected Contribution to the Funds in the next year</b>					
- Leave encashment		76.14		64.98	
	<b>Year ended March 31, 2015</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>	<b>Year ended March 31, 2011</b>
<b>Actuarial Assumptions</b>					
Discounting rate	8.00%	8.00%	8.00%	8.77%	8.00%
Future salary increase	11.00%	11.00%	10.00%	9.00%	8.00%

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	Year ended March 31, 2015		Year ended March 31, 2014	
<b>28. Finance costs</b>				
Interest				
- Inter-company deposits		322.98		388.55
- Others		4.30		0.74
Factoring cost*		53.15		84.17
<b>Total</b>		<u>380.43</u>		<u>473.46</u>

\*The Company has an arrangement with IBM India Private Limited whereby IBM purchases the company invoices raised by it on its certain distributors/remarketers and makes a discounting charge (Factoring charge) at predetermined rates. IBM finally collects the payments from the distributors/remarketers.

	Year ended March 31, 2015		Year ended March 31, 2014	
<b>29. Depreciation and amortisation expenses</b>				
Depreciation on tangible assets		2,163.87		1,871.47
Amortisation of intangible assets		77.13		67.19
Less: Depreciation charged to General reserve		36.62		-
<b>Total</b>		<u>2,204.38</u>		<u>1,938.66</u>

During the year the company has re-estimated the useful life of assets as per Schedule II of The Companies Act, 2013 and has accordingly recomputed the depreciation on Fixed assets as per the revised useful life. Had the company continued to follow the earlier useful life of assets as per schedule XIV of The Companies Act, 1956, the depreciation charged for the year in the statement of Profit and loss would have been lesser by Rs. 249.87 lacs.

After such re-estimation of the useful life, the assets which had completed their useful life as on 31<sup>st</sup> March, 2014 have been fully depreciated. The impact of such depreciation is Rs.23.95 lacs (net of deferred tax Rs 12.67 lacs) which relates to earlier years and has been charged to General Reserve as prescribed in the Schedule II of The Companies Act, 2013.

	Year ended March 31, 2015		Year ended March 31, 2014	
<b>30. Others</b>				
Consumables and spare parts - own use equipments		35.00		26.46
Repairs - others		326.22		341.14
Bad debts and advances written off	38.97		82.00	
Less: Provision for bad debts written back	20.94	18.03	78.74	3.26
Provision for doubtful advances		81.14		79.35
Provision for doubtful debts		9.94		50.70
Provision for litigations & disputes - Indirect taxes		172.37		344.26
Electricity expenses		129.76		138.74
Rates and taxes		90.26		190.94
General expenses		259.13		179.26
Rent		536.30		612.59
Bank charges		23.94		25.74
Insurance		146.09		118.83
Legal & professional expenses		750.47		543.14
Payment to auditors				
- Statutory audit		44.56		44.85
Printing and stationery		17.17		20.60
Cost of services purchased		1,238.77		1,241.00
Communication expenses		144.16		180.07
Sales commission & incentives and discounts		790.97		782.39
Fixed assets written off		18.94		102.46
Loss/ (Profit) on sale of fixed assets		0.02		(4.31)
Advertisement and publicity		233.18		307.54
Transportation & warehousing		1,436.75		1,916.68
Conveyance & travelling		1,379.88		1,105.57
<b>Total</b>		<u>7,883.05</u>		<u>8,351.26</u>

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	Year ended March 31, 2015	Year ended March 31, 2014
<b>31. CIF value of imports</b>		
Components	10,991.92	12,669.06
Traded Goods	8,020.67	8,576.22
<b>Total</b>	<u>19,012.59</u>	<u>21,245.28</u>
	Year ended March 31, 2015	Year ended March 31, 2014
<b>32. Expenditure in foreign currency (accrual basis)</b>		
Travelling	68.30	75.80
Salary	592.26	422.90
Consultancy	67.23	21.89
Other Services	85.11	73.92
<b>Total</b>	<u>812.90</u>	<u>594.51</u>
	Year ended March 31, 2015	Year ended March 31, 2014
<b>33. Earnings in foreign currency</b>		
FOB value of exports	20.71	207.03
Software services income	1,937.05	406.52
Other services	5,010.68	3,572.80
Miscellaneous income	46.43	85.74
<b>Total</b>	<u>7,014.87</u>	<u>4,272.09</u>
	Year ended March 31, 2015	Year ended March 31, 2014
<b>34. Earning/(loss) per share (EPS)</b>		
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/(loss) after tax	3,143.01	(900.45)
(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.)	7.01	(2.01)

\*There are no potential dilutive equity shares

### 35. 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 Accounting Standard 18 is as follows:

#### (a) Where control exists:

Ultimate holding/parent company	: Xerox Corporation, USA
Enterprise having substantial interest in the company	: Xerox Limited, UK XC Trading Singapore Pte Limited

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### (b) Other Related Parties with whom transactions have taken place during the year:

Fellow subsidiaries and other companies which do not exercise control or significant influence over the company : Xerox Commercial Solutions  
Xerox Business Services India Private Limited (formerly known as Affiliated Computer Services of India Private Limited)  
Newfield Information Technology Limited  
Xerox Europe Limited  
Xerox Developing Markets Limited  
Xerox International Partners  
Xerox Israel Limited  
Xerox Management Services N.V.  
Fuji Xerox Co Limited

Key Management Personnel of the Company : Rajat Jain- Managing Director (upto 31st December 2014)

Other Key Managerial Personnel as per Companies Act, 2013 : Rodney Noonoo- Chief Financial Officer  
Vijay Breja- Senior Manager - Legal & Company Secretary (from 3rd April 2014 to 2nd February 2015)  
Rajiv L. Jha - Company Secretary & DGM Legal (from 24th March 2015)

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

	Year ended March 31, 2015	Year ended March 31, 2014
<b>(a) Revenue</b>		
Ultimate holding/parent company		
Xerox Corporation, USA		
- Sale of products	2.34	19.13
- Software service income	1,937.05	406.52
- Other services	4,654.23	3,217.53
Enterprise having substantial interest in the company		
Xerox Limited, UK		
- Product sale / (Sale return of PY sale)	(3.35)	187.91
- Other income	46.43	85.74
XC Trading Singapore Pte Limited		
- Other services	356.45	355.27
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company		
Xerox Business Services India Private Limited (formerly known as Affiliated Computer Services of India Private Limited)		
- Sale of products	11.82	14.26
<b>(b) Reimbursement of expenses paid on their behalf</b>		
Ultimate holding/parent company		
- Xerox Corporation, USA	103.50	95.49
Enterprise having substantial interest in the company		
- Xerox Limited, UK	218.95	165.14
<b>(c) Expenses</b>		
Ultimate holding/parent company		
Xerox Corporation, USA		
- Purchases	10.92	80.82
- Salary paid on our behalf	569.68	729.83
- Other expenses	67.23	21.89

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

	Year ended March 31, 2015		Year ended March 31, 2014	
Enterprise having substantial interest in the company Xerox Limited, UK				
- Purchases		18,891.48		20,729.71
- Other expenses		50.40		59.71
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company Fuji Xerox Co Limited				
- Salary		22.59		-
Xerox Business Services India Private Limited (formerly known as Affiliated Computer Services of India Private Limited)				
- Interest expenses		322.98		388.55
Others				
- Purchases		-		347.08
- Other expenses		34.71		40.58
Key Managerial Personnel Managerial remuneration				
- Rajat Jain		360.23		325.38
- Rodney Noonoo		343.50		388.06
- Vijay Breja		21.20		-
- Rajiv L. Jha		0.60		-
<b>(d) Intercompany deposits</b>				
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company Xerox Business Services India Private Limited (formerly known as Affiliated Computer Services of India Private Limited)		(1,100.00)		-
<b>(e) Balance outstanding as at the year end</b>				
<b>Receivables</b>				
Ultimate holding/parent company				
- Xerox Corporation, USA		685.79		352.65
Enterprise having substantial interest in the company				
- Xerox Limited, UK		29.37		162.58
- XC Trading Singapore Pte Limited		34.83		79.94
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company				
- Others		1.39		15.06
<b>Payables</b>				
Ultimate holding/parent company				
- Xerox Corporation, USA		37.42		129.43
Enterprise having substantial interest in the company				
- Xerox Limited, UK		3,465.25		2,871.49
- Others		5.93		15.47
Fellow subsidiaries and other companies which do not exercise control or significant influence over the company				
- Xerox Business Services India Private Limited (formerly known as Affiliated Computer Services of India Private Limited)		2,560.41		3,693.21

**Note:** The name of related parties is based on information provided by Xerox Corporation, USA.

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### 36. Leases

#### (a) Operating leases where the company is a lessee :

The company has operating leases for premises. 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 and also include escalation clauses.

	Year ended March 31, 2015	Year ended March 31, 2014
Lease payments recognised in the Statement of Profit and Loss during the year	536.30	612.59
<b>With respect to non-cancellable operating leases, the future minimum lease payments are as follows :</b>		
Not later than one year	211.29	211.29
Later than one year but not later than five years	-	211.29
More than five years	-	-

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

The Company has given certain assets-equipments on operating leases on which the company earns service revenue. These lease arrangements range for a period between 5 and 7 years and are cancellable leases. With respect to such operating leases, the information required to be disclosed in accordance with Accounting Standard 19 is as follows:

(i) Gross carrying amount	9,019.17	8,381.10
(ii) Accumulated depreciation	5,670.42	4,940.47
(iii) Depreciation provided during the year	1,492.51	1,437.97

### 37. 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, 2015	As at March 31, 2014
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	115.86	182.82
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.

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

**38. Managerial Remuneration**

- a) Managerial remuneration under Section 197 of the Companies Act, 2013 paid to the Managing Director of the Company (till 31 December 2014), the date of cessation of office as Managing Director) is as follows:

	Year ended March 31, 2015	Year ended March 31, 2014
Salary and other perquisites *	351.77	314.28
Provident fund *	8.46	11.10
<b>Total</b>	<b><u>360.23</u></b>	<b><u>325.38</u></b>

\* the payment has been made to the Managing Director till the date of his employment with the Company, i.e. December 31, 2014.

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) In 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, it could not be made out whether the perquisites payable to Mr. Lewis Stringfellow, Whole-time Director (including perquisites which could not be quantified at the time of seeking approval from MCA) were included or not in the remuneration as approved by the MCA. Accordingly, the Company sought clarifications from time to time from MCA on the aforesaid vide its various letters, however, the Company did not receive any clarification as sought from MCA. Since the absence of the clarification would have a consequential impact on the managerial remuneration paid by the Company during FY 2008-09 to its Managing Director and other Whole-time Director/s, the Company again sought the aforesaid clarification alongwith the approval for payment of excess remuneration of Rs. 19.76 Lacs during the FYs 2009-10 and 2010-11. The Company computed the aforesaid amount of excess managerial remuneration on the basis of legal advice received and submitted the same with MCA alongwith one of its letters dated March 10, 2010. The said excess managerial remuneration was computed by giving effect to VRS expenditure (amounting to Rs. 1723.24 Lacs) as a non-deductible item in the computation of the net profits under the provisions of Section 349 of the erstwhile Companies Act, 1956.

During the FY 2014-15, the Company has not received any response from MCA pertaining to the clarification sought from time to time w.r.t. remuneration paid to Mr. Lewis Stringfellow, Whole-time Director of the Company in the FY 2008-09.

**39. a) Disclosures**

In June 2002, Xerox Corporation, the company's U.S. parent, voluntarily disclosed in a filing with the Securities and Exchange Commission in the United States that it had learnt of certain improper payments made over a period of years in connection with sales to government customers by employees of the company. In its disclosure, Xerox Corporation noted that such activity was terminated when the then Managing Director of the company became aware of it. Following this disclosure and other voluntary disclosure in India to the then Department of company Affairs ("the Department"), the Department commenced an investigation into the company's affairs under Sections 209A and 237 of the erstwhile Companies Act, 1956. In the year 2005, the report of the investigation under Section 237 was forwarded by the Department to the company for its comments and the company, in turn, submitted its comments thereon to the Department.

Pursuant to this investigation, in the year 2009, the company received several show cause notices from the Registrar of Companies, Uttar Pradesh and other agencies of the Government, and the company replied to these show cause notices. Subsequently, all the aforesaid show cause notices got dismissed during FY 2009-10 and 2010-11. In the year 2009-10, the company also received summons from Chief Judicial Magistrate, Meerut in respect of the criminal complaints filed by the Registrar of Companies, Uttar Pradesh, against the company and certain former officials of the company in two of such show cause notices. During 2010-11, these complaints were dismissed by the Special Court, Meerut.

Thereafter, during the year 2011, the company received three more show cause notices similar to the show cause notices received earlier. The company filed its reply in May, 2011 to these show cause notices stating that these notices had become time barred as per the provisions of Section 468 of the Code of Criminal Procedure and could not be taken cognizance of. The MRTP matter filed against the company has already been dismissed by the Competition Appellate Tribunal in the financial year 2011-12.

As regards the above and other investigations, based on the legal advice received by the company, there are no material financial/enterprise threatening exposure to the company.

- b) During the year, the Directorate of Enforcement ("ED") summoned the Company and sought further information relating to its trading activities and other details and approvals obtained for activities undertaken between 2000-2003 under the provisions of Foreign Exchange Management Act, 1999 ("FEMA"). The Company had appropriately responded to the same. Further,

# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

the Company had also sought clarification from Reserve Bank of India (RBI) for approval status for activities undertaken by the Company during the period 2000 to 2003.

The Company believes that there will not be any material financial exposure as a result of the aforesaid.

### c) **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.

### **40. Segment Reporting**

The Company has considered the business segment as the primary reporting segment on the basis that the risk and returns of the company is primarily determined by the nature of products and services. The business segment have been identified on the basis of the nature of products and services and the associated risks and returns, internal organisation and internal reporting structure. The geographical segment has been considered as a secondary segment

The company trades in xerographic equipments and its consumables, multifunction devices, laser printers, paper and provides after sales services to machines sold which include servicing, repair and sale of spare parts. Accordingly the primary business segments have been bifurcated into Global Document Outsourcing, Office, Graphic Communications and Paper.

Geographical segment is considered based on sales within India and outside India.



# XEROX INDIA LIMITED

## Notes to the Financial Statements (Contd...)

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

### (b) Secondary Segment: Geographic Segment

Segment Revenue by location of customer

	Year ended March 31, 2015	Year ended March 31, 2014
Domestic	47,091.92	54,472.40
America	6,593.62	3,643.18
Europe	43.08	273.64
Rest of World	356.45	355.27
<b>Total</b>	<b>54,085.07</b>	<b>58,744.49</b>

- 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.
- Other income has not been measured and reported business segment wise as these components are not realistically allocable and identifiable.
- Depreciation expense on GDO and other support services has been allocated, while all other expenses are unallocated corporate expenses.
- Inventory, GDO fixed assets and Receivables from GDO, Paper and Other support service have been allocated, while all other assets are unallocated.
- Trade Receivable include Rs. 4,091.32 lacs (March 31, 2014 Rs. 4,884.66 lacs) towards Office and Graphic communication. Trade payables include Rs. 4,893.52 lacs (March 31, 2014 Rs. 5,360.60 lacs) towards Office Graphic communication and Other support service. These are not separately identifiable.
- Other operating income in the form of other support services has been identified as separate segment for reporting in this note.

#### 41. Rampur closure:

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

During the 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 had been 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 on payment of the requisite stamp duty thereon. The registration of the deed of conveyance/sale deed or assignment of lease is conditional upon the obtaining of necessary regulatory approvals which is awaited. Accordingly, the assets attributable to the said undertaking had been classified as assets held for sale (refer note 15).

- 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 2013-14 did not result in any adjustment.
- During the year, the Board (in its meeting held on 30 March 2015) has constituted a Corporate Social Responsibility (CSR) Committee. The provisions with respect to the expenditure on CSR activities and reporting are not applicable to the Company for the financial year 2014-15 due to the losses in the preceding three financial years.
- Previous year figures have been 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

Gurgaon, India

July 22, 2015

#### For and on behalf of Board of Directors

**Ashraf M. A. Elarman**  
Managing Director

**Rajat Jain**  
Director

**Rodney Noonoo**  
Chief Financial Officer

**Satpreet Singh**  
Finance Controller

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

Gurgaon, India  
July 22, 2015

**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, Gurgaon 122018, Haryana  
Website: www.xerox.com/india ; Email: rajiv.jha@xerox.com

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

(2) Name \_\_\_\_\_, Address \_\_\_\_\_

E-mail ID \_\_\_\_\_, Signature \_\_\_\_\_, or failing him

(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 19th Annual General Meeting of the Company, to be held on the Wednesday, September 16, 2015 at 10:00 A.M. at King Arthur 2, Fortune Hotel, Sector 49, Sohna Road, Gurgaon - 122018 and at any adjournment thereof in respect of such resolution/s as are indicated below:

Resolution Number	Description of Resolutions		
		Assent	Dissent
<b>Ordinary Business</b>			
1.	Adoption of Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2015 including audited Balance Sheet as at 31 <sup>st</sup> March, 2015 and the Statement of Profit and Loss for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.		
2.	Appointment of a director in place of Mr. Daniel Marc Benoit (DIN 05178956), who retires by rotation, and being eligible, offers himself for re-appointment.		
3.	Appointment of a director in place of Mr. Darren James Hooker (DIN 01335093), who retires by rotation, and being eligible, offers himself for re-appointment.		
4.	Ratification of the appointment of Price Waterhouse & Co Bangalore LLP as Statutory Auditors of the Company		

Special Business		Assent	Dissent
5.	Appointment of Mr. Prakash Kulathu Iyer as an Independent Director of the Company		
6.	Appointment of Mr. Rishi Kant Srivastava as an Independent Director of the Company		
7.	Appointment of Ms. Daniela Cosette Untescu as a Director of the Company		
8.	Appointment of Mr. Ashraf Mohamed Ahmed Elarman as a Director of the Company		
9.	Appointment of Mr. Ashraf Mohamed Ahmed Elarman as the Managing Director of the Company.		
10.	Approval of the terms and conditions of appointment and remuneration of Mr. Ashraf Mohamed Ahmed Elarman as the Managing Director of the Company		

Signed this ..... day of ....., 2015

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 Bank, 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.

*\*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.*

XEROX INDIA LIMITED  
CIN: U72200HR1995PLC049183  
Regd. Office: 5<sup>th</sup> Floor, Block One, Vatika Business Park  
Sector 49, Sohna Road, Gurgaon 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 3940040, Fax: 91 124 3371225

**ATTENDANCE SLIP**  
**19<sup>TH</sup> ANNUAL GENERAL MEETING ON WEDNESDAY, 16 SEPTEMBER, 2015**

Mr./Mrs./Miss.....

Address .....

Folio No. (Physical holding).....DP ID (Demat holding).....Client ID.....

No. of shares held .....

I/We certify that I/We am/are registered shareholder/proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the 19th Annual General Meeting (AGM) of the Company on Wednesday, 16 September, 2015, at 10:00 a.m. at King Arthur 2, Fortune Hotel, Sector 49, Sohna Road, Gurgaon - 122018, India or any adjournment thereof.

[Signature of Shareholders/Proxy(s)] .....

**Notes:**

1. Shareholder/proxyholder(s) are requested to bring the attendance slips with them when they come to the meeting and hand over the same at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the proxy form should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

**Electronic Voting Particulars**

<b>EVEN (e-Voting Event No.)</b>	<b>User ID</b>	<b>Password</b>
<b>102359</b>		

To,  
MCS Share Transfer Agent Limited  
Unit: Xerox India Limited  
F-65, 1st Floor, Okhla Industrial Area,  
Phase – I, New Delhi - 110020

Updation of Shareholders Information

I/We request you to record the following information against my/our Folio No.:

General Information:

Folio No.	
Name of the first named Shareholder	
PAN *	
CIN/Registration No.:* (applicable to Corporate Shareholders)	
Tel. No. with STD Code	
Mobile No.	
E-mail ID	

\*Self-attested copy of the document(s) enclosed.

Bank Details:

IFSC: (11 digit)	
MICR: (9 digit)	
Bank A/c Type:	
Bank A/c No. *	
Name of the Bank:	
Bank Branch Address	

\*A blank cancelled cheque is enclosed to enable verification of bank details.

I/We hereby declare that the particulars given above are correct and complete. If any corporate action/communication/transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained till I/We hold the shares under the above mentioned Folio No./beneficiary account.

Place: Date: \_\_\_\_\_

Signature of Sole/First holder

# XEROX INDIA LIMITED

Regd. Office: 5<sup>th</sup> Floor, Block One, Vatika Business Park  
Sector 49, Sohna Road, Gurgaon 122018, Haryana  
CIN: U72200HR1995PLC049183  
Tel: 0124 39400400, Fax: 0124 3371225  
Email: askus@xerox.com, Website: www.xerox.com/india

## NOTICE OF 19<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the NINETEENTH (19<sup>TH</sup>) ANNUAL GENERAL MEETING of XEROX INDIA LIMITED will be held on Wednesday, the 16<sup>th</sup> September, 2015 at King Arthur 2, Fortune Hotel, Sector 49, Sohna Road, Gurgaon 122018, Haryana at 10.00 A.M. to transact the following business(es):

### Ordinary Business:

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31 March 2015 including audited Balance Sheet as at 31 March 2015 and the Statement of Profit and Loss for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.
2. To consider and appoint a director in place of Mr. Daniel Marc Benoit (DIN 05178956), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To consider and appoint a director in place of Mr. Darren James Hooker (DIN 01335093), who retires by rotation, and being eligible, offers himself for re-appointment.
4. Ratification of Appointment of Statutory Auditors

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

"RESOLVED that pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, and pursuant to the resolution passed by the members at the 18th AGM of the Company, the appointment of Price Waterhouse & Co., Bangalore, Chartered Accountants, now known as Price Waterhouse & Co Bangalore LLP (Firm's Registration No. 007567S/S-200012), Chartered Accountants, as Auditors of the Company, to hold office for a term of five years i.e. till the conclusion of the 23<sup>rd</sup> Annual General Meeting (AGM) of the Company (which was subject to ratification at every AGM), be and is hereby ratified, and the Board of Directors be and is hereby authorised to fix the remuneration payable to the Auditors for the financial year ending 31 March 2016 as may be determined and recommended by the Audit Committee of Directors in consultation with the Auditors and reimbursement of travelling and out of pocket expenses incurred by the Auditors for the purpose of the audit."

### Special Business:

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Prakash Kulathu Iyer (DIN 02927193), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 03 March, 2015 and who holds office till the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Prakash Kulathu Iyer (DIN 2927193) as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period upto 02 March, 2016, not liable to retire by rotation.
6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Rishi Kant Srivastava (DIN 06708853), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 03 March, 2015 and who holds office till the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Rishi Kant Srivastava (DIN 06708853) as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period upto 02 March, 2016, not liable to retire by rotation.
7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED that Ms. Daniela Cosette Untescu (DIN 07143033) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 30 March, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED that Mr. Ashraf Mohamed Ahmed Elarman (DIN 07206306) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 22 June, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 2(54), 152, 178, 197, 198, and Schedule V to the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 including any modification and amendment thereto for the time being in force, and circular/notification/clarification in relation thereto from time to time, and subject to approval of the Central Government and such other consents and permissions as may be necessary, and subject also to such conditions and modifications, as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the appointment of Mr. Ashraf Mohamed Ahmed Elarman (DIN 07206306) as the Managing Director of the Company w.e.f. 22 June, 2015 till 30 June, 2017 (both days inclusive)."

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

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and 203 read with Schedule V and read with 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 the approval of Central Government and any other approval as may be required, and based on the agreement executed between Mr. Ashraf Mohamed Ahmed Elarman (DIN 07206306) and the Company, the remuneration payable (as set out in the Explanatory Statement annexed to the Notice) to Mr. Ashraf Mohamed Ahmed Elarman (DIN 07206306) as the Managing Director of the Company, be and is hereby approved to be paid during the period of his employment with the Company w.e.f. 22 June, 2015 till 30 June, 2017 (both days inclusive)."

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

**Rajiv L. Jha**  
**Company Secretary & DGM Legal**  
Membership No.: F5948

Gurgaon  
July 22, 2015

Regd. Office: 5<sup>th</sup> Floor, Block One, Vatika Business Park  
Sector 49, Sohna Road, Gurgaon 122018, Haryana  
CIN: U72200HR1995PLC049183  
Tel: +91 124 39400400 Fax: +91 124 3371225  
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 BUSINESSES SET OUT IN ITEM NOS. 5, 6, 7, 8, 9, AND 10 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 should bring the attendance slips duly filled in and signed for attending the Meeting.
4. Electronic copy of the Annual report is being sent to all the members whose email IDs are registered with the Company/Depositories unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
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 Folio Number.
6. Members are requested to intimate any change in the address 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 under demat mode then intimate the changes to their Depository Participant with whom they are maintaining their demat accounts.
7. Members may also note that the Annual Report for FY 2014-15 will also be available on the Company's website 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. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 5th day of September, 2015 to Wednesday, the 16th day of September 2015 (both days inclusive).
10. A member desirous of getting any information on accounts or operations of the Company is requested to forward his /her 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.
11. 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.

12. The Annual Report 2014-15 along with the Notice of the 19<sup>th</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/ registrar and share transfer agent unless where any member has requested for the physical copy. Members who have not registered their email ids, physical copies of the Annual Report 2014-15 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. For requesting any of the above documents, the shareholders may write to the Registrar and Transfer Agent at their email id [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com)
13. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the 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 share transfer agent.
14. Members are requested to communicate their Personal Details in order to update the Register of Members under Section 88 of the Companies Act, 2013. Format for providing information is enclosed with this Annual Report.
15. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are provided with the facility to cast their votes on resolutions as contained in the accompanying notice through e-voting services provided by National Securities Depository Limited ("NSDL"). Instructions for e-voting are given at Note No. 17 annexed to this Notice. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
16. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. The 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 paper/polling slips in this regard at the venue of the AGM.
- 17. Instructions for e-voting are as under:**
  - A. In case a member receives an email from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
    - i. Open the e-mail and also open PDF file namely "XEROX e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
    - ii. Open the internet browser and type the URL: <https://www.evoting.nsd.com>
    - iii. Click on Shareholder – Login.
    - iv. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password.
    - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
    - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum 8 digits or characters or a combination of both. Note new password. Please take utmost care to keep your password confidential.
    - vii. Once the remote e-voting home page opens, click on remote e-voting>Active Voting cycles.
    - viii. Select "EVEN" (E-Voting Event Number) of the Company which is 102359. Now you are ready for remote e-voting as Cast Vote page opens.
    - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
    - xi. Once the vote on the resolution is cast, you shall not be allowed to change it subsequently.
    - xii. 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., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [rpa@rpalegal.com](mailto:rpa@rpalegal.com) with a copy to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - B. In case a Member receives physical copy of the Notice of AGM and Attendance Slip [for members whose email IDs are not registered with the Company / Depository Participant(s)] or requesting physical copy:
    - (i) Initial password is provided at the bottom of the Attendance Slip for the AGM:  
EVEN (E-voting Event Number) USER ID PASSWORD/PIN.
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
  - C. Other Instructions:
    - a. The remote e-voting period commences on Sunday , 13 September 2015 (9:00 a.m. IST) and ends on Tuesday , 15 September 2015 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 09 September, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
    - b. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 09 September, 2015. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut- off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting.
    - c. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut -off date i.e. 09 September, 2015 may obtain the login Id and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available at [www.evoting.nsd.com](http://www.evoting.nsd.com).
    - d. The Company has appointed Ranjeet Pandey & Associates, Company Secretaries (Membership No. F5922; Certificate of Practice No. 6087), as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- e. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.
- f. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.xerox.com/india](http://www.xerox.com/india) and on the website of NSDL immediately after the result is declared by the Chairman or a person authorised by him in writing.

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

**Rajiv L. Jha**  
**Company Secretary & DGM Legal**  
Membership No.: F5948

Gurgaon  
July 22, 2015

Regd. Office: 5<sup>th</sup> Floor, Block One, Vatika Business Park  
Sector 49, Sohna Road, Gurgaon 122018, Haryana  
CIN: U72200HR1995PLC049183  
Tel: +91 124 39400400 Fax: +91 124 3371225  
E-mail: askus@xerox.com  
Website: [www.xerox.com/india](http://www.xerox.com/india)

#### **Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013**

##### **Item No. 4**

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

The erstwhile Price Waterhouse & Co., Bangalore (ICAI Firm's Registration No. 007567S), Chartered Accountants, now known as Price Waterhouse & Co Bangalore LLP (Firm's Registration No. 007567S/S-200012, Chartered Accountants, were appointed as the statutory auditors of the Company for a period of five years at the 18<sup>th</sup> Annual General Meeting (AGM) of the Company held on 23 September, 2014 (as adjourned on 16 September, 2014).

As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every subsequent AGM.

Accordingly, ratification of the members is being sought for the proposal contained in the resolution set out at item no. 4 of the notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs is, in any way, concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

##### **Item No. 5**

The Board of Directors has appointed Mr. Prakash Kulathu Iyer (DIN 02927193) as an Additional Director of the Company with effect from 03 March, 2015. As per the provisions of Section 161(1) of the Act, Mr. Prakash Kulathu Iyer shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Prakash Kulathu Iyer for the office of a Director of the Company.

The matter regarding appointment of Mr. Prakash Kulathu Iyer as an Additional Director was placed before the Nomination and Remuneration Committee and it has recommended his appointment.

Mr. Iyer has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given his consent to act as a Director, besides giving a declaration u/s 149(7) w.r.t. meeting criteria of independence. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed thereunder for his appointment as an Independent Director.

In compliance with the provisions of Section 161 of the Act, the appointment of Mr. Prakash Kulathu Iyer as a Director is now being placed before the Members for their approval.

Mr. Prakash Iyer (aged 52 years) is an independent business advisor with over 30 years of hands-on experience in building businesses and developing leaders in India and overseas. Mr. Iyer was until recently the Managing Director of Kimberly-Clark Lever. Earlier roles include Managing Director and CEO of Infomedia India Limited (formerly Tata Press) and prior to that, Executive Director at PepsiCo responsible for the company's operations in South India and Sri Lanka. An MBA from IIM Ahmedabad, he started his career with Unilever. At PepsiCo, Mr. Iyer won the 'President's Ring of Honor' – an award that recognizes sales excellence globally, and also led his team to the award of the international "Market Unit of the Year".

A trained leadership coach, Mr. Iyer has throughout his career combined strong strategic and execution skills with excellent people management capabilities to consistently built passionate, high-performance, winning teams. After spending nearly three decades in the corporate world, Prakash chose to step out and pursue his passion for helping other people unleash the leader within them. Apart from coaching CEOs, advising leadership teams and speaking to - and inspiring - large teams, Prakash also serves as an advisor to Multiples – a USD 400 million PE fund. He speaks and writes extensively on leadership, teamwork, execution and winning. His first book – titled *The Habit of Winning* – was published by Penguin in 2011. It was shortlisted for The Economist Crossword Popular Book Award, and has been translated into seven languages – including Arabic and Vietnamese. His second book – *The Secret of Leadership* – was published in 2013. Both books are national bestsellers.

He does not hold any equity share in the Company

The Board recommends the Resolution at Item No. 5 for approval by the Members.

Except Mr. Prakash Kulathu Iyer, being an appointee, none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs is, in any way, concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

#### **Item No. 6**

The Board of Directors has appointed Mr. Rishi Kant Srivastava (DIN 06708853) as an Additional Director of the Company with effect from 03 March 2015. As per the provisions of Section 161(1) of the Act, Mr. Rishi Kant Srivastava shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Rishi Kant Srivastava for the office of a Director of the Company.

The matter regarding appointment of Mr. Rishi Kant Srivastava as an Additional Director was placed before the Nomination and Remuneration Committee and it has recommended his appointment.

Mr. Srivastava has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given his consent to act as a Director, besides giving a declaration u/s 149(7) w.r.t. meeting criteria of independence. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed thereunder for his appointment as an Independent Director.

He does not hold any equity share in the Company.

In compliance with the provisions of Section 161 of the Act, the appointment of Mr. Rishi Kant Srivastava as a Director is now being placed before the Members for their approval.

Mr. Rishi Kant Srivastava (aged 47 years) is an active angel investor & operating partner to technology companies. He turned entrepreneur by founding AARK TechAccess with a vision to scale promising start ups globally, through deep engagement on organization building, business strategy, monetization, product development & governance - with the founding teams. Rishi's corporate career spans 25+ years with Multi-National Corporations in India & Asia Pacific region. He brings rich experience in general management, strategy, marketing, sales & eco-system building in technology companies, across consumer & enterprise businesses. Rishi also spends time mentoring young entrepreneurs through organizations like TIE (The Indus Entrepreneurs), Tlabs (early stage incubator) and Unitus Seed Fund (seed-stage investor in start ups that create opportunities for large low-income populations). He is also on the Board of Directors of a few companies in India. Prior to becoming an entrepreneur, Rishi worked with Microsoft Corporation for 16 years in leadership roles across India, Asia Pacific & Greater China regions. He was exposed to several executive roles in Sales, Marketing, Partnerships, Business P&L, Strategy & Product Group management within divisions of the company. He also ran the Microsoft India Advisory Board as the Chief of Staff to the Chairman & Corporate Vice President. He has also been associated with Digital Equipment Corporation (DEC), Onida (an Associate of JVC, Japan), National Institute of Information Technology (NIIT). Mr. Srivastava has a Post Graduate Diploma in International Marketing from Indian Institute of Foreign Trade (IIFT), Delhi. He also has a Post Graduate degree in Business Management from Birla Institute of Management Technology.

The Board recommends the Resolution at Item No. 6 for approval by the Members.

Except Mr. Rishi Kant Srivastava, being an appointee, none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs is, in any way, concerned or interested in the Resolution at Item No. 6 of the accompanying Notice.

#### **Item No. 7**

As per the provisions of Section 149(1) of the Act read with the Rules thereunder, the Company was required to have at least one woman director. Keeping in view the above legal requirements, the Board of Directors has appointed Ms. Daniela Cosette Untescu (DIN 07143033) as an Additional Director of the Company with effect from 30 March, 2015. As per the provisions of Section 161(1) of the Act, Ms. Daniela Cosette Untescu shall hold office as an Additional Director only upto the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Daniela Cosette Untescu for the office of Director of the Company.

The matter regarding appointment of Ms. Daniela Cosette Untescu as an Additional Director was placed before the Nomination and Remuneration Committee and it has recommended her appointment.

Ms. Untescu has given a declaration to the Board that she is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given her consent to act as a Director of the Company.

She does not hold any equity share in the Company.

In compliance with the provisions of Section 161 of the Act, the appointment of Ms. Daniela Cosette Untescu as a Director is now being placed before the Members for their approval.

Ms. Daniela Cosette Untescu (aged 50 years) has been associated with Xerox Corporation since 1998 and has held the positions of Regional HR Manager (Xerox Central Eastern Europe, Turkey, Egypt and Israel) and as HR Manager (Xerox Romania). Presently, she is Vice President Human Resources and Ethics – Xerox DMO. She has an experience of around 27 years. She is a Masters of Engineering- Hydroenergetics Faculty from Polytechnical University of Bucharest.

The Board recommends the Resolution at Item No. 7 for approval by the Members.

Except Ms. Daniela Cosette Untescu, being an appointee, none of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs is, in any way, concerned or interested in the Resolution at Item No. 7 of the accompanying Notice.

#### **Item No. 8**

The Board of Directors of the Company appointed Mr. Ashraf Mohamed Ahmad Elarman (DIN 07206306) as an Additional Director of the Company with effect from 22 June, 2015 pursuant to Section 161 of the Companies Act, 2013 based on the recommendation of the Nomination and Remuneration Committee.

Mr. Elarman (aged 51 years) started his career with Xerox in 1990 as sales executive and held several senior sales positions up to sales Operations

Director for Xerox Egypt. In 2003, he earned the certification of Six Sigma Black Belt and he was appointed as the Deployment Manager for Xerox Egypt in 2004, then he was assigned to Xerox International Group as the Master Black Belt in 2005 supporting Lean Six Sigma deployment activities in Middle East, Africa, Central Eastern Europe, India and Russia. He served as the Group Marketing General Manager for Xerox Egypt where he led Xerox Egypt efforts to adopt new go to market strategy. Before joining Xerox India, his last assignment was as the Managing Director & General Manager for Xerox Egypt and MEA Global Document Outsourcing.

Under Section 161(1) of the Companies Act, 2013, Mr. Elarman holds office upto to the date of the ensuing Annual General Meeting of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ashraf Mohamed Ahmed Elarman for the office of Director of the Company. Mr. Elarman is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Given his expertise, knowledge and experience in various fields, the Board considers his appointment to be in the interest of the Company and recommends the resolution contained in Item No. 8 of the accompanying Notice for approval of the members as an Ordinary Resolution.

Mr. Ashraf Elarman does not hold by himself or for any other person on a beneficial basis, any shares in the Company. He is not related to in any way with any other Director or KMP of the Company.

Except Mr. Ashraf Elarman, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or relatives of Directors and KMPs is, in any way, concerned or interested in the Resolution set out at Item No. 8 of the accompanying Notice.

#### **Item Nos. 9 & 10**

The Board of Directors of the Company appointed Mr. Ashraf Mohamed Ahmed Elarman as the Managing Director of the Company for the period commencing 22 June, 2015 to 30 June, 2017 (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.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 read with Part III of Schedule V thereto and Rules made thereunder, the aforesaid appointment of Mr. Ashraf Mohamed Ahmed Elarman and the remuneration payable to him as the Managing Director of the Company are subject to the approval of the shareholders of the Company.

The agreement between the Company and Mr. Ashraf Mohamed Ahmed Elarman is open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all days except Saturdays, Sundays and holidays, until the date of the Annual General Meeting or any adjournment thereof.

A summary of the material terms and conditions relating to the remuneration payable to Mr. Ashraf Mohamed Ahmed Elarman as the Managing Director of the Company are as follows:

#### **Remuneration**

- I. Consolidated Gross Annual Remuneration (Salary, Perquisites & performance bonus, etc.): comprising Indian Rupee (INR) component of Rs. 3,95,14,404 per annum (Rupees Three Crores Ninety Five Lakhs Fourteen Thousand Four Hundred & Four only) and US Dollar (USD) component of USD 385,469 per annum (payable in Egyptian currency, wherever applicable), payable at the exchange rate on the salary day, in the range of INR 6,35,00,000 to INR 7,50,00,000, increments being at the discretion of the Board on the recommendation of the Nomination and Remuneration Committee
- II. Deduction of Tax at Source: Remuneration shall be subject to deduction of tax at source and other statutory deductions as applicable.
- III. Perquisites/benefits/facilities/allowances:
  - (a) Housing  
The Company shall provide rent free residential accommodation (furnished) including utilities and servant, club subscription, society maintenance charges (as included in the consolidated gross annual remuneration). The value of the perquisite/ benefit shall be determined as per the Income Tax Rules.
  - (b) Use of Car  
Leased Car with fuel, maintenance and driver (as included in the consolidated gross annual remuneration) for official as well as personal use.
  - (c) Reimbursement of Medical Expenses  
Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) incurred for self and family, as per Rules of the Company (as included in the consolidated gross annual remuneration). For the above purpose, "Family" includes spouse, dependent children and parents.
  - (d) Leave Travel Concession  
Leave Travel Concession for self and family, twice a year (as included in the consolidated gross annual remuneration), incurred in accordance with the Rules of the Company, leave be spent in home country. For the above purpose, "Family" includes spouse, dependent children and parents.
  - (e) Personal Accident & Group Life Insurance  
Personal Accident Insurance cover and Group Life Insurance as per the Rules of the Company.
  - (f) Contribution to Provident Fund and Retiral Benefits  
Contribution to Provident Fund as per the Rules of the Company and other retiral benefits (as included in the consolidated gross annual remuneration).
  - (g) One time Relocation Expenses on joining the Company
  - (h) One time Repatriation Expenses at the end of employment with the Company

IV. Other Benefits:

Mr. Elarman would be entitled to any other benefits or privileges as may be available to other senior management executives of the Company.

V. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Elarman, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, benefits, perquisites and allowances as stated hereinbefore.”

The terms and conditions including remuneration as proposed under the resolution set out at Item No. 10 of the accompanying Notice read with the aforesaid agreement are in line with the remuneration package, being necessary to continue to encourage good professional managers with a sound career record to important position such as that of the Managing Director.

## STATEMENT OF PARTICULARS

(Pursuant to Schedule-V of the Companies Act, 2013)

### I. GENERAL INFORMATION

1. Nature of Industry:

Xerox India is a part of Services-led Technology-driven Xerox Corporation, USA, world's leading enterprise for business process and document management solutions. Xerox India offers an array of innovative document management solutions, services and digital printing systems to make office work simpler. Digital printing systems include color and black-and-white printing and publishing systems, digital presses and multifunction devices, laser and solid ink network printers. Xerox's services expertise helps businesses develop online document archives, analyzing how employees can most efficiently share documents and knowledge in the office, operating in-house print shops or mailrooms, and building web-based processes for personalizing direct mail, invoices, brochures and more. Xerox India also offers associated software, support and supplies such as toner, paper and ink.

2. Date of Commencement of Commercial Production/Service:

The Company was incorporated on 29.12.1995 and Commencement of Business Certificate was granted on 01.01.1996. The Company had since commenced its business.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not Applicable.

4. Financial performance based on given indicators:

(Rs. in Lacs)

	FY 2014-15	FY 2013-14	FY 2012-13
Turnover	54085	58744	62623
Profit Before Tax	3574	-1196	-1669
Profit for the period	3143	-900	-1173

5. Foreign Investments or Collaborations, if any

Xerox Corporation (US) is the ultimate Holding Company of Xerox India Limited which indirectly holds an aggregate of 89.29% equity shares of Xerox India Limited through its subsidiaries namely Xerox Limited, UK (holding 45.58%), XC Trading Singapore Pte Ltd. (holding 39.29%), and Xerox Developing Markets Ltd. (holding 4.42%).

There are other non-resident shareholders who hold shares on account of past issuances/transfers.

### II. Information about appointee:

1. Background Details:

Mr. Ashraf Elarman started his career with Xerox in 1990 as sales executive and held several senior sales positions up to sales Operations Director for Xerox Egypt. In 2003, he earned the certification of Six Sigma Black Belt and he was appointed as the Deployment Manager for Xerox Egypt in 2004, then he was assigned to Xerox International Group as the Master Black Belt in 2005 supporting Lean Six Sigma deployment activities in Middle East, Africa, Central Eastern Europe, India and Russia. He served as the Group Marketing General Manager for Xerox Egypt where he led Xerox Egypt efforts to adopt new go to market strategy.

2. Past Remuneration

Mr. Ashraf Elarman was the Managing Director & General manager for Xerox Egypt and MEA Global Document Outsourcing at Egypt prior to joining Xerox India. Therefore, his past remuneration was in Egyptian currency.

3. Recognition or awards

An able and successful leader with the sound credentials of bottom-line achievements based on sound analytical skills, decision making, strategic planning and creative solutions, strong process improvement, business transformation and change management competencies

4. Job profile and his suitability

The role of Mr. Elarman as the Managing Director of the Company includes overall responsibility for the growth and direction to the Company. He provides the necessary strategic direction to all business lines/interests of the Company and he will be responsible for new business development, driving growth, and achieving business objectives for Xerox India. He has proven his mettle in turning the business around.

5. Remuneration proposed

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, in its meeting held on 29 June, 2015 has proposed the remuneration as set out in the Explanatory Statement contained under Item No. 10 of the accompanying notice read with the agreement between the Company and Mr. Elarman.

**6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.**

Taking into account the turnover of the Company, its growth potential in India, and responsibilities of Mr. Ashraf Elarman, the remuneration being proposed to be paid to him is reasonable keeping in line with the remuneration levels in the industry across the country, as being necessary to continue to encourage good professional managers with a sound career record to important position such as that of the Managing Director.

**7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.**

Mr. Ashraf Elarman is on secondment from Xerox Egypt, the associate/fellow subsidiary of Xerox Corporation, US, and he is having no pecuniary interest in the Company apart from receiving remuneration as Managing Director of the Company.

**III. OTHER INFORMATION**

**1. Reason of loss or inadequate profits**

Not Applicable for FY 2014-15.

**2. Steps taken or proposed to be taken for improvement**

Not Applicable for FY 2014-15.

**3. Expected increase in the productivity and profits in measurable terms.**

The management of the Company expects improvements in its earnings & profitability in the current Financial Year.

**IV. DISCLOSURES**

Information on the remuneration package of the managerial personnel

The details of remunerations and other information is given in the MGT-9 (Extract of the Annual Return) being made part of the Directors' Report.

Accordingly, your Directors propose the appointment as well as the remuneration of Mr. Ashraf Mohamed Ahmed Elarman as the Managing Director of the Company, and recommend the Resolutions as set out in Item Nos. 9 and 10 of the accompanying Notice for the approval of the shareholders at the ensuing Annual General Meeting.

Except Mr. Ashraf Mohamed Ahmed Elarman, being an appointee, 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 Nos. 9 and 10 of the accompanying Notice.

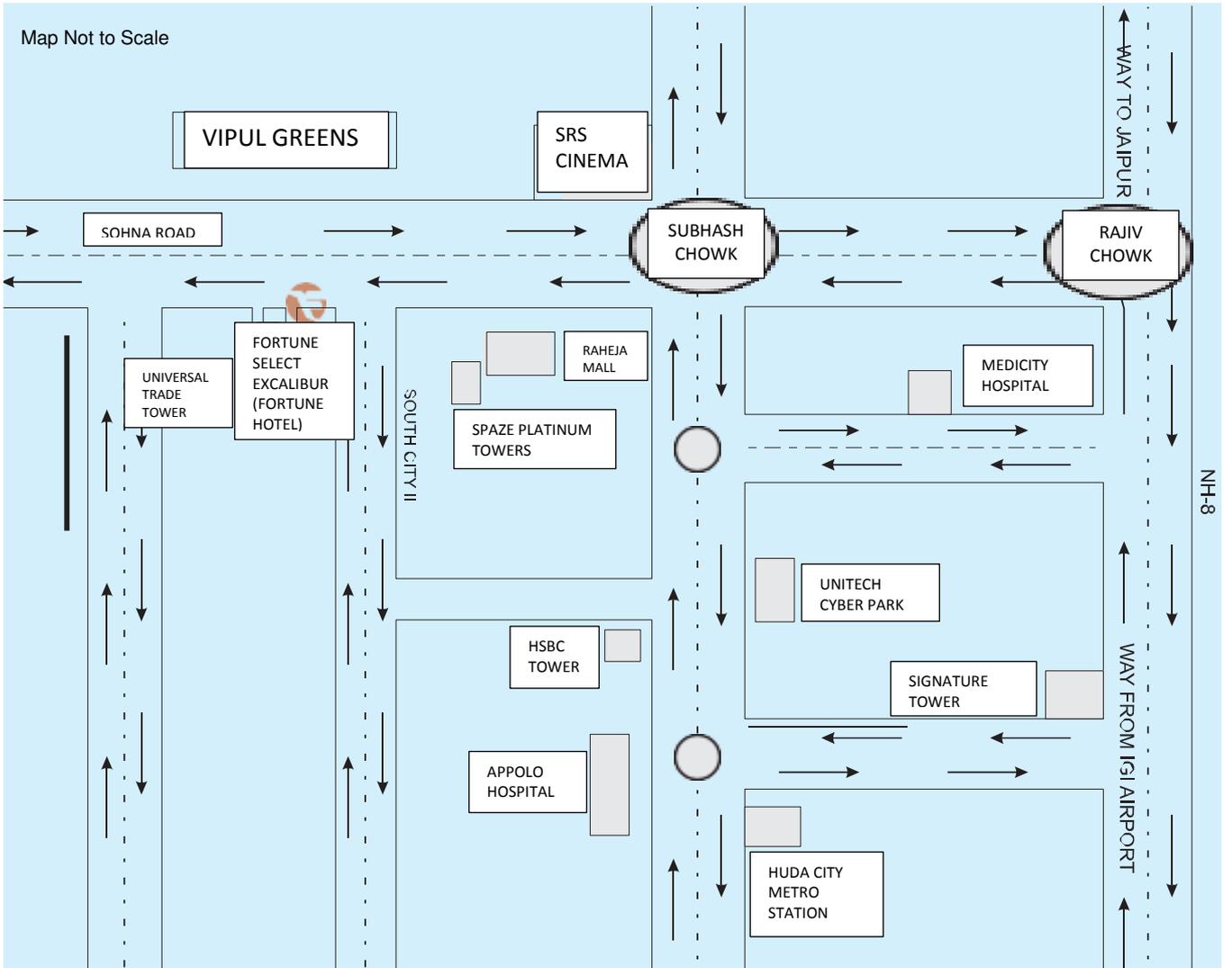
**BY ORDER OF THE BOARD OF DIRECTORS  
XEROX INDIA LIMITED**

**Rajiv L. Jha**  
**Company Secretary & DGM Legal**  
Membership No.: F5948

Gurgaon  
July 22, 2015

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# GUIDE MAP TO REACH THE VENUE OF 19<sup>TH</sup> ANNUAL GENERAL MEETING OF XEROX INDIA LIMITED





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