

BSE Ltd.  
Dept. of Corporate Services - CRD  
P. J. Towers, Dalal Street,  
Mumbai - 400 001

June 22, 2017

National Stock Exchange of India Ltd.  
'Exchange Plaza', C-1, Block - G,  
Bandra - Kurla Complex,  
Bandra (E),  
Mumbai - 400 051

By web upload

Dear Sirs,

Sub: 29<sup>th</sup> Annual General Meeting (AGM) of the Company - Completion of dispatch of Notice along with Annual Report 2016-17 to eligible members.

Ref: Scrip Code 532663 / SASKEN

In continuation to our letter dated June 14, 2017 on the 29<sup>th</sup> Annual General Meeting ("AGM") of the Company, we wish to inform you that the Company has on June 20, 2017 completed dispatching Notice of the 29<sup>th</sup> AGM along with Annual Report 2016-17 to eligible members. We have also published a notice in Business Line, all editions (in English) and Kannada Prabha, Bengaluru edition (in Kannada, vernacular language) today, a copy of which is enclosed herewith.

Please also find enclosed the Notice of the 29<sup>th</sup> AGM and Annual Report 2016-17. As informed earlier, we will be submitting the Annual Report 2016-17 after it is adopted by members at the AGM in compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The above documents are also available on [www.sasken.com/investors](http://www.sasken.com/investors) and <https://evoting.karvy.com>.

Thanking you,

Yours faithfully  
For Sasken Technologies Limited

S. Prasad  
Associate Vice President & Company Secretary

Encl: aa

→ Published in Business Line, all editions on June 22, 2017.



## Sasken Technologies Limited

(Formerly known as Sasken Communication Technologies Limited)

CIN: L72100KA1989PLC014226;

Registered Office: 139/25, Ring Road, Domlur,  
Bengaluru - 560 071.

Tel: + 91 80 6694 3000; Fax: + 91 80 2535 1309

E-mail: investor@sasken.com; Website: www.sasken.com

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Tuesday, July 18, 2017 at 10.00 a.m. at the Registered Office of the Company to transact the business as set out in the Notice dated April 19, 2017.

The Company has on June 20, 2017 completed dispatching Notice of the 29<sup>th</sup> AGM (Notice) along with Annual Report 2016-17 to eligible members. The said documents are also available on [www.sasken.com/investors](http://www.sasken.com/investors) and <https://evoting.karvy.com>.

The Company is pleased to provide its members, facility to exercise their right to vote from a place other than the AGM venue i.e. through remote e-voting system provided by Karvy Computershare Private Limited (Karvy), Registrar & Share Transfer Agent. The e-voting portal will be kept open for voting **from Thursday, July 13, 2017 (9.00 a.m. IST) to Monday, July 17, 2017 (5.00 p.m. IST). The e-voting module shall be disabled by Karvy after 5.00 p.m. IST on Monday, July 17, 2017 and members will not be allowed to vote thereafter.**

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, July 11, 2017. A person, whose name is recorded in the register of members / beneficial owners as on the cut-off date only, shall be entitled to avail the facility of remote e-voting as well as voting through ballot paper which will be made available for members present at the AGM.

Any person, who acquires shares of the Company and becomes member of the Company after dispatch of Notice and holding shares as on the cut-off date, may obtain User ID and Password in the manner as detailed in the Notice. If the members are already registered with Karvy for remote e-voting, then they can use the existing User ID and Password for casting vote. Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.

In case of any query or grievances connected with e-voting, members may refer to the Frequently Asked Questions (FAQs) for shareholders and user manual for shareholders available in the download section of <https://evoting.karvy.com>. Members may also contact Mr. Anandan K., Manager, Karvy Computershare Pvt. Ltd., Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at +91 40 6716 2222 or at Karvy's Toll Free No.1-800-3454-001 or e-mail [einward.ris@karvy.com](mailto:einward.ris@karvy.com).

The register of members and share transfer books will remain closed on Saturday, July 15, 2017 for determining the list of members eligible for final dividend on equity shares, if declared at the AGM.

By order of the Board  
**For Sasken Technologies Limited**

Bengaluru  
June 21, 2017

S. Prasad  
AVP & Company Secretary



# ಸಾಸ್ಕೇನ್ ಟೆಕ್ನಾಲಜೀಸ್ ಲಿಮಿಟೆಡ್

(ಇದಕ್ಕೂ ಹಿಂದೆ ಸಾಸ್ಕೇನ್ ಕಮ್ಯುನಿಕೇಶನ್ ಟೆಕ್ನಾಲಜೀಸ್ ಲಿಮಿಟೆಡ್ ಎಂದು ಕರೆಯಲಾಗುತ್ತಿತ್ತು)

CIN: L72100KA1989PLC014226

ನೋಂದಾಯಿತ ಕಛೇರಿ: 139/25, ರಿಂಗ್ ರೋಡ್, ದೊಮ್ಮಲೂರು, ಬೆಂಗಳೂರು - 560 071, ಭಾರತ.

ದೂರವಾಣಿ: +91 80 6694 3000, ಫ್ಯಾಕ್ಸ್: +91 80 2535 1309

ಇ-ಮೇಲ್: investor@sasken.com; ವೆಬ್ ಸೈಟ್: www.sasken.com

ಅದಾಗಿ ಏಪ್ರಿಲ್ 19, 2017 ರಂದು ಹೊರಡಿಸಿರುವ ನೋಟೀಸ್‌ನಲ್ಲಿ ತಿಳಿಸಿರುವ ಪ್ರಕಾರ ಕಂಪೆನಿ ವ್ಯವಹಾರಗಳ ಬಗ್ಗೆ ಚರ್ಚಿಸುವುದಕ್ಕಾಗಿ ಇದೇ ಬರುವ ಜುಲೈ 18, 2017, ಮಂಗಳವಾರದಂದು ಬೆಳಿಗ್ಗೆ ಕಂಪೆನಿಯ ನೋಂದಾಯಿತ ಕಛೇರಿಯಲ್ಲಿ 29 ನೇ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯನ್ನು (AGM) ನಡೆಸಲಾಗುವುದೆಂದು ನಿರ್ದೇಶಿಸಲಾಗಿದೆ.

ಕಂಪೆನಿಯು ಜೂನ್ 20, 2017 ರ ವೇಳೆಗೆ 29 ನೇ AGM (ನೋಟೀಸ್) ಹಾಗೂ ಅದರ ಜೊತೆಯಲ್ಲಿ 2016-17ರ ವಾರ್ಷಿಕ ವರದಿಯನ್ನು ಎಲ್ಲಾ ಅರ್ಹಯೋಗ್ಯ ಸದಸ್ಯರಿಗೆ ಕಳಿಸುವುದನ್ನು ಪೂರ್ತಿಗೊಳಿಸಲಾಗಿದೆ. ಇದಲ್ಲದೆ, ಈ ಕಾಗದಪತ್ರಗಳು ಈ ವೆಬ್ ಸೈಟ್‌ಗಳಲ್ಲೂ ಲಭ್ಯವಿದೆ [www.sasken.com/investors](http://www.sasken.com/investors) ಮತ್ತು <https://evoting.karvy.com>

ಕಂಪೆನಿಯು ತನ್ನ ರಿಜಿಸ್ಟ್ರಾರ್ ಮತ್ತು ಷೇರ್ ಟ್ರಾನ್ಸ್ ಫರ್ ಏಜೆಂಟ್ ಕಾರ್ವಿ ಕಂಪ್ಯೂಟರ್ಸ್ ಷೇರ್ ಲಿಮಿಟೆಡ್ (ಕಾರ್ವಿ) ಒದಗಿಸಲಾಗಿರುವ ರಿಮೋಟ್ ಇ-ವೋಟಿಂಗ್ ಸಿಸ್ಟಮ್ ಮೂಲಕ AGM ನಡೆಯುವ ಸ್ಥಳಕ್ಕಿಂತಲೂ ಹೊರತಾಗಿ ಬೇರೆ ಸ್ಥಳದಿಂದಲೂ ಮತದಾನ ಚಲಾಯಿಸುವ ಹಕ್ಕನ್ನು ಸದಸ್ಯರಿಗೆ ಒದಗಿಸಲಾಗಿದೆ. ಇ-ವೋಟಿಂಗ್ ವೋಟಿಂಗ್‌ನಲ್ಲಿ ಗುರುವಾರ, ಜುಲೈ 13, 2017 (ಬೆಳಿಗ್ಗೆ 9.00 IST) ಯಿಂದ ಸೋಮವಾರ, ಜುಲೈ 17, 2017 (ಸಂಜೆ 5.00 IST) ವರೆಗೆ ತೆರೆಯಲಾಗಿದೆ. ಸೋಮವಾರ, ಜುಲೈ 17, 2017 ರಂದು ಸಂಜೆ 5.00 ಗಂಟೆ ಬಳಿಕ ಇ-ವೋಟಿಂಗ್ ಮೋಡ್ಯೂಲನ್ನು ಕಾರ್ವಿ ಮುಚ್ಚುತ್ತದೆ. ಇದಾದ ಬಳಿಕ ಇ-ವೋಟಿಂಗ್‌ಗಾಗಿ ಸದಸ್ಯರಿಗೆ ಅವಕಾಶ ಇರುವುದಿಲ್ಲ.

ಸದಸ್ಯರ ಮತದಾನ ಹಕ್ಕುಗಳು ಪೈಡ್-ಅಪ್-ಈಕ್ವಿಟಿ ಷೇರುಗಳಲ್ಲಿ ಅವರು ಹೊಂದಿರುವ ಷೇರುಗಳ ಅನುಪಾತಕ್ಕೆ ಅನುಗುಣವಾಗಿರುತ್ತದೆ. ಮಂಗಳವಾರ, ಜುಲೈ 11, 2017 ಕಟ್ ಆಫ್ ದಿನಾಂಕವಾಗಿರುತ್ತದೆ. ಕಟ್ ಆಫ್ ದಿನಾಂಕದ ವರೆಗೆ ಕಂಪೆನಿಯ ರಿಜಿಸ್ಟ್ರಾರ್‌ನಲ್ಲಿ ಇರಿಸಿಕೊಂಡಿರುವ ಫಲಾನುಭವಿ ಮಾಲೀಕರ ರಿಜಿಸ್ಟ್ರಾರ್‌ನಲ್ಲಿ ಹೆಸರು ನೋಂದಾಯಿತವಾಗಿರುವ ಇ-ವೋಟಿಂಗ್ ಅಥವಾ AGM ಸ್ಥಳದಲ್ಲಿ ಬ್ಯಾಲೆಟ್ ಪೇಪರ್ ಮತದಾನ ಮೂಲಕ ಮತದಾನ ಚಲಾಯಿಸುವ ಅವಕಾಶವನ್ನು ಹೊಂದಿರುತ್ತಾರೆ. ಸಭೆಯಲ್ಲಿ ಹಾಜರಿರುವ ಸದಸ್ಯರಿಗೆ ಸ್ಥಳದಲ್ಲೇ ಬ್ಯಾಲೆಟ್ ಪೇಪರ್ ಒದಗಿಸಲಾಗುವುದು.

ಒಂದು ವೇಳೆ ಯಾವುದೇ ವ್ಯಕ್ತಿಯು AGM ನೋಟೀಸ್ ಹೊರಡಿಸಿದ ಬಳಿಕ ಷೇರುಗಳನ್ನು ಪಡೆದು ಕಂಪೆನಿ ಸದಸ್ಯರಾಗಿದ್ದಲ್ಲಿ ಹಾಗೂ ಕಟ್ ಆಫ್ ಡೇಟ್ ವೇಳೆಯಲ್ಲಿ ರಿಜಿಸ್ಟ್ರಾರ್ ನಲ್ಲಿ ಹೆಸರು ಹೊಂದಿದ್ದಲ್ಲಿ ಅವರುಗಳು ನೋಟೀಸ್ ನಲ್ಲಿ ತಿಳಿಸಿರುವ ಪ್ರಕಾರ ಯೂಸರ್ ಐಡಿ ಮತ್ತು ಪಾಸ್ ವರ್ಡ್ ಪಡೆಯುತ್ತಾರೆ. ರಿಮೋಟ್ ಇ-ವೋಟಿಂಗ್‌ಗಾಗಿ ಅಂತಹ ಸದಸ್ಯರು ಈಗಾಗಲೇ ಕಾರ್ವಿಯಲ್ಲಿ ಹೆಸರು ನೋಂದಾಯಿಸಿದಲ್ಲಿ ಅವರು ಮತ ಚಲಾಯಿಸುವುದಕ್ಕಾಗಿ ಈಗಾಗಲೇ ಹೊಂದಿರುವ ಯೂಸರ್ ಐಡಿ ಮತ್ತು ಪಾಸ್ ವರ್ಡ್ ಉಪಯೋಗಿಸಬಹುದಾಗಿದೆ. AGM ಗೆ ಮುಂಚೆ ರಿಮೋಟ್ ಇ-ವೋಟಿಂಗ್ ಮೂಲಕ ಮತ ಚಲಾಯಿಸಿರುವ ಸದಸ್ಯರೂ ಕೂಡಾ AGM ನಲ್ಲಿ ಭಾಗವಹಿಸಬಹುದಾಗಿದೆ. ಆದರೆ, ಅವರುಗಳಿಗೆ ಪುನಃ ಮತ ಚಲಾಯಿಸಲು ಅವಕಾಶ ಇರುವುದಿಲ್ಲ.

ಒಂದು ವೇಳೆ ಇ-ವೋಟಿಂಗ್ ಗೆ ಸಂಬಂಧಿಸಿದಂತೆ ಯಾವುದೇ ಪ್ರಶ್ನೆ / ಸಂದೇಹಗಳು ಅಥವಾ ದೂರುಗಳಿದ್ದಲ್ಲಿ ಸದಸ್ಯರು, ಸದಸ್ಯರಿಗಾಗಿ ಇರುವ ಆಗಾಗ ಕೇಳಲಾಗುವ ಪ್ರಶ್ನೆಗಳು (FAQs) ಮತ್ತು ಯೂಸರ್ ಮ್ಯಾನ್ಯುವಲ್ ನೋಡಬಹುದಾಗಿದೆ. ಇವುಗಳನ್ನು ಸದಸ್ಯರು: <https://evoting.karvy.com> ನಿಂದ ಡೌನ್ ಲೋಡ್ ಮಾಡಿಕೊಳ್ಳಬಹುದಾಗಿದೆ. ಇದಲ್ಲದೆ, ಸದಸ್ಯರು ಇವರನ್ನು ಸಂಪರ್ಕಿಸಬಹುದಾಗಿದೆ (ಶ್ರೀ ಆನಂದನ್ ಕೆ, ಮ್ಯಾನೇಜರ್, ಕಾರ್ವಿ ಕಂಪ್ಯೂಟರ್ಸ್ ಷೇರ್ ಪ್ರೈವೇಟ್ ಲಿಮಿಟೆಡ್, ಕಾರ್ವಿ ಸೆಲಿಯಮ್, ಟವರ್ ಬಿ, ಪ್ಲಾಟ್ 3132, ಗಾಜಿಬೌಲಿ, ಫೈನಾನ್ಸಿಯಲ್ ಡಿಸ್ಟ್ರಿಕ್ಟ್, ನಾನಕ್ ರಾಮಗುಡ್, ಹೈದರಾಬಾದ್-500 032 ಅಥವಾ +91 40 6716 2222 ಕ್ಕೆ ಅಥವಾ ಕಾರ್ವಿಯ ಶುಲ್ಕ ರಹಿತ ಸಂಖ್ಯೆ 1-800-3454-001 ಕ್ಕೆ ಕರೆ ಮಾಡಿ ಅಥವಾ ಇಲ್ಲಿ ಇ-ಮೇಲ್ ಮಾಡಿ [einward.ris@karvy.com](mailto:einward.ris@karvy.com)).

ಒಂದು ವೇಳೆ AGM ನಲ್ಲಿ ಘೋಷಿಸಿದಲ್ಲಿ ಈಕ್ವಿಟಿ ಷೇರುಗಳ ಮೇಲೆ ಅಂತಿಮ ಡಿವಿಡೆಂಡ್ ಗಾಗಿ (ಲಾಭಾಂಶಕ್ಕಾಗಿ) ಅರ್ಹಯೋಗ್ಯ ಸದಸ್ಯರ ಪಟ್ಟಿ ಮಾಡುವುದಕ್ಕಾಗಿ ಸದಸ್ಯರ ರಿಜಿಸ್ಟ್ರಾರ್ ಮತ್ತು ಷೇರ್ ಟ್ರಾನ್ಸ್ ಫರ್ ಬುಕ್ ಗಳನ್ನು ಶನಿವಾರ, ಜುಲೈ, 15, 2017 ರಂದು ಮುಚ್ಚಲಾಗುವುದು.

ಜೂನ್ 21, 2017  
ಬೆಂಗಳೂರು

ಮಂಡಳಿ ಆದೇಶದ ಮೇರೆಗೆ  
ಸಾಸ್ಕೇನ್ ಟೆಕ್ನಾಲಜೀಸ್ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ  
ಎಸ್ ಪ್ರಸಾದ್  
ಎವಿಪಿ ಮತ್ತು ಕಂಪೆನಿ ಸೆಕ್ರೆಟರಿ

## Notice

### Sasken Technologies Limited

(Formerly known as Sasken Communication Technologies Limited)

Registered Office: 139/25, Ring Road, Domlur, Bengaluru - 560 071, India.

Tel: +91 80 6694 3000; Fax: +91 80 2535 1309

E - mail: investor@sasken.com; Website: www.sasken.com; CIN: L72100KA1989PLC014226

### NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the Company will be held on Tuesday, July 18, 2017 at 10.00 a.m. at the Registered Office of the Company at 139/25, Ring Road, Domlur, Bengaluru - 560 071, to transact the following business:

#### ORDINARY BUSINESS

1. Adoption of Financial Statements

To receive, consider and adopt the audited financial statements of the Company (including consolidated financial statements) for the year ended March 31, 2017, together with the reports of the Board of Directors and the Auditors thereon.

2. Confirmation and declaration of dividend

To (a) confirm interim dividend of ₹2.50 per equity share paid in October 2016; and (b) declare a final dividend of ₹4.50 per equity share.

3. Appointment of Director

To appoint a Director in place of Mr. Jyotindra B. Mody (DIN: 00034851) who retires by rotation and being eligible offers himself for re-appointment.

4. Appointment of Director

To appoint a Director in place of Dr. G. Venkatesh (DIN: 00092085) who retires by rotation and being eligible offers himself for re-appointment.

5. Appointment of Auditors

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** by (a) approving the appointment of M/s. B S R & Associates LLP, Chartered Accountants as Statutory Auditors of the Company from April 19, 2017 till the conclusion of this Annual General Meeting arising out of the casual vacancy caused by the resignation of M/s. S. R. Batliboi & Associates, LLP; and (b) appointing them as Statutory Auditors of the Company for a term of up to 5 years and fixing their remuneration:

RESOLVED THAT pursuant to Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended, appointment of M/s. B S R & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 116231 W/W - 100024) by the Board of Directors (Board) of the Company from April 19, 2017 till the conclusion of this Annual General Meeting (AGM), for filling the casual vacancy caused by the resignation of M/s. S. R. Batliboi & Associates, LLP, Chartered Accountants (ICAI Firm Registration No. 101049 W/E - 300004) be and is hereby approved.

RESOLVED FURTHER THAT pursuant to Section 139, 140 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended, M/s. B S R & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 116231 W/W - 100024), be and are hereby appointed as Statutory Auditors of the Company for a term of up to 5 years and to hold office from the conclusion of this AGM till the conclusion of the 34<sup>th</sup> AGM, subject to ratification of such appointment by the Members of the Company at every AGM and on such remuneration plus applicable taxes and reimbursement of out of pocket expenses incurred during the course of audit, as may be decided by the Board/Audit Committee.

By order of the Board

**S. Prasad**

April 19, 2017

Associate Vice President & Company Secretary

#### Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. In order to be valid, proxy form must be received at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. Members may note that pursuant to the provisions of Section 105 of the Companies Act, 2013 read with applicable rules thereon, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. For a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint only one person as proxy and such person shall not act as proxy for any other person or member.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto.

## Notice (Contd.)

4. Corporate members are requested to send a certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the Annual General Meeting (AGM).
5. The Register of Members and Share Transfer Books will remain closed on Saturday, July 15, 2017 for determining the list of members eligible for final dividend on Equity shares, if declared at the AGM.
6. Dividend as may be declared at the AGM will be disbursed on or before Monday, July 31, 2017 to the shareholders whose names are recorded in the Register of Members as at Friday, July 14, 2017 as under:
  - i. To Beneficial Owners in respect of shares held in electronic form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, July 14, 2017; and
  - ii. To Members in respect of shares held in physical form after giving effect to valid transfer in respect of transfer requests lodged with the Company and/or Registrar and Share Transfer Agent as of the close of business hours on Friday, July 14, 2017.

7. National Electronic Clearing Service (NECS)/Mandate/Bank Details:

Reserve Bank of India has introduced National Automated Clearing House through which the Banks are able to make the dividend payout almost instantly into the bank accounts of members. Members are requested to update their 15 digit core banking account number with their Depository Participants. Members desirous of modifying these instructions may write to Registrar & Share Transfer Agent, Karvy Computershare Pvt. Ltd. (for shares held in physical form) or to their respective Depository Participants (for shares held in electronic form), so that the dividends when declared and paid by the Company will be directly credited to their account. This will mitigate the chances of possible delays/loss in transit while sending dividend warrants/cheques by post.

8. Members intending to seek explanation/clarification at the meeting about the information contained in the Annual Report are requested to inform the Company Secretary at least a week in advance of their intention, so that relevant information may be made available, if the Chairman permits such information to be furnished.
9. In case of joint holders attending the meeting, only the first named holder will be entitled to vote. Members are requested to address all correspondence, including transfer of shares, unclaimed dividends, etc. to the Company Secretary/Registrar & Share Transfer Agent at the address mentioned hereunder:

The Company Secretary  
Sasken Technologies Limited  
139/25, Ring Road, Domlur, Bengaluru - 560 071.  
**Tel:** +91 80 6694 3000  
**Fax:** +91 80 3981 3329/2535 1309  
**E-mail:** investor@sasken.com

Karvy Computershare Pvt. Ltd.  
Karvy Selenium, Tower B, Plot 31 - 32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad - 500 032.  
**Tel:** +91 40 6716 2222  
**Toll Free No.:** 1 - 800 - 3454 - 001  
**Fax:** +91 40 2342 0814  
**Contact Person:** Mr. K. S. Reddy, Asst. Gen. Manager  
**E-mail:** einward.ris@karvy.com

10. Unless any member has requested for hard copy of the Annual Report, Notice and other communications of the Company will be sent through electronic mode only to all the members whose e-mail address are registered with the Company/Depository Participant. Physical copies of the Annual Report are being sent by permitted mode to members who have not registered their e-mail address.
11. As part of green initiative, we request members to update their e-mail address with the (a) Depository Participants (for shares held in electronic form); and (b) Company (for shares held in physical form).
12. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in this Notice. Members desirous of voting through electronic mode may refer to the detailed procedure on e-voting forming part of the Annexure to this Notice.
13. As per Regulation 44 of SEBI Listing Regulations, the Company will submit details of the voting results in respect of each of the resolutions proposed in this Notice to the stock exchanges within 48 hours of conclusion of its AGM.
14. All documents referred to in this Notice will be available for inspection at the registered office of the Company during business hours on working days up to the date of AGM.
15. Details of Directors seeking appointment/re-appointment at this AGM are provided in the Annexure to this Notice.
16. (a) E-voting instructions; (b) Route Map to the venue of the AGM; (c) Proxy Form; and (d) Attendance Slip are annexed to this Notice.

## Annexure to Notice

### ANNEXURE TO NOTICE

#### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

The following Explanatory Statement sets out material facts relating to some of the Ordinary Business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

#### Item Nos. 3 and 4

**Mr. Jyotindra B. Mody (DIN: 00034851)** born on April 3, 1929 was originally appointed on October 12, 1999 and he was last re-appointed on September 14, 2015.

He is a Non-Executive Director since October 1999 and also one of the Promoters of the Company. He has actively supported the Company from the time it was founded. Your Company continues to reap the benefits of his rich and diverse experience in running successful businesses for over six decades. He has completed Inter-Science. He is the Chairman and Managing Director of J. B. Chemicals & Pharmaceuticals Limited since incorporation in 1976. He was Vice Chairman of CHEMEXCIL (Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council) from 1988 to 1993 and Chairman for two years from September 1994 to September 1996. He is one of the Founder Members of Indian Drug Manufacturers' Association (IDMA) and was its President for 2 years from 1983 to 1985. He has been associated with the pharmaceutical industry when it was in its infancy stage. His knowledge on development of drug industry and the turmoil it has gone through, the various Price Controls, development of the industry with the introduction of the process patent from 1970s, its functioning and growth prospects is immense. He is today looked upon as a doyen of the pharmaceutical industry and is consulted on various important matters affecting the industry, not only by fellow members but also by Government of India. He was associated as a member of the National Development Council for Drugs & Pharmaceuticals, Ministry of Industrial Approvals and Ministry of Chemicals & Fertilizers. He was one of the members of the working group for Industrial Approvals, Ministry of Chemicals & Fertilizers. He was also associated with Import Export Committee – 7<sup>th</sup> Five Year Plan.

He is also a Director in Ifiunik Pharmaceuticals Limited and Unique Pharmaceutical Laboratories Limited.

He is a Member of the Stakeholders' Relationship Committee in J. B. Chemicals & Pharmaceuticals Limited.

He holds 7,36,612 equity shares in the Company.

**Dr. G. Venkatesh (DIN: 00092085)** born on June 4, 1961 was originally appointed on January 25, 2005 and was last re-appointed on September 14, 2015.

He is a graduate in Electronics from IIT Madras, a Ph. D in Computer Science from TIFR, Bombay, a Fellow of the Indian National Academy of Engineers and a Fellow of the IETE. He has been with Sasken since 1995 and has wide experience in Information Technology. He started as a researcher at India's premier research institute TIFR, Bombay, then moved to the Computer Science department of IIT Bombay where he spent 8 years teaching and researching in the areas of temporal logic, functional/logic programming, applications of logic and languages to VLSI design, which resulted in about 50 papers in international conferences and journals in these areas. He made his transition to the industry in 1990 when Sasken was in its start-up phase and moved full time to Sasken as Technology head in 1995. He was elevated to the Board on January 25, 2005 as a Whole Time Director and transitioned to Non-Executive Director on January 19, 2015. He played various management roles such as Engineering Head, Global Delivery Head, BU Head, Product Division Head, Chief Technology Officer, etc. He was elected to hold a 'fellowship' position in Sasken by the Governing Council in January 2015.

He has been appointed the Analog Devices Chair Professor in the Department of Electrical Engineering, IIT Madras, where he has been teaching and researching topics in hardware-software codesign of embedded systems. He has also served as an adjunct faculty of IIM Bangalore, with interests in technology management and in applying game theory to strategic thinking in the technology industry. He has been an active speaker on collaborative innovation models and on viable strategies for SMEs in India. He also serves on a number of Government and Industrial committees related to the semiconductor, telecom and education sectors.

He is a director in Sasken Network Engineering Limited, Uniphore Software Systems Private Limited, MyLSpot Education Services Private Limited, Fulcrum Education Private Limited and Taco Sasken Automotive Electronics Limited (under liquidation).

He is a Member of Stakeholders' Relationship Committee of the Company.

He holds 2,33,628 equity shares in the Company.

There are no inter-se relationships between the Directors. Save and except Mr. Jyotindra B. Mody, Dr. G. Venkatesh and their relatives, to the extent of their shareholding interest in the Company, none of the other Directors, Key Managerial Personnel of your Company and their relatives are in any way concerned or interested, financially or otherwise in the appointment / re-appointment.

## Annexure to Notice (Contd.)

### Item No. 5

Your Company's Auditors, M/s. S. R. Batliboi & Associates, LLP, Chartered Accountants (ICAI Firm Registration No.101049 W/E-300004) were appointed at the last AGM to hold office until the conclusion of the forthcoming AGM. However, vide their letter dated April 19, 2017 they have expressed their inability to continue as Statutory Auditors of your Company up to the conclusion of the forthcoming AGM. The Board thus appointed M/s. B S R & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 116231 W/W-100024) as Statutory Auditors of your Company in the casual vacancy caused by the said resignation effective April 19, 2017 till the conclusion of the forthcoming AGM.

Pursuant to the provisions of Section 139 of the Act and Rules framed thereunder, as amended, it is mandatory to rotate the Statutory Auditors on completion of maximum term as provided therein. The Board on April 19, 2017, has recommended appointment of M/s. B S R & Associates LLP, Chartered Accountants as Statutory Auditors of the Company and to hold office for a period of up to 5 consecutive years from the conclusion of the 29<sup>th</sup> AGM till the conclusion of the 34<sup>th</sup> AGM, subject to ratification of their appointment by the shareholders at every AGM.

Your Company has obtained consent of M/s. B S R & Associates LLP and a certificate in accordance with Section 139, 141 and other applicable provisions of the Act to the effect that their appointment, if made, shall be in accordance with the conditions prescribed and that they are eligible to hold office as Statutory Auditors of the Company.

None of the Directors, Key Managerial Personnel of your Company and their relatives are in any way concerned or interested, financially or otherwise in the said appointment.

By order of the Board

**S. Prasad**

April 19, 2017

Associate Vice President & Company Secretary

### E-voting Instructions

The instructions and other information relating to e-voting are as under:

1. The procedure for e-voting is as below:

- i. Launch internet browser by typing URL: <https://evoting.karvy.com>
- ii. Enter the login credentials (i.e. User ID and Password mentioned in the attendance slip). Your Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing **User ID and password** for casting your vote.

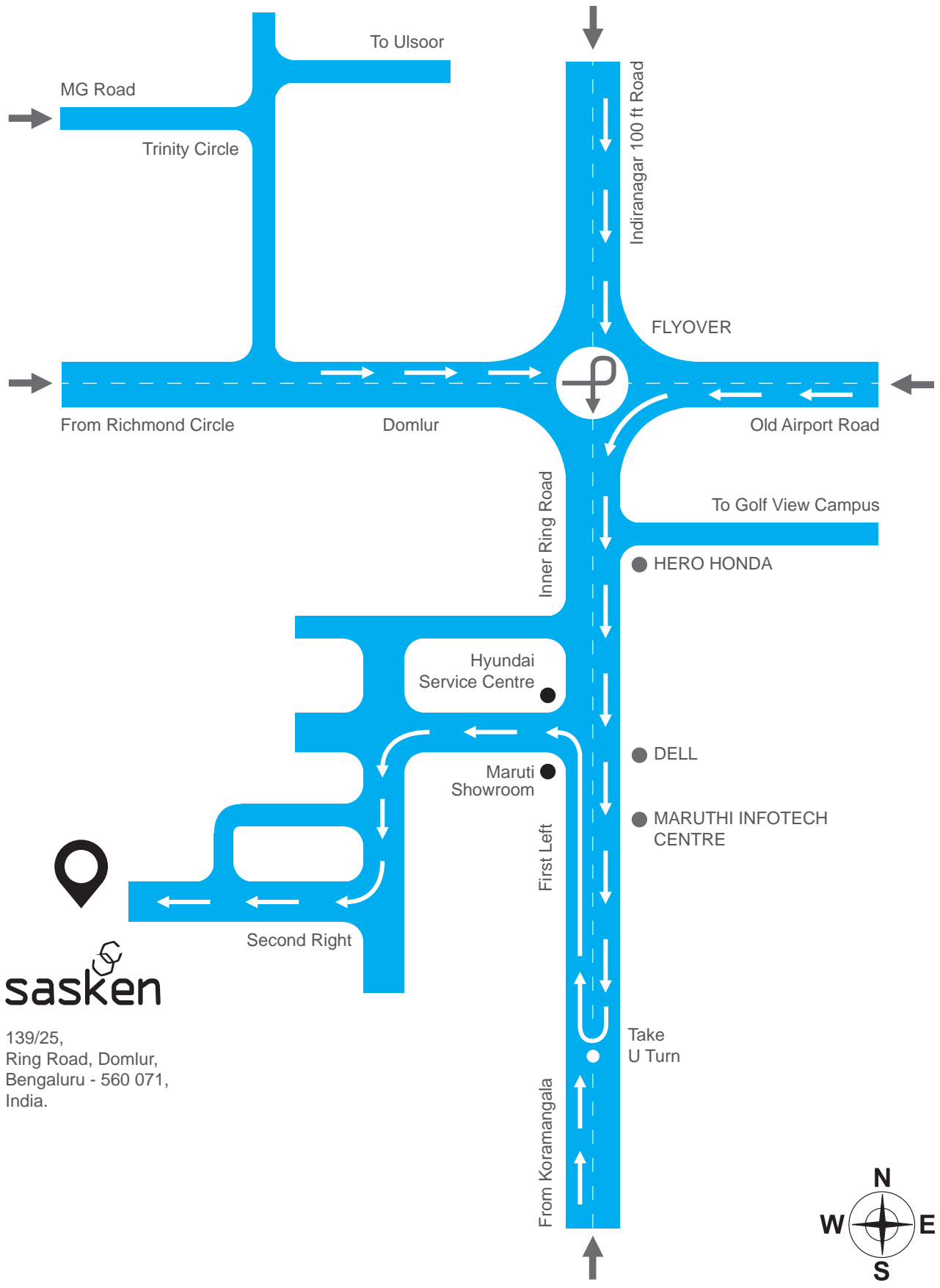
User ID	For members holding shares in Electronic Form:- a) For NSDL: 8 character DP ID followed by 8 digits Client ID b) For CDSL: 16 digits beneficiary ID  For members holding shares in Physical Form: Event No. followed by Folio No. registered with the Company.
Password	Your unique password is printed on the attendance slip/ sent via e-mail forwarded through electronic notice.
Captcha	Enter the Verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons.


- iii. After entering these details appropriately, click on "LOGIN".
- iv. Members holding shares in Electronic/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A - Z), one lower case (a - z), one numeric value (0 - 9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that company opts for e-voting through Karvy Computershare Private Limited e-voting platform. System will prompt you to change your password and update any contact details like mobile, e-mail ID, etc. on 1<sup>st</sup> login. You may also enter the Secret Question and answer of your choice to retrieve your password, in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- v. You need to login again with new credentials.
- vi. On successful login, the system will prompt you to select the 'EVEN' i.e., "**Sasken Technologies Ltd.**"
- vii. On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR', partially in 'AGAINST' and partially in 'ABSTAIN', but the total number in 'FOR/AGAINST/ABSTAIN' taken together should not exceed your total shareholding. If you do not want to cast any vote, select 'ABSTAIN'.

## Annexure to Notice (Contd.)

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - x. After selecting the appropriate option for each of the resolution, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
  - xi. Upon confirming, you will not be allowed to modify your vote.
  - xii. During the voting period, members can login any number of times till they have voted on the Resolution(s). However, you may still attend the AGM and participate in the discussions.
  - xiii. Corporate/Institutional members (Corporate/FIs/Flls/Trust/Mutual Funds/Banks, etc.) are required to send scanned certified true copy (in PDF) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s) to the Scrutinizer through e-mail to [scrutinizer@sasken.com](mailto:scrutinizer@sasken.com) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com) or send it to the registered office of the Company. The scanned file of the above mentioned documents should be in the naming format "Sasken\_EVEN".
  - xiv. In case of any queries, you may refer to Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact the Registrar & Share Transfer Agent, Karvy Computershare Pvt. Ltd. at Toll Free No. 1-800-3454-001.
2. The e-voting period commences on Thursday, July 13, 2017 at 9.00 a.m. and ends on Monday, July 17, 2017 at 5.00 p.m. (both days inclusive). Please note that e-voting mode shall not be allowed beyond 5.00 p.m. on Monday, July 17, 2017. During this period, the Members of the Company holding shares in physical form or in electronic form, as on the cut-off date, being Tuesday, July 11, 2017, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Further, the members who have cast their vote electronically shall not vote by way of poll, if held at the AGM.
  3. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date i.e. Tuesday, July 11, 2017, may obtain the User ID and Password in the manner as mentioned below:
    - a. If the mobile number of the member is registered against Folio No./DP ID-Client ID, the member may send SMS : MYEPWD <space> EVEN + Folio No. or DP ID Client ID to 9212993399  
Example for NSDL : MYEPWD <SPACE> IN12345612345678  
Example for CDSL : MYEPWD <SPACE> 1402345612345678  
Example for Physical : MYEPWD <SPACE> XXXX1234567
    - b. If e-mail or mobile number of the member is registered against Folio No./DP ID-Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No./DP ID-Client ID and PAN to generate a password.
  4. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company, subject to the provisions of the Companies Act, 2013, as amended, as on the cut-off date, being Tuesday, July 11, 2017.
  5. The Board of Directors have appointed Mr. Gopalakrishnaraj H. H., Practicing Company Secretary as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  6. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman/any other authorised person of the Company.
  7. The result on resolutions shall be declared on or after the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
  8. The results declared along with the Scrutinizer's Report(s) will be available on the website of the Company ([www.sasken.com](http://www.sasken.com)) and on Service Provider's website (<https://evoting.karvy.com>) within two (2) days of passing of the resolutions and will also be communicated to BSE Limited and National Stock Exchange of India Limited.





  
 139/25,  
 Ring Road, Domlur,  
 Bengaluru - 560 071,  
 India.

## 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]

### Sasken Technologies Limited

(Formerly known as Sasken Communication Technologies Limited)

Registered Office: 139/25, Ring Road, Domlur, Bengaluru - 560 071, India.

Tel: +91 80 6694 3000; Fax: +91 80 2535 1309

E - mail: investor@sasken.com; Website: www.sasken.com; CIN: L72100KA1989PLC014226

Name of the Member(s)	
Registered Address	
E - mail ID	
DP ID*	
Client ID*	
Folio No.	

\* Applicable for investors holding shares in electronic form

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

1. Name \_\_\_\_\_ Address \_\_\_\_\_  
E - mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
2. Name \_\_\_\_\_ Address \_\_\_\_\_  
E - mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her
3. Name \_\_\_\_\_ Address \_\_\_\_\_  
E - mail ID \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her.

as my / our proxy to attend and vote for me / us and on my / our behalf at the Twenty Ninth Annual General Meeting of the Company to be held on July 18, 2017 at 10.00 a.m. at the Registered Office of the Company at 139/25, Ring Road, Domlur, Bengaluru - 560 071 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Particulars	Type of resolution	No. of shares held	Optional*	
				I assent to the resolution Please tick (✓)	I dissent to the resolution Please tick (✓)
<b>Ordinary Business</b>					
1.	Adoption of audited financial statements of the Company (including consolidated financial statements) for the year ended March 31, 2017, together with the reports of the Board of Directors and the Auditors thereon.	Ordinary			
2.	(a) Confirming the interim dividend of ₹2.50 per equity share paid in October 2016; and (b) Declaring a final dividend of ₹4.50 per equity share.	Ordinary			
3.	Re-appointment of Mr. Jyotindra B. Mody (DIN: 00034851) who retires by rotation.	Ordinary			
4.	Re-appointment of Dr. G. Venkatesh (DIN: 00092085) who retires by rotation.	Ordinary			

Sl. No.	Particulars	Type of resolution	No. of shares held	Optional*	
				I assent to the resolution Please tick (✓)	I dissent to the resolution Please tick (✓)
5.	(a) Approving the appointment of M/s. B S R & Associates LLP, Chartered Accountants as Statutory Auditors of the Company from April 19, 2017 till the conclusion of this Annual General Meeting arising out of the casual vacancy caused by the resignation of M/s. S. R. Batliboi & Associates, LLP; and  (b) Appointing them as Statutory Auditors of the Company for a term of up to 5 years and fixing their remuneration.	Ordinary			

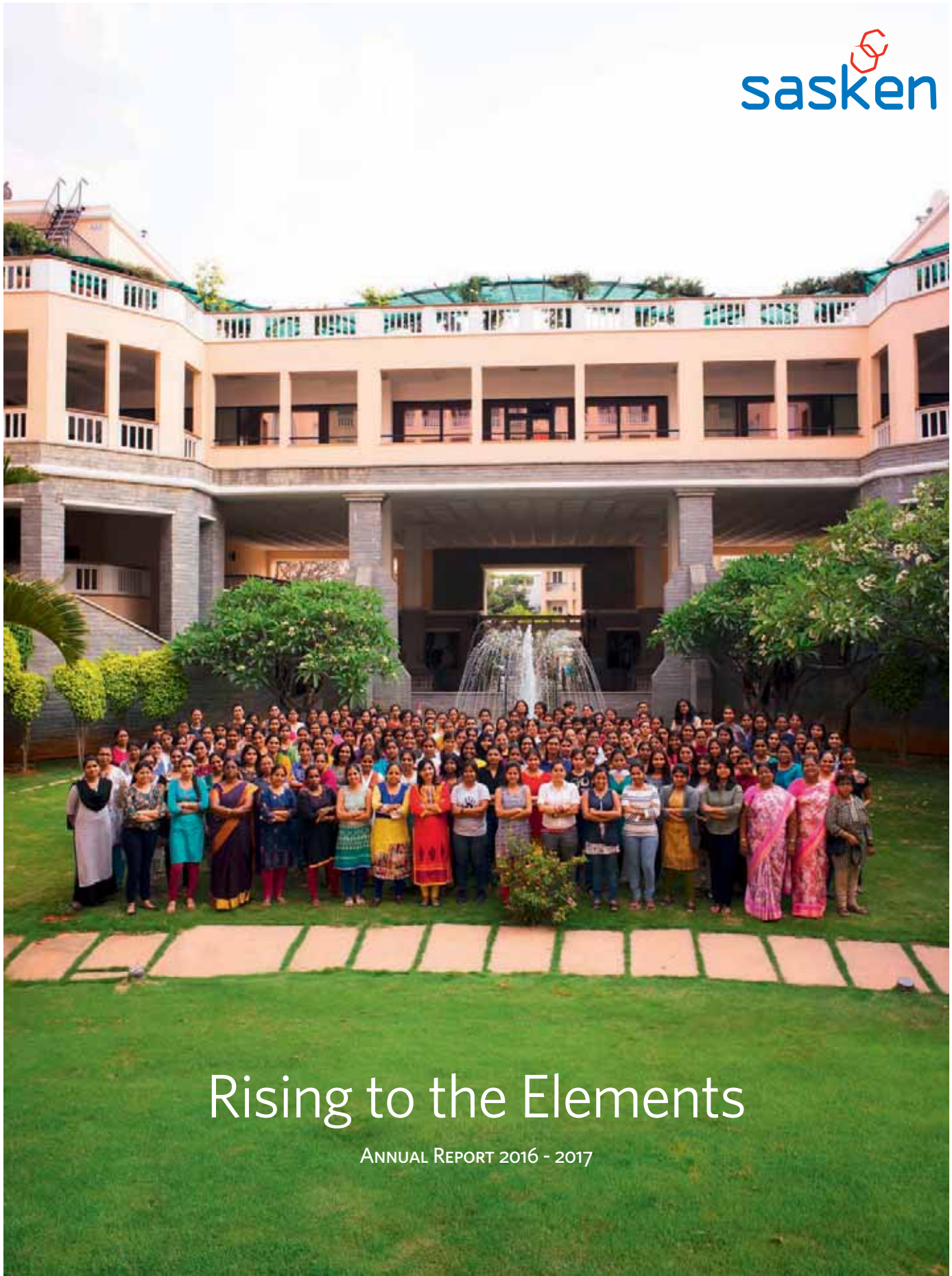
Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Affix Re.1 Revenue stamp
--------------------------------

Signature of shareholder / 1<sup>st</sup> holder (in case of joint holding) \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. \* It is optional to put '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details including details of member(s) in the above box before submission.
4. Members may note that pursuant to provisions of Section 105 of the Companies Act, 2013 read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint only one person as proxy and such person shall not act as proxy for any other person or member.



# Rising to the Elements

ANNUAL REPORT 2016 - 2017



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## [ Wind ]

Value centricity is the only sustainable source of differentiation for an enterprise. The core of an organization stems from its values which are intransigent.

From the beginning, Sasken has always believed in being a conscientious and caring organization that aims to serving the communities we are part of. Built on this belief system, we have leveraged our expertise in technology for the betterment of the underprivileged sections of society through SEWA.

# [ Board of Directors ]

Mr. Rajiv C. Mody	Chairman, Managing Director & CEO
Dr. Ashok Jhunjhunwala	Director (up to January 30, 2017)
Mr. Bansi S. Mehta	Director
Mr. Bharat V. Patel	Director
Mr. Jyotindra B. Mody	Director
Prof. J. Ramachandran	Director
Mr. Pranabh D. Mody	Director
Mr. Sanjay M. Shah	Director
Mr. Sunirmal Talukdar	Director
Dr. G. Venkatesh	Director
Mr. Krishna J. Jhaveri	Whole Time Director (up to March 15, 2017)
Ms. Neeta S. Revankar	Whole Time Director & CFO

## **Company Secretary**

Mr. S. Prasad

## **Statutory Auditors**

M/s. S. R. Batliboi & Associates LLP  
Chartered Accountants

## **Committees of the Board**

Audit Committee  
Corporate Social Responsibility Committee  
Nomination and Remuneration Committee  
Stakeholders Relationship Committee  
Strategy, Business and Marketing Review Committee

## **Bankers**

Citibank NA  
Union Bank of India  
Axis Bank Limited

## **Registered and Corporate Office**

No. 139/25, Ring Road, Domlur  
Bengaluru 560 071, India  
CIN: L72100KA1989PLC014226





# [ Letter to Shareholders ]



*Dear Shareholder,*

In fiscal 2016-17, your Company took many a leap forward to reinvent and re-imagine capabilities, identifying potential growth areas and building newer skill sets for the future.

## **Sasken 2.0: A time for reinvention**

Keeping in mind our dynamic and evolving nature of business, we have chosen a name that best represents our organization and the work we do. The name of your Company has changed from SASKEN COMMUNICATION TECHNOLOGIES LIMITED to SASKEN TECHNOLOGIES LIMITED with effect from February 14, 2017. As you are aware, in the year 2000, we decided to focus on communications as the key vertical and serve all constituents of its value chain. The nexus of forces such as computing, communications, mobility, cloud, social media, and analytics has transformed communications into a core ingredient across all business verticals. Our expertise therefore now serves businesses ranging from Automotive, Consumer and Communication, Industrial Automation, Semiconductors, Satellite, among others. Our new name reflects that our addressable market is immense and opportunities abound for our growth.

In our quest to achieve sustainable growth we have embarked on a five year journey that we refer to as our '5 x 5 vision'.

Our quest is powered by our strong engineering capabilities which we have built since inception. This vision stems from our engagement with a globally leading consultant and traction with our key customers. To achieve this, we have created an organization that is agile and growth oriented. The choice of our 5 Business Lines is a result of a detailed strategy exercise that has unequivocally pointed out that our addressable market is large and growing. Our growth target is therefore very realistic and achievable. The fundamental principle which we will always adhere to is the pursuit of responsible, sustainable and profitable growth.

Recent geo-political changes including proposed visa regulations in the US and imminent Brexit in the Euro-region have been pre-occupying the captains of our industry. Our knowledge of 'Embedded and Digital IT' skills are unique and much needed as the wave of 'Digital Transformation' pervades all 'Glocal commerce'. Therefore, we believe that there will be no adverse impact on your Company.

Keeping the dynamic technology and vectors of change, we have crafted a new strategy to position ourselves as the 'Chip to Cognitive' company. We are stepping into a world of possibilities fuelled by the use of cognitive sciences and are

working with leaders in the technology ecosystem to enable data-driven solutions that will help define the future world. These changes are expected to become pervasive and encompass all areas of our professional and personal pursuits.

For many years now, your Company has enjoyed the reputation of being a thought leader in Product Engineering Services (PES). In the current year, Zinnov, a reputed research, consulting and advisory company has positioned Sasken in the Leadership Zone for the Semiconductor and Telecommunication verticals in their Zinnov Zones 2016 - Product Engineering Services ranking. Sasken is also featured in the Execution Zone for Automotive, Consumer Electronics, and Industrial Automation. As part of this study, Zinnov mapped leading service providers in various segments and ranked them based on their R&D practice maturity, breadth, innovation and ecosystem connect.

Our business comprises both Product Engineering and Digital Transformation Services. As a leader in providing PES, we have contributed significantly to product development, sustenance and testing for several marquee customers. Our combined strength in silicon and the smart device ecosystem, especially Android, has established us as a leader in providing a suite of PES for smartphones. A testimony to that is our successful execution of



several first-of-a-kind upgrades. Our knowledge of semiconductor platforms enables us to execute complex programs with autonomy.

In the automotive electronics space, we continue to enlarge our footprint which spans In-Vehicle Communications Systems (ICS), Telematics and Advanced Driver Assistance Systems (ADS). For several Tier-1 auto OEMs, we have built Auto Grade Linux-based ICS systems and have helped them keep pace with the evolution of technologies relevant to Telematics and Vehicle-to-External (V2X) solutions. Our expanded range of offerings includes V2X solutions, which is one of the core enablers of autonomous driving.

In the rugged and industrial devices arena, we are helping leaders keep pace with the evolution of underlying hardware and software platforms. Our services enable OEMs support critical applications such as enterprise asset management, among others, by incorporating multiple technologies that help automate and streamline logistic and other processes. Our automation framework provides critical testing services to global leaders in the rugged devices and consumer electronics space. We have completed several projects that have helped OEMs upgrade existing product lines to support the latest Android version 'Nougat'.

We are working on cutting edge technology in the industrial automation space. An instance of this is the work we have done to enhance the communication efficiency of a robotic assembly system.

On the IOT front our solutions target growth areas such as telematics, trace and track, industrial IoT and home automation. Our work helps customers build home gateways, incorporating advanced voice activation features, cloud & sensor integration and support for Long Term Evolution or 4G networks.

In the Digital IT space, we are engaged with a large European conglomerate to build a suite of applications addressing the transportation space within the Smart City vision. We have developed a cloud-based Actionable Insights Platform that helps a leading Mobile Virtual Network Operator uncover insights from large volumes of data and enhance their profitability. We have developed a 'Digital Platform' for the North America market which brings together service providers (or sellers) and match them to buyers (or consumers) through the convenience of a mobile app, based on location. We have built out mobile application suites for the urban commuter, improving user convenience and adding support for sophisticated fare models for a European conglomerate.

During the year, your Company paid an interim dividend of ` 2.50 per equity share in October 2016. In addition, we are proposing a final dividend of ` 4.50 per equity share which is subject to your approval at the Annual General Meeting.

The total dividend for the year ended March 31, 2017 will amount to ` 7.00 per equity share of ` 10.00 each. I trust that you would be happy to note that your Company has maintained its track record of paying dividends since its listing in 2005.

On behalf of my management team, I assure you that we will do our best to ensure the continued success of your Company. We are grateful for your support and trust that you will continue to repose your confidence in us.

Thanking you,

**Rajiv C Mody**

(Chairman, Managing Director & CEO)





# [ Space ]

The vastness of space has always fuelled imagination and inspired humankind to think expansively. To venture and pursue new opportunities, calls for thinking outside the box.

We have broken barriers, and set forth to explore uncharted territories. The platform economy is shaping a new world. Digital Transformation Services are a firmly established component of our portfolio of offerings.

# [ Technology & Markets ]

*Changes and advancements in technology continue to shape and re-define the way individuals and corporates work and live. It is now indisputable that all things around us are evolving to get 'smarter' and exploit seamless connectivity and intuitive user interactions for 'better living.' Sasken is grabbing this opportunity and aligning investments with an over-arching 5 x 5 vision to position ourselves as a 'Chip to Cognitive' company. Our 5 x 5 vision is a result of an elaborate strategy planning exercise held with one of the leading global business consultants. We have focused our attention on (a) Automotive Electronics (b) Semiconductors (c) Communications, (d) Industrial & (e) Consumer (Retail) segments. These verticals are the forerunners in R&D investments and lead the charge in innovation and new product/platform introductions. The opportunity space for us is in both embedded systems design and digital transformation that can bring about paradigm shifts in today's enterprise.*

*We are proud to begin by stating that we continue to establish and build leadership in the Product Engineering Services space. Our customers rely on us to engineer, build, test and enhance products that are compute and connectivity intense. Sasken has contributed significantly to product development, sustenance and testing for several marquee customers.*

*We see these vectors of change play out in the key segments we operate in: Semiconductors, Consumer & Retail, Automotive and Industrial.*

The global Research and Development (R&D) market is approximately estimated at \$641 billion, of which 51 billion USD was spent by G500 semiconductor companies alone. The top five players in the G500 account for 44% of total semiconductor spends with heavy investments in Automotive, Industrial Automation and Internet of Things (IoT) solutions. The Consumer Electronics and Communication segments are also observing steady investment and growth. There is an explosion of data and while 5G is on the horizon and providing adequate bandwidth will be a key differentiator. Therefore, edge analytics will play a key role and is inviting investments along with cognitive technologies such as artificial intelligence and machine learning.

As the focus on IoT increases, there is a need for more applications and case specific derivatives for optimum power performance and cost utilization. Time to market is key and vendors providing end-to-end solutions with knowledge of the base design will have competitive advantage. In addition there is a need to rapidly churn out derivatives with optimized power budgets and performance.

For Sasken, this implies significant opportunities in the 'Chip to Cognitive' space. In the silicon side our ICDS (integrated circuit design services), FPGA (field programmable gate array) and EDA (electronic design automation) offerings, along with driver and firmware development, system integration, modem testing, and certification services will be of critical importance for any organization that is building products.

Our strength in chip and platform design combined with our analytics solutions has been finding significant traction with several marquee customers around the globe.



## [ Semiconductors ]

In the Semiconductor segment, Sasken has been working with leaders in enabling the design and product conceptualization of platforms for IoT. We have successfully integrated speech recognition mechanisms into several platforms that allow a human to seamlessly address a device for an extensive set of services. Further, this has also led to the development of an IoT gateway platform that can be deployed in smart homes, buildings and industries. Some of the products developed by us with voice based recognition have been showcased by our customers in CES (Consumer Electronics Show held in Las Vegas, USA) which is the premier show for consumer electronics.

Your Company's excellent knowledge of silicon platforms ensures that it reaps rich rewards on the dual trends of smaller, optimized silicon platforms for the IoT world as well as evolving powerful silicon platforms for auto, smartphone and consumer devices.

## [ Communication and Consumer ]

Being a proven leader in the Android space for the last several years, we have enabled several smartphone OEMs as well as rugged industrial device OEMs launch new devices as well as upgrade their existing devices to 'Marshmallow' and 'Nougat' releases of Android. This marks a continued successful partnership over the last 9 releases of Android across several OEMs.

Our decade-long engagement with a leading Japanese smart device vendor has grown significantly. We now have the responsibility to support their global application suite. The scope also covers applications provided by third parties. This is in addition to providing them with comprehensive field testing services.

Your Company's excellence in Android has been recognized and we are now already ramping up to handle the new "O" release expected in near term. Further, in this segment, a large number of wearable technologies have come to play. Sasken is investing in building a base software platform for wearables.

We started our journey in the Industrial space as the latest segment. Sasken's leadership in the semiconductor, device and auto space have been leveraged to focus on a select set of offerings here. The industrial rugged device segment has overwhelmingly looked to Android for newer and innovative experiences. Sasken engages with the market leaders in this space to deliver Android on their flagship devices. These devices serve critical applications such as managing enterprise assets by incorporating multiple technologies that help automate and streamline logistic processes.

We are building an automation framework to provide critical testing services to two of the flagship rugged devices.

These are exciting times with several disruptions and inflections in the segments we operate in. Sasken is well poised to reap rich rewards on the basis of its deep technical excellence and execution prowess.

Your Company has helped develop a predictive analytics platform targeting MVNOs (mobile virtual network operator). This platform helps service providers achieve critical optimization and matching of retail demand with the wholesale bandwidth provisioning. The platform is deployed across several countries in Europe and has helped our customer achieve significant operational efficiencies.

Our Actionable Insights Platform is a self-service data discovery platform that enables the generation of reports for executive decision making. This enables data-driven decision making and is valuable for the 'finance and strategic planning' functions. An enterprise strategic planning team can analyse

key enterprise metrics such as revenue, profitability, customer satisfaction, etc., with the help of data analytics.

We are helping a large European conglomerate and a major global player in the ITS (Intelligent Transportation Systems) domain. Sasken is the preferred offshore development partner for Automated Fare Collection (AFC) and Intermodal Transport Control System (ITCS). AFC and ITCS suite of products are used by Public Transport Operators (PTO) in Europe and Africa. This enables transport operators use different channels such as point-of-sale, mobile ticketing and web portals for ticketing. The ITCS is used by PTOs for real-time vehicle tracking and tracing, schedule and itinerary information and generating alerts.

Sasken is also involved in developing state-of-the-art smartphone application suites for the AFC system.

Closer home, in the e-commerce space, we have enabled one of the largest Fast Moving Consumer Goods (FMCG) players create an app based solution for local convenience stores (kirana stores) to reach out to the consumer directly.

Another example of our Physical to Digital (P2D) initiative is the work we have executed for one of the largest shoe manufacturers in the world. This enables the brand to combine the best of both instore and digital experience.

## [ Automotive ]

The Automotive segment shows a high degree of disruption and innovation. Several trends like autonomous driving, smart Infotainment, and Telematics systems are becoming an integral part of high-end automobiles. Sasken has productized Android in the automotive space, resulting in one of the earliest implementations of Android in the heavy auto space. Sasken has completed an auto grade Linux-based In-Vehicle Infotainment (IVF) on the latest silicon platform of one of the world's largest



## [ Fire ]

While opportunities abound, one needs to have the 'Fire' within to excel. Organization and organisms alike need to cultivate a passion for continuous learning and growth.

Sasken's excellent knowledge of silicon platforms ensures that it reaps rich rewards on the dual trends of smaller, optimized silicon platforms for the IoT world as well as evolving powerful silicon platforms for auto, smartphone and consumer devices.





semiconductor vendors. We continue to help a tier 1 automotive leader keep pace with the evolution of standards and technologies in connectivity as well as deliver in-vehicle connectivity solutions. We continue to build solutions addressing the infotainment needs of the automotive OEMs. Our software comprising multi-media codecs and other components are being deployed on the core platform of a Tier-1 Japanese/German OEM and will be an Integral part of all products launched from MY19 (Model Year) onwards.

Your Company has completed building a telematics platform that has shown tremendous potential to be part of technologies that enable the connected user to constantly monitor the performance and other parameters of the car. On the basis of this, Sasken has been working on a prestigious telematics platform for a Tier-1 vendor to be productized in automobiles that are on drawing boards.

Advanced Drive Assistance System (ADAS) is set to become the most exciting disruption in the automotive space, enabling self-driven cars over the next several years. Sasken has selected this area of focus for the next year and will be making specific investments in the relevant technologies. We have expanded our range of offerings to include V2X solutions. V2X is one of the core components that will enable autonomous driving. We have achieved a breakthrough in this area and are engaged with a Tier 1 OEM and provide services for their V2X platform.

## [ Satellite ]

The market for fixed satellite services and mobile satellite services is growing significantly. The distinction between the two is becoming blurred and both players are now equipping themselves to address each other's markets. Demand driven by the need for data has resulted in satellite service providers moving to higher frequencies such as Ka-band to cater to the enhanced capacity requirements.

Your Company's end-to-end device development experience is leveraged across multiple business verticals like Terrestrial, Satellite, Automotive and Public Safety. Our ability to build devices from concept to complete product, owning the hardware, software including antenna, mechanics and industrial design, is a highly differentiated value that we bring to our customers.

## [ Industrial Automation ]

In this space, we are strengthening our existing engagements and have also built and enhanced communication efficiency of a robotic assembly system. This sector has promising growth prospects for us as connectivity, virtual & augment reality, imaging and other sensors need be integrated. Therefore, we are well positioned to build a suite of solutions for several verticals that are investing in industrial automation.

## [ Digital Transformation ]

This is now firmly established as a key component of competitive strategy. Customers globally adopt digital transformation to improve an existing service or provide a set of new services.

The adoption of IoT has catalysed enterprises to enable P2D transformation and create digital twins of physical objects in the digital world. Systemic investments in P2D solutions are abetting enterprises to use advanced analytics and data-driven decision making. At the heart of this transformation is the ability to leverage connectivity, mobile apps, cloud computing, communications, to ensure physical objects segue into the digital space and provide different services.

We continue to engage with a leading global manufacturer of smart tags and have delivered multiple projects for

physical to digital transformation by using NFC tags.

We have partnered with key players in mobile application development platform, data discovery and self-service, business intelligence, and cloud computing. These partnerships will enable Sasken to accelerate development of digital solutions for different verticals.

At MWC (Mobile World Congress 2017 held at Barcelona, Spain) Sasken demonstrated its tablet based solution targeted for brick and mortar retailers. The solution is targeted for store associates to provide personalized services to shoppers.

Sasken has also developed a solution that helps automotive OEMs to collect data from connected cars and driver behaviour analytics. In addition, Sasken is augmenting the solution to leverage data from IVI systems and provide actionable analytics.

Thus, your Company is actively engaged in serving customers in the Embedded and Digital domains. We are well positioned to service new opportunities arising in the cusp of these spaces. The verticals we serve are among the highest investors in technologies to remain innovative and competitive which augurs well for us.





# [ Sasken CSR Initiatives ]



*From the beginning, Sasken has always believed in being a conscientious and caring organization that aims to serve the communities we are part of. Built on this belief system, we have leveraged our expertise in technology for the betterment of the underprivileged sections of society.*

*We are happy to report that your company has set aside 2% of its average profits of the preceding 3 years for the purpose of funding its Corporate Social Responsibility (CSR). We have established 'Sasken Foundation' for executing our CSR programs. We have expended ₹ 155.87 lakhs and have transferred ₹ 275.00 lakhs to 'Sasken Foundation' to help it implement CSR programs in a meaningful manner.*

Anand and Kheda districts have successfully gone live with the m-Bachat solution since April 2016. Six other districts namely Aravalli, Chhota Udaipur, Kutch, Mehsana, Patan and Surendranagar have progressively gone live between July - October 2016.

Around ₹ 11 lakhs has been transacted in the month of February 2017 covering 28,093 SEWA members. The Sasken team is currently involved in building new features to enhance the m-Bachat system.

Since February 2017, our team has also been involved in developing a pilot solution for SEWA's membership management. The MMS pilot solution has gone live in a short span of time much to the delight of SEWA since March 6, 2017. It is currently in use to manage the membership renewal of 12,062 SEWA members across the districts of Anand, Mehsana and Sabarkantha in Gujarat.

All the installations were completed by February 15, 2017.

Today, the inverter-less technology has multiple benefits to the households of Belagavadi. It provides an efficient power back up solution, good quality power supply in a cost efficient manner.

The feedback and user response has been gratifying: 'We do not have to worry about power cuts or kerosene lamps anymore. Because of this, life has become very comfortable' says Ramaih, a resident of Belagavadi.

Rema, a housewife in Belagavadi said that 'This will make a huge difference to my children. They will now have a chance to study even in the nights and will have better lives'.

## [ m-Bachat ]

We have supported Self Employed Women's Association (SEWA), a renowned organization dedicated to serving underprivileged women and enabling them to earn a livelihood. Our young team of engineers have tirelessly worked to create 'm-Bachat' (Sasken digital transaction enablement platform), in Anand and Kheda district of Gujarat, which enables the SEWA workforce to automate and digitize the micro banking transactions of SEWA Bank. This goes a long way in enhancing the trustworthiness and convenience of banking services provided to the underserved. This solution leverages Sasken's strength in the mobility and computing domains and has been developed to run on Android devices. The application supports an intuitive bilingual user interface that can readily be used by semi-literate women. This solution has helped positively impact the livelihood of the poorest of the poor in both urban and remote locations.

## [ Solar DC ]

In Belagavadi, a rural village about 80 kms from Bengaluru, life has changed for villagers after Sasken successfully electrified 215 homes. A village that was affected by frequent load-shedding, which on an average is about 6 hours a day, is now heaving a huge sigh of relief. They do not have to worry about power cuts or kerosene lamps anymore and children can study even in the night.

Sasken, in association with IIT Madras, Bengaluru Electricity Supply Company Limited (BESCOM) and Rural Electrification Corporation (REC), has electrified homes in Belagavadi, with the Solar DC Inverterless technology. Each of these homes have been installed with the inverter-less system, which consists of one DC fan, one DC tubelight, two DC bulbs, one DC mobile charger, one DC socket and one remote control to operate the fan and tubelight.



# [ Water ]

The ability to translate one's potential to performance, requires the capability to 'flow' like Water. Adaptability is the essential element to abet the transitioning from surviving to thriving.

In line with our new strategy, we are positioning ourselves as the 'Chip to Cognitive' Company. We are stepping into a world of possibilities fuelled by the collision of computing, communication & cognitive sciences.









# [ Earth ]

Fertile and always giving, the Earth provides the strong grounding and foundation on which we build our homes, our lives & that from which we obtain nourishment.

Our vision is grounded with the belief that our deep competencies in embedded systems, silicon & digital transformation puts us on a firm foundation to achieve our 5 x 5 vision.



# [ Sasken People ]



*From the beginning of our journey, which commenced close to three decades ago, we have taken pride in being a knowledge-organization. Our very name is built using a juxtaposition of our heritage in silicon and the knowledge our engineers and we as an organization bring to our customers.*

*Our new name, Sasken Technologies Limited, is a further validation for the deep-rooted belief we have on the engineering prowess and abilities of our Sasians as well their commitment to our values: Integrity, Respect for Individual, Innovation, Customer Centricity and Excellence (IRISE).*

*Our people practices continue to be centered around nurturing talent that has a right aptitude and attitude, business acumen, character, drive and the willingness to tread the path of excellence.*

We continue to position the HR function as a strong and reliable business partner. Our prime focus is on attracting, retaining and developing talent in line with our business objectives. The war for talent continues as employees with hot technology skill sets and the right attitude are targeted by organizations in our peer group as well as the mushrooming startups. We have put in place mechanisms to attract talent laterally as well as groom and develop in-house talent. We have a number of initiatives to identify and cater to the technical and behavioural training needs of our workforce.

Our Performance Management System has evolved to make possible objective classification of people into relevant performance categories. This allows us to design and execute appropriate plans for high performers to increase their engagement and carve a career path for them. Despite these measures, we continue to be faced with a challenge

on the attrition front. To enhance our retention, we are making significant investments to sustain a work environment that fosters the holistic development of our talent pool.

We continue to measure and strengthen the foundational competencies of all our engineers. The conviction that our engineering talent must be best in class in the industry continues to propel us. We are heartened that this has been validated by the several testimonials our engineers and project teams have received from our customers. In addition, our focus on Learning for Development continues to deliver both in-house and externally delivered training programs addressing behavioural and technical competencies.

Additionally, we continue to encourage Sasians to participate in community development initiatives. Our focus as before is to help differently abled people, environmental sustainability, conservation of resources, education and so on.

With people as our core, we continue to initiate a number of programs to encourage 'Fun, Fairness, and Fitness' at the workplace. Under the Employee Engagement and Development banner, we have delivered many programs to showcase the multi-faceted talents of our Sasians in arts, music, dance, photography, etc. We have also initiated many programs under our 'Team Wellness' banner to encourage fitness and wellbeing of our employees. Under the banner of 'Mandhaara', our in-house program to encourage lateral thinking, Sasians got the exciting opportunity to meet and interact with leading personalities from various fields. The list includes our renowned artist Jitish Kallat, Kargil War veteran Naveen Nagappa, ventriloquist Indushree Raveendra, media persons including renowned journalist Shekhar Gupta and acclaimed photojournalist Raghu Rai, Akkai Padmashali, a well-known transgender rights activist and a transwoman, environmentalist and actor Suresh Heblikar, world-renowned tiger conservationist and zoologist Dr. Ullas

Karant. These interactions help Sasians to better understand the attributes required to tread the path of excellence by learning from a diverse spectrum of perspectives.

We stand firmly committed to strengthen the core values of our Human Resource function which is epitomized by our 3C model - Character, Competence, and Commitment. Our quest to be amongst the best places to work for continues and we do our best to be an organization that sets the benchmark for accountability, continuous learning, equity, fairness, transparency and humility.



# [ Your Report ]



**Saibal Das**

*Saibal Das was born in Chandannagore near Calcutta in 1960 and took to photography at a young age, inheriting his love for the medium from his father. He began his career as a photojournalist with The Telegraph in 1986, going on to work as a staff photographer for Outlook and India Today and photographing the ULFA insurgency, the Taliban's invasion of Afghanistan, cultural unrest in North-East India and other sociopolitical and cultural upheavals in Nepal, Bangladesh and Bhutan.*

*Alongside his work as a photojournalist, Das has dedicated himself to the poetic documentation of the more singular aspects of India's society and cultural landscape.*

Elements fundamentally define us humans and shape our enterprises, art and culture. The five elements Earth, Water, Fire, Air & Space, give us the essential ingredients that will foster growth, nourish, protect and endure.

In the dynamic business environment where we operate, the right elements will encourage growth, expand our opportunity horizon and aid the pursuit of our vision relentlessly.

We believe we have put in place the elements that will help us rise above and pursue the path of excellence. We have charted out a new avenue for ourselves and in this quest, we have begun taking steps towards what we refer to as our '5 X 5 vision'.

The objective is to achieve significant revenue growth in the coming years. To realize this, we have created an organization that is agile and growth oriented.

The choice of our 5 Business Lines is a result of a detailed strategy exercise that has unequivocally pointed out that the addressable market is promising as is our belief to achieve the goal.

## Board's Report

### To the Members,

Your Directors have pleasure in presenting the Report on the business and operations of the Company along with the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2017.

### 1. FINANCIAL PERFORMANCE

A summary of the Company's financial performance in FY 2017:

Amount in ₹ lakhs

Particulars	Consolidated for the year ended March 31		Standalone for the year ended March 31	
	2017	2016	2017	2016
Revenue	46,894.24	48,316.74	39,045.58	40,192.40
Profit Before Interest and Depreciation	6,862.89	6,337.27	5,823.25	6,202.38
Finance Charges	9.23	18.89	-	-
Gross Profit	6,853.66	6,318.38	5,823.25	6,202.38
Provision for Depreciation	649.49	660.08	590.74	586.04
Exceptional Items Income/(Expenses)	2,025.00	23,294.27	2,025.00	23,333.27
Net Profit Before Tax	8,229.17	28,952.57	7,257.51	28,949.61
Provision for Tax	860.57	8,323.32	657.07	8,055.22
Net Profit After Tax	7,368.60	20,629.25	6,600.44	20,894.39
Balance of Profit brought forward	41,725.19	29,603.94	42,777.44	30,266.42
Balance available for appropriation	49,093.79	50,233.19	49,377.88	51,160.81
Dividend (Interim & Special) on equity shares	443.00	5,506.00	443.00	5,506.00
Dividend tax	-	921.56	-	796.93
Transfer to General Reserve	-	2,080.44	-	2,080.44
Surplus carried to Balance Sheet	48,650.79	41,725.19	48,934.88	42,777.44

*(Previous year's figures have been regrouped wherever necessary to conform to the current year's presentation)*

On a consolidated basis, your Company's revenues from operation for the financial year 2016-17 have decreased by 2.94% in rupee terms from ₹48,316.74 lakhs in 2015-16 to ₹46,894.24 lakhs in 2016-17. In the current year, Software Services and Software Products contributed 96.87% and 2.78% respectively to the revenues. The net profits decreased from ₹20,629.25 lakhs in 2015-16 to ₹7,368.60 lakhs during the year, a decrease of 64.28%. This has translated to a Basic Earnings Per Share of ₹41.92 in 2016-17 vs. ₹107.14 in 2015-16.

There was no change in the nature of business of the Company and its subsidiaries.

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

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

### 3. DIVIDEND:

Your Directors are pleased to recommend a final dividend of ₹4.50 per equity share of ₹10 each for the year under review. During the year, your Company paid an interim dividend of ₹2.50 per equity share in October 2016. This aggregates to a total dividend of ₹7 per equity share.

A note on transfer of shares and unclaimed dividends to Investor Education and Protection Fund has been stated in the Shareholders Information, forming part of this Annual Report.

### 4. BUY-BACK OF SHARES

In terms of decision of the Board of Directors (Board) dated October 27, 2016 and in accordance with the provisions of Companies Act, 2013 (Act), SEBI (Buy-back of Securities) Regulations, 1998 and pursuant to approval of the shareholders through Postal Ballot dated December 23, 2016, the Company through its Letter of Offer dated January 24, 2017 had offered to buy-back 28,69,098 fully paid up equity shares of ₹10 each at a price of ₹410 per share, for an aggregate amount of up to ₹11,763.30 lakhs from the existing shareholders of the Company under Tender Offer mechanism. The offer size represented 24.49% and 25% of the aggregate paid up capital and free reserves (including securities premium account) as per the audited standalone and consolidated financial statements of the Company as on March 31, 2016 respectively. The offer was kept open from February 3, 2017 to February 16, 2017.

Your Company bought back 6,09,699 equity shares at ₹410 per equity share and extinguished the same by March 7, 2017.

### 5. SCHEME OF AMALGAMATION

The Board at its meeting held on September 14, 2015 decided to amalgamate Sasken Network Engineering Limited (SNEL), the wholly owned subsidiary with your Company. The appointed date for the proposed scheme was April 1, 2015. After getting appropriate approvals, SNEL filed a petition in the Hon'ble High Court of Karnataka on April 30, 2016. After several hearings and filing of reports by the concerned authorities, the matter was posted for hearing on December 9, 2016. The Ministry of Corporate Affairs vide notification dated December 7, 2016 transferred all pending proceedings before the High Court to National Company Law Tribunal (NCLT) effective December 15, 2016.

In the interim, your Directors recommended another round of buy-back of shares in their meeting held on October 27, 2016. As per Regulation 19(2) of SEBI (Buy-back of Securities) Regulations, 1998, "no public announcement of Buy-back shall be made during the pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act". On November 23, 2016, your Company completed dispatching postal ballot notice to its shareholders seeking approval for buy-back of shares through Tender Offer Mechanism.

As there was a possibility for further adjournment of matter and left with no choice, SNEL filed a Memo through its Counsels in the Hon'ble High Court for withdrawing the petition with a liberty to revive the Scheme at the same stage at which it was withdrawn, within twelve (12) months from this date or three (3) months of closure of the buy-back proposed by the Company, whichever is earlier. The Hon'ble High Court at its hearing on December 9, 2016, permitted SNEL to withdraw the petition with a liberty to file it afresh at an appropriate stage, if so necessary and so advised.

Your Company completed buy-back of shares on March 7, 2017 and thereafter, SNEL filed an application in the Hon'ble High Court of Karnataka for recalling its Order dated December 9, 2016 and transferring the proceedings to NCLT, Bengaluru Bench. This matter is under consideration of the Hon'ble High Court.

### 6. BUSINESS OUTLOOK, ECONOMIC & REGULATORY SCENARIO AND OPPORTUNITIES

The markets in which your Company operates continues to be in a rapid state of evolution due to advancement in technologies that drive and shape Computing, Connectivity, Security, Social Media, Mobility, Analytics and the Cloud among others.

Competition remains intense and a wave of 'Creative Destruction', where legacy is challenged by new entrants, as envisioned by renowned economist Joseph Schumpeter, seems to be the only constant. Digital technologies have resulted in creating market discontinuities and have impacted sectors ranging from Automotive, Industrial Automation, Semiconductors, Communication & Consumer, Manufacturing, Financial Services and other sectors. A wave of consolidation will continue as newer entrants, especially unicorns (highly-valued start-ups) fuelled by an entrepreneurial spirit, backed by high investments in R&D and access to capital turn into predators. Value is clearly shifting to enterprises that have the ability to surf the digital tide and leverage business analytics, augmented/virtual reality, security and the Internet of Things (IoT).

The consensus view of a leading strategy consultants and conversations with our marquee customers confirm that there is significant headroom for growth in the key verticals we operate in viz. Automotive, Communications and Consumer (Retail), Semiconductors, Industrial Automation.

Our two-pronged thrust includes Product Engineering Services and Digital Transformation Services. Our service portfolios focuses on enabling our customers efficiently and effectively manage any part of or the entire portion of the product development life cycle. Our customers highly value our three-decade experience, engineering competence, penchant to solve complex problems and the ease with which they are able to engage us.

In the Digital Transformation space, we capitalize on our expertise in connectivity & computing and combine it with cognitive elements such as data-driven and contextual decision-making.

We have a blueprint which we internally call our 5x5 vision that provides us an actionable roadmap to align our capability with that of our customer and market needs. Our organization is structured along key verticals (Business Lines - BLs), and each one of them is led by a person with deep insights on the trends and implications for the industry vertical. The BLs are supported by a robust technology practice that creates compelling solutions in response to the needs of a vertical. Our global delivery organization has expertise in executing programs across multiple geographies combining the capabilities in both hardware and software.

Thus, we believe that as a Company we are well positioned to profit from these winds of change. Our ability to offer the entire stack of services from 'Chip to Cognitive' is highly differentiated.

NASSCOM, India's reputed trade body, estimates that Global ER&D (we are interchangeably using Engineering Research & Development - ER&D with Product Engineering Services - PES) spend continues to grow albeit at modest levels. Hyper competition is driving the growth of distributed development thereby providing an impetus to increase global outsourcing. Outsourcing helps enterprises bridge capacity and capability gaps. NASSCOM estimates that the 'global sourcing of ER&D experienced double-digit growth of 11% over 2015 to reach USD 80 billion'. India enjoys a head start of being a globally preferred destination for providing PES, which accounts for about a third of outsourced spends.

Fuelling this growth is an increase in the use of embedded systems, the evolution of underlying hardware & software platforms and the application ecosystem. Your Company is well poised to service the needs of global leaders across several verticals who are leading the charge to unlock the world of opportunity caused by digital disruption.

From inception, we have built ourselves as an organization that has silicon expertise at its very core. Semiconductor companies today deliver sophisticated platforms that enable rapid product development to enhance their competitive advantage. The increasing complexity in peripheral and enabling technologies has driven them to take a collaborative approach to platform development. Our range of silicon offerings includes IC Design, Hardware, Platform, Silicon Verification and Validation. These services enable our customers focus on their core while we provide services such as integration of our and/or third-party solutions, perform extensive testing of the final product to ensure a zero-defect launch.

## Board's Report (Contd.)

In the current year we have worked on several engagements including next-generation automotive chipsets that comply with exacting automotive standards for reliability. In other engagements, we have supported semiconductor vendors deliver low power design targeting - wearables, IoT devices, or edge devices such as smart home gateways. We have supported various chipset vendors in porting operating systems (Linux, Android, Windows) on their new chipsets and have extended the Life Cycle of end-of-life chipsets.

In the Communication & Consumer space, we have proven our leadership in the Android ecosystem for the last several years. Your Company has enabled several Smartphone Original Equipment Manufacturers (OEMs) as well as Rugged Industrial Device OEMs launch new devices as well as upgrade their existing devices to "Marshmallow" and "Nougat" releases of Android. Our services enable Rugged Device OEMs support critical applications such as enterprise asset management, among others. This requires integration of multiple technologies that help automate and streamline logistic processes. In addition, our automation framework provides critical testing services to global leaders in the rugged devices space.

The connected auto, safety and autonomous driving themes continue to dominate the automotive industry. While rapid strides have been made in the area of connected in-vehicle services and telematics, there is still a long distance to go before autonomous driving becomes a reality. Consumers continue to seek a better and safer driving experience and are fuelling a demand for systems that provide intuitive feedback, real-time information access and less distractive infotainment delivery. Today automakers look beyond simplistic audio-video systems and focus on providing a centralized infotainment system that enhances 'the driving experience'. OEMs provide a personalized experience that enables drivers seamlessly connect with both personal & professional spaces and be safer than ever before.

We continue to deliver automotive solutions which enable faster time to market for Tier 1 OEMs, most of whom are our customers. Some of our offerings include Platform Development, In-Vehicle Infotainment systems, enhancement of multimedia and connectivity options to support content playback, telematics, Advanced Driver Assistance System, etc.

In the industrial automation space, we are strengthening our existing engagements. We have helped our customer enhance the communication efficiency of a robotic assembly system. We believe this is a growth market and will emerge as a key vertical for us in the near to medium term.

For a more detailed discussion of our areas of business, please refer to the Technology and Markets section.

### 7. SHARE CAPITAL

During the year, your Company bought back 6,09,699 equity shares under Tender Offer Mechanism. Consequently, the issued, subscribed and paid-up capital of the Company decreased from 1,77,19,813 equity shares of ₹10 each as at April 1, 2016 to 1,71,10,114 equity shares of ₹10 each as at March 31, 2017.

#### 7.1. Sasken Employees' Share Based Incentive Plan 2016

Your Company continues the philosophy of encouraging senior leaders in the Company to be partners in the growth of your organization.

During the year, your Company formulated a new Plan/Scheme viz. Sasken Employees' Share Based Incentive Plan 2016 (Incentive Plan 2016) under the SEBI (Share Based Employee Benefits) Regulations, 2014, enabling your Company to grant up to a maximum of 8,85,900 options/Stock Appreciation Rights/Restricted Stock Units/other Stock Based Instruments, as may be formulated by SEBI from time to time, in any combination and in accordance with the applicable provisions of law.

Your Company will seek in-principle approval of the Stock Exchanges for the Incentive Plan 2016 at an appropriate time. Therefore, we have not made any disclosure at this stage under SEBI (Share Based Employee Benefits) Regulations, 2014 and the same will be made as and when the Incentive Plan 2016 is implemented.

### 8. DEPOSITS

Your Company has neither accepted nor renewed any deposit during the year. As such, no amount of principal and/or interest is outstanding as on the Balance Sheet date.

### 9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

### 10. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

### 11. RISK MANAGEMENT POLICY, INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are also discussed at the meetings of the Audit Committee and the Board of your Company.

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested by Statutory as well as Internal Auditors. Significant audit observations and actions taken thereon are reported to the Audit Committee.

The key business risks identified by your Company and mitigation plans are detailed in the Management's Discussion and Analysis Report.

## Board's Report (Contd.)

### 12. CORPORATE SOCIAL RESPONSIBILITY

Your Company has in place a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Act. The details of the CSR Policy and the Annual Report on CSR activities as prescribed under the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed herewith as "Annexure B".

From the beginning, your Company has always believed in being a conscientious and caring organization that aims to serving the communities it is part of. Built on this belief system, your Company has leveraged its expertise in technology for the betterment of the underprivileged sections of society.

Your Company has supported Self Employed Women's Association (SEWA), a renowned organization dedicated to serving underprivileged women and enabling them to earn a livelihood. Our young team of engineers have tirelessly worked to create 'm-Bachat' (Sasken digital Transaction Enablement Platform) in Anand and Kheda district of Gujarat, which enables the SEWA workforce to automate and digitize the micro banking transactions of SEWA Bank. This goes a long way in enhancing the trustworthiness and convenience of banking services provided to the underserved. This solution leverages your Company's strength in the mobility and computing domains and has been developed to run on Android devices. The application supports an intuitive bilingual user interface that can readily be used by semi-literate women. This solution has positively impacted the livelihood of the poorest of the poor in both urban and remote locations.

Anand and Kheda districts have successfully gone live with the m-Bachat solution since April 2016. Six other districts namely Aravalli, Chhota Udepur, Kutch, Mehsana, Patan and Surendranagar have progressively gone live between July - October 2016.

Your Company is currently involved in building new features to enhance the m-Bachat system.

Since February 2017, your Company has also been involved in developing a pilot solution for SEWA's membership management. The MMS pilot solution has gone live in a short span of time much to the delight of SEWA since March 6, 2017. It is currently in use to manage the membership renewal of 12,062 SEWA members across the districts of Anand, Mehsana and Sabarkantha in Gujarat.

In Belagavadi, a rural village about 80 kms from Bengaluru, life has changed for villagers after your Company had successfully electrified about 220 households. A village that was affected by frequent load-shedding, which on an average is about 6 hours a day, is now having a huge sigh of relief. Your Company, in association with IIT Madras, Bengaluru Electricity Supply Company Limited (BESCOM) and Rural Electrification Corporation (REC), has electrified households in Belagavadi, with the Solar DC Inverterless technology. All the installations were completed by February 15, 2017.

Your Company has on January 3, 2017 constituted a Trust under the name and style "Sasken Foundation" for exclusively undertaking CSR activities of your Company.

### 13. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism / whistle blower policy for Directors and employees to report their genuine concerns, which is reviewed and updated from time to time. The said policy is available on the Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)).

### 14. DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Dr. Ashok Jhunjhunwala, an Independent Director, resigned from the Board of your Company on January 30, 2017 and Mr. Krishna J. Jhaveri ceased to be a Whole Time Director effective March 15, 2017. Your Company places on record its appreciation for the valuable services and guidance rendered by them during their tenure.

In accordance with the provisions of the Act and in terms of the Articles of Association of the Company, Mr. Jyotindra B. Mody and Dr. G. Venkatesh retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offer themselves for re-appointment.

#### 14.1. Board Evaluation

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually and the Board Committees.

The Nomination & Remuneration Committee has laid down the evaluation framework for assessing the performance of Directors comprising the following key areas:

- a) Attendance in meetings of the Board and its Committees.
- b) Quality of contribution to Board deliberations.
- c) Strategic perspectives or inputs regarding future growth of Company and its performance.
- d) Providing perspectives and feedback going beyond information provided by the management.
- e) Commitment to shareholder and other stakeholder interests.

#### 14.2. Board independence

Definition of 'Independent Director' is referred in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, the following Directors are Independent:

- a) Mr. Bansi S. Mehta
- b) Mr. Bharat V. Patel
- c) Prof. J. Ramachandran
- d) Mr. Sanjay M. Shah
- e) Mr. Sunirmal Talukdar

## Board's Report (Contd.)

### 14.3. Nomination & Remuneration Policy

Your Company has a Nomination & Remuneration policy for selection and appointment of Directors, Senior Management and fixing their remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters as provided under Section 178(4) of the Act. The said policy and composition of the Nomination and Remuneration Committee have been stated in the Corporate Governance Report.

### 14.4. Meetings of the Board and its Committees

The details of (a) the meetings of the Board and its Committees held during the year; and (b) composition and terms of reference of the Committees are detailed in the Corporate Governance Report.

### 14.5. Code of conduct

The Board has approved a Code of Business Conduct (Code) which is applicable to the Members of the Board and employees. The Code has been posted on the Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)). The Code lays down the standard of conduct which is expected to be followed by the Directors and designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

## 15. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Act that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended March 31, 2017;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) proper internal financial controls to be followed by the Company were in place and that such internal financial controls were adequate and were operating effectively with no material defects; and
- f) systems to ensure compliance with the provisions of all applicable laws were in place, adequate and operating effectively.

## 16. SUBSIDIARY COMPANIES & JOINT VENTURES

Your Company has one wholly owned subsidiary in India and four wholly owned subsidiaries overseas. During the financial year ended March 31, 2017, your Company had disinvested its holding in the joint venture company viz. ConnectM Technology Solutions Private Limited.

There has been no change in the nature of business of subsidiaries, during the year under review. In accordance with Section 129(3) of the Act, your Company has prepared a consolidated financial statement of your Company and all its subsidiary companies, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary companies is also included in the Annual Report.

In accordance with third proviso of Section 136(1) of the Act, the Annual Report of the Company, containing therein its standalone and consolidated financial statements have been placed on the Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)). Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have been placed on the Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)). Members interested in obtaining a copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's registered office address.

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board.

Your Company does not have any material unlisted Indian subsidiary companies. The policy for determining 'material subsidiaries' has been disclosed on Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)).

Sasken Network Engineering Limited has filed an application with the Hon'ble High Court of Karnataka for amalgamating itself with your Company (the holding company).

## 17. AUDITORS

### 17.1. Statutory Auditors and Statutory Auditors' Report

Your Company's Auditors, M/s. S. R. Batliboi & Associates, LLP, Chartered Accountants (ICAI Firm Registration No.101049 W / E-300004) were appointed at the last AGM to hold office until the conclusion of the forthcoming AGM. However, vide their letter dated April 19, 2017 they have expressed their inability to continue as Statutory Auditors of your Company up to the conclusion of the forthcoming AGM. The Board thus appointed M/s. B S R & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 116231 W/W-100024) as Statutory Auditors of your Company in the casual vacancy caused by the said resignation effective April 19, 2017 till the conclusion of the forthcoming AGM and have sought approval of members to appoint them for the aforesaid period.

## Board's Report (Contd.)

Pursuant to the provisions of Section 139 of the Act and Rules framed thereunder, as amended, it is mandatory to rotate the Statutory Auditors on completion of maximum term as provided therein. The Board on April 19, 2017, has recommended appointment of M/s. B S R & Associates LLP, Chartered Accountants as Statutory Auditors of the Company and to hold office for a period of up to 5 consecutive years from the conclusion of the 29<sup>th</sup> AGM till the conclusion of the 34<sup>th</sup> AGM, subject to ratification of their appointment by the shareholders at every AGM.

Your Company has obtained consent of M/s. B S R & Associates LLP and a certificate in accordance with Section 139, 141 and other applicable provisions of the Act to the effect that their appointment, if made, shall be in accordance with the conditions prescribed and that they are eligible to hold office as Statutory Auditors of the Company, subject to approval of the members in the forthcoming AGM.

Necessary resolution has been provided in the AGM notice seeking approval of members.

There are no qualifications, reservations or adverse remarks made by M/s. S. R. Batliboi & Associates, LLP, Statutory Auditors, in their Report.

### 17.2. Secretarial Auditor and Secretarial Auditor Report

Pursuant to the provisions of Section 204 of the Act and Rules framed thereunder, as amended, your Company appointed Mr. Ranganatha Rao Vittal, Practicing Company Secretary to undertake Secretarial Audit of the Company. The Practicing Company Secretary has submitted his Report on the Secretarial Audit conducted by him which is annexed herewith as "Annexure C".

There are no qualifications, reservations or adverse remarks in his Report.

## 18. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Your Company is committed towards maintaining high standards of Governance. The Report on Corporate Governance as stipulated under Schedule V of the Listing Regulations, shareholders information together with a Corporate Governance Compliance Certificate from Mr. Ranganatha Rao Vittal, Practicing Company Secretary confirming compliance, forms an integral part of this Report which is annexed herewith as "Annexure D".

## 19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Schedule V of the Listing Regulations, is given separately forming part of this Annual Report.

## 20. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. None of the Directors has any pecuniary relationships or transactions with the Company.

Your Company has in place a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions. This policy has been approved by the Board and is available on the Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)).

Since there have been no materially significant contracts/arrangements/transactions with related parties, disclosure under Form No. AOC-2 is not applicable.

## 21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are certain on-going litigations/disputes in the normal course of business. However, there are no significant and/or material orders passed by the Regulators/Courts having a material impact on the operations of the Company during the year under review.

## 22. PATENTS

Your Company has always encouraged its employees to generate intellectual property in terms of patents to derive benefit from innovation.

Your Company has filed for a patent on a method for human detection in this year at Indian patent office and will be filing it at US patent office shortly.

During the year, your Company has obtained the following new patents:

1. Indian Patent No. 274332: Method and system for automatic gain control of a speech signal.
2. Patent No. US 20130259229 A1: User managed number privacy and call accessibility.
3. Indian Patent No. 277841: System and method for echo cancellation.

A total of 56 patents have been granted to your Company till now.

## 23. QUALITY CERTIFICATIONS

### ISO 14001:2004

Your Company is certified for ISO 14001:2004 [Environment Management System Standard]. Your Company is committed to contribute towards environment management, being a responsible corporate member of the communities in which it operates. This reaffirms your Company as a responsible corporate citizen.

### ISO / IEC 27001:2013

Your Company is certified for ISO / IEC 27001:2013 [Information Security Management System Standard]. This is important for assuring our stakeholders (like Customers, Partners, Vendors, Investors and Employees) of our commitment in protecting their information assets and Intellectual Properties (IPs), as well as sensitizing all employees about importance of confidentiality, integrity and availability of information assets of our stakeholders.

## Board's Report (Contd.) & Annexure to Board's Report

### ISO 9001:2008

Your Company is certified for ISO 9001:2008 Quality Management System (QMS) requirements. It helps us to deliver quality deliverables to our customers with schedule and cost predictability through established organization systems and processes.

### CMMI - Dev - V1.3 - ML3

On delivery excellence, your Company leverages industry best practices and standards to establish and continuously improve delivery systems and processes. Your Company has established a delivery platform called Sasken Delivery Platform (SDP). SDP is an integrated project management platform for project managers, team members and other stakeholders. Your Company's QMS has been formally assessed at Maturity Level 3 of the CMMI-Dev-V1.3. Our processes are also compliant to requirements of technology vertical specific standards like TL9000 R5.5/5.0.

## 24. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) issued by the Institute of Chartered Accountants of India forms part of this Annual Report.

## 25. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "Annexure E".

## 26. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure F1".

A statement containing names of employees employed throughout the financial year and in receipt of remuneration of ₹102 lakhs or more, or if employed for part of the year and in receipt of ₹8.50 lakhs or more per month, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure F2".

## 27. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. Your Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors

Bengaluru  
April 19, 2017

Rajiv C. Mody  
Chairman & Managing Director

## Annexure A

### Conservation of energy, technology absorption and foreign exchange earnings and outgo

#### A) Conservation of Energy - Environmental Management System (EMS)

##### We strive to continue saving energy for the next generations

Your Company with its focus on concentrating towards managing the environmental system, has made this its DNA by being environmentally responsible in its workplace. Our employees being important stakeholders have been acting as major 'Change Agents' in supporting initiatives such as:

- 100% compliance to all applicable legislations
- Creating awareness on the consumption of environment's resources through various campaigns
- Recycling and re-using resources in business operations
- Promoting environment friendly products
- Using water recycling plant
- Continuously monitored metrics on power and water consumption
- Regular energy audits to find gaps if any and take improvements steps

Electricity consumption of your Company in FY 2017 was pegged at 1.4 Kwh per square feet. Constant awareness and proactive approach has been initiated towards energy usage.

Further to the 'Save Paper' initiative which runs in the organization, your Company took an initiative to reduce the number of output devices and in turn the paper consumption reduced by half than what was consumed in FY 2016.

Your Company continues to use initiatives like:

- Online energy monitoring
- Alerts
- Periodic Reports
- Graphs
- Energy Data Profiling



## Annexure to Board's Report (Contd.)

This real-time monitoring and control devices ensure that with proper monitoring of overall energy consumed by chiller plants, we can fine tune the chillers/AHU. This process also aids in eliminating errors which may occur during manual recording.

Your Company's commitment to continuous improvement on environmental performance is integrated into its programs. This is driven by individual commitment of team members and strong support from management.

Your Company's philosophy is 'Every drop counts, every tree is precious and every watt is valuable. We continue to pledge to take the initiative and make a difference.'

### B) Research & Development and Technology Absorption

Research and Development in your Company are closely aligned to the 5 business lines: Semiconductors, Communications, Devices and Emerging Markets, Automotive, Industrials and Retail.

In this financial year, your Company has many offerings to enhance capability in the areas of 5G, IoT, Home Gateway, wearables, computer vision, ADAS (Advanced Driver Assistance Systems) and data analytics with deep learning. In the 5G wireless activity, your Company has created a test bench capable of demonstrating Cat-M1 physical layer and MIMO management solutions. In the computer vision area, your Company has developed a vision sensor framework which has the ability to detect humans, human faces, unwanted objects, fire and many other useful features for shop analytics. Your Company also developed an ADAS solution useful for analysing driver behaviour and also to authenticate the driver based on images. In FY 2017-18, your Company plans to demonstrate a wireless sensor network with vision sensors. As part of the 5G wireless activity, a Cat-M1 solution will be aided with a MIMO management solution for transmission mode switching. In the autonomous vehicles segment, your Company has created a connected car gateway with MinnowBoard MAX Board based on Intel Atom chipset. It can be used for vehicle tracking and status monitoring and remote control using mobile collecting vehicle performance parameters and uploading to cloud for performing analytics.

A multi-framework home gateway solution developed by your Company based on Intel Edison board features with support for IoTivity and Alljoyn is suitable for smart home automation, remote monitoring and energy management.

Your Company has also developed a tablet based clienteling solution for brick-and-mortar retailers. The tablet based clienteling solution targeted for brick-and-mortar retailers to provide personalized recommendations to shoppers.

In FY 2017-18, your Company has initiated activity in the area of data analytics and machine learning. Capability building in Data Analytics and machine learning will help the Company transition from chips to cognition area. Current activity involves development of techniques for sensor data analysis, clustering for insight generation and machine learning applications. Such techniques are used in developing a game analytics solution for Golf, Badminton and Cricket. Clustering and machine learning techniques for game analytics can give more meaningful feedback for players regarding their playing style and deviation from some of the best players with that playing style.

In addition, Sasken is creating offerings for big data discovery solutions, advanced analytics, machine data analytics, predictive and context based maintenance, real-time data ingestion and integration and recommender systems leveraging device data.

### C) Foreign Exchange Earnings and Outgo

	Amount in ₹ lakhs	
	As at March 31, 2017	As at March 31, 2016
Foreign exchange earnings	30,194.38	60,607.06
Foreign exchange expenditure	11,631.05	13,722.54

Annexure B

### Annual Report on Corporate Social Responsibility (CSR) activities

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

Kindly refer the Company's website: [http://www.sasken.com/investors/corporate-governance/CSR Policy](http://www.sasken.com/investors/corporate-governance/CSR%20Policy).

2. The Composition of the CSR Committee:

- Mr. Rajiv C. Mody, Chairman
- Mr. Sanjay M. Shah, Member
- Ms. Neeta S. Revankar, Member

3. Average net profit of the company for last three financial years:

₹21,469.33 lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

₹429.39 lakhs

5. Details of CSR spent during the financial year:

- a. Total amount to be spent for the financial year - ₹429.39 lakhs
- b. Total amount spent during the financial year - ₹430.87 lakhs
- c. Amount unspent, if any - Nil

## Annexure to Board's Report (Contd.)

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

Amount in ₹ lakhs

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs 1. Local area or other 2. Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise for the year	Amount spent on the projects or Programs or Program Subheads: 1. Direct expenditure on projects or programs 2. Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency*
1	Self Employed Women's Association (SEWA)	Women Empowerment	1. Other 2. State : Gujarat District: Anand and others	120.00	95.87	259.89	Directly
2	Inverterless Solar DC system for about 220 households	Rural Development	1. Local Area: Belagavadi 2. State : Karnataka District : Ramanagara	55.00	55.00	55.00	Through IIT Madras, BESCOM & Rural Electrification Corporation (REC)
3	Promotion of Employment to Disabled People	Promotion of Employment to Disabled People	National Centre for Promotion of Employment for Disabled People, New Delhi	5.00	5.00	10.00	Through National Centre for Promotion of Employment for Disabled People
4	Providing Solar Pumps to salt workers in Gujarat	Rural Development	1. Other 2. State : Gujarat	100.00	-	-	-
5	Sasken Foundation		Sasken Foundation	275.00	275.00	275.00	-
	TOTAL			555.00	430.87	599.89	

Details of implementing agency: Your Company has on January 3, 2017 formed a Trust under the name and style "Sasken Foundation" for exclusively undertaking CSR activities of your Company. A sum of ₹275 lakhs has been contributed for the said purpose.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's Report:

Not Applicable

7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the CSR Committee

Bengaluru  
April 19, 2017

Rajiv C. Mody  
Chairman

### Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

[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,

**Sasken Technologies Limited,**

(Formerly known as Sasken Communication Technologies Limited)

Bengaluru.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) viz:-
  - (a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - (c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009\*;
  - (d) SEBI (Share Based Employee Benefits) Regulations, 2014;
  - (e) SEBI (Issue and Listing of Debt Securities) Regulations, 2008\*;
  - (f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealings with client;
  - (g) SEBI (Delisting of Equity Shares) Regulations, 2009\*;
  - (h) SEBI (Buy-back of Securities) Regulations, 1998.
- (vi) Other Laws as applicable to IT Services Company viz:-
  - (a) EXIM Policy of India;
  - (b) Policies relating to (i) Software Technology Parks of India and (ii) The Special Economic Zone;
  - (c) Information Technology Act, 2000;
  - (d) The Indian Copyright Act, 1957, The Trade Marks Act, 1999, The Patents Act, 1970;
  - (e) Environment (Protection) Act, 1986; Water (Prevention & Control of Pollution) Act, 1974; Air (Prevention & Control of Pollution) Act 1981; e-Waste (Management and Handling) Rules, 2010.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

My opinion is based on audit evidence, explanations and information given to me during the audit and the Management Representation Letter in support of compliances in respect of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### I further report that

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

## Annexure to Board's Report (Contd.)

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

Majority decision is carried through and recorded as part of the minutes.

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

**I further report that** during the audit period the Company has:

- (i) Bought back 6,09,699 Equity Shares of ₹10/- each, (comprising 3.44% of the paid up capital) at a price of ₹410/- per share through Tender Offer Route.
- (ii) Created new Sasken Employees' Share Based Incentive Plan 2016 under the new SEBI (Share Based Employee Benefits) Regulations, 2014.
- (iii) Extended the benefits of Sasken Employees' Share Based Incentive Plan 2016 to the Eligible Employees of the Company's Subsidiary Companies.
- (iv) In order to ensure that the name of the Company appropriately represents the nature of its business, the former name Sasken Communication Technologies Limited was changed to Sasken Technologies Limited.

The above decisions were taken by Postal Ballot process on 23<sup>rd</sup> December, 2016.

- (v) The Company is in the process of amalgamating with itself its wholly-owned subsidiary company Sasken Network Engineering Limited. Pursuant to the notification of Ministry of Corporate Affairs dated 7<sup>th</sup> December, 2016, the process for amalgamation that was commenced in the Hon'ble High Court of Karnataka prior to the above notification is currently under consideration of the said Court for revival and transferring the proceedings to the National Company Law Tribunal, Bengaluru Bench.

Place: Bengaluru  
Date: 19<sup>th</sup> April, 2017

**Ranganatha Rao Vittal**  
**Practicing Company Secretary**  
**ACS No.: 1707, C P No.:16980**

Note:

\*There were no actions necessitating compliance under these Regulations.

\*\*To be read with my letter annexed hereto which forms part of this report.

### Annexure\*\*

To,

The Members,  
**Sasken Technologies Limited,**  
Bengaluru.

My report of even date is to be read along with this letter.

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

Place: Bengaluru  
Date: 19<sup>th</sup> April, 2017

**Ranganatha Rao Vittal**  
**Practicing Company Secretary**  
**ACS No.: 1707, C P No.:16980**

## REPORT ON CORPORATE GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Your Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders.

The corporate governance philosophy is put into practice through robust board governance processes, internal control systems and stringent audit mechanisms. These are articulated through Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, Policy on Related Party Transactions, Policy on Material Subsidiaries, CSR Policy, Whistle Blower Policy, familiarization program imparted to Independent Directors, etc. adopted by the Company in line with governance requirements. The same is available on the Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)).

Corporate Governance structure of your Company is based on an effective and independent Board of Directors (Board), separation of Board's supervisory role from that of executive management and constitution of mandatory and non-mandatory Board Committees for enhanced oversight on operational and financial matters. The Board believes in upholding the highest standards of governance and accountability.

Your Company's work environment is based on its core values - "IRISE" which stands for Integrity, Respect for individual, Innovation, Customer centricity and Excellence. These values form an integral part of the management system and results in enhancing the trust of internal and external stakeholders.

Your Company is in compliance with the Corporate Governance requirements specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as of March 31, 2017 and presents the following Report.

**Board of Directors (Board)**

The fundamental role of the members of the Board is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. They also oversee the operations of the management for a competent, ethical and sustainable operation of the Company. The Board ensures that the governance framework is created and followed diligently by them and executive management. Any changes to these are made after due approval of the Board.

The Board is composed of individuals whose knowledge, background, experience and judgment are valuable to the Company, with the ability to provide advice to management. Members of the Board have access to management, Company's employees including the records and documents of the Company, thus helping the Board in advising, counselling and making decisions in order to monitor and manage potential conflicts of interests of Management, Board Members, shareholders, Government, etc.

As on March 31, 2017, the Board of your Company comprised ten directors out of which eight are Non-Executive Directors (including five Independent Directors) and two are Executive Directors.

The Chairman of the Board is responsible for fostering and promoting integrity of the Board while nurturing a culture where the Board works harmoniously for achieving long-term benefit to the Company and all its stakeholders.

The Chairman, Executive Director and senior management personnel are accountable for achieving targets as well as transparent scrutiny of means and ends. They make periodic presentations to the Board on their responsibilities, performance, action taken during each quarter as well as representations required under the Company's Code of Conduct.

No Director of the Company is a member in more than 10 committees or acts as a Chairperson of more than 5 committees across all listed companies, in which he/she is a director. The names and categories of Directors on the Board, their other directorships and shareholding in the Company are given below:

Name of the Director	DIN	Category	Shareholding as of March 31, 2017	No. of Directorship held*		Committees <sup>~</sup>	
				Public	Private	Chairman	Member
Mr. Rajiv C. Mody**	00092037	Executive	15,56,570	4	-	-	-
Dr. Ashok Jhunjhunwala***	00417944	Independent	29,900	6	-	1	3
Mr. Bansi S. Mehta	00035019	Independent	5,929	8	1	3	6
Mr. Bharat V. Patel	00060998	Independent	2,994	3	-	2	2
Mr. Jyotindra B. Mody**	00034851	Non-Executive	7,36,612	3	-	-	1
Prof. J. Ramachandran	00004593	Independent	-	5	2	3	2
Mr. Pranabh D. Mody**	00035505	Non-Executive	3,18,506	3	-	-	-
Mr. Sanjay M. Shah	00375679	Independent	10,901	-	3	-	-
Mr. Sunirmal Talukdar	00920608	Independent	-	4	3	2	2
Dr. G. Venkatesh	00092085	Non-Executive	2,33,628	2	3	-	-
Mr. Krishna J. Jhaveri**	00102729	Executive	-	-	-	-	-
Ms. Neeta S. Revankar	00145580	Executive	1,30,242	2	-	-	-

\* Does not include directorships in Sasken Technologies Limited, foreign bodies corporate and companies incorporated under Section 8 of the Companies Act, 2013/Section 25 of the Companies Act, 1956.

\*\* Promoter

\*\*\* Resigned as an Independent Director on January 30, 2017 and the information is as of that date.

# Ceased to be a Whole Time Director effective March 15, 2017 and the information is as of that date.

~ Denotes membership in Audit and Stakeholders Relationship Committee of public limited companies other than Sasken Technologies Limited.

## Annexure to Board's Report (Contd.)

There is no inter - se relationship between the Directors.

The Board meets at least once in every quarter and/or whenever necessary for an update and to review the business performance and financial results. The Board/its Committees review the Company's annual financial plan. On an ongoing basis, the Board monitors the performance of the Company as against its annual financial plan as well as resource allocation decisions made during the period. The Board also evaluates the Company's strategy and assesses progress against agreed milestones.

The Company Secretary in consultation with the Chairman and CFO drafts agenda for each meeting, along with notes and distribute these in advance to all Directors. Any Board member can suggest additional items for inclusion in the agenda.

During the year 2016-17, the Board met on four occasions, i.e. on April 22, 2016, July 20, 2016, October 27, 2016 and January 18, 2017. The maximum gap between two meetings was not more than one hundred and twenty days. Quorum was present at all meetings. To ensure timely resolution of issues, decisions were also taken through circulation.

Apart from the above, the Independent Directors had a separate meeting as required under Schedule IV of the Companies Act, 2013 (Act) on January 18, 2017.

Details of (a) Directors attendance in Board meeting; and (b) sitting fees paid to them for attending Board and Committee meetings are as follows:

Directors	No. of Board meetings during 2016-17		Whether attended last AGM held on July 20, 2016	Sitting fee (Amount ₹ in lakhs)*
	Held	Attended		
Mr. Rajiv C. Mody	4	4	Yes	-
Dr. Ashok Jhunjhunwala	4	4	Yes	2.60
Mr. Bansi S. Mehta	4	3	No	1.80
Mr. Bharat V. Patel	4	4	Yes	1.40
Mr. Jyotindra B. Mody	4	1	No	0.20
Prof. J. Ramachandran	4	4	Yes	3.00
Mr. Pranabh D. Mody	4	4	No	2.80
Mr. Sanjay M. Shah	4	4	Yes	2.20
Mr. Sunirmal Talukdar	4	3	Yes	2.40
Dr. G. Venkatesh	4	4	Yes	1.20
Mr. Krishna J. Jhaveri	4	4	Yes	-
Ms. Neeta S. Revankar	4	4	Yes	-

\* Sitting fee paid for attending Board and Committee meetings.

### Tenure

Except Mr. Rajiv C. Mody and Independent Directors, all other Directors of your Company are liable to retire by rotation. One - third of the said Directors are liable to retire every year and if eligible, offer themselves for re - appointment. The Board has power to determine the tenure of all Executive Directors.

### Profile

The profile of Directors who are being appointed /re - appointed at the Annual General Meeting (AGM) is given in annexure forming part of the Notice convening the said meeting. Profile of Directors are available on the Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)).

### Remuneration

Nomination and Remuneration Committee determines the compensation payable to Executive Directors, within the overall limits approved by the Members and in accordance with provisions of the Act. The elements of remuneration package of Executive, Independent / Non-Executive Directors are provided hereunder:

(i) Elements of remuneration package of Executive Directors:

The remuneration of the Executive Directors is divided into two parts viz. Fixed Pay and Variable Performance Pay (VPP). Fixed pay is determined by the Nomination and Remuneration Committee within the limits approved by the Members. VPP is based upon percentage of net profits of the Group as determined by the Committee. The Committee reviews performance of the Executive Directors on the basis of achieving set targets.

Contribution towards provident and superannuation funds is as per the Company's policy and forms part of the fixed pay. Among Executive Directors, Ms. Neeta S. Revankar is eligible for stock options and Mr. Rajiv C. Mody being a Promoter Director is not eligible for stock options.

(ii) Elements of remuneration package to Independent / Non - Executive Directors:

The Members at the AGM held on September 22, 2014 have approved payment of commission on net profits to the Non - Executive Directors at the rate not exceeding 1% of the net profits of the Company in any financial year as computed under the applicable provisions of the Act and such commission be allocated amongst them in such manner as may be decided by the Board within the limits specified therein.

## Annexure to Board's Report (Contd.)

The Board took into consideration the attendance and contribution made by Non - Executive and Independent Directors at the Board and certain Committee Meetings, time spent by them other than at the Board / Committee meetings while arriving at the commission payable to them for the year ended March 31, 2017. Independent Directors are not eligible for stock options and no Stock Option was granted to Non - Executive Directors during the year. The following table shows the remuneration paid/payable to Directors for the year 2016 -17:

(Amount ₹ in lakhs)

Directors	Fixed Remuneration	Variable Performance Pay	Commission
Mr. Rajiv C. Mody	157.50	-	-
Dr. Ashok Jhunjhunwala	-	-	13.00
Mr. Banshi S. Mehta	-	-	7.00
Mr. Bharat V. Patel	-	-	5.00
Prof. J. Ramachandran	-	-	13.00
Mr. Sunirmal Talukdar	-	-	10.00
Mr. Sanjay M. Shah	-	-	6.00
Mr. Jyotindra B. Mody	-	-	-
Mr. Pranabh D. Mody	-	-	-
Dr. G. Venkatesh	-	-	-
Mr. Krishna J. Jhaveri	22.15	-	-
Ms. Neeta S. Revankar	122.50	-	-

As approved by shareholders at the Twenty Seventh AGM held on September 14, 2015, your Company had engaged the services of Dr. G. Venkatesh, Non - Executive Director, as a Consultant and he was paid a sum of ₹24.00 lakhs (exclusive of taxes) as consultancy fees for the services rendered during FY 2017.

### Board Committees

In order to have focused attention on the affairs of the Company, the Board has formed various committees. These Committees prepare groundwork for decision making and reports to the Board at its subsequent meeting. As of March 31, 2017, your Company has the following committees of the Board:

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Strategy, Business and Marketing Review Committee

### Audit Committee

This Committee provides oversight of the Company's accounting and financial reporting processes and the audit of the Company's financial statements and assists the Board in oversight of (1) the integrity of the Company's financial statements; (2) the Company's compliance with legal and regulatory requirements; (3) the independent auditor's qualifications, independence and performance; (4) the Company's internal accounting and financial controls; and (5) Internal Controls over Financial Reporting (ICFR).

Mr. Banshi S. Mehta chairs the Committee. Prof. J. Ramachandran, Mr. Pranabh D. Mody, Mr. Sunirmal Talukdar and Mr. Bharat V. Patel (co-opted on April 13, 2017) are members of the Committee.

The terms of reference are as follows:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- To recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- To approve the payment to statutory auditors for any other services rendered by the statutory auditors;
- To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinion(s) in the draft audit report.
- To review, with the management, the quarterly financial statements before submission to the Board for approval;
- To review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

## Annexure to Board's Report (Contd.)

7. To review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. To approve the transactions and any subsequent modification to transactions of the Company with related parties;
9. To scrutinize inter - corporate loans and investments;
10. To value undertakings or assets of the Company, wherever it is necessary;
11. To evaluate internal financial controls and risk management systems;
12. To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. To discuss with internal auditors for any significant findings and follow up there on;
15. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post - audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in payment to depositors, debenture holders, shareholders (in case of non - payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. To approve the appointment of CFO (i.e., the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc. of the candidate.

The Committee met six times during the year, i.e. on April 22, 2016, July 20, 2016, September 19, 2016, October 27, 2016, January 18, 2017 and March 13, 2017. The maximum gap between two meetings was not more than one hundred and twenty days. Minutes of the Committee's meetings were placed before the Board for its information at its subsequent quarterly meetings. Quorum was present at all meetings. To ensure timely resolution of issues, decisions were also taken through circulation.

Details of attendance at the Committee's meetings are given below:

Director	No. of Meetings	
	Held	Attended
Mr. Bansi S. Mehta	6	5
Prof. J. Ramachandran	6	5
Dr. Ashok Jhunjhunwala*	5	4
Mr. Pranabh D. Mody	6	6
Mr. Sunirmal Talukdar**	5	4

\*Information relates to meetings held till the date of his resignation i.e. up to January 30, 2017.

\*\*Information relates to meetings held after his co - option as a Member on April 22, 2016.

Mr. Rajiv C. Mody, Chairman & Managing Director, Ms. Neeta S. Revankar, Whole Time Director & CFO, Statutory Auditors and Internal Auditors of the Company are permanent invitees to the Committee meetings.

Mr. S. Prasad, Company Secretary acts as Secretary to the Committee.

### Corporate Social Responsibility Committee

Mr. Rajiv C. Mody chairs the Committee. Mr. Sanjay M. Shah and Ms. Neeta S. Revankar are members of the Committee.

The objective, vision and mission of the Corporate Social Responsibility (CSR) Policy are as follows:

1. Aligning with the vision of your Company, Sasken through its CSR initiatives will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth of the society and community, in fulfilment of its role as *Socially Responsible Corporate*, with environmental concern.
2. Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
3. To directly or indirectly take up programs that benefit the communities in & around its work centres and over a period of time, in enhancing the quality of life & economic well-being of the local populace.
4. To generate, through its CSR initiatives, a community goodwill for Sasken and help reinforce a positive & socially responsible image of Sasken as a corporate entity.

The said Policy is made available on the Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)).

The Committee met four times during the year, i.e. on June 9, 2016, October 6, 2016, December 22, 2016 and January 20, 2017. Minutes of the Committee's meetings are placed before the Board for its information at its subsequent quarterly meeting. Quorum was present at all meetings.



## Annexure to Board's Report (Contd.)

Details of attendance at the Committee's meetings are given below:

Director	No. of Meetings	
	Held	Attended
Mr. Rajiv C. Mody	4	4
Mr. Sanjay M. Shah	4	3
Ms. Neeta S. Revankar	4	4

### Nomination and Remuneration Committee

Prof. J. Ramachandran chairs the Nomination and Remuneration Committee. Mr. Pranabh D. Mody and Mr. Bharat V. Patel (co-opted on March 30, 2017) are members of the Committee.

The objective and purpose of Nomination and Remuneration policy, including its terms of reference are as follows:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. Oversee the identification of persons who are qualified to become a Director and who may be appointed in accordance with the criteria laid down in the Nomination and Remuneration policy of the Company.
3. Recommend to the Board, appointment and removal of Director.
4. To device a Policy on Board Diversity.
5. To work with the Chairperson to plan for CEO/Managing Director's succession including plans for interim succession in the event of an unexpected occurrence or a planned transition and submit to the Board to nominate potential successors to CEO.
6. Guide and review the remuneration of Directors & Key Managerial Personnel ensuring a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
7. Guide and review Remuneration Policy of the Company including Sales Incentive Plan, Variable Pay, Restricted Stock Units/ stock option plans, etc.
8. Delegate such activities to the CEO/Managing Director as the Committee deems necessary and to review the actions taken by the person on such activities.

The Committee met three times during the year, i.e. on April 6, 2016, April 22, 2016, September 19, 2016 and October 27, 2016 (adjourned meeting of September 19, 2016), to deliberate on the aforesaid matters. Minutes of the Committee's meetings were placed before the Board for its information at its subsequent quarterly meetings. Quorum was present at all meetings. To ensure timely resolution of issues, decisions were also taken through circulation.

Details of attendance at the Committee's meetings are given below:

Director	No. of Meetings	
	Held	Attended
Prof. J. Ramachandran	3	2
Dr. Ashok Jhunjhunwala	3	3
Mr. Pranabh D Mody	3	3
Mr. Bharat V. Patel*	-	-

\* Information relates to meetings held after his co-option as a Member on March 30, 2017.

### Stakeholders Relationship Committee

The Company has a Stakeholders Relationship Committee at the Board level inter alia to look into various issues relating to Investor Grievances including transfer and transmission of shares, issue of duplicate share certificates, non-receipt of dividend/Annual Report, etc. The Committee meets to approve share transfers, transmissions and issue duplicate share certificates from time to time.

Prof. J. Ramachandran chairs the Committee. Mr. Rajiv C. Mody and Dr. G. Venkatesh are members of the Committee.

The Committee met four times during the year i.e. on April 22, 2016, July 20, 2016, October 27, 2016 and January 18, 2017 to deliberate on the aforesaid matters. Minutes of the Committee's meetings were placed before the Board for its information at its subsequent quarterly meeting. Quorum was present at all meetings.

Details of attendance at the Committee's meetings are given below:

Director	No. of Meetings	
	Held	Attended
Prof. J. Ramachandran	4	4
Mr. Rajiv C. Mody	4	4
Dr. G. Venkatesh	4	4

The shares of the Company are traded on Stock Exchanges only in electronic form and are automatically transferred on delivery in electronic form. To expedite transfer of shares in physical segment, authority has been delegated to the Company Secretary to approve such share transfers.

As on March 31, 2017, there were no shares pending for transfer. Details of number of shares transferred during the year, time taken for effecting transfers and number of complaints received, pending and resolved are given in the "Shareholder Information" section of the Annual Report.

Mr. S. Prasad, Company Secretary acts as the Compliance Officer.

## Annexure to Board's Report (Contd.)

### Strategy, Business and Marketing Review Committee

The main objectives of this Committee are, among other things, to review the Strategic Business Plans, Annual Business Plans of the Company. Prof. J. Ramachandran chairs the Committee. Mr. Bharat V. Patel, Mr. Pranabh D. Mody and Mr. Sunirmal Talukdar are members of the Committee.

Terms of reference are as follows:

1. Assist the Board by analyzing and reviewing with the Senior Leadership Team the Strategic Business Plans, Annual Business Plans;
2. Recommend to the Board the adoption of such plans as the Senior Leadership would prepare in consultation with the Committee from time to time;
3. Bring to bear on such plans the best business practices followed by leading companies across the globe relevant to the Company's businesses;
4. Validate on behalf of the Board proposals for (i) new business venture, (ii) any investment in capital of any entity beyond ₹5 crores, (iii) any mergers, acquisitions, demergers, etc., (iv) forming new Joint Ventures or wholly owned subsidiary companies and (v) investing in any existing Joint Venture any sum beyond the Board approved limit;
5. Review on an ongoing basis the Capital Budgets and Annual Operating Plans at the end of each half year;
6. Be an aid to the Board in reviewing the performance of the Company, its subsidiaries and joint venture companies for the purposes of Quarterly Business Results.
7. Review with the Senior Management Team on a half yearly basis marketing channels engaged by the Company and advise improvements thereon; and
8. Serve in an advisory capacity on matters of importance on Strategy, Business and Marketing aspects.

The Committee met thrice during the year i.e. on April 23, 2016, January 12, 2017 and March 13, 2017 to deliberate on the aforesaid matters. Minutes of the Committee's meetings were placed before the Board for its information at its subsequent quarterly meetings. Quorum was present at all meetings.

Details of attendance at the Committee's meetings are given below:

Director	No. of Meetings	
	Held	Attended
Prof. J. Ramachandran	3	3
Dr. Ashok Jhunjhunwala*	2	1
Mr. Bharat V. Patel	3	2
Mr. Pranabh D. Mody	3	1
Mr. Sunirmal Talukdar	3	3

\* Information relates to meetings held till the date of his resignation i.e. up to January 30, 2017.

### Sexual Harassment Redressal Committee

An Internal Complaints Committee (ICC) was constituted in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the purpose of resolving employee grievances related to sexual harassment and any other form of harassment at workplace. The Committee comprises senior employees of the Company including representatives from HR, other locations, a counsellor and a chairperson.

The chairperson of the Committee is one amongst woman employees holding a senior management position and members of the Committee comprise not less than 50% woman members. One member of the team, at all times, is from a third party such as an NGO or any other individual/body of social standing competent to deal with the issue of harassment.

The meetings are held as and when required and at least 3 members are required to be present to discuss the concern. Terms of reference are as follows:

1. To resolve employee grievances related to sexual harassment and any other forms of harassment at workplace;
2. Assisting the aggrieved to get appropriate information, support and assistance in resolving the said grievance;
3. Preventing victimization for having raised a complaint or on account of being associated with a grievance; and
4. Working towards closing the grievance as soon as possible after doing the required enquiry and providing necessary resolution.

During the year under review, no complaints were received by the ICC. With a view to sensitize the employees with regard to the measures taken to ensure that all employees particularly women employees feel safe and secure at the workplace, Company had conducted awareness sessions for leaders and ICC through an external consultant. Apart from the above, any new entrant such as employees, contractors, trainees and consultants working from our premises are mandated to go through the e-learning modules on addressing Sexual Harassment in an effort to build awareness. Employees, consultants, contractors are mandated to go through sexual harassment e-learning sessions once a year.

Your Company would continue to ensure that all employees are treated equally and there is no discrimination or harassment of any nature at workplace.

## Annexure to Board's Report (Contd.)

### Annual General Meeting

Details of previous three AGMs and special resolution passed during the said AGMs are provided hereunder.

Year	Venue	Date and Time	Special Resolution passed
2016	Registered office of the Company	July 20, 2016 at 4.00 p.m.	None
2015	Registered office of the Company	September 14, 2015 at 10.30 a.m.	Engaging the services of Dr. G. Venkatesh as a Consultant and fixing the consultancy fee payable to him.
2014	Registered office of the Company	September 22, 2014 at 4.00 p.m.	(a) Amendment to Articles of Association; and (b) Payment of commission to Non-Executive Directors.

All Directors, except three attended the last AGM held on July 20, 2016.

### Extraordinary General Meeting

No Extraordinary General Meeting of the members was held during the year 2016-17.

### Postal Ballot

Details of Postal Ballot are as follows:

Date of Postal Ballot Notice: November 18, 2016	Voting period: November 25, 2016 to December 22, 2016
Date of declaration of result: December 23, 2016	Date of shareholders' approval: December 23, 2016

#### a) Approval for Buy-back of Equity Shares of the Company through Tender offer route:

In terms of decision of the Board dated October 27, 2016 and in accordance with the provisions of the Act, SEBI (Buy-back of Securities) Regulations, 1998, approval of shareholders was accorded to buy-back up to 28,24,544 equity shares of face value of ₹10 each at a price not exceeding ₹425 per equity share through the Tender Offer Mechanism. Subsequently, the Share Buy-back Committee at its meeting held on December 23, 2016 and January 13, 2017 determined the final buy-back price as ₹410 and maximum buy-back size of up to 28,69,098 equity shares, representing 24.49% and 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the standalone and consolidated audited financial statements of the Company for the financial year ended March 31, 2016 respectively.

Your Company bought back 6,09,699 shares at ₹410 per equity share and extinguished the same by March 7, 2017.

On completion of buy-back i.e. on March 7, 2017, equity share capital of your Company stood at ₹17,11,01,140 consisting of 1,71,10,114 equity shares of ₹10 each.

Voting result:

No. of valid votes polled	Votes cast in favour		Votes cast against	
	No. of votes	%	No. of votes	%
2,03,627	2,03,219	99.80	408	0.20

#### b) Approval for creating Sasken Employees' Share Based Incentive Plan 2016; extending Employees' Share Based Incentive Plan to Eligible Employees of Subsidiary Companies; and provisioning of money to Sasken Employees' Welfare Trust for Secondary acquisition of shares of the Company:

Your Company had earlier implemented an Employee Stock Option Plan/Scheme in the year 2006 viz. Sasken ESOP - 2006, under the erstwhile SEBI (Employee Stock Option and Employee Stock Purchase Scheme) Guidelines, 1999. However, the said Guidelines was superseded by SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB Regulations) effective October 28, 2014.

In view of the above, pursuant to SEBI SBEB Regulations, approval of shareholders was accorded to formulate a new plan/Scheme (in lieu of Sasken ESOP - 2006) i.e. Sasken Employees' Share Based Incentive Plan 2016 for granting options/Stock Appreciation Rights/Restricted Stock Units/other Stock Based Instruments, as may be formulated by SEBI from time to time, in any combination and in accordance with the applicable provisions of law.

Voting result:

##### 1) Approval of Sasken Employees' Share Based Incentive Plan 2016:

No. of valid votes polled	Votes cast in favour		Votes cast against	
	No. of votes	%	No. of votes	%
75,38,813	73,82,500	97.93	1,56,313	2.07

##### 2) Approval for extending benefit of Sasken Employees' Share Based Incentive Plan 2016 to the Eligible Employees of Subsidiary Company/ies:

No. of valid votes polled	Votes cast in favour		Votes cast against	
	No. of votes	%	No. of votes	%
75,38,824	73,81,715	97.92	1,57,109	2.08

## Annexure to Board's Report (Contd.)

- 3) Approval for provisioning of money to the Sasken Employees Welfare Trust for Secondary acquisition of shares of the Company:

No. of valid votes polled	Votes cast in favour		Votes cast against	
	No. of votes	%	No. of votes	%
75,38,773	73,83,249	97.94	1,55,524	2.06

- c) **Approval for change of name of the Company from "Sasken Communication Technologies Limited" to "Sasken Technologies Limited" and consequent amendment to Memorandum and Articles of Association and other documents of the Company:**

Over the course of years, your Company's business saw many ups and downs and many changes. The kind of customers served and nature of offerings also changed significantly. In order to ensure that the name of your Company appropriately represents the nature of its business, approval of shareholders was accorded to change the name of your Company from "Sasken Communication Technologies Limited" to "Sasken Technologies Limited" or such other name as may be approved by the Ministry of Corporate Affairs.

Registrar of Companies - Bengaluru, Ministry of Corporate Affairs approved the change in the name of the Company to "Sasken Technologies Limited" and issued a Certificate of Incorporation pursuant to change of name on February 14, 2017.

The new name "Sasken Technologies Limited" was also approved by Stock Exchanges.

Voting result:

No. of valid votes polled	Votes cast in favour		Votes cast against	
	No. of votes	%	No. of votes	%
75,38,869	75,38,363	99.99	506	0.01

Your Company had also enabled e-voting to facilitate wider participation of shareholders in decision making.

Mr. Ranganatha Rao Vittal, Practising Company Secretary was appointed as the Scrutinizer for conducting the postal ballot process. Based on his report, the results were announced on December 23, 2016 that the aforesaid special resolutions were passed with requisite majority. Accordingly, the voting results were communicated to Stock Exchanges; uploaded on Company's and Karvy's (service provider) website and an advertisement was also published in newspapers on December 24, 2016.

### Procedure for postal ballot

In compliance with Section 108, 110 and other applicable provisions of the Act, read with the applicable Rules framed thereunder, your Company provides electronic voting (e-voting) facility, in addition to physical ballot, to all its members. For this purpose, your Company has engaged the services of Karvy Computershare Pvt. Ltd.

Postal ballot notice and form are dispatched along with postage - prepaid business reply envelope to registered members / beneficiaries. The same is also sent through e-mail who have opted for receiving communication through electronic mode. Your Company also publishes notice in a national and vernacular daily declaring the results as mandated by the Act and applicable Rules framed thereunder.

Voting rights are reckoned on the paid-up value of shares registered in the names of the members as on the cut-off date. Members who want to exercise their votes by physical ballot are requested to return the duly completed and signed postal ballot form to the Scrutinizer on or before the close of voting period as mentioned in the postal ballot notice. Those using the e-voting option are requested to vote before the close of business hours on or before the last date of e-voting as mentioned in the postal ballot notice.

The Scrutinizer completes his scrutiny and submits his report to the Chairman / authorized person of the Company. Thereafter, the results are announced by the Chairman / authorized person of the Company. The results are displayed on Company's website, www.sasken.com, Karvy's (service provider) website, communicated to the stock exchanges and published in a national and vernacular daily. The last date for the receipt of postal ballot forms / e-voting shall be deemed to be the date on which the resolution have been passed, if approved with requisite majority.

### Other Disclosures

1. Reconciliation of share capital audit:

A Practising Company Secretary carried out a share capital audit at the end of each quarter to reconcile the (a) total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL); (b) total issued and (c) listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

2. Related Party Transactions:

All related party transactions entered during the financial year were on an arm's length basis and were in the ordinary course of business. None of the Directors has any pecuniary relationships or transactions with the Company.

Since there have been no materially significant contracts/arrangements/transactions with related parties, disclosure under Form No. AOC-2 is not applicable.

3. There are no non-compliances by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.
4. Your Company has complied with the requirements of the Stock Exchanges and SEBI on matters relating to capital markets, as applicable from time to time.

## Annexure to Board's Report (Contd.)

5. Your Company has a vigil mechanism / whistle blower policy in place since June 2004 and is revised and adopted from time to time incorporating regulatory changes. The said mechanism / policy is available on your Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)). We confirm that no employee of your Company has been denied access to the Audit Committee in respect of any incident covered by the vigil mechanism / whistle blower policy.
6. The terms and conditions of appointment of Independent Directors are disclosed on your Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)).
7. Your Company has complied with items C & E of discretionary requirements specified in Part E of Schedule II of Listing Regulations.

### Means of communication:

Following information is displayed on your Company's website [www.sasken.com](http://www.sasken.com) from time to time:

1. Financial results at the end of each quarter
2. Relevant Press Releases
3. Company Presentations
4. Shareholding Pattern
5. Annual Report
6. Change in Directors
7. Announcements, Notice of the Board Meeting, advertisements, etc.

The quarterly audited financial results are published in The Hindu Business Line (National daily) and in Kannada Prabha (a Kannada daily). The last four quarterly results were published in the above dailies on April 23, 2016, July 21, 2016, October 28/29, 2016 and January 19, 2017.

All material information about your Company are promptly uploaded on [www.sasken.com](http://www.sasken.com), communicated to Stock Exchanges where your Company's shares are listed, released to wire services and Press as information to public at large. The Stock Exchanges disseminate our communication on their websites, viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

### Code of Conduct

All Members of the Board and Senior Management personnel have affirmed compliance with your Company's Code of Conduct in respect of the last financial year.

Bengaluru  
April 19, 2017

Rajiv C. Mody  
Chairman & Managing Director

## General Shareholder Information

## Forthcoming Annual General Meeting

The next Annual General Meeting (AGM) of your Company will be held on Tuesday, July 18, 2017 at 10.00 a.m. at the Registered Office of the Company at 139/25, Ring Road, Domlur, Bengaluru - 560 071.

As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Annexure to the AGM Notice.

## Tentative Calendar for the financial year April 1, 2017 to March 31, 2018:

Quarter ending	Likely Board Meeting Schedule
June 30, 2017	Second fortnight of July 2017
September 30, 2017	Second fortnight of October 2017
December 31, 2017	Second fortnight of January 2018
March 31, 2018	Second fortnight of April 2018
Year ending March 31, 2018	Likely Shareholder Meeting Schedule
Annual General Meeting	During July - September 2018

## Financial Year of the Company

Your Company follows the period of April 1 to March 31, as the Financial Year.

**Book closure date:** Saturday, July 15, 2017 for determining the list of members who are eligible for final dividend on equity shares, if declared at the AGM.

**Dividend disbursement date:** On or before Monday, July 31, 2017 to the members whose names are recorded in the Register of Members as at Friday, July 14, 2017 as under:

- To Beneficial Owners in respect of shares held in electronic form as per the data as made available by the National Securities Depository Limited and Central Depository Services (India) Limited as of the close of business hours on Friday, July 14, 2017; and
- To Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company and/or Registrar and Share Transfer Agent as of the close of business hours on Friday, July 14, 2017.

## Listing on Stock Exchange

Your Company's equity shares are listed on the following stock exchanges:

- BSE Limited (BSE): Scrip Code - 532663
- National Stock Exchange of India Limited (NSE): Scrip Code - SASKEN

ISIN: INE231F01020.

Listing fees for the financial year 2017-18 have been paid to both the Stock Exchanges.

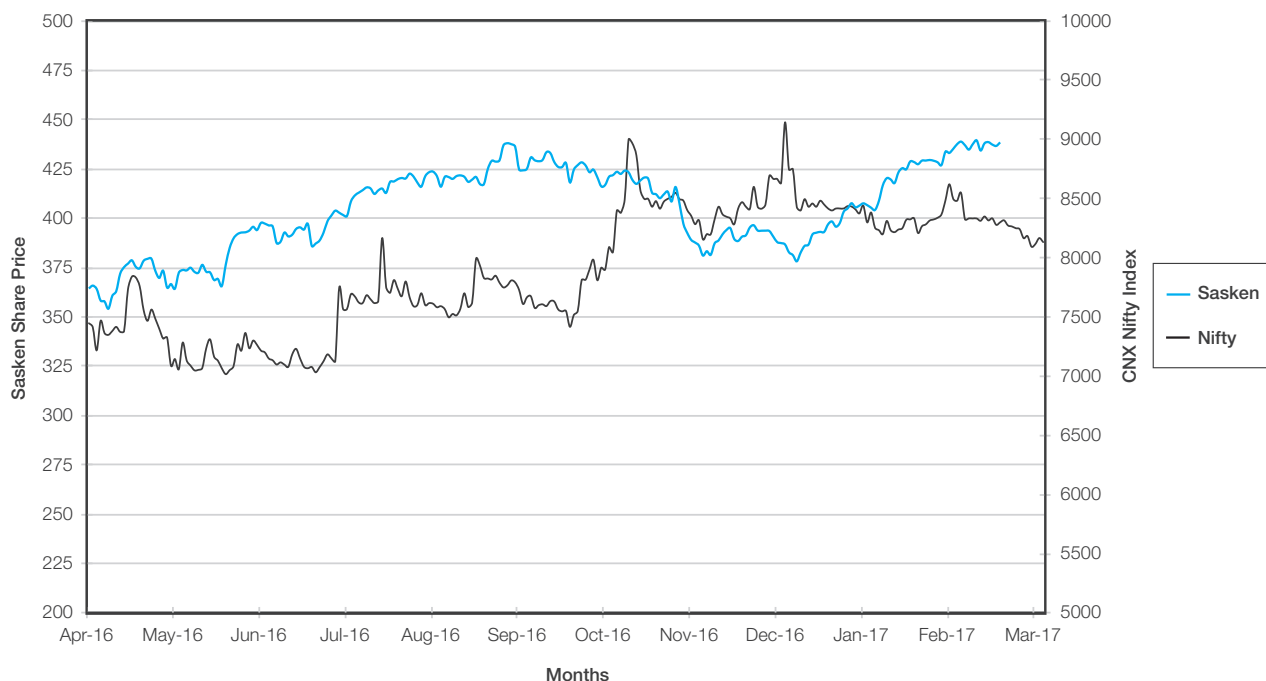
## Stock Market Data

The monthly high and low stock quotations during the financial year 2016-17 and performance in comparison to broad based indices are given below:

Financial Year	Price @ NSE during each month (Amount in ₹)		CNX Nifty Index during each month		Price @ BSE during each month (Amount in ₹)		S&P BSE Sensitive Index (Sensex) during each month	
	High	Low	High	Low	High	Low	High	Low
Apr - 16	370.40	316.55	7,992.00	7,516.85	370.40	317.10	26,100.54	24,523.20
May - 16	344.00	312.00	8,213.60	7,678.35	342.90	312.20	26,837.20	25,057.93
Jun - 16	341.90	301.00	8,308.15	7,927.05	341.00	305.00	27,105.41	25,911.33
Jul - 16	390.00	322.00	8,674.70	8,287.55	390.35	322.65	28,240.20	27,034.14
Aug - 16	379.50	340.00	8,819.20	8,518.15	379.50	341.95	28,532.25	27,627.97
Sep - 16	370.90	324.00	8,968.70	8,555.20	371.50	326.80	29,077.28	27,716.78
Oct - 16	440.00	340.55	8,806.95	8,506.15	440.00	335.10	28,477.65	27,488.30
Nov - 16	413.00	365.45	8,669.60	7,916.40	410.60	369.00	28,029.80	25,717.93
Dec - 16	448.70	390.10	8,274.95	7,893.80	448.40	390.65	26,803.76	25,753.74
Jan - 17	408.95	378.00	8,672.70	8,133.80	407.50	382.00	27,980.39	26,447.06
Feb - 17	417.30	386.00	8,982.15	8,537.50	418.00	386.25	29,065.31	27,590.10
Mar - 17	400.95	375.05	9,218.40	8,860.10	400.00	375.00	29,824.62	28,716.21

## Annexure to Board's Report (Contd.)

Stock Price Movement in National Stock Exchange of India Limited  
Sasken Share Price Vs. CNX Nifty Index



### Details for correspondence:

#### Company

The Company Secretary  
Sasken Technologies Limited  
139/25, Ring Road, Domlur, Bengaluru - 560 071.  
**Tel:** +91 80 6694 3000  
**Fax:** +91 80 3981 3329 / 2535 1309  
**E-mail:** investor@sasken.com

#### Registrar and Share Transfer Agent

(For share transfers and other communication relating to share certificates, dividend, change of address, transfer of shares, unclaimed dividends, etc.)

Karvy Computershare Pvt. Ltd.  
Karvy Selenium, Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad - 500 032.  
**Tel:** +91 40 6716 2222; Toll Free No.: 1-800-3454-001  
**Fax:** +91 40 2342 0814  
**Contact Person:** Mr. K. S. Reddy, Asst. Gen. Manager  
**E-mail:** einward.ris@karvy.com

#### Office Location

Location of Company's offices are given on the inside cover page of the Annual Report and also available on your Company's website.

#### Distribution of Shareholding as on March 31, 2017

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 - 5,000	22,412	94.20	17,25,283	10.08
5,001 - 10,000	684	2.87	5,23,248	3.06
10,001 - 20,000	330	1.39	4,80,037	2.81
20,001 - 30,000	103	0.43	2,59,716	1.52
30,001 - 40,000	60	0.25	2,13,173	1.25
40,001 - 50,000	39	0.16	1,78,523	1.04
50,001 - 1,00,000	64	0.27	4,58,881	2.68
1,00,001 & Above	101	0.42	1,32,71,253	77.56
<b>Total</b>	<b>23,793</b>	<b>100.00</b>	<b>1,71,10,114</b>	<b>100.00</b>

## Annexure to Board's Report (Contd.)

### Shareholding Pattern as at March 31, 2017

Category	No. of shares	%
Promoters & Promoter Group	72,09,916	42.14
Public Shareholding:		
Financial Institutions/Banks	6,876	0.04
NBFCs registered with RBI	13,000	0.08
Foreign Institutional Investors	4,60,988	2.69
Foreign Portfolio Investors	26,76,158	15.64
Bodies Corporate	4,82,388	2.82
Trust	10,000	0.06
Non Resident Indians	11,33,095	6.62
Directors & Relatives (other than Promoter Directors)	9,07,798	5.31
Indian Public & Others	42,09,895	24.60
<b>Total</b>	<b>1,71,10,114</b>	<b>100.00</b>

#### Details of complaints:

Description	Received	Cleared
Non - receipt of Dividend/ Annual Report, etc.	44	44

There were no valid requests pending for share transfers as at March 31, 2017.

#### Details of shares held in Suspense Account

Your Company went in for IPO during August 2005 and the shares were allotted to applicants on August 31, 2005. When the IPO concluded, there were 838 cases involving 32,962 shares which could not be transferred to investors due to reasons such as incomplete/ wrong/invalid demat account details, etc. With persistent follow up and reminders, we were able to identify and transfer most of the shares. As on March 31, 2017, the number reduced to 27 cases involving 675 shares that remained unclaimed. The unclaimed shares are kept in a separate Suspense Account. Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares from the Company/ "Demat Account of the Investor Education and Protection Fund (IEPF) Authority" (Authority).

Pursuant to Rule 6 of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (Rules), where shareholders have not claimed dividend on such shares for a continuous period of seven years, your Company is mandated to transfer such shares to the Authority. Your Company will be (a) communicating details thereof to the concerned shareholders individually whose shares are liable to be transferred to the Authority for taking appropriate actions; and (b) publishing a notice in a national and vernacular daily.

Status of shares lying in Suspense Account:

Description	No. of Holders	No. of Shares in Suspense Account
At the beginning of the year	27	675
Shareholders who approached the Company for transfer of shares from Suspense Account and to whom shares were transferred during the year	Nil	Nil
Status as of March 31, 2017	27	675

#### Other information useful for Shareholders

During the year, your Company has not received any request for transfer of shares in physical segment. Share transfer requests are acted upon within 7 - 10 days from the date of their receipt at the Registered Office/Registrar and Share Transfer Agent. In case no response is received within 15 days of lodgement of transfer request, the lodger may write to the Company with full details thereof so that necessary action can be taken to safeguard interests of the concerned against any possible loss/interception during postal transit. As mandated by the Listing Regulations, your Company has designated investor@sasken.com as the exclusive e-mail ID for redressal of investor complaints. Investors are urged to make use of this facility.

Members may note that as per the requirement of Regulation 40(9) of the Listing Regulations, your Company has obtained half-yearly certificates from Practising Company Secretary for due compliance of share transfer formalities and filed the same with the Stock Exchanges.

Dematerialization requests duly completed in all respects are normally processed within 7 days from the date of their receipt.

#### National Automated Clearing House/Mandates/Bank Details

Reserve Bank of India has introduced National Automated Clearing House through which the Banks are able to make the dividend payout almost instantly into the bank accounts of shareholders. Shareholders are requested to update their 15 digit core banking account number with their Depository Participants (DPs). Shareholders desirous of modifying these instructions may write to Registrar & Share Transfer Agent (for shares held in physical form) or to their respective DPs (for shares held in electronic form), so that the dividends when declared and paid by the Company will be directly credited to their account. This will mitigate the chances of possible delays/loss in transit while sending the dividend warrants/cheques by post.



## Annexure to Board's Report (Contd.)

### Unclaimed dividends and transfer of shares to IEPF

#### (a) Unclaimed dividends

Pursuant to the provisions of the Companies Act, 2013 (Act) read with Rules framed thereunder, any dividend amount that remains unclaimed in the Unpaid Dividend Account of the Company for a period of seven (7) years from the date of its transfer to the said account, has to be transferred to IEPF administered by the Central Government. As regards the unclaimed (a) final dividend for the year 2008 - 09; and (b) interim dividend for the year 2009 - 10 have been transferred to IEPF within the statutory time period.

Members who have not encashed dividends declared on or after July 9, 2010 may please submit details of such unclaimed dividend in the form available on your Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)) and send it to the Registrar & Share Transfer Agent along with a copy of self-attested valid Identity Proof (which has your photograph and/or signature like PAN Card/Passport/Driving License/Aadhaar Card, etc.).

#### (b) Transfer of shares to IEPF

Pursuant to Section 124 of the Act read with Rules framed thereunder, shares of the Company in respect of which dividend amounts have remained unpaid/unclaimed for seven (7) consecutive years or more are required to be transferred to the Authority.

Thus, underlying shares of which dividend amounts have remained unclaimed from final dividend for the year 2009 - 10 onwards for seven (7) consecutive years or more will be transferred to the Authority.

Details of such members and shares due for transfer to the Authority will be made available on Company's website ([www.sasken.com/investors](http://www.sasken.com/investors)). Your Company will be (a) communicating details thereof to the concerned shareholders individually whose shares are liable to be transferred to the Authority for taking appropriate actions; and (b) publishing a notice in a national and vernacular daily.

### Procedure for claiming refund of shares and unclaimed dividend from the Authority i.e. after shares/unclaimed dividend are transferred by the Company

Once shares/unclaimed dividends are transferred by the Company to the Authority, members may still claim refund of shares and unclaimed dividend from the Authority by making an application to the Authority in Form IEPF - 5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The provisions of Act relating to IEPF, IEPF Rules and notifications are available on the aforesaid website.

### Dematerialization of shares

Equity shares of your Company can be traded on Stock Exchanges only in electronic form. As of March 31, 2017, about 99% of the shares of your Company are held in electronic form. Considering the advantages of scrip-less trading including enhanced marketability of shares, shareholders holding shares in physical form are requested to dematerialize their shareholding and thereafter update their bank account with their respective DPs to enable us to serve and communicate better.

### Outstanding GDRs/ADRs/Warrants/Convertible Instruments

The Company has not issued GDRs or ADRs. There are no outstanding warrants or any convertible instruments.

### General

- (a) Shareholders holding shares in physical form are requested to notify the Company/Registrar and Share Transfer Agent in writing, any change in their address and Bank Account details under the signature of sole/first joint holder. Beneficial owners of shares in electronic form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc. directly to their DP as the same are maintained by the DP.
- (b) SEBI has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to furnish their PAN details to their DP, if not already provided. Members holding shares in physical form are required to mandatorily submit the following to Registrar and Share Transfer Agent:
  - i) a copy of their PAN, if not already provided; and
  - ii) a copy of the PAN card of the transferee(s), members, surviving joint holder(s)/legal heir(s) while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.
- (c) Non-resident shareholders are requested to notify at the earliest:
  - change in their residential status on return to India for permanent settlement;
  - particulars of their NRE Bank Account with a bank in India, if not furnished earlier;
  - E-mail address, if any, to the Company/Registrar and Share Transfer Agent.
- (d) In case of loss/misplacement of share certificates, investors should immediately lodge a FIR/Complaint with the police and inform the Company/Registrar and Share Transfer Agent along with a copy of FIR/acknowledged copy of complaint.
- (e) For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of Power of Attorney should also be quoted in the transfer deed at the appropriate place.
- (f) Shareholders are requested to maintain record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.
- (g) Shareholder(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to write to the Company for consolidation of such Folio(s) with the relevant share certificates.

## Annexure to Board's Report (Contd.)

- (h) Nomination in respect of shares - Section 72 of the Act provides facility for making nominations by shareholders in respect of their holding of all securities. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his/her nominee without having to go through the process of obtaining Succession Certificate/Probate of the Will, etc. It would therefore be in the best interests of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Please write to the Company Secretary for a nomination form.
- (i) Shareholders holding shares in electronic form are advised to contact their DP for making nominations.
- (j) Some of the shareholders have not yet exchanged their old share certificates for the new ones, necessitated on the consolidation of share capital effected by the Company in July 2004 (i.e. consolidation of two old shares of ₹5 each into one new share of ₹10). Such holders are advised to send the old share certificates immediately. If the share certificates are brought in - person for exchange, the new share certificates will be provided on the spot. If the share certificates are sent by post, the new share certificates will be sent through Registered Post immediately on receipt of old share certificates. It is needless to mention that the old share certificate(s) cannot be submitted for dematerialization.
- (k) Shareholders are requested to quote and register their e-mail IDs, telephone / fax numbers for receiving prompt communication and notification from the Company/Registrar and Share Transfer Agent.
- (l) Shareholders are informed that by operation of the Act, a notice may be sent through e-mail as a text or as an attachment to e-mail or as a notification providing electronic link or Uniform Resource Locator (URL) for accessing such notice. Shareholders are advised to update their e-mail IDs with their DPs. All future communication of the Company to shareholders who have registered their e-mail IDs with their DPs or Company will be sent only by way of e-mail. Shareholders are requested to check their e-mails at regular intervals. Such communication will also be made available on the Company's website ([www.sasken.com](http://www.sasken.com)).
- (m) Shareholders are also informed that under the Act, the company's obligation shall be satisfied when it transmits the e-mail and the company shall not be held responsible for a failure in transmission beyond its control. If a member entitled to receive notice fails to provide or update relevant e-mail address to the Company or to the DP as the case may be, the Company shall not be in default for not delivering notice via e-mail.
- (n) Register e-mail address:

Many of the shareholders have supported us in our green initiative by registering their e-mail addresses with the Company/DP. We look forward for continued support from shareholders, who have not so far updated, by registering their e-mail address with the Company / DPs. This will help them in receiving all communications from the Company electronically at their registered e-mail addresses on time and avoid loss due to postal delay/non - receipt. This will also save a lot of paper, reduce carbon footprint and save enormous amount of postage expenses to your Company.

Shareholders holding shares in (a) Electronic Form are requested to update their e-mail address with their respective DPs; and (b) Physical Form are requested to update their e-mail address by sending an e-mail to [investor@sasken.com](mailto:investor@sasken.com) / [einward.ris@karvy.com](mailto:einward.ris@karvy.com).
- (o) We solicit suggestions for improving our investor services.

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

To,

The Members,

**Sasken Technologies Limited,**

(Formerly known as Sasken Communication Technologies Limited)

Bengaluru.

I have examined all the relevant records of Sasken Technologies Limited (formerly known as Sasken Communication Technologies Limited) (the Company) for the purpose of certifying compliance of conditions of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended 31<sup>st</sup> March, 2017. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with:

- All the Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the mandatory conditions of Corporate Governance stipulated therein.
- Items C & E of Discretionary requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company during the year ended 31<sup>st</sup> March, 2017.

Place: Bengaluru

Date: 19<sup>th</sup> April, 2017

**Ranganatha Rao Vittal**  
**Practicing Company Secretary**  
**ACS No.: 1707, C P No.: 16980**

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017

## I. REGISTRATION AND OTHER DETAILS:

CIN	L72100KA1989PLC014226
Registration Date	February 13, 1989
Name of the Company	Sasken Technologies Limited (Formerly known as Sasken Communication Technologies Limited)
Category/Sub - Category of the Company	Company limited by shares/Indian Non - Government Company
Address of the Registered office and contact details	139/25, Ring Road, Domlur, Bengaluru - 560 071, India. Tel: +91 80 6694 3000 Fax: +91 80 3981 3329/2535 1309 e-mail: investor@sasken.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Share Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium, Tower B, Plot 31 - 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Tel: +91 40 6716 2222, Toll Free No.: 1-800-3454-001 Fax: +91 40 2342 0814 Contact Person: Mr. K. S. Reddy, Asst. Gen. Manager E-mail: einward.ris@karvy.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company:

Sl. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	Software Development	620	96.87

## 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 under Cos. Act, 2013
1.	Sasken Network Engineering Ltd. 139/25, Domlur, Ring Road, Bengaluru - 560 071, India.	U64202KA2004PLC034773	Subsidiary	100	2(87)
2.	Sasken Communication Technologies (Shanghai) Co. Ltd. 6F, Tower B, Haoli Building, No. 18, Longqing Street, BDA, Beijing, China - 100 176.	Not Applicable	Subsidiary	100	2(87)
3.	Sasken Finland Oy. Vissavedentie 1, P. O. Box 29, FL - 69601 Kaustinen, Finland.	- do -	Subsidiary	100	2(87)
4.	Sasken Communication Technologies Mexico S.A. de C.V. Carretera Miguel Aleman KM 14.5, Monterrey Business Park, Apodaca - 66633, Nuevo Leon, Mexico.	- do -	Subsidiary	100	2(87)
5.	Sasken Inc. 3601, Algonquin Road # 812 / 815, Rolling Meadows, IL - 60008, USA.	- do -	Subsidiary	100	2(87)

## Annexure to Board's Report (Contd.)

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

#### i. Category-wise shareholding

Category of Shareholder	No. of shares held at the beginning of the year i.e. April 1, 2016				No. of shares held at the end of the year i.e. March 31, 2017				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(A) Promoter and Promoter Group</b>									
(1) Indian									
(a) Individual / HUF	47,22,258	-	47,22,258	26.65	31,76,698	-	31,76,698	18.57	(8.08)
(b) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	18,07,283	-	18,07,283	10.20	18,07,283	-	18,07,283	10.56	0.36
(d) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e) Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total A(1):</b>	<b>65,29,541</b>	<b>-</b>	<b>65,29,541</b>	<b>36.85</b>	<b>49,83,981</b>	<b>-</b>	<b>49,83,981</b>	<b>29.13</b>	<b>(7.72)</b>
(2) Foreign									
(a) Individuals (NRIs / Foreign Individuals)	6,63,375	-	6,63,375	3.74	22,25,935	-	22,25,935	13.01	9.27
(b) Bodies Corporate	-	-	-	-	-	-	-	-	-
(c) Institutions	-	-	-	-	-	-	-	-	-
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e) Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total A(2):</b>	<b>6,63,375</b>	<b>-</b>	<b>6,63,375</b>	<b>3.74</b>	<b>22,25,935</b>	<b>-</b>	<b>22,25,935</b>	<b>13.01</b>	<b>9.27</b>
<b>Total A=A(1)+A(2)</b>	<b>71,92,916</b>	<b>-</b>	<b>71,92,916</b>	<b>40.59</b>	<b>72,09,916</b>	<b>-</b>	<b>72,09,916</b>	<b>42.14</b>	<b>1.55</b>
<b>(B) Public Shareholding</b>									
(1) Institutions									
(a) Mutual Funds / UTI	26,500	-	26,500	0.15	-	-	-	-	(0.15)
(b) Financial Institutions / Banks	3,562	-	3,562	0.02	6,876	-	6,876	0.04	0.02
(c) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	-	-	-	-	-	-	-	-	-
(f) Foreign Institutional Investors & Portfolio Investors	32,06,733	-	32,06,733	18.10	31,37,146	-	31,37,146	18.34	0.24
(g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-Total B(1):</b>	<b>32,36,795</b>	<b>-</b>	<b>32,36,795</b>	<b>18.27</b>	<b>31,44,022</b>	<b>-</b>	<b>31,44,022</b>	<b>18.38</b>	<b>0.11</b>
(2) Non-Institutions									
(a) Bodies Corporate	5,73,922	-	5,73,922	3.24	4,82,388	-	4,82,388	2.82	(0.42)
(b) Individuals									
(i) Individuals Holding Nominal Share Capital up to ₹2 lakhs	37,01,246	1,69,266	38,70,512	21.84	34,78,754	1,59,268	36,38,022	21.26	(0.58)
(ii) Individuals Holding Nominal Share Capital in excess of ₹2 lakhs	16,68,662	-	16,68,662	9.42	14,71,406	-	14,71,406	8.60	(0.82)
(c) NBFCs registered with RBI	8,397	-	8,397	0.05	13,000	-	13,000	0.08	0.03
(d) Others	-	-	-	-	-	-	-	-	-
Clearing Members	62,946	-	62,946	0.36	8,265	-	8,265	0.05	(0.31)
Foreign Nationals	-	-	-	-	-	-	-	-	-
Non Resident Indians	9,97,910	95,753	10,93,663	6.17	10,37,342	95,753	11,33,095	6.62	0.45
Trusts	12,000	-	12,000	0.07	10,000	-	10,000	0.06	(0.01)
(e) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
<b>Sub-Total B(2):</b>	<b>70,25,083</b>	<b>2,65,019</b>	<b>72,90,102</b>	<b>41.14</b>	<b>65,01,155</b>	<b>2,55,021</b>	<b>67,56,176</b>	<b>39.49</b>	<b>(1.65)</b>
<b>Total B=B(1)+B(2):</b>	<b>1,02,61,878</b>	<b>2,65,019</b>	<b>1,05,26,897</b>	<b>59.41</b>	<b>96,45,177</b>	<b>2,55,021</b>	<b>99,00,198</b>	<b>57.86</b>	<b>(1.55)</b>
<b>Total (A+B):</b>	<b>1,74,54,794</b>	<b>2,65,019</b>	<b>1,77,19,813</b>	<b>100.00</b>	<b>1,68,55,093</b>	<b>2,55,021</b>	<b>1,71,10,114</b>	<b>100.00</b>	<b>-</b>
<b>(C) Shares held by Custodians or GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C):</b>	<b>1,74,54,794</b>	<b>2,65,019</b>	<b>1,77,19,813</b>	<b>100.00</b>	<b>1,68,55,093</b>	<b>2,55,021</b>	<b>1,71,10,114</b>	<b>100.00</b>	<b>-</b>

## Annexure to Board's Report (Contd.)

### ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 1, 2016			Shareholding at the end of the year i.e. March 31, 2017			% 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.	Rajiv C. Mody (Representing in the capacity as Trustee of the Estate of Late C. J. Mody)	15,45,560	8.72	-	-	-	-	(8.72)
2.	Dhirumati Jhaverchand Jhaveri	8,26,292	4.66	-	8,26,292	4.83	-	0.17
3.	Jyotindra B. Mody	7,36,612	4.16	-	7,36,612	4.31	-	0.15
4.	Rajiv C. Mody (Representing in the capacity as Karta of HUF)	5,40,079	3.05	-	5,40,079	3.16	-	0.11
5.	Sejal Pranabh Mody	3,72,231	2.10	-	3,72,231	2.18	-	0.07
6.	Pranabh D. Mody	3,18,506	1.80	-	3,18,506	1.86	-	0.06
7.	Bharati S. Mody	2,30,050	1.30	-	2,30,050	1.34	-	0.05
8.	Purvi Uday Asher	60,077	0.34	-	60,077	0.35	-	0.01
9.	Uday M. Asher	11,570	0.07	-	11,570	0.07	-	0.00
10.	Deepali Shirish Mody	10,662	0.06	-	10,662	0.06	-	0.00
11.	Pallavi Bharat Mehta	10,560	0.06	-	10,560	0.06	-	0.00
12.	Dinesh B. Mody	10,254	0.06	-	10,254	0.06	-	0.00
13.	Hiralaxmi H. Desai	6,958	0.04	-	6,958	0.04	-	0.00
14.	Dipak Harkisan Desai	6,443	0.04	-	6,443	0.04	-	0.00
15.	Jinali Pranabh Mody	6,236	0.04	-	6,236	0.04	-	0.00
16.	Rupa M. Udani	5,500	0.03	-	5,500	0.03	-	0.00
17.	Dhimant Harkisan Desai	5,143	0.03	-	5,143	0.03	-	0.00
18.	Malti Mahendra Jhaveri	5,000	0.03	-	5,000	0.03	-	0.00
19.	Dhruv Mahendra Jhaveri	5,000	0.03	-	5,000	0.03	-	0.00
20.	Asha Dipak Desai	2,325	0.01	-	3,350	0.02	-	0.00
21.	Khyati Dhruv Jhaveri	2,000	0.01	-	2,000	0.01	-	0.00
22.	Shirish B. Mody	1,500	0.01	-	1,500	0.01	-	0.00
23.	Bharat P. Mehta	1,250	0.01	-	1,250	0.01	-	0.00
24.	Niraj Dipak Desai	1,025	0.01	-	0	0.00	-	(0.01)
25.	Niranjana Sanghvi	600	0.00	-	600	0.00	-	0.00
26.	Dilip S. Mehta	400	0.00	-	400	0.00	-	0.00
27.	Kantaben Vinaychandra Gosalia	400	0.00	-	400	0.00	-	0.00
28.	Kumud D. Mody	25	0.00	-	25	0.00	-	0.00
29.	Lekar Pharma Limited	7,22,552	4.08	-	7,22,552	4.22	-	0.15
30.	Kumud Mody Ventures LLP	1,34,284	0.76	-	1,34,284	0.78	-	0.03
31.	Shirish Mody Enterprises LLP	1,34,284	0.76	-	1,34,284	0.78	-	0.03
32.	Dinesh Mody Ventures LLP	1,34,284	0.76	-	1,34,284	0.78	-	0.03
33.	J B Mody Enterprises LLP	1,34,268	0.76	-	1,34,268	0.78	-	0.03
34.	Ansuya Mody Enterprises LLP	1,34,029	0.76	-	1,34,029	0.78	-	0.03
35.	Bharati Mody Ventures LLP	1,34,017	0.76	-	1,34,017	0.78	-	0.03
36.	Ifiunik Pharmaceuticals Ltd.	1,16,000	0.65	-	1,16,000	0.68	-	0.02
37.	Unique Pharmaceuticals Labs Ltd.	1,11,000	0.63	-	1,11,000	0.65	-	0.02
38.	Synit Drugs Pvt. Ltd.	52,500	0.30	-	52,500	0.31	-	0.01
39.	Namplas Chemicals Pvt. Ltd.	65	0.00	-	65	0.00	-	0.00

## Annexure to Board's Report (Contd.)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 1, 2016			Shareholding at the end of the year i.e. March 31, 2017			% 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	
40.	Arti R. Mody	2,49,469	1.41	-	2,49,469	1.46	-	0.05
41.	Sakhee R. Mody	1,56,552	0.88	-	1,56,552	0.91	-	0.03
42.	Naman R. Mody	1,37,894	0.78	-	1,37,894	0.81	-	0.03
43.	Nilima Rajesh Doshi	1,08,450	0.61	-	1,25,450	0.73	-	0.12
44.	Rajiv C. Mody	11,010	0.06	-	15,56,570	9.10	-	9.04
	<b>Total</b>	<b>71,92,916</b>	<b>40.59</b>	<b>-</b>	<b>72,09,916</b>	<b>42.14</b>	<b>-</b>	<b>1.54</b>

### iii. Change in Promoters' Shareholding

Sl. No.	Shareholder's Name	Date*	Reason	Shareholding at the beginning of the year i.e. April 1, 2016		Cumulative shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Rajiv C. Mody	1-Apr-16	At the beginning of the year	11,010	0.06	11,010	0.06
		16-Dec-16	Transmission from the Estate of Late C. J. Mody			15,56,570	9.10
		31-Mar-17	At the end of the year			15,56,570	9.10
2.	Asha Dipak Desai	1-Apr-16	At the beginning of the year	2,325	0.01	2,325	0.01
		31-Dec-16	Inter - se transfer			3,350	0.02
		31-Mar-17	At the end of the year			3,350	0.02
3.	Niraj Dipak Desai	1-Apr-16	At the beginning of the year	1,025	0.01	1,025	0.01
		31-Dec-16	Inter - se transfer			0	0.00
		31-Mar-17	At the end of the year			0	0.00
4.	Nilima Rajesh Doshi	1-Apr-16	At the beginning of the year	1,08,450	0.61	1,08,450	0.63
		19-May-16	Market Purchase			1,20,950	0.71
		15-Mar-17	Market Purchase			1,25,450	0.73
		31-Mar-17	At the end of the year			1,25,450	0.73

\* Date(s) indicated here are the week(s) in which transactions were executed.

### iv. Shareholding pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sl. No.	Name*	Shareholding at the beginning of the year i.e. April 1, 2016		Cumulative shareholding during the year	
		No. of Shares	% of the total shares of the Company	No. of Shares	% of the total shares of the Company
1.	GHI LTP Ltd.	9,76,166	5.51	9,76,166	5.71
2.	Atyant Capital India Fund I	7,10,990	4.01	7,20,106	4.21
3.	Vanderbilt University a/c Vanderbilt University - Atyant Capital Management Ltd.	4,60,988	2.60	4,60,988	2.69
4.	Bipin Amritlal Turakhia	4,30,145	2.43	4,30,145	2.51
5.	Nirav Shirish Mody	4,05,015	2.29	4,05,015	2.37
6.	GHI JBD Ltd.	3,10,053	1.75	3,10,053	1.81
7.	GHI HSP Ltd.	2,99,544	1.69	3,09,544	1.81
8.	Badruddin Agarwala	2,44,092	1.38	2,44,092	1.43
9.	GHI ERP Ltd.	1,86,652	1.05	1,86,652	1.09
10.	Durriyah Khorakiwala	1,13,188	0.64	1,13,188	0.66
	<b>Total</b>	<b>41,36,833</b>	<b>23.35</b>	<b>41,55,949</b>	<b>24.29</b>

\* Shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

## Annexure to Board's Report (Contd.)

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

Sl. No.	Name	Shareholding at the beginning of the year i.e. April 1, 2016		Shareholding at the end of the year i.e. March 31, 2017	
		No. of shares	% of the total shares of the Company	No. of shares	% of the total shares of the Company
1.	Mr. Rajiv C. Mody	11,010	0.06	15,56,570	9.10
2.	Dr. Ashok Jhunjunwala*	38,070	0.21	29,900	0.17
3.	Mr. Bansi S. Mehta	5,929	0.03	5,929	0.03
4.	Mr. Bharat V. Patel	10,000	0.06	2,994	0.02
5.	Mr. Jyotindra B. Mody	7,36,612	4.16	7,36,612	4.31
6.	Prof. J. Ramachandran	7,200	0.04	-	-
7.	Mr. Pranabh D. Mody	3,18,506	1.80	3,18,506	1.86
8.	Mr. Sanjay M. Shah	12,882	0.07	10,901	0.06
9.	Mr. Sunirmal Talukdar	-	-	-	-
10.	Dr. G. Venkatesh	2,63,628	1.49	2,33,628	1.37
11.	Mr. Krishna J. Jhaveri**	-	-	-	-
12.	Ms. Neeta S. Revankar	1,30,242	0.74	1,30,242	0.76
13.	Mr. S. Prasad	4,729	0.03	4,729	0.03
	<b>Total</b>	<b>15,38,808</b>	<b>8.68</b>	<b>30,30,011</b>	<b>17.71</b>

\* Resigned as an Independent Director effective January 30, 2017.

\*\* Ceased to be a Whole Time Director effective March 15, 2017.

### vi. Change in Directors and Key Managerial Personnel's Shareholding

Sl. No.	Shareholder's Name	Date*	Reason	Shareholding at the beginning of the year i.e. April 1, 2016		Cumulative shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Rajiv C. Mody	1-Apr-16	At the beginning of the year	11,010	0.06	11,010	0.06
		16-Dec-16	Transmission of 15,45,560 shares from The Estate of Late C. J. Mody			15,56,570	9.10
		31-Mar-17	At the end of the year			15,56,570	9.10
2.	Mr. Bharat V. Patel	1-Apr-16	At the beginning of the year	10,000	0.06	10,000	0.06
		11-Nov-16	Market Sale of 6,878 shares			3,122	0.02
		18-Nov-16	Market Sale of 19 shares			3,103	0.02
		6-Jan-17	Market Sale of 109 shares			2,994	0.02
		31-Mar-17	At the end of the year			2,994	0.02
3.	Prof. J. Ramachandran	1-Apr-16	At the beginning of the year	7,200	0.04	7,200	0.04
		13-Feb-17	Sold 7,200 shares under Buy-back			-	-
		31-Mar-17	At the end of the year			-	-
4.	Mr. Sanjay M. Shah	1-Apr-16	At the beginning of the year	12,882	0.07	12,882	0.08
		15-Feb-17	Sold 1,981 shares under Buy-back			10,901	0.06
		31-Mar-17	At the end of the year			10,901	0.06
5.	Dr. G. Venkatesh	1-Apr-16	At the beginning of the year	2,63,628	1.49	2,63,628	1.54
		16-Feb-17	Sold 30,000 shares under Buy-back			2,33,628	1.37
		31-Mar-17	At the end of the year			2,33,628	1.37

\*Date(s) indicated here are the week(s) in which transactions were executed.



## Annexure to Board's Report (Contd.)

### vii. INDEBTEDNESS:

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount		None		
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
• Addition		None		
• Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount		None		
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

### viii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole Time Directors and / or Manager:

Amount in ₹ lakhs

Sl. No.	Particulars of Remuneration	Rajiv C. Mody	Neeta S. Revankar	Krishna J. Jhaveri*	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income - tax Act, 1961	157.50	122.50	22.15	302.15
	(b) Value of perquisites u/s 17(2) of the Income - tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission (as % of profit/others)	-	-	-	-
5.	Others	-	-	-	-
	<b>Total (A)</b>	<b>157.50</b>	<b>122.50</b>	<b>22.15</b>	<b>302.15</b>
	Ceiling as per the Act (@ 10% of net profits calculated under Section 198 of the Companies Act, 2013)				671.91

\* Ceased to be a Whole Time Director effective March 15, 2017.

#### B. Remuneration to other Directors:

Amount in ₹ lakhs

Sl. No.	Particulars of Remuneration	Fee for attending Board / Committee Meetings	Commission	Others	Total Amount
(i)	<b>Independent Directors</b>				
1.	Dr. Ashok Jhunjhunwala*	2.60	13.00	-	15.60
2.	Mr. Bansi S. Mehta	1.80	7.00	-	8.80
3.	Mr. Bharat V. Patel	1.40	5.00	-	6.40
4.	Prof. J. Ramachandran	3.00	13.00	-	16.00
5.	Mr. Sanjay M. Shah	2.20	6.00	-	8.20
6.	Mr. Sunirmal Talukdar	2.40	10.00	-	12.40
	<b>Total (i)</b>	<b>13.40</b>	<b>54.00</b>	<b>-</b>	<b>67.40</b>
(ii)	<b>Non-Executive Directors</b>				
1.	Dr. G. Venkatesh	1.20	-	-	1.20
2.	Mr. Jyotindra B. Mody	0.20	-	-	0.20
3.	Mr. Pranabh D. Mody	2.80	-	-	2.80
	<b>Total (ii)</b>	<b>4.20</b>	<b>-</b>	<b>-</b>	<b>4.20</b>
	<b>Total (B)=(i +ii)</b>	<b>17.60</b>	<b>54.00</b>	<b>-</b>	<b>71.60</b>
	Ceiling as per the Act (@ 1% of net profits calculated under Section 198 of the Companies Act, 2013)				67.19
	<b>Total Managerial Remuneration (A + B)</b>				<b>373.75</b>
	<b>Overall ceiling as per the Act (@ 11% of net profits calculated under Section 198 of the Companies Act, 2013)</b>				<b>739.10</b>

\* Resigned as an Independent Director effective January 30, 2017.

## Annexure to Board's Report (Contd.)

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Amount in ₹ lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		S. Prasad	Total
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	27.15	27.15
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission (as % of profit/others)	-	-
5.	Others	-	-
	Total	27.15	27.15

### ix. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

## PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

## i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name	Designation	Ratio
Mr. Rajiv C. Mody	Chairman & Managing Director	17.80
Dr. Ashok Jhunjunwala*	Independent Director	-
Mr. Bansi S. Mehta	Independent Director	-
Mr. Bharat V. Patel	Independent Director	-
Mr. Jyotindra B. Mody	Non-Executive Director	-
Mr. Krishna J. Jhaveri**	Whole Time Director	2.50
Ms. Neeta S. Revankar	Whole Time Director & CFO	13.84
Mr. Pranabh D. Mody	Non-Executive Director	-
Prof. J. Ramachandran	Independent Director	-
Mr. Sanjay M. Shah	Independent Director	-
Mr. Sunirmal Talukdar	Independent Director	-
Dr. G. Venkatesh	Non-Executive Director	-
Mr. S. Prasad	Associate Vice President & Company Secretary	3.07

\* Resigned as an Independent Director effective January 30, 2017.

\*\* Ceased to be a Whole Time Director effective March 15, 2017.

## ii. The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name	Designation	% Increment
Mr. Rajiv C. Mody	Chairman & Managing Director	(78.93)
Dr. Ashok Jhunjunwala*	Independent Director	-
Mr. Bansi S. Mehta	Independent Director	-
Mr. Bharat V. Patel	Independent Director	-
Mr. Jyotindra B. Mody	Non-Executive Director	-
Mr. Krishna J. Jhaveri**	Whole Time Director	0.19
Ms. Neeta S. Revankar	Whole Time Director & CFO	(69.99)
Mr. Pranabh D. Mody	Non-Executive Director	-
Prof. J. Ramachandran	Independent Director	-
Mr. Sanjay M. Shah	Independent Director	-
Mr. Sunirmal Talukdar	Independent Director	-
Dr. G. Venkatesh	Non - Executive Director	-
Mr. S. Prasad	Associate Vice President & Company Secretary	4.19

\* Resigned as an Independent Director effective January 30, 2017.

\*\* Ceased to be a Whole Time Director effective March 15, 2017.

## iii. The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of the employees in the financial year was increased by 14.08%. The calculation of % increase in Median Remuneration is done based on comparable employees.

## iv. The number of permanent employees on the rolls of the Company:

There were 1,963 permanent employees on rolls of the Company as on March 31, 2017.

## v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The employees have got an average increase of 10.21% whereas Key Managerial Personnel have seen an average decrease of 75.39% in remuneration of FY 2017 over FY 2016.

## vi. Affirmation that the remuneration is as per the remuneration policy of the company:

Yes, the remuneration is as per the total rewards philosophy of the Company.

## vii. Other Notes

1. Remuneration means Total salary (fixed + variable pay) at target 100%; excludes gratuity, stock options and insurance premiums but includes company contribution of PF.
2. Salaries denominated other than in Indian rupees are converted to Indian rupee based on exchange rate as on March 31, 2017.

## Annexure to Board's Report (Contd.)

### Annexure F2

The information required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

Statement showing names of top ten employees in terms of remuneration drawn and employees who were in receipt of ₹102 lakhs or more, if employed throughout the year or ₹8.50 lakhs or more per month, if employed for a part of the financial year:

Employee Name	Designation	Educational Qualification	Age (in years)	Experience (in years)	Date of Joining	Total remuneration paid during the year (₹)	Previous Employment and Designation
Rajiv C. Mody	Chairman & Managing Director	BE, MS	58	36	01-Apr-89	1,57,50,000	VLSI Technology Inc. - Senior Software Engineer
Neeta S. Revankar	Whole Time Director & CFO	FCA, ACS	50	26	03-Apr-95	1,22,50,000	Microland Ltd., Manager - Corporate Planning
Srinivas Prasad	VP - T&M Business - India & China	PGDBA	46	25	06-Mar-95	98,79,921	ITI Ltd. - Technician
Hariharan Iyer	Senior VP & Global Head - HR	ME, PGDM	59	33	30-Mar-15	96,72,015	Ephicity Life Science Analytics - VP
Jagadish Iyengar*	VP & Head - Digital Transformation Services	B.Tech.	44	22	03-Mar-14	83,63,708	Collabera Solutions Pvt. Ltd. - VP
Ashwin Ramachandra	VP & Head - ER&D	M.Tech.	45	22	07-Mar-97	71,67,971	Texas Instruments (I) Ltd. - Software Design Engineer
Nagamani Murthy*	Senior VP	BE	56	26	05-Sep-11	47,52,106	Wipro Technologies - VP
Krishna Kumar*	VP & Head - Global Delivery	BE, MS	45	21	16-Sep-16	44,61,935	Symphony Limited - VP Engineering
Narendra Khandekar*	Senior VP and Head, Semiconductor Practice	MS, MBA	51	26	20-Feb-17	31,31,098	Intel Technology India Pvt. Ltd. - Sr. Director
Navdeep Singh*	Senior Manager - Business Development	BE	41	19	13-Dec-04	5,81,209	Kodiak Network - Technical Lead

\* Employed for part of the financial year

Notes:

- Total remuneration includes salary, allowances, perquisites, incentives and Company's contribution to Provident and other funds.
- The nature of employment is contractual in all the above cases.
- None of the above mentioned employees is a relative of any director of the Company.
- In terms of the proviso to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees posted and working in a country outside India not being directors or their relatives, drawing more than ₹60 lakhs per financial year or ₹5 lakhs per month, as the case may be, have not been included in the above statement.
- None of the employees who are in receipt of remuneration in excess of that drawn by the Managing Director or Whole Time Director, holds by himself or along with his spouse and dependent children more than two percent of the equity shares of the Company.

## The Year at a Glance - Consolidated (Non GAAP)

For the year	March 31, 2017		March 31, 2016	
	₹ Crores	Million US \$	₹ Crores	Million US \$
Exports	293.58	43.10	309.68	46.87
Domestic Sales	175.36	25.74	173.49	26.26
Other Income and Exchange Gain / (Loss)	25.48	3.74	16.20	2.45
Profit Before Interest, Taxes, Depreciation and Amortisation (PBIDTA)	43.15	6.33	47.17	7.14
PBIDTA as a Percentage of Revenue	9%	9%	10%	10%
Profit Before exceptional items	62.04	9.11	56.58	8.56
Exceptional items	20.25	2.97	232.94	35.25
Profit / (Loss) Before Taxes (PBT)	82.29	12.08	289.53	43.82
Profit / (Loss) After Tax (PAT)	73.69	10.82	206.29	31.22
Earnings Per Share ... Basic (in ₹ / US \$) <sup>1</sup>	41.92	6.15	107.14	1.62
Earnings Per Share ... Diluted (in ₹ / US \$) <sup>1</sup>	41.92	6.15	107.14	1.62
Equity Dividend Percentage (including Interim & Special Dividends)*	70%	70%	320%	320%
Equity Dividend Amount (including Interim & Special Dividends)*	4.43	0.65	55.06	8.33
Investment in Fixed Assets (Gross)	4.13	0.61	4.27	0.64
PBT as a Percentage of Average Net Worth	16%	16%	61%	61%
PAT as a Percentage of Average Net Worth	14%	14%	44%	44%
Revenue Per Person Year <sup>2</sup>	0.24	0.03	0.24	0.04
<b>At the end of the year</b>				
Total Assets	547.32	84.40	500.20	75.50
Fixed Assets (net)	37.70	5.81	40.49	6.11
Working Capital	148.64	22.92	96.85	14.62
Investment	352.03	54.29	351.46	53.05
Other Assets	8.95	1.38	11.40	1.72
Total Debt	-	-	1.19	0.18
Net Worth	547.32	84.40	499.01	75.32

<sup>1</sup> Face value of ₹10 per share

<sup>2</sup> Quarterly average of all employees including the support staff, numbers are in ₹ Crores & Million US \$.

\* Final dividend for the year ended March 31, 2017 will be appropriated from the Profit and Loss Account at the time of declaration and payment.

Notes : 1) To facilitate comparison figures in US \$ have been arrived at by converting Rupee figures as follows:

- at the average conversion rate for all revenue items.
- at the closing rate for all balance sheet items.

2) Previous year figures have been re-grouped / re-arranged, wherever necessary to conform to the current year's presentation.

## Financial Performance - A Seven Year Snapshot

In Retrospect - Consolidated (Non GAAP)

Amount in ₹ crores

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>(1) Revenue Account</b>							
Sales / Revenue	546.38	519.96	474.83	458.03	428.01	483.17	468.94
PBIDTA	96.05	76.50	41.91	53.39	32.25	47.17	43.15
Provision for Diminution in Value of Investments	(0.45)	-	-	-	-	-	-
Depreciation & Amortization	32.17	22.35	19.41	12.54	11.20	6.60	6.49
PBIT & Exceptional Item	64.34	54.14	22.50	40.85	21.05	40.57	36.66
Other Income	18.00	26.41	17.64	31.53	21.94	16.20	25.48
Interest	1.13	0.60	0.41	0.20	0.14	0.19	0.09
Exceptional Income/(Expenses)	-	-	-	-	173.33	232.94	20.25
Profit/(Loss) Before Tax (PBT)	81.21	79.95	39.73	72.17	216.18	289.53	82.29
Income Tax (Including withholding taxes and FBT)	7.93	15.94	7.77	20.70	96.62	83.23	8.61
Profit/(Loss) After Tax (PAT)	73.28	64.01	31.96	51.47	119.56	206.29	73.69
Dividend	18.45	17.95	15.41	67.98	57.58	55.06	4.43
<b>(2) Capital Account</b>							
Share Capital	26.19	26.01	20.96	21.28	21.34	17.72	17.11
Share Application Money (Incl. share warrants)	1.51	0.13	0.30	3.61	-	-	-
Reserves and Surplus	398.85	433.33	398.31	382.70	425.60	481.29	530.21
Loan Funds	12.49	3.75	2.34	1.23	1.11	1.19	-
Gross Block (Incl. Cap Work in Progress & Capital Advances)	486.34	490.74	491.64	531.49	435.72	464.29	436.29
Net Block (Incl. Cap Work in Progress & Capital Advances)	134.02	135.79	122.99	126.87	42.67	40.49	37.70
Investment	148.72	166.70	139.14	133.51	195.15	351.46	352.03
Deferred Tax Asset	8.28	10.07	10.89	11.18	12.76	11.40	8.95
Net Current Assets	148.01	150.67	148.89	137.26	197.48	96.85	148.64
<b>(3) Other Information</b>							
Total number of shareholders	36,026	35,818	30,977	28,191	28,410	25,458	23,793

## Financial Performance - A Seven Year Snapshot *(Contd.)*

### In Retrospect - Consolidated (Non GAAP)

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>(4) Ratios</b>							
<b>(a) Profitability/Efficiency</b>							
Sales /Total Income (%)	97%	95%	96%	94%	95%	97%	95%
PBIDTA/Total Income (%)	17%	14%	9%	11%	7%	9%	9%
EBITDA/Sales (%)	18%	15%	9%	12%	8%	10%	9%
PBIT & Exceptional Items/Total Income (%)	11%	10%	5%	8%	5%	8%	7%
PBT/Total Income (%)	14%	15%	8%	15%	48%	58%	17%
PAT/Total Income (%)	13%	12%	6%	11%	27%	41%	15%
Return on Average Net Worth (%) (PAT / Average Net Worth) (%)	15%	14%	8%	12%	28%	44%	14%
Return on Average Capital Employed (pre - tax) (PBT+ Interest)/(Average Capital Employed) (%)	17%	18%	10%	17%	51%	61%	16%
Return on Average Capital Employed (post - tax) (PAT + Interest)/(Average Capital Employed) (%)	16%	15%	8%	12%	28%	44%	14%
Sales to Average Net Working Capital	4.3	3.5	3.2	3.2	2.6	3.3	3.8
Total Revenues to Average Total Assets	1.1	1.2	1.1	1.1	0.9	0.7	0.6
Fixed Assets Turnover	4.1	3.8	3.9	3.6	10.6	7.9	8.1
<b>(b) Liquidity</b>							
Net Working Capital to Total Assets	0.3	0.3	0.4	0.4	0.4	0.2	0.3
Average Collection Period (Days)	65	73	73	72	60	61	61
Current Ratio	2.4	2.6	2.8	2.6	2.8	1.7	2.5
<b>(c) Leverage</b>							
Debt - Equity Ratio	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Cover	56.8	89.7	54.4	201.7	151.8	214.8	397.1
Total Assets/Net Worth	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>(d) Growth</b>							
Growth in Sales (%)	(5)%	(5)%	(9)%	(4)%	(7)%	13%	(3)%
Growth in PBITDA (%)	(6)%	(20)%	(45)%	27%	(40)%	46%	(9)%
Net Profit Growth (%)	(3)%	(13)%	(50)%	61%	132%	73%	(64)%

## Independent Auditors' Report

To the Members of Sasken Technologies Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of Sasken Technologies Limited (Formerly Sasken Communication Technologies Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 the design, implementation and maintenance of adequate internal financial control 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

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2017, its profit, and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account ;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
  - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



## Independent Auditors' Report *(Contd.)*

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - iv. The Company has provided requisite disclosures in Note 42 to these standalone financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004  
per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729  
Place of Signature: Bengaluru  
Date: April 19, 2017

## Annexure to the Auditors' Report

**Annexure 1 referred to in our report to the members of Sasken Technologies Limited (Formerly Sasken Communication Technologies Limited) (the Company) for the year ended March 31, 2017. We report that:**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of Section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income - tax, sales - tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income - tax, service tax, sales - tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income - tax, sales - tax, wealth - tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (₹ In lakhs)	Amount paid under protest (₹ In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	21.72	21.72	AY 1999-00 & AY 2000-01	Supreme Court
Income Tax Act, 1961	Income Tax	3.96	0.91	AY 2004-05	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	105.65	-	AY 2005-06 to AY 2006-07	Assessing officer
Income Tax Act, 1961	Income Tax	346.20	346.20	AY 2005-06	Commissioner of Income Tax (CIT Appeals)
Income Tax Act, 1961	Income Tax	203.34	24.35	AY 2006-07, AY 2009-10 & AY 2010-11	Karnataka High Court
Income Tax Act, 1961	Income Tax	715.29	100.00	AY 2010-11	Assessing officer
Income Tax Act, 1961	Income Tax	210.10	-	AY 2011-12	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	55.58	-	AY 2014-15	Commissioner of Income Tax (CIT Appeals)
KST Act, 1957	KST	275.73	171.51	FY 2004-05	Karnataka Appellate Tribunal
Finance Act, 1994	Service Tax	2,878.46	125.00	FY 2005-06 to FY 2013-14	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act, 1994	Service Tax	16.16	-	FY 2009-10 to FY 2013-14	Commissioner Appeals of Service Tax
Canadian Income Tax Laws	Income Tax for Branches	149.75	3.30	FY 2000-01 to 2007-08, FY 2010-11 & 2011-12	Canadian Revenue Agency

## Annexure to the Auditors' Report (Contd.)

- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer/further public offer/debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non - cash transactions with directors or persons connected with him as referred to in Section 192 of Act.
- (xvi) According to the information and explanations given to us, the provisions of Section 45 - IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place of Signature : Bengaluru  
Date : April 19, 2017

## Annexure to the Auditors' Report (Contd.)

### Annexure 2 to the Independent Auditors' Report of even date on the Standalone Financial Statements of Sasken Technologies Limited (Formerly Sasken Communication Technologies Limited)

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Sasken Technologies Limited (Formerly Sasken Communication Technologies Limited) ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place of Signature : Bengaluru  
Date : April 19, 2017

## Standalone Balance Sheet

Amount in ₹ lakhs

	Notes	As at March 31, 2017	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	3	1,711.01	1,771.98
(b) Reserves and Surplus	4	52,457.50	48,103.29
		54,168.51	49,875.27
<b>(2) Non - Current Liabilities</b>			
(a) Long Term Provisions	5	624.72	553.12
<b>(3) Current Liabilities</b>			
(a) Trade Payables	6		
Total outstanding dues of Micro Enterprises and Small Enterprises		3.71	2.44
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		2,816.55	6,277.69
(b) Other Current Liabilities	7	1,628.89	1,444.54
(c) Short Term Provisions	8	3,964.23	4,604.22
		<b>8,413.38</b>	<b>12,328.89</b>
<b>Total</b>		<b>63,206.61</b>	<b>62,757.28</b>
<b>ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Fixed Assets (net)	9		
(i) Property, Plant and Equipment		3,674.73	3,859.39
(ii) Intangible Assets		15.64	52.14
(iii) Capital Work-in-Progress		5.90	12.79
		3,696.27	3,924.32
(b) Non Current Investments	10	29,021.23	22,011.22
(c) Deferred Tax Assets (net)	11	789.64	1,063.57
(d) Long Term Loans and Advances	12	7,195.63	6,234.47
		<b>40,702.77</b>	<b>33,233.58</b>
<b>(2) Current Assets</b>			
(a) Current Investments	13	9,688.70	16,650.35
(b) Inventories	14	-	218.84
(c) Trade Receivables	15	6,948.81	8,003.68
(d) Cash and Bank Balances	16	1,225.02	1,345.66
(e) Short Term Loans and Advances	17	2,041.85	1,407.35
(f) Other Current Assets	18	2,599.46	1,897.82
		<b>22,503.84</b>	<b>29,523.70</b>
<b>Total</b>		<b>63,206.61</b>	<b>62,757.28</b>

Significant Accounting policies and Notes attached herein form an integral part of the financial statements.

As per our report of even date.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place : Bengaluru  
Date : April 19, 2017

For and on behalf of the Board of Directors of  
Sasken Technologies Limited

Rajiv C. Mody  
Chairman and Managing Director  
DIN: 00092037

S. Prasad  
Company Secretary

Neeta S. Revankar  
Whole Time Director &  
Chief Financial Officer  
DIN: 00145580

## Standalone Statement of Profit and Loss

Amount in ₹ lakhs

	Notes	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
I. Revenue from Operations	19	39,045.58	40,192.40
II. Other Income	20	2,956.07	3,132.99
III. <b>Total Revenue (I+II)</b>		<b>42,001.65</b>	<b>43,325.39</b>
IV. Expenses:			
(Increase)/Decrease in Work - in - Progress	21	218.84	(203.16)
Employee Benefit Expense	22	28,716.65	29,058.35
Depreciation and Amortization Expense	9	590.74	586.04
Other Expenses	23	7,242.91	8,267.82
		<b>36,769.14</b>	<b>37,709.05</b>
V. <b>Profit Before Exceptional Items and Tax (III - IV)</b>		<b>5,232.51</b>	<b>5,616.34</b>
VI. <b>Exceptional Items [Refer Note 41]</b>			
Consideration for Assignment of IP Rights		-	29,812.50
Employee related (payments)/reversals (Previous year includes managerial remuneration of ₹784.38 lakhs)		2,025.00	(2,884.38)
Diminution in value of investments in Subsidiaries/others		-	(3,594.85)
		<b>2,025.00</b>	<b>23,333.27</b>
VII. <b>Profit Before Tax (V + VI)</b>		<b>7,257.51</b>	<b>28,949.61</b>
VIII. <b>Tax Expense</b>			
Current tax [(net of reversals of earlier years of ₹1,050 lakhs in current year) (previous year ₹ Nil)]		383.14	7,940.47
Deferred Tax Charge		273.93	114.75
<b>Total Tax Expense</b>		<b>657.07</b>	<b>8,055.22</b>
IX. <b>Profit for the year (VII - VIII)</b>		<b>6,600.44</b>	<b>20,894.39</b>
X. <b>Earnings Per Equity Share (EPS) in Rupees (Equity Share par value ₹10 each)</b>			
Before Exceptional Items :			
Basic		29.78	19.64
Diluted		29.78	19.64
After Exceptional Items :			
Basic		37.55	108.51
Diluted		37.55	108.51
Weighted average number of Equity Shares used in computation of			
Basic EPS		1,75,77,828	1,92,55,028
Diluted EPS		1,75,77,828	1,92,55,028

Significant Accounting policies and Notes attached herein form an integral part of the financial statements.

As per our report of even date.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place : Bengaluru  
Date : April 19, 2017

For and on behalf of the Board of Directors of  
Sasken Technologies Limited

Rajiv C. Mody  
Chairman and Managing Director  
DIN: 00092037

S. Prasad  
Company Secretary

Neeta S. Revankar  
Whole Time Director &  
Chief Financial Officer  
DIN: 00145580

## Standalone Cash Flow Statement

Amount in ₹ lakhs

	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>A. Cash flows from Operating Activities:</b>		
<b>Profit Before Tax</b>	<b>7,257.51</b>	<b>28,949.61</b>
Adjustments for:		
Depreciation and Amortization Expense	590.74	586.04
Provision for Diminution in value of Investment	-	3,594.85
Other non - cash (writebacks)/Charges	1.19	(93.33)
Unrealised Exchange gain, net	44.03	46.52
Realised Foreign Exchange (Gain)/Loss on loan given to Subsidiary	2.33	-
Other Income	(2,681.32)	(2,694.76)
Operating Profit before Working Capital Changes	5,214.48	30,388.93
Adjustments for:		
(Increase)/Decrease in Trade Receivables	1,158.16	(1,991.73)
(Increase)/Decrease in Work - in - Progress	218.84	(203.16)
(Increase)/Decrease in Other Assets	(608.36)	(334.67)
(Increase)/Decrease in Loans & Advances	23.58	342.59
Increase/(Decrease) in Liabilities	(3,106.39)	4,084.21
Increase/(Decrease) in Provisions	(401.99)	(446.83)
Cash generated from Operations	2,498.32	31,839.34
Taxes Paid, net	(1,682.38)	(7,225.31)
<b>Net Cash from Operating Activities</b>	<b>815.94</b>	<b>24,614.03</b>
<b>B. Cash flows from Investing Activities:</b>		
Purchase of Fixed Assets and Intangible Assets	(390.96)	(373.45)
Sale of Fixed Assets	26.67	9.30
Dividend received from subsidiaries	526.58	1,502.59
Dividend received from preference shares	41.65	39.26
Dividend received on current investments	177.59	37.18
Interest received	353.96	840.87
Sale/(purchase) of Current Investments (net)	7,551.17	(4,983.70)
Sale/(purchase) of Non - current Investments (net)	(6,141.75)	(13,929.82)
Investment in Subsidiary including share application	-	(664.80)
Proceeds from Sale of Investment in Joint Ventures	10.00	-
Repayment of Capital by Subsidiary	-	81.54
Loans given to Subsidiaries	(74.91)	-
Repayment of loans by Subsidiaries	72.58	-
Investment in Bank Deposits	-	(616.24)
Redemption of Bank Deposits	399.86	10,214.14
<b>Net cash from/(used in) Investing Activities</b>	<b>2,552.44</b>	<b>(7,843.13)</b>

## Standalone Cash Flow Statement (Contd.)

Amount in ₹ lakhs

	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>C. Cash Flows from Financing Activities:</b>		
Proceeds from issuance of Share Capital on exercise of Stock Options and Share Warrants	-	40.90
Repayment of Share Warrants	-	(360.75)
Buyback of Shares	(2,499.77)	(9,507.06)
Payment of Dividend tax	-	(933.70)
Dividend Paid during the year	(589.69)	(6,317.44)
<b>Net cash used in financing activities</b>	<b>(3,089.46)</b>	<b>(17,078.05)</b>
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)	278.92	(307.15)
Effect of translation on closing Cash and Cash equivalents	0.30	0.29
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>944.49</b>	<b>1,251.35</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>1,223.71</b>	<b>944.49</b>
<b>Components of cash and cash equivalents:</b>		
Cash on hand	0.79	1.28
Balances with banks - Current accounts	1,139.66	713.26
Balances with banks - unpaid dividend accounts*	83.26	229.95
<b>Total Cash and Cash Equivalents as per Note 16</b>	<b>1,223.71</b>	<b>944.49</b>
* The Company can utilize these balances only towards settlement of the respective unpaid dividend.		
<b>Supplementary non - cash flow information</b>		
Dividends received and re - invested in units of mutual funds	572.88	205.11

As per our report of even date.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place : Bengaluru  
Date : April 19, 2017

For and on behalf of the Board of Directors of  
Sasken Technologies Limited

Rajiv C. Mody  
Chairman and Managing Director  
DIN: 00092037

S. Prasad  
Company Secretary

Neeta S. Revankar  
Whole Time Director &  
Chief Financial Officer  
DIN: 00145580



## Notes to Standalone Financial Statements

### 1. Description of Business

Sasken Technologies Limited (“Sasken” or “the Company”) is a specialist in Product Engineering and Digital Transformation providing concept-to-market, chip-to-cognition R&D services to global leaders in Semiconductors, Automotive, Industrials, Smart Devices & Wearables, Enterprise Grade Devices, Satcom and Retail industries. With over 27 years in Product Engineering and Digital Transformation and around 60 patents, Sasken has transformed the businesses of over a 100 Fortune 500 companies, powering over a billion devices through its services and IP.

The shareholders by way of Postal Ballot on December 23, 2016 had approved changing the name of the Company to “Sasken Technologies Limited” and the change was made effective February 14, 2017, on receipt of necessary approvals.

Established in 1989, Sasken has its headquarter in Bengaluru, operating from state-of-the-art centers in Bengaluru, Pune, Chennai & Hyderabad (India), Kaustinen and Tampere (Finland), Beijing (China), Tokyo (Japan), Greater London (UK), California, New Jersey and Texas (USA) and Essen (Germany). The equity shares of Sasken have been listed on the National Stock Exchange of India Ltd., and BSE Ltd., since its initial public offering in 2005.

### 2. Significant Accounting Policies

#### (a) Basis for preparation of financial statements

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) and complies in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis, except in case of certain financial instruments which are measured at fair values and in case of assets for which impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used during the previous year, except other than those disclosed.

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management’s best knowledge of current events and actions the Company may undertake in future, actual outcomes ultimately may differ from the estimates.

#### (b) Change in accounting policy

##### Accounting for proposed dividend

As per the requirements of pre-revised Accounting Standard 4 (AS 4), the Company used to create a liability for dividend proposed / declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the Company cannot create provision for dividend proposed / declared after the balance sheet date unless a statute requires otherwise. Rather, company will need to disclose the same in notes to the financial statements.

Accordingly, the Company has disclosed dividend proposed by Board of Directors after the balance sheet date in the notes.

Had the Company continued with creation of provision for proposed dividend, its surplus in the Statement of Profit and Loss would have been lower by ₹909.68 lakhs and short-term provision would have been higher by ₹909.68 lakhs (including dividend distribution tax of ₹139.73 lakhs).

#### (c) Fixed Assets (including intangible assets)

Fixed assets including intangible assets are stated at cost, less accumulated depreciation less impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets, which necessarily take substantial period of time to get ready for intended use, are also included to the extent they relate to the period till such assets are ready to be put to use. Cost of fixed assets not ready for their intended use before balance sheet date are disclosed under capital work in progress.

#### (d) Depreciation / Amortization

Based on an independent assessment, the management has estimated the useful lives of the following classes of assets, which are lower than or equal to those indicated in Schedule II. Depreciation is provided on Straight Line Method (SLM), over the estimated useful life of the asset, as follows:

Type of asset	In years	
	Estimated life (SLM)	Schedule II Estimated life (SLM)
Building	20	60
Computers	3	3
Electrical Fittings	5	10
Furniture & Fixtures	10	10
Office Equipment	5	5
Plant and Equipment	5	15

Leasehold improvements at leased premises are depreciated on SLM, over the estimated useful life (not exceeding 10 years) or the lease period, whichever is lower.

## Notes to Standalone Financial Statements (Contd.)

Assets with unit value of ₹5,000 or less are depreciated entirely in the period of acquisition.

Intangible assets are amortized over the estimated useful life, on a straight line basis, as follows:

Computer Software-

- (a) Computer Software used for development of software/rendering software services - over the life of the project/product - 1 year to 5 years.
- (b) Generic Computer Software - over 1 year.
- (c) Product Software for administration purposes - 3 years.

### (e) Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Equipment or facilities that are acquired or constructed for research and development activities, which have alternative future uses are capitalized as tangible assets. Depreciation on such assets, during the research phase, is charged to expense as research and development costs.

### (f) Capitalization and Amortization of Software Products

Costs incurred during the research phase are expensed off as period costs. Costs incurred towards development of computer software products meant for sale, lease or otherwise marketed, are capitalized subsequent to establishing the technological feasibility provided future economic benefit is probable and the Company has an intention and ability to complete and use or sell software and costs can be measured reliably. The costs are expensed as period costs, if the technological feasibility is not established. Capitalization ceases when the product is ready for general release to customers. Capitalized software product costs are amortized on a straight line method over the remaining estimated economic life of the product. The unamortized cost of capitalized software products is carried at cost, less accumulated amortization less impairment, if any.

### (g) Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term are classified as operating lease. Operating lease payments are recognized as expense in the Statement of Profit and Loss on a straight - line basis over the lease term.

### (h) Impairment of assets

- (i) The carrying amounts of assets are reviewed at each balance sheet date to assess if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.
- (ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- (iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

### (i) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long - term investments. Current investments are carried at lower of cost and net realizable value determined on an individual investment basis. Long - term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

### (j) Revenue Recognition

The Company derives its revenues from software services, product and technology licensing and installation and commissioning services.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and the collection is probable. In all cases revenue is recognized only when no further vendor obligations remain up to the stage of revenue recognized and collection is probable. The following specific recognition criteria must also be met before revenue is recognized:

- Licensing revenue is recognized when the product or technology is delivered and accepted.
- Revenue from time and material service contracts is recognized as the services are provided. Revenue from fixed price service contracts and customized products or technology developments is recognized based on the proportionate completion method. Revenue from maintenance contracts is recognized rateably over the term of the maintenance arrangement.
- Revenue from royalty is recognized on an accrual basis based on customer confirmation of shipment volumes, provided collection is probable.
- Revenue related to post contract customer support is recognized rateably over the support period.
- Dividend income is recognized when the right to receive dividend is established as at the reporting date.

## Notes to Standalone Financial Statements (Contd.)

- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- The Company recognizes legal award revenue when the litigation reaches finality and the Company has assurance of collecting those awards or the Company has collected litigation awards from the other litigating party or parties.
- The Company collects service tax and value added taxes (VAT) on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

### (k) Foreign Currency Translations

- (i) Foreign Currency transactions and balances

#### *Initial Recognition*

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency approximately at the date of the transaction.

#### *Conversion*

Foreign currency monetary items are reported using the exchange rate prevailing at the balance sheet 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*

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

#### *Forward exchange contracts not intended for trading or speculation purposes covered by notified AS 11*

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

#### *Options and Forward exchange contracts not intended for trading or speculation purposes, classified as derivative instruments (Cash flow hedge)*

The Company has adopted the principles of Guidance Note on Accounting for Derivative Contracts to the extent that the adoption does not conflict with notified guidance notes and other applicable pronouncements. Accordingly, such derivative instruments, which qualify for hedge accounting are fair valued at balance sheet date and the effective portion of the resultant loss/(gain) is debited/credited to the hedging reserve and the ineffective portion is recognized in the Statement of Profit and Loss.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge Accounting is discontinued when the hedging instrument expires or is sold, or terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognized in hedge reserve is transferred to Statement of Profit and Loss when the forecasted transaction occurs or when a hedged transaction is no longer expected to occur.

- ii. Translation of Integral and Non-integral foreign operations:

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the rate prevailing at the balance sheet date; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transactions; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

Where there is a change in the classification of a foreign operation the translation procedures applicable to the revised classification are applied from the date of change in the classification.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.

### (l) Retirement and other Employee Benefits

- (i) Gratuity

The Company provides for gratuity, a defined benefit plan covering all eligible employees. The plan provides a lump sum payment to eligible employees at retirement or on termination of employment based on the salary of the respective employee and the years of employment with the Company.

## Notes to Standalone Financial Statements (Contd.)

The Company contributes to a gratuity fund maintained by an insurance company. The amount of contribution is determined based upon actuarial valuations as at the year end. Such contributions are charged off to the Statement of Profit and Loss. Provision is made for the shortfall between the actuarial valuation carried out as at balance sheet date as per Projected Unit Credit Method and the funded balance with the insurance company.

(ii) Provident Fund

Employees other than the employees at foreign branches are eligible to receive Provident Fund benefits through a defined benefit plan in which both employee and employer make monthly contributions to the plan. The Company has established a Provident Fund Trust to which contributions towards provident fund are made each month. The Provident Fund Trust guarantees a specified rate of return on such contributions on a periodical basis. The Company will meet the shortfall in the return, if any, which is provided for based on actuarial valuation carried out, as at the balance sheet date. Contributions towards Provident Fund are charged to the Statement of Profit and Loss on an accrual basis.

(iii) Pension

In case of Germany branch, pension contributions are made as per the local laws and regulations. The Company provides for these pension benefits, a defined benefit plan, covering all eligible employees. The plan provides for various pension benefits to eligible employees at retirement or on termination of employment based on earnings of the respective employee and the years of employment with the Company. The Company contributes to a reinsured support fund maintained by an external agency. The contributions made by the employer are charged to the Statement of Profit and Loss on accrual basis. Provision is made for the shortfall between the actuarial valuation carried out as at the year end, as per the projected unit credit method and the funded balance.

For other overseas branches, social security contributions are made as per the respective local laws and regulations. The same is charged to the Statement of Profit and Loss on an accrual basis. There are no obligations beyond the respective entity's contributions.

(iv) Compensated absences

Short-term compensated absences are provided based on estimates. Long-term compensated absences are provided for based on actuarial valuation, done as per projected unit credit method, as at balance sheet date. The Company presents the compensated absences as a current liability in the Balance Sheet wherever it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

(v) Other employee benefits

The Company operates other long term benefit plan covering all eligible employees. The plan provide for lump sum payments at the end of agreed tenure. The cost of providing benefit under this plan is determined by the actuarial valuation, done as per projected unit credit method as at each balance sheet date.

(vi) Superannuation

The Company contributes to a superannuation scheme, a defined contribution plan maintained by an insurance company. Such contributions are charged to the Statement of Profit and Loss on an accrual basis. The Company has no other obligations beyond its monthly contributions.

(vii) Actuarial gains/losses

The actuarial gains/losses on the employee benefits are immediately recognized in the Statement of Profit and Loss and are not deferred.

### (m) Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and tax laws applicable to the overseas branches under the respective jurisdictions. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities across various countries of operation are not set off against each other as the Company does not have a legal right to do so. Deferred tax liabilities are recognized for all taxable timing differences. In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. All Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

## Notes to Standalone Financial Statements (Contd.)

Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain or virtually certain, as the case may be that future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax (MAT) credit is recognized 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. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Credit Available in respect of MAT under the Income - tax Act, 1961, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the "MAT Credit Entitlement" at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### (n) Stock Compensation Expense

Measurement and disclosure of the employee share -based payment plans is done in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share -based Payments, issued by the Institute of Chartered Accountants of India. The Company accounts for stock compensation expense based on the fair value of the options granted, determined on the date of grant. Compensation expense is amortized over the vesting period of the option on a straight -line basis. The accounting value of the options outstanding net of the Deferred Compensation Expense is reflected as Employee Stock Options Outstanding.

### (o) Segment Reporting

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Identification of segments:

The Company is focused in the Product Engineering and Digital Transformation space. The risks and returns of the Company are predominantly determined by the nature of the solution offered to its customers, which may be in the form of products or services. The primary reporting segments are Software Services and Software Products.

The geographical segment information is disclosed based on the location of the customers.

Allocation of common costs:

Common allocable costs are allocated to the segments according to the relative contribution of each segment to the total common costs.

Unallocated items:

The Unallocated items include general corporate income and expense items, which are not allocated to any business segment.

### (p) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

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

### (q) Provisions and contingencies

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a best estimate of such obligation.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. A contingent asset is neither recognized nor disclosed in the financial statement.

### (r) Warranty Provisions

Provision for warranty related costs are recognized when the license is provided or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised periodically.

### (s) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and in hand and short term investments with an original maturity value of three months or less. The cash flow statement is prepared under the indirect method.

## Notes to Standalone Financial Statements (Contd.)

### 3. Share Capital

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Authorized Capital		
5,00,00,000 (As at March 31, 2016 : 5,00,00,000) Equity Shares of ₹10 each	5,000.00	5,000.00
Issued, Subscribed and Paid up Capital		
1,71,10,114 (As at March 31, 2016 : 1,77,19,813) Equity shares of ₹10 each fully paid up	1,711.01	1,771.98

For details of shares reserved for issue under Employee Stock Option Plan (ESOP) of the Company (Refer Note 34).

The Company has only one class of share referred to as equity shares having par value of ₹10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. For the year ended March 31, 2017, the Board of Directors have recommended a final dividend of ₹4.50 per equity share of ₹10 each. This is subject to approval of shareholders and if so approved, the total dividend for the year will amount to ₹7.00 per equity share (including interim dividend of ₹2.50 per share) (March 31, 2016 interim dividend declared was ₹7.00 per equity share and special dividend of ₹25.00 per equity share).

#### Shareholders holding more than 5 percent shares in the Company:

Name of the shareholder*	As at March 31, 2017	
	No. of shares	% holding
Rajiv Chandrakant Mody	15,56,570	9.10%
GHI LTP Ltd.	9,76,166	5.71%

Name of the shareholder*	As at March 31, 2016	
	No. of shares	% holding
Rajiv Chandrakant Mody as trustee of the estate of Late C. J. Mody	15,45,560	8.72%
GHI LTP Ltd.	9,76,166	5.51%

\* The shareholding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders/members.

#### Reconciliation of the number of shares outstanding at the beginning and end of the reporting year:

Particulars	As at March 31, 2017	
	No. of Shares	Amount in ₹ lakhs
Outstanding at the beginning of the year	1,77,19,813	1,771.98
Add: Issued during the year - ESOP	-	-
Less: Bought back during the year	(6,09,699)	(60.97)
Outstanding at the end of the year	1,71,10,114	1,711.01

Particulars	As at March 31, 2016	
	No. of Shares	Amount in ₹ lakhs
Outstanding at the beginning of the year	2,13,44,873	2,134.49
Add: Issued during the year - ESOP	31,500	3.15
Less: Bought back during the year	(36,56,560)	(365.66)
Outstanding at the end of the year	1,77,19,813	1,771.98

The Company has issued 6,42,900 shares (As at March 31, 2016: 11,97,825) during the period of five years immediately preceding the reporting date on exercise of options granted under the Employee Stock Option Plan (ESOP), wherein part consideration was received in form of employee services. In terms of decision of the Board of Directors dated October 27, 2016 and in accordance with the provisions of Companies Act, 2013 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and pursuant to approval of shareholders through Postal Ballot dated December 23, 2016, the Company had offered to buy-back 28,69,098 fully paid up equity shares of ₹10 each, at a price of ₹410 per share for an aggregate amount of up to ₹11,763.30 lakhs from the existing shareholders of the Company under Tender Offer mechanism. The offer size was 24.49% and 25% of the aggregate paid up capital and free reserves (including securities premium account) as per the audited standalone and consolidated financial statements of the Company as on March 31, 2016 respectively. The offer was kept open from February 03, 2017 to February 16, 2017. During the year, the Company had purchased 6,09,699 equity shares and completed the payment and extinguishment of the said shares by March 07, 2017.

#### Buy-back of Equity Shares

Particulars	As at March 31, 2017	As at March 31, 2016
Aggregate number of equity shares bought back by the Company during the period of five years immediately preceding the Balance sheet date	95,44,137	96,63,805

## Notes to Standalone Financial Statements (Contd.)

### 4. Reserves and Surplus

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Capital Reserve</b>		
Opening Balance	132.00	132.00
<b>Total</b>	<b>132.00</b>	<b>132.00</b>
<b>Capital Redemption Reserve</b>		
Opening Balance	1,254.61	888.95
Add: Transferred during the year	60.97	365.66
<b>Total</b>	<b>1,315.58</b>	<b>1,254.61</b>
<b>Securities Premium</b>		
Opening Balance	29.16	6,524.09
Add: Receipts on exercise of employee stock options	-	49.95
Less: Premium on equity shares bought back	(29.16)	(6,544.88)
<b>Total</b>	<b>-</b>	<b>29.16</b>
<b>General Reserve</b>		
Opening Balance	3,438.66	4,312.50
Add: Transferred from Statement of Profit and Loss	-	2,080.44
Add: Transferred from Employee Stock Option Outstanding	-	7.90
Less: Transferred to Capital Redemption Reserve	(60.97)	(365.66)
Less: Premium on equity shares bought back	(2,409.64)	(2,596.52)
<b>Total</b>	<b>968.05</b>	<b>3,438.66</b>
<b>Hedging Reserve</b>		
Opening Balance	471.42	402.09
Changes during the year		
(Less) Add: Gain transferred to Statement of Profit and Loss on occurrence of forecasted hedge transaction	(449.83)	(400.17)
Add (Less): Net changes in the fair value of effective portion of outstanding cash flow derivatives	1,085.40	469.50
<b>Total</b>	<b>1,106.99</b>	<b>471.42</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Opening balance	42,777.44	30,266.42
Add: Profit for the year	6,600.44	20,894.39
Less: Transferred to general reserve	-	(2,080.44)
Less: Interim dividend (including Special dividend)	(443.00)	(5,669.94)
Less: Dividend tax	-	(933.70)
Add: Excess/(short) dividend provision adjustment	-	163.94
Add: Excess/(short) dividend tax provision adjustment	-	136.77
<b>Total</b>	<b>48,934.88</b>	<b>42,777.44</b>
<b>Total</b>	<b>52,457.50</b>	<b>48,103.29</b>

### 5. Long Term Provisions

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Pension	531.40	432.54
Other employee benefits	-	0.69
Employee compensated absences	93.32	119.89
<b>Total</b>	<b>624.72</b>	<b>553.12</b>

## Notes to Standalone Financial Statements (Contd.)

### 6. Trade Payables

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
For Goods, Services and Expenses		
- Dues to Micro and Small Enterprises (Refer Note 40)	3.71	2.44
- Dues to other Creditors	2,816.55	6,277.69
<b>Total</b>	<b>2,820.26</b>	<b>6,280.13</b>

### 7. Other Current Liabilities

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred Revenues	440.65	247.81
Advance Received from Customers	320.98	129.68
Security Deposits	80.00	80.00
Unpaid Dividend	83.26	229.95
Capital Creditors	2.47	34.68
Statutory Liabilities	701.53	722.42
<b>Total</b>	<b>1,628.89</b>	<b>1,444.54</b>

### 8. Short Term Provisions

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Employee compensated absences	1,062.01	846.10
Gratuity	-	394.32
Other employee benefits	6.98	160.72
Income Tax (net of advance income tax)	2,895.24	3,203.08
<b>Total</b>	<b>3,964.23</b>	<b>4,604.22</b>



## Notes to Standalone Financial Statements (Contd.)

### 9. Fixed Assets

Particulars	Property, Plant & Equipment										Intangible Assets		Grand Total (C = A + B)	
	Freehold Land	Buildings	Leasehold Improvements	Computers	Electrical Fittings		Furniture & Fixtures		Office Equipment	Plant & Equipment	Total (A)	Computer Software		Total (B)
					Computers	Electrical Fittings	Furniture & Fixtures	Office Equipment						
<b>Gross Block</b>														
As at April 1, 2015	2,287.67	3,314.88	361.34	4,161.79	374.53	1,333.87	1,934.42	1,621.25	15,389.75	2,289.16	2,289.16	2,289.16	17,678.91	
Additions during the year	-	-	-	189.76	18.16	14.20	50.87	34.25	307.24	68.52	68.52	68.52	375.76	
Deletions during the year	-	-	-	148.60	33.67	90.22	1.50	154.98	428.97	69.51	69.51	69.51	498.48	
<b>As at March 31, 2016</b>	<b>2,287.67</b>	<b>3,314.88</b>	<b>361.34</b>	<b>4,202.95</b>	<b>359.02</b>	<b>1,257.85</b>	<b>1,983.79</b>	<b>1,500.52</b>	<b>15,268.02</b>	<b>2,288.17</b>	<b>2,288.17</b>	<b>2,288.17</b>	<b>17,556.19</b>	
Additions during the year	-	2.49	-	225.23	26.38	20.46	87.62	1.47	363.65	12.12	12.12	12.12	375.77	
Deletions during the year	-	-	-	739.20	0.27	24.22	62.34	97.23	923.26	-	-	-	923.26	
<b>As at March 31, 2017</b>	<b>2,287.67</b>	<b>3,317.37</b>	<b>361.34</b>	<b>3,688.98</b>	<b>385.13</b>	<b>1,254.09</b>	<b>2,009.07</b>	<b>1,404.76</b>	<b>14,708.41</b>	<b>2,300.29</b>	<b>2,300.29</b>	<b>2,300.29</b>	<b>17,008.70</b>	
<b>Depreciation/ Amortization</b>														
As at April 1, 2015	-	2,302.02	241.88	3,879.52	291.02	1,184.03	1,858.57	1,549.93	11,306.97	2,249.02	2,249.02	2,249.02	13,555.99	
Charge for the year	-	168.00	21.50	169.87	41.78	51.71	43.69	32.97	529.52	56.52	56.52	56.52	586.04	
Deletions during the year	-	-	-	147.86	33.67	89.99	1.37	154.97	427.86	69.51	69.51	69.51	497.37	
<b>As at March 31, 2016</b>	<b>-</b>	<b>2,470.02</b>	<b>263.38</b>	<b>3,901.53</b>	<b>299.13</b>	<b>1,145.75</b>	<b>1,900.89</b>	<b>1,427.93</b>	<b>11,408.63</b>	<b>2,236.03</b>	<b>2,236.03</b>	<b>2,236.03</b>	<b>13,644.66</b>	
Charge for the year	-	168.06	19.42	194.01	35.29	54.30	38.36	32.68	542.12	48.62	48.62	48.62	590.74	
Deletions during the year	-	-	-	733.62	0.27	23.61	62.34	97.23	917.07	-	-	-	917.07	
<b>As at March 31, 2017</b>	<b>-</b>	<b>2,638.08</b>	<b>282.80</b>	<b>3,361.92</b>	<b>334.15</b>	<b>1,176.44</b>	<b>1,876.91</b>	<b>1,363.38</b>	<b>11,033.88</b>	<b>2,284.65</b>	<b>2,284.65</b>	<b>2,284.65</b>	<b>13,318.33</b>	
<b>Net Block</b>														
As at March 31, 2016	2,287.67	844.86	97.96	301.42	59.89	112.10	82.90	72.59	3,859.39	52.14	52.14	52.14	3,911.53	
As at March 31, 2017	2,287.67	679.29	78.54	327.06	50.98	77.65	132.16	41.38	3,674.73	15.64	15.64	15.64	3,690.37	

## Notes to Standalone Financial Statements (Contd.)

### 10. Non Current Investments

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Investment in Equity Instruments (Trade, unquoted, at cost less provision for diminution)</b>		
<b>i. Investment in Subsidiary Companies</b>		
Sasken Network Engineering Ltd.		
30,50,000 (As at March 31, 2016: 30,50,000) equity shares of ₹10 each, fully paid up	305.00	305.00
Sasken Communication Technologies Mexico, S.A. de C.V., Mexico		
9,600 (As at March 31, 2016: 9,600) equity shares of Mexican Peso 500 each, fully paid up	176.75	176.75
Less: Provision for diminution in value of investment	(176.75)	(176.75)
	-	-
Sasken Communication Technologies (Shanghai) Co. Ltd., China towards equity capital, fully paid up	706.96	706.96
Less: Provision for diminution in value of investment	(282.48)	(282.48)
	424.48	424.48
Sasken Finland Oy		
20,197 (As at March 31, 2016: 20,197) equity shares of 1 Euro each, fully paid up	18,466.13	18,466.13
Less: Dividend received out of pre-acquisition profits	(623.00)	(623.00)
Less: Provision for diminution in value of investment	(16,418.52)	(16,418.52)
	1,424.61	1,424.61
Sasken Inc., USA		
3,60,54,347 (As at March 31, 2016: 3,60,54,347) equity shares of USD 0.01 each, fully paid up	5,844.23	5,844.23
Less: Provision for diminution in value of investment	(4,306.14)	(4,306.14)
	1,538.09	1,538.09
<b>ii. Investment in Joint Ventures</b>		
ConnectM Technology Solutions Pvt. Ltd.		
Nil (As at March 31, 2016: 1,44,73,846) equity shares of ₹10 each, fully paid up	-	1,796.24
Less: Provision for diminution in value of investment	-	(1,796.24)
	-	-
TACO Sasken Automotive Electronics Ltd.		
52,00,403 (As at March 31, 2016: 52,00,403) equity shares of ₹10 each, fully paid up	520.04	520.04
Less: Provision for diminution in value of investment	(520.04)	(520.04)
	-	-
<b>iii. Other Investments</b>		
Prime Telesystems Ltd.		
3,92,285 (As at March 31, 2016: 3,92,285) equity shares of ₹10 each, fully paid up	240.00	240.00
Less: Provision for diminution in value of investment	(240.00)	(240.00)
	-	-
<b>Investment in Equity Instruments (Non-Trade, unquoted, at cost less provision for diminution)</b>		
Axiom Research Labs Private Ltd.		
5 (As at March 31, 2016: 5) equity shares of ₹10 each, fully paid up	2.80	2.80
Less: Provision for diminution in value of investment	(2.80)	(2.80)
	-	-

## Notes to Standalone Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Cygni Energy Private Ltd.		
Nil (As at March 31, 2016: 80,000) equity shares of ₹10 each, fully paid up	-	200.00
<b>Investment in Preference Shares (Trade, unquoted, at cost less provision for diminution)</b>		
Investment in Joint Ventures		
TACO Sasken Automotive Electronics Ltd.		
24,78,000 (As at March 31, 2016: 24,78,000) redeemable preference shares of ₹10 each, fully paid up	247.80	247.80
Less: Provision for diminution in value of investment	(247.80)	(247.80)
	-	-
<b>Investment in Preference Shares (Non-Trade, unquoted, at cost less provision for diminution)</b>		
Axiom Research Labs Private Ltd.		
424 (As at March 31, 2016: 424) preference shares of ₹10 each, fully paid up	237.06	237.06
Less: Provision for diminution in value of investment	(237.06)	(237.06)
	-	-
Tata Capital Limited		
50,000 (As at March 31, 2016: 50,000) 8.33% - Non - Convertible Cumulative Redeemable non - participating Preference shares (CRPS) of ₹1,000 each, fully paid up	500.00	500.00
<b>Investment in Tax Free Bonds (Non Trade, quoted, at cost, less provision for diminution)</b>		
60,400 (As at March 31, 2016: 60,400) units of ₹1,000 each IRFC Tax Free bonds 7.28% - 15 Years	604.00	604.00
12,007 (As at March 31, 2016: 12,007) units of ₹1,001.96 each HUDCO Tax Free bonds 7.39% - 15 Years	120.31	120.31
2,00,000 (As at March 31, 2016: 2,00,000) units of ₹1,033.75 each HUDCO Tax Free bonds 7.39% - 15 Years (2)	2,067.50	2,067.50
1,00,000 (As at March 31, 2016: 1,00,000) units of ₹1,026.80 each IRFC Tax Free bonds 7.34% - 15 Years	1,026.80	1,026.80
47,500 (As at March 31, 2016: 47,500) units of ₹1,125 each NHAI Tax Free bonds 8.50% - 15 Years	534.38	534.38
32,000 (As at March 31, 2016: 32,000) units of ₹1,033.20 each IRFC Tax Free bonds 7.35% - 15 Years	330.62	330.62
75,570 (As at March 31, 2016: 75,570) units of ₹1,002.49 NHAI Tax Free bonds 7.35% - 15 Years	757.58	757.58
<b>Investment in Mutual Funds (Non - Trade, quoted, at cost less provision for diminution)</b>		
Nil (As at March 31, 2016: 50,00,000) units of ₹10 each of Tata Fixed Maturity Plan Series 44 - Scheme B - Direct Plan - Growth	-	500.00
Nil (As at March 31, 2016: 45,00,000) units of ₹10 each of Tata Fixed Maturity Plan Series 43 - Scheme A - Direct Plan - Growth	-	450.00
Nil (As at March 31, 2016: 43,50,000) units of ₹10 each of Tata Fixed Maturity Plan Series 43 - Scheme D - Direct Plan - Growth	-	435.00
Nil (As at March 31, 2016: 26,00,000) units of ₹10 each of HDFC FMP 370D - Direct Growth	-	260.00
52,00,000 (As at March 31, 2016: 52,00,000) units of ₹10 each of HDFC FMP 1128D - Direct Growth - Series 33	520.00	520.00
Nil (As at March 31, 2016: 66,49,813) units of ₹10 each of HDFC FMP - 370D Series 28 - Direct Plan - Growth	-	664.98
1,39,90,980 (As at March 31, 2016: 1,39,90,980) units of ₹10 each of ICICI Prudential FMP - Series 75 - 1103 days Plan P Direct Plan - Cumulative	1,399.10	1,399.10
Nil (As at March 31, 2016: 40,00,000) units of ₹10 each of Kotak FMP 114 Direct - Growth	-	400.00

## Notes to Standalone Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
31,00,000 (As at March 31, 2016: 31,00,000) units of ₹10 each of IDFC FTFS - 91 370 - Direct - Growth	310.00	310.00
62,50,000 (As at March 31, 2016: 62,50,000) units of ₹10 each of Kotak FMP Series 156 370 Days - Direct - Growth	625.00	625.00
22,87,680 (As at March 31, 2016: 22,87,680) units of ₹10 each of L&T FMP Series XI - Plan A - Direct - Growth	228.76	228.77
1,00,00,000 (As at March 31, 2016: 1,00,00,000) units of ₹10 each of Reliance FHF XXIX - Series 19 - Direct Plan - Growth	1,000.00	1,000.00
1,47,00,000 (As at March 31, 2016: 1,47,00,000) units of ₹10 each of Birla Sun Life Mutual Fund FTP SR NE (1100 D) Direct Growth	1,470.00	1,470.00
70,00,000 (As at March 31, 2016: 70,00,000) units of ₹10 each of SBI Mutual Fund Debt FD Series B - 36 (1131 D) Direct Growth	700.00	700.00
1,05,00,000 (As at March 31, 2016: 1,05,00,000) units of ₹10 each of ICICI Prudential Mutual Fund FMP SR 78 - (1115 D) PL X Direct Cumulative	1,050.00	1,050.00
1,50,00,000 (As at March 31, 2016: 1,50,00,000) units of ₹10 each of UTI FTI - Series XXIV - IX (1183 D) - Direct - Growth	1,500.00	1,500.00
1,50,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Reliance FHF 31 - Series 9 - Direct Plan - Growth	1,500.00	-
60,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Reliance FHF 31 - Series 13 - Direct Plan - Growth	600.00	-
1,00,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Reliance FHF 32 - Series 5 - Direct Plan - Growth	1,000.00	-
1,20,00,000 (As at March 31, 2016: Nil) units of ₹10 each of UTI FTIF - Series XXVI - Plan 6 - Direct Plan - Growth	1,200.00	-
1,00,00,000 (As at March 31, 2016: Nil) units of ₹10 each of DSP BlackRock FMP Series 205 - 37 Direct Plan - Growth	1,000.00	-
1,12,00,000 (As at March 31, 2016: Nil) units of ₹10 each of ICICI Prudential FMP - Series 80 - 1233 days - Plan O - Direct Plan - Growth	1,120.00	-
1,50,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Birla Sun Life FTP - Series OI - Direct Plan - Growth	1,500.00	-
1,00,000 (As at March 31, 2016: Nil) units of ₹1,000 each of DHFL Pramerica FDP Series AE - Direct Plan - Growth	1,000.00	-
1,00,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Invesco India FMP - Series XXIX - Plan B - Direct Plan - Growth	1,000.00	-
66,50,000 (As at March 31, 2016: 66,50,000) units of ₹10 each of UTI FTI - Series XXII - Plan 1 - Direct - Growth	665.00	665.00
Aggregate amount of quoted investments	24,829.05	17,619.04
Aggregate amount of unquoted investments	4,192.18	4,392.18
Aggregate amount of investments	29,021.23	22,011.22
Aggregate market value of quoted investments	26,462.10	18,861.72
Aggregate provision for diminution in value of investments	(22,431.59)	(24,227.83)

### 11. Deferred Tax Assets

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Differences in depreciation in block of fixed assets as per tax books and financial books	608.34	638.26
Effect of expenditure debited to Statement of Profit and Loss in the current year but allowed for tax purposes in following years on payment basis	181.30	425.31
<b>Total</b>	<b>789.64</b>	<b>1,063.57</b>

## Notes to Standalone Financial Statements (Contd.)

### 12. Long Term Loans and Advances

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured, considered good</b>		
Capital Advances	7.43	17.56
Security Deposits	281.77	282.47
Advances recoverable in cash or in kind or for value to be received		
- Balances with government authorities*	960.15	960.33
- Advances to employees	2.93	6.57
- Prepaid expenses/Other recoverables	6.00	21.59
Advance income tax (Net of Provision for tax)	5,937.35	4,945.95
<b>Total</b>	<b>7,195.63</b>	<b>6,234.47</b>

\*Includes Disputed taxes paid under protest ₹960.15 lakhs (Net of provision of ₹112.50 lakhs) [March 31, 2016 - ₹960.33 lakhs (net of provision of ₹112.50 lakhs)].

### 13. Current Investments

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
i. Unquoted, non trade, at lower of cost or net realizable value, Investment in Mutual Funds		
<b>a) Liquid Funds:</b>		
Nil (As at March 31, 2016: 2,50,003) units of ₹1,000.65 each of Union KBC Liquid Fund Direct Plan - Daily Dividend Reinvestment	-	2,501.66
Nil (As at March 31, 2016: 2,22,400) units of ₹1,012.89 each of L&T Liquid Fund - Direct Plan - DDR	-	2,251.17
Nil (As at March 31, 2016: 1,38,477) units of ₹1,011.62 each of Kotak Floater ST - Direct Plan - Daily Dividend Reinvestment	-	1,400.86
Nil (As at March 31, 2016: 1,09,933) units of ₹1,001.52 each of Tata Money Market Fund - Direct Plan - DDR	-	1,101.00
9,574 (As at March 31, 2016: 2,47,68,114) units of ₹10.10 each of Sundaram Money Fund Direct Plan - DDR	0.97	2,502.20
Nil (As at March 31, 2016: 1,63,887) units of ₹1,000.64 each of Axis Liquid Fund - Daily Dividend Reinvestment	-	1,639.92
Nil (As at March 31, 2016: 9,99,054) units of ₹100.20 each of Birla Sun Life Cash Plus - Daily Dividend Reinvestment - Direct Plan	-	1,001.00
Nil (As at March 31, 2016: 98,213) units of ₹1,528.74 each of Reliance Liquid Fund - Treasury Plan - Direct - Daily Dividend - Reinvestment	-	1,501.42
Nil (As at March 31, 2016: 1,67,031) units of ₹1,003.25 each of SBI Premier Liquid Fund - Direct - Daily Dividend Reinvestment	-	1,675.74
99 (As at March 31, 2016: 2,509) units of ₹1,001.84 each of Franklin India TMA - Daily Dividend Reinvestment - Direct Plan	0.99	25.14
760 (As at March 31, 2016: 24,940) units of ₹1,003.39 each of UTI Money Market Fund - Daily Dividend Reinvestment - Direct Plan	7.63	250.24
22,562 (As at March 31, 2016: Nil) units of ₹1,675.03 each of SBI Magnum Insta Cash - Daily Dividend Reinvestment - Direct Plan	377.92	-
<b>Total</b>	<b>387.51</b>	<b>15,850.35</b>
<b>b) Arbitrage Funds</b>		
1,08,83,971 (As at March 31, 2016: Nil) units of ₹11.03 each of Birla SunLife Enhanced Arbitrage Fund - Dividend Payout - Direct Plan	1,200.00	-
1,35,10,285 (As at March 31, 2016: Nil) units of ₹10.73 each of Reliance Arbitrage Fund - Dividend Payout - Direct Plan	1,450.00	-
21,58,018 (As at March 31, 2016: Nil) units of ₹14.37 each of ICICI Prudential Equity Arbitrage Fund - Dividend Payout - Direct Plan	310.00	-
65,41,882 (As at March 31, 2016: Nil) units of ₹16.51 each of UTI Spread Fund - Dividend Payout - Direct Plan	1,080.00	-
1,61,81,160 (As at March 31, 2016: Nil) units of ₹10.94 each of Kotak Equity Arbitrage Fund - Dividend Payout - Direct Plan	1,770.00	-
<b>Total</b>	<b>5,810.00</b>	<b>-</b>

## Notes to Standalone Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>c) Ultra Short Term Funds</b>		
119 (As at March 31, 2016: Nil) units of ₹1,002.35 each of UTI Treasury Advantage Fund - Direct Plan - Daily Dividend	1.19	-
<b>Total</b>	<b>1.19</b>	<b>-</b>
<b>d) Equity Funds</b>		
1,51,223 (As at March 31, 2016: Nil) units of ₹181.85 each of Birla Sun Life Frontline Equity Fund - Direct - Growth	275.00	-
1,44,331 (As at March 31, 2016: Nil) units of ₹190.53 each of Kotak 50 - Direct - Growth	275.00	-
1,93,766 (As at March 31, 2016: 14,702) units of ₹379.32 each of Franklin India BlueChip Fund - Direct - Growth	735.00	50.00
19,00,803 (As at March 31, 2016: 1,83,022) units of ₹30.25 each of ICICI Prudential Focused Bluechip Equity Fund - Direct - Growth	575.00	50.00
23,74,226 (As at March 31, 2016: 1,81,407) units of ₹30.96 each of SBI BlueChip Fund - Direct - Growth	735.00	50.00
8,63,646 (As at March 31, 2016: 66,775) units of ₹85.10 each of UTI MidCap Fund - Direct - Growth	735.00	50.00
37,297 (As at March 31, 2016: Nil) units of ₹428.99 each of Sundaram Select MidCap - Direct - Growth	160.00	-
Nil (As at March 31, 2016: 56,25,774) units of ₹10.67 each of Edelweiss Equity Savings Advantage Fund - Direct - Growth	-	600.00
<b>Total</b>	<b>3,490.00</b>	<b>800.00</b>
<b>Aggregate amount of Current investments</b>	<b>9,688.70</b>	<b>16,650.35</b>

### 14. Inventories (at lower of cost or net realizable value)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Work in progress - software services	-	218.84
<b>Total</b>	<b>-</b>	<b>218.84</b>

### 15. Trade Receivables

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured considered good</b>		
Outstanding for more than six months from due date	23.94	8.62
Outstanding for less than six months from due date	6,924.87	7,995.06
<b>Unsecured considered doubtful</b>		
Outstanding for more than six months from due date	2.86	3.52
Less: Provision for doubtful debts	(2.86)	(3.52)
<b>Total</b>	<b>6,948.81</b>	<b>8,003.68</b>

### 16. Cash and Bank Balances

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Cash and Cash Equivalents</b>		
Cash on Hand	0.79	1.28
Balance with banks - Current Accounts	1,139.66	713.26
Balance with banks - Unpaid dividend accounts*	83.26	229.95
	1,223.71	944.49
<b>Other Bank Balances</b>		
Bank deposits with original maturity more than 3 months but less than or equal to 12 months	-	400.00
Bank balances held as margin money/security against guarantees	1.31	1.17
	1.31	401.17
<b>Total</b>	<b>1,225.02</b>	<b>1,345.66</b>

\* The Company can utilize these balances only towards settlement of the respective unpaid dividend.

## Notes to Standalone Financial Statements *(Contd.)*

### 17. Short Term Loans and Advances

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured, considered good</b>		
Security Deposits	66.18	95.71
Recoverable from subsidiary companies		
- Sasken Network Engineering Limited	-	10.47
- Sasken Finland Oy	5.98	-
- Sasken Communication Technologies (Shanghai) Co. Ltd.	42.08	43.00
Advances recoverable in cash or in kind or for value to be received		
- Advance to Suppliers	317.90	261.14
- Advance to Employees	137.02	229.81
- Balance with Government Authorities	73.29	104.06
- Prepaid expenses/Other recoverables	1,399.40	663.16
<b>Total</b>	<b>2,041.85</b>	<b>1,407.35</b>

### 18. Other Current Assets

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Interest accrued on fixed deposits / bonds	166.65	73.37
Unbilled revenues	2,432.81	1,824.45
<b>Total</b>	<b>2,599.46</b>	<b>1,897.82</b>

## Notes to Standalone Financial Statements (Contd.)

### 19. Revenue from Operations

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Revenue from Software Products	206.24	173.53
Revenue from Software Services	38,839.34	40,018.87
<b>Total</b>	<b>39,045.58</b>	<b>40,192.40</b>

### 20. Other Income

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Dividend on Current Investments	750.47	242.29
Dividend received from Subsidiaries	526.58	1,502.59
Dividend on Preference Shares	41.65	39.26
Net gain on sale of current investments	16.64	225.86
Net gain on sale of non - current investments	878.26	-
Interest Income		
- on Bank Deposits	45.81	630.82
- on Tax Free Bonds	393.29	23.65
- on Income Tax refund	-	8.19
- on Loan to subsidiary	1.47	-
- on Others	6.67	13.91
Write back of unclaimed balances/provisions	2.73	96.18
Profit on Sale of Fixed Assets	20.48	8.19
Write back of doubtful debts	-	2.16
Exchange gain (net)	167.67	302.91
Miscellaneous Income	104.35	36.98
<b>Total</b>	<b>2,956.07</b>	<b>3,132.99</b>

### 21. (Increase)/Decrease in Work - in - Progress (WIP)

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Opening balance of WIP - software services	218.84	15.68
Closing balance of WIP - software services	-	218.84
<b>Total</b>	<b>218.84</b>	<b>(203.16)</b>

### 22. Employee Benefit Expense

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Salaries & Bonus	25,514.39	26,111.00
Contribution to Provident and Other Funds	2,080.57	1,891.59
Staff Welfare	911.61	858.67
Recruitment and Relocation	210.08	195.60
Employee stock option compensation cost	-	1.49
<b>Total</b>	<b>28,716.65</b>	<b>29,058.35</b>



## Notes to Standalone Financial Statements (Contd.)

### 23. Other Expenses

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Rent	436.25	445.37
Repairs and Maintenance		
- Plant and Machinery	454.77	477.06
- Building	455.04	385.42
- Others	48.10	59.79
Communication Expense	235.74	247.22
Travel Expense	1,491.82	1,272.21
Electricity and Water Charges	435.41	451.66
Professional, Legal and Consultancy Charges	791.29	2,598.57
Insurance	96.27	122.55
Contract Staff Cost	1,610.67	1,137.29
Software Expense	83.47	38.22
Training and Conference Expense	141.25	65.68
Selling expense - others	157.26	40.73
Provision for doubtful debts (net of bad debts)	3.92	3.52
Auditor's Remuneration		
- Audit Fees (including fees for consolidated financials)	30.00	28.00
- Other Services (certification fees)	2.00	2.00
- Reimbursement of expenses	4.95	3.16
Rates and Taxes	145.87	262.57
Directors' Sitting Fees and Commission	29.65	165.56
Donations	6.79	18.29
Corporate Social Responsibility (CSR) (Refer Note 39)	430.87	120.00
Printing & Stationery	61.84	71.09
Miscellaneous Expense	89.68	251.86
<b>Total</b>	<b>7,242.91</b>	<b>8,267.82</b>

### 24. Investments in Subsidiaries and Joint Ventures

#### (a) ConnectM Technology Solutions Pvt. Ltd. (ConnectM)

Sasken has Nil (March 31, 2016, 46.29%) interest in a joint venture company called ConnectM Technology Solutions Pvt. Ltd. (ConnectM), incorporated in India, which focuses on end-to-end cycle development & sustenance to the Transportation, Industrial, Utilities and Enterprise markets enabled by Machine-to-Machine (M2M) communications. As at March 31, 2016, the Company had invested ₹1,796.24 lakhs in ConnectM. ConnectM has incurred losses since the date of incorporation. The Company had evaluated its investment in the Joint Venture for the purpose of determination of potential diminution in value, and based on such evaluation and determination, the Company has recognized a provision for diminution in the value of investment in ConnectM in earlier years amounting to ₹1,796.24 lakhs. The company has divested its stake in connectM on November 25, 2016.

The Company's proportionate share in assets, liabilities, income and expense of the aforesaid jointly controlled entity are detailed below.

Balance Sheet of ConnectM:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Assets	-	198.58
Liabilities	-	248.38
Contingent Liabilities	-	-
Capital Commitment	-	-

## Notes to Standalone Financial Statements (Contd.)

Statement of Profit and Loss of ConnectM:\*

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Income	169.04	322.80
Expenses	217.46	329.56

\* up to November 25, 2016.

**(b) TACO Sasken Automotive Electronics Limited (TSAE) (Formerly known as TACO Sasken Automotive Electronics Private Limited)**

Sasken has a 50% (March 31, 2016 50%) interest in a joint venture company called TACO Sasken Automotive Electronics Limited (formerly known as TACO Sasken Automotive Electronics Private Limited) (TSAE) in Pune. The shareholders of TSAE have resolved that the company be wound up voluntarily. Requisite documents have been filed with the Registrar of Companies.

Considering the closure of operations of TSAE, the Company has made full provision for diminution in the value of investments in TSAE amounting to ₹767.84 lakhs (March 31, 2016 ₹767.84 lakhs).

- (c)** The Board of Directors at their meeting held on September 14, 2015 considered the amalgamation of Sasken Network Engineering Ltd., (SNEL) a wholly - owned subsidiary of the Company with Sasken Technologies Ltd. (formerly known as Sasken Communication Technologies Limited) to be effected through a Scheme of Amalgamation under the provisions of Section 391 to 394 and other applicable provisions of the Companies Act, 1956 or any other amendment or modifications made thereto, with Appointed Date for amalgamation as April 1, 2015. The Scheme was approved by the Board subject to requisite approvals from the relevant regulatory authorities and sanction of the High Court of Karnataka. After getting appropriate approvals, SNEL filed a petition in the Hon'ble High Court of Karnataka on April 30, 2016. When the case was pending, the Board of Directors recommended another round of Buy-back of shares in their meeting held on October 27, 2016, through tender-offer method, which was approved by the shareholders through postal ballot. Regulation 19(2) of SEBI (Buy back of Securities) Regulations, 1998 says that "no public announcement of Buy-back shall be made during the pendency of any scheme of amalgamation or compromise or arrangement". Meanwhile the Ministry of Corporate Affairs vide notification dated December 7, 2016 transferred all pending proceedings before the High Court to National Company Law Tribunal (NCLT) effective December 15, 2016. In view of this, SNEL filed a memorandum in the Hon'ble High Court for withdrawing the petition with a liberty to revive the Scheme at the same stage at which it was withdrawn, within 12 (twelve) months from this date or 3 (three) months of closure of the buy-back proposed by the Company, whichever is earlier and this was permitted by the Hon'ble High Court of Karnataka with a liberty to file it afresh at appropriate stage, if so necessary and so advised. Post the completion of buyback of shares in March 2017, SNEL had filed an application for the recall of the Order of the Hon'ble High Court dated December 9, 2016 and transferring the said proceedings to the National Company Law Tribunal, Bengaluru Bench and the said application is under consideration of the Hon'ble High Court.

### 25. Capital and other commitments

- (a)** Estimated amount of contracts remaining to be executed on capital account (net of advances) amounted to ₹69.42 lakhs (As at March 31, 2016 ₹94.91 lakhs).
- (b)** The Company enters into foreign exchange forward contracts and option contracts to hedge its revenue including its future receivables. As per the current policy of the Company, the Company takes foreign exchange forward contracts for currencies primarily denominated in the US Dollar and Euro. The Company currently does not have a foreign currency hedge in respect of its investment in subsidiaries outside India.

The details of outstanding foreign exchange forward contracts entered by the Company and outstanding as on the Balance Sheet date are as under:

Foreign Currency Hedged	Type of Contract	As at March 31, 2017		As at March 31, 2016	
		Amount (In Foreign Currency lakhs)	Weighted Average Forward Exchange Rate (₹)	Amount (In Foreign Currency lakhs)	Weighted Average Forward Exchange Rate (₹)
US Dollar (USD)	Sell	186.62	70.71	291.59	70.09
Euro (EUR)	Sell	31.03	77.96	33.53	77.06

- (c)** For commitments relating to lease arrangements, Refer Note 38.

## Notes to Standalone Financial Statements (Contd.)

### 26. Contingent Liabilities

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Bank guarantees	8.96	8.96
Income taxes* (matters pertaining to disputes on tax holiday benefits, transfer pricing and disallowance of certain expenses claimed by the Company)	3,947.83	3,064.33
Indirect taxes* (includes matters pertaining to disputes on VAT/sales tax and service tax)	2,894.63	2,879.68

\* The Company is contesting the demands and based on expert advice, the management believes that its position will likely be upheld in the various appellate authorities/courts. The management believes that the ultimate outcome of these proceeding will not be adverse and such demands have been disclosed as contingent liabilities.

There are certain claims made against the Company by an investee company, which are subject matter of arbitration proceedings. In the view of the management, such claims are frivolous and are not tenable. No provision has been made for such claims pending completion of legal proceedings as the amount of claims are currently not ascertainable.

### 27. The Company has following foreign currency exposures which are not hedged:

As at March 31, 2017

Currency	Amount in Foreign Currency lakhs			Amount in Rupees lakhs		
	Loans & Advances	Current Liabilities	Net Receivable / (Payable)	Loans & Advances	Current Liabilities	Net Receivable / (Payable)
Australian Dollar (AUD)	-	0.10	(0.10)	-	5.16	(5.16)
Canadian Dollar (CAD)	-	0.06	(0.06)	-	2.91	(2.91)
Euro (EUR)	0.55	0.86	(0.31)	37.87	59.93	(22.06)
Hongkong Dollar (HKD)	-	0.34	(0.34)	-	2.81	(2.81)
British Pound (GBP)	0.01	-	0.01	0.84	-	0.84
Japanese Yen (JPY)	-	4.08	(4.08)	-	2.36	(2.36)
US Dollar (USD)	5.16	2.62	2.54	334.75	170.20	164.55
Swedish Krona (SEK)	-	0.18	(0.18)	-	1.31	(1.31)
Mexican Pesos (MXN)	-	0.18	(0.18)	-	0.63	(0.63)
Singapore Dollar (SGD)	-	0.12	(0.12)	-	5.64	(5.64)

As at March 31, 2016

Currency	Amount in Foreign Currency lakhs			Amount in Rupees lakhs		
	Loans & Advances	Current Liabilities	Net Receivable / (Payable)	Loans & Advances	Current Liabilities	Net Receivable / (Payable)
Australian Dollar (AUD)	-	0.13	(0.13)	-	6.63	(6.63)
Canadian Dollar (CAD)	-	0.13	(0.13)	-	6.66	(6.66)
Euro (EUR)	0.47	1.20	(0.73)	35.45	90.52	(55.07)
Hongkong Dollar (HKD)	-	0.34	(0.34)	-	2.90	(2.90)
British Pound (GBP)	0.06	0.07	(0.01)	5.73	6.69	(0.96)
Japanese Yen (JPY)	-	2.04	(2.04)	-	1.20	(1.20)
US Dollar (USD)	4.53	9.91	(5.38)	300.05	656.54	(356.49)
Swedish Krona (SEK)	-	0.18	(0.18)	-	1.47	(1.47)
Singapore Dollar (SGD)	-	0.31	(0.31)	-	15.27	(15.27)

### 28. Earnings in Foreign Currency (on accrual basis)

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Income from licensing and software development	29,460.08	30,300.67
Income from Assignment of IP Rights	-	29,812.50
Royalty including interest	206.25	173.52
Interest income on loan to subsidiary	1.47	-
Dividend income from subsidiary	526.58	320.37
<b>Total</b>	<b>30,194.38</b>	<b>60,607.06</b>

## Notes to Standalone Financial Statements (Contd.)

### 29. Expenditure in Foreign Currency (on accrual basis)

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Travel expenses	509.86	412.58
Professional, legal & consultancy charges	-	1,370.08
Software expense	65.99	89.40
Expenses at branch offices	10,392.68	11,361.58
Others	662.52	488.90
<b>Total</b>	<b>11,631.05</b>	<b>13,722.54</b>

Out of the above expenditure in foreign currency (on accrual basis), the amounts after recovery from customers for the year ended March 31, 2017 is ₹11,266.61 lakhs ( March 31, 2016: ₹13,389.08 lakhs).

### 30. CIF value of Imports

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Capital goods	225.34	243.75

### 31. Remittance in foreign currency on account of dividends

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017			Year Ended March 31, 2016		
	Interim Dividend	Interim and Special Dividend	Final Dividend	Interim Dividend	Interim and Special Dividend	Final Dividend
Number of shareholders	11	-	-	13	11	13
Number of shares of ₹10 each (par value per share)	93,343	-	-	1,30,636	93,343	1,26,136
Amount of dividends paid	2.33	-	-	3.92	27.07	5.68
Year to which dividend relates	2016-17	-	-	2015-16	2015-16	2014-15

### 32. Employee Benefits

#### (i) The Company contributed the following amounts to defined contribution plans:

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Superannuation fund	12.52	23.53
Other Social security contributions	654.59	930.08

#### (ii) Defined benefit plans:

##### a) Gratuity

Net employee benefit expense (in the Statement of Profit and Loss under the head Salaries and Bonus):

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Current service cost	163.10	116.05
Interest cost	89.54	84.43
Expected return on plan assets	(105.55)	(85.39)
Actuarial (gain)/loss	540.31	267.47
<b>Total</b>	<b>687.40</b>	<b>382.56</b>

Liability/(Asset) recognized in the Balance Sheet

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Present value of the defined benefit obligation	1,983.98	1,420.91
Plan assets at the end of the year, at fair value	1,989.16	1,026.59
<b>Liability/(Asset) recognized in the Balance Sheet</b>	<b>(5.18)</b>	<b>394.32</b>

## Notes to Standalone Financial Statements (Contd.)

Changes in the present value of defined benefit obligation are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Defined benefit obligations at beginning of the year	1,420.91	1,219.19
Current service cost	163.10	116.05
Transfer	-	11.76
Interest cost	89.54	84.43
Benefits paid	(305.38)	(207.63)
Actuarial (gain)/loss	615.81	197.11
Defined benefit obligations at the end of the year	1,983.98	1,420.91

Changes in the fair value of plan assets are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Plan Assets at the beginning of the year at fair value	1,026.59	1,108.20
Contributions	1,086.90	110.99
Expected return on Plan Assets	105.55	85.39
Actuarial gain/(loss)	75.50	(70.36)
Benefits paid	(305.38)	(207.63)
Plan Assets at the end of the year at fair value	1,989.16	1,026.59
Actual return on Plan Assets	181.05	15.03

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	As at March 31, 2017	As at March 31, 2016
Interest rate for discount (p.a.)	7.06%	7.57%
Salary increase (p.a.)	10.00%	5.00%
Estimated rate of Return on Plan Assets (p.a.)	7.00%	8.00%

Experience adjustments are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Defined Benefit Obligation	1,983.98	1,420.91	1,219.19	1,056.97	1,077.01
Plan Assets	1,989.16	1,026.59	1,108.20	1,118.51	986.93
(Surplus)/Deficit	(5.18)	394.32	110.99	(61.54)	90.08
Experience (Gain)/Loss adjustments on Plan Liabilities	206.01	165.30	113.23	12.90	44.10
Experience Gain/(Loss) adjustments on Plan Assets	60.41	(70.36)	132.44	4.47	14.24

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Investment with insurer managed funds	100%	100%

### (b) Pension

Net employee benefit expense (in the Statement of Profit and Loss under the head Contribution to Provident and other funds):

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Current service cost	-	-
Interest cost	29.70	23.28
Expected return on Plan Assets	18.02	18.24
Actuarial (gain)/loss	126.46	(12.41)
<b>Total</b>	<b>174.18</b>	<b>29.11</b>

## Notes to Standalone Financial Statements (Contd.)

Liability/(Asset) recognized in the Balance Sheet

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Present value of the defined benefit obligation	1,180.13	1,110.90
Plan Assets at the end of the year, at fair value	648.73	678.36
Liability/(Asset) recognized in the Balance Sheet	531.40	432.54

Changes in the present value of defined benefit obligation are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Defined benefit obligations at beginning of the year	1,110.90	972.14
Current service cost	-	-
Interest cost	29.70	23.28
Benefits paid	-	-
Actuarial (gain)/loss	125.37	(4.88)
Exchange (gain)/loss	(85.84)	120.36
Defined benefit obligations at the end of the year	1,180.13	1,110.90

Changes in the fair value of plan assets are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Plan Assets at the beginning of the year at fair value	678.36	578.58
Contributions	9.04	9.55
Expected return on Plan Assets	18.02	18.24
Actuarial gain/(loss)	(1.09)	7.53
Exchange (gain)/loss	(55.60)	64.46
Benefits paid	-	-
Plan Assets at the end of the year at fair value	648.73	678.36
Actual return on Plan Assets	16.93	25.77

The principal assumptions used in determining pension for the Company's plan are shown below:

Particulars	As at March 31, 2017	As at March 31, 2016
Interest rate for discount (p.a.)	2.40%	2.85%
Estimated rate of Return on Plan Assets (p.a.)	2.40%	2.85%

Experience adjustments are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Defined Benefit Obligation	1,180.13	1,110.90	972.14	1,070.42	797.25
Plan Assets	648.73	678.36	578.58	674.60	546.82
(Surplus)/Deficit	531.40	432.54	393.56	395.82	250.43
Experience (Gain)/Loss adjustments on Plan Liabilities	-	-	59.67	237.42	258.58
Experience Gain/(Loss) adjustments on Plan Assets	(1.09)	7.53	68.50	92.68	4.06

The major categories of plan assets as a percentage of the fair value of Total Plan Assets are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Investment with insurer managed funds	100%	100%

## Notes to Standalone Financial Statements (Contd.)

### (c) Provident fund

The Guidance note on Implementing AS15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. The actuary has provided a valuation by applying the deterministic approach to compute the present value of interest rate guarantee and based on the below provided assumptions, there is no shortfall as at March 31, 2017.

Net employee benefit expense (in the Statement of Profit and Loss under the head Contribution to Provident and other funds):

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Current service cost	551.88	526.32
Interest cost	905.53	746.50
Expected return on Plan Assets	(957.43)	(791.98)
Actuarial (gain)/loss	51.90	45.47
<b>Total</b>	<b>551.88</b>	<b>526.31</b>

Liability/(Asset) recognized in the Balance Sheet

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Present value of the defined benefit obligation	11,978.94	10,935.73
Plan Assets at the end of the year, at fair value	11,978.94	10,935.73
Liability / (Asset) recognized in the Balance Sheet	-	-

Changes in the present value of defined benefit obligation are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Defined benefit obligations at beginning of the year	10,935.73	9,029.08
Current service cost	551.88	526.32
Contribution by plan Participants	1,021.78	940.54
Interest cost	905.53	746.50
Benefits paid	(1,347.12)	(330.01)
Actuarial (gain)/loss	(88.86)	23.30
Defined benefit obligations at the end of the year	11,978.94	10,935.73

Changes in the fair value of Plan Assets are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Plan Assets at the beginning of the year at fair value	10,935.73	9,029.08
Contributions	1,573.66	1,466.85
Transfer	-	-
Expected return on Plan Assets	957.43	791.98
Actuarial gain/(loss)	(140.76)	(22.17)
Benefits paid	(1,347.12)	(330.01)
Plan Assets at the end of the year at fair value	11,978.94	10,935.73
Actual return on Plan Assets	816.67	769.81

The principal assumptions used in determining provident fund obligations for the Company's plan are shown below:

Particulars	As at March 31, 2017	As at March 31, 2016
Interest rate for discount (p.a.)	6.80%	7.88%
Estimated Rate of Return on Plan Assets (p.a.)	8.53%	8.53%

## Notes to Standalone Financial Statements (Contd.)

Experience adjustments are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Defined Benefit Obligation	11,978.94	10,935.73	9,029.08	8,324.41	8,021.50
Plan Assets	11,978.94	10,935.73	9,029.08	8,324.41	8,021.50
(Surplus)/Deficit	-	-	-	-	-
Experience (Gain)/Loss adjustments on Plan Liabilities	-	-	2.27	8.29	59.24
Experience Gain/(Loss) adjustments on Plan Assets	-	-	-	-	-

The major categories of plan assets as a percentage of the fair value of Total Plan Assets are as follows:

Investment Details	As at March 31, 2017	As at March 31, 2016
Government of India securities	15.91%	21.81%
State Government securities	35.02%	27.78%
PSU securities	25.58%	38.47%
Others (including bank balances)	23.49%	11.94%

Notes:

- Assumptions relating to future salary increases, attrition, etc. have been considered based on relevant economic factors such as inflation, market growth, etc.
- The Company expects to contribute ₹600 lakhs (March 31, 2016: ₹400 lakhs) to gratuity, ₹9 lakhs (March 31, 2016: ₹9 lakhs) to pension and ₹900 lakhs (March 31, 2016: ₹750 lakhs) to provident fund in the subsequent year.
- The overall return on assets is determined based on prevailing market price.

### 33. Provision for tax expenses

The provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempt incomes and any tax liabilities arising overseas on income sourced from those countries. Saskaen's operations are conducted through Software Technology Parks (STPs) and Special Economic Zones (SEZs). Income from SEZs is fully tax exempt for the first 5 years, 50% exempt for the next 5 years and 50% exempt for another 5 years subject to fulfilling certain conditions.

### 34. Employee Stock Option Plans (Equity Settled)

Saskaen ESOP 2006

On February 25, 2006, the shareholders of the Company approved Stock Option Plan (ESOP-2006) in accordance with the Guidelines issued by the Securities and Exchange Board of India (SEBI) for Employees Stock Option Plans. The Plan covers all employees of the Company including foreign branches, employees of the subsidiaries and Directors other than the promoter directors/employees. The Plan provides for the issue of 35,75,000 shares of ₹10 each duly adjusted for any bonus, splits, etc. Compensation Committee of the Board administers the scheme. The terms of each issuance would be determined by the Compensation Committee. The Options vest subject to continuation of employment.

The Company issues options convertible into equity shares of ₹10 each. The options issued till March 31, 2008 carry a vesting period of one to four years, options issued thereafter carry a vesting period one to three years except options issued on April 21, 2008 which carries a vesting period of one year. All the options granted have an exercise period of two years from the date of vesting except options issued on April 21, 2008 which have an exercise period of three months from the date of vesting.

#### Details of Option Plans

Date of issue	No. of options issued	Exercise Price (₹)
17 - Jun - 2006	1,38,750	234 - 394
18 - Oct - 2006	1,50,000	234 - 394
1 - Jan - 2007	5,000	367 - 559
1 - Apr - 2007	2,35,000	475 - 667
1 - Jul - 2007	90,000	554 - 746
1 - Oct - 2007	10,000	410 - 602
21 - Apr - 2008	87,000	120
6 - Apr - 2009	18,60,000	52
15 - Jun - 2009	10,000	76
17 - Jul - 2009	80,000	52
19 - Sep - 2009	80,000	108



## Notes to Standalone Financial Statements (Contd.)

Date of issue	No. of options issued	Exercise Price (₹)
1 - Oct - 2009	60,000	155
21 - Jan - 2010	60,000	52
21 - Jan - 2010	30,000	155
30 - Apr - 2010	20,000	188
30 - Apr - 2010	70,000	190
26 - May - 2010	70,000	195
1 - Jul - 2010	3,90,000	200
30 - Jul - 2010	70,000	201
1 - Jan - 2011	50,000	207
1 - Oct - 2011	50,000	138
1 - Jul - 2012	50,000	123
1 - Nov - 2013	50,000	119

The following table summarizes the Company's stock options activity for Sasken ESOP 2006:

Particulars	March 31, 2017			March 31, 2016		
	No. of Options	Amount in ₹ lakhs	Weighted average - Exercise Price (₹)	No. of Options	Amount in ₹ lakhs	Weighted average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	-	54,000	21.95	126.92
Granted during the period/year	-	-	-	-	-	-
Forfeited during the period/year	-	-	-	22,500	9.75	122.80
Exercised during the period/year	-	-	-	31,500	12.20	123.75
Outstanding at the end of the period/year	-	-	-	-	-	-
Exercisable at the end of the period/year	-	-	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-	-	-

The weighted average market price of the Company's shares during the year ended March 31, 2017 was ₹366.95 (March 31, 2016 : ₹276.65 per share).

The Black Scholes valuation model has not been disclosed for computing the weighted average fair value since no ESOPs were granted during the current and previous year.

### 35. Related Party Disclosures

(a) Following is the list of subsidiary / joint venture companies where control exists:

Particulars	Percentage of holding as at	
	March 31, 2017	March 31, 2016
<b>Subsidiaries</b>		
Sasken Network Engineering Limited (SNEL)	100.00%	100.00%
Sasken Communication Technologies Mexico, S.A.de C.V (Sasken Mexico)	100.00%	100.00%
Sasken Communication Technology (Shanghai) Co. Ltd. (Sasken China)	100.00%	100.00%
Sasken Finland Oy (Sasken Finland)	100.00%	100.00%
Sasken Inc., USA (Sasken Inc)	100.00%	100.00%
<b>Joint Ventures</b>		
TACO Sasken Automotive Electronics Limited (TSAE)	50.00%	50.00%
ConnectM Technology Solutions Pvt. Ltd. (ConnectM) (up to November 25, 2016)	-	46.29%

(b) Following is the list of Key Managerial Personnel (KMP)

Amount in ₹ lakhs

Name of the related party	Relationship
Rajiv C. Mody	Chairman, Managing Director and Chief Executive Officer
Krishna J. Jhaveri*	Whole Time Director*
Neeta S. Revankar	Whole Time Director and Chief Financial Officer

\* Krishna J. Jhaveri, ceased to be a Whole Time Director as on March 15, 2017.

## Notes to Standalone Financial Statements (Contd.)

### (c) Remuneration paid to Key Managerial Personnel

Amount in ₹ lakhs

Name of the related party	Year Ended March 31, 2017	Year Ended March 31, 2016
Rajiv C. Mody	157.50	747.66
Krishna J. Jhaveri	22.15	22.11
Neeta S. Revankar	122.50	408.18
<b>Total</b>	<b>302.15</b>	<b>1,177.95</b>

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

### (d) Balances from subsidiary / joint venture companies:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>(i) Investments:</b>		
<b>Equity Share Capital</b>		
- SNEL	305.00	305.00
- Sasken China <sup>1</sup>	706.96	706.96
- Sasken Finland Oy <sup>2</sup>	17,843.13	17,843.13
- Sasken Inc <sup>3</sup>	5,844.23	5,844.23
- Sasken Mexico <sup>4</sup>	176.75	176.75
- TSAE <sup>5</sup>	520.04	520.04
- ConnectM <sup>6</sup>	-	1,796.24
<b>Preference Share Capital</b>		
- TSAE <sup>5</sup>	247.80	247.80
<b>(ii) Other Receivable for reimbursement of expenses</b>		
- Sasken China	42.08	43.00
- SNEL	-	10.45
- Sasken Finland Oy	5.98	-
<b>(iii) Advances received from customers</b>		
- Sasken Inc.	151.74	110.12
<b>(iv) Security deposits</b>		
- SNEL	80.00	80.00

<sup>1</sup> Provision for diminution in value of investments ₹282.48 lakhs, (As at March 31, 2016: ₹282.48 lakhs).

<sup>2</sup> Provision for diminution in value of investments ₹16,418.52 lakhs, (As at March 31, 2016: ₹16,418.52 lakhs).

<sup>3</sup> Provision for diminution in value of investments ₹4,306.14 lakhs, (As at March 31, 2016: ₹4,306.14 lakhs).

<sup>4</sup> Provision for diminution in value of investments ₹176.75 lakhs, (As at March 31, 2016: ₹176.75 lakhs).

<sup>5</sup> Provision for diminution in value of investments ₹767.84 lakhs, (As at March 31, 2016: ₹767.84 lakhs).

<sup>6</sup> Provision for diminution in value of investments ₹ Nil (As at March 31, 2016: ₹1,796.24 lakhs).

### (e) Trade receivables from, Unbilled Revenue, Trade payables and Deferred revenue for subsidiary companies

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>(i) Unbilled Revenue</b>		
- SNEL	2.10	1.05
- Sasken Inc.	13.70	42.81
<b>(ii) Trade Payables for goods, expenses and services</b>		
- Sasken Mexico	1.86	1.90
- Sasken China	179.02	182.90
<b>(iii) Deferred Revenue</b>		
- Sasken Inc.	53.00	-

## Notes to Standalone Financial Statements (Contd.)

(f) The following table summarizes the transactions of the Company with subsidiary companies/joint ventures:

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
(i) <b>Cross charges for common administrative services, net</b>		
- SNEL	1.05	28.89
- Sasken Finland	9.45	9.53
- Sasken Inc.	14.05	31.76
(ii) <b>Software Development Services rendered to</b>		
- Sasken Inc.	794.18	1,449.47
(iii) <b>Interest on Loan given to</b>		
- Sasken Finland	1.47	-
(iv) <b>Dividend Received from</b>		
- Sasken Finland includes ₹Nil (March 31, 2016 - ₹81.54 lakhs) against investments in relation to pre-acquisition reserve and ₹Nil (March 31, 2016 - ₹19.44 lakhs) for exchange differences	526.58	320.37
- SNEL	-	1,283.20
(v) <b>Loans given during the year</b>		
- Sasken Finland	74.91	-
(vi) <b>Loans repaid</b>		
- Sasken Finland	72.58	-
(vii) <b>Investments made in Subsidiaries</b>		
- Sasken Inc.	-	664.80

### 36. Segment Reporting

The management has identified segments based on the Company's risk and return and classified them as 'software services' and 'software products' which are in line with the underlying scale of operations and the manner in which management reviews business performance. Software services that are related with intellectual property based on product offerings are considered as part of the software product segment.

#### (a) Business Segment Information

##### Segmental Balance Sheet

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Segment Assets</b>		
Software Services	9,817.06	10,672.70
Software Products	54.31	6.28
Corporate and others (Unallocated)	53,335.24	52,078.30
<b>Total</b>	<b>63,206.61</b>	<b>62,757.28</b>
<b>Segment Liabilities</b>		
Software Services	4,207.20	6,614.61
Software Products	29.71	47.31
Liabilities (Unallocated)	4,801.19	6,220.09
<b>Total</b>	<b>9,038.10</b>	<b>12,882.01</b>
<b>Capital Expenditure</b>		
Software Services	79.66	81.64
Software Products	4.93	16.20
Corporate and others (Unallocated)	274.16	286.40
<b>Total</b>	<b>358.75</b>	<b>384.24</b>

## Notes to Standalone Financial Statements (Contd.)

### Segmental Statement of Profit and Loss

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>Revenues</b>	<b>39,045.58</b>	<b>40,192.40</b>
Software Services	38,839.34	40,018.87
Software Products	206.24	173.53
<b>Segment Profits</b>	<b>10,189.65</b>	<b>11,826.30</b>
Software Services	10,124.55	11,872.71
Software Products	65.10	(46.41)
<b>Less:</b>		
Corporate Expenses	7,913.21	9,342.95
<b>Profit from Operations</b>	<b>2,276.44</b>	<b>2,483.35</b>
Add: Other Income including Exchange Gain/(Loss), net	2,956.07	3,132.99
Profit before exceptional item	5,232.51	5,616.34
Add: Exceptional item	2,025.00	23,333.27
<b>Profit Before Taxes</b>	<b>7,257.51</b>	<b>28,949.61</b>
Income taxes including deferred tax	657.07	8,055.22
<b>Profit After Tax</b>	<b>6,600.44</b>	<b>20,894.39</b>
<b>Other Information:</b>		
<b>Depreciation/Amortization</b>		
Software Services	442.66	466.89
Software Products	9.27	17.74
Corporate and Others	138.81	101.41
<b>Total</b>	<b>590.74</b>	<b>586.04</b>

Note: Unallocated corporate assets and liabilities comprise of assets and liabilities not identifiable with reportable segments, as these assets and liabilities are used interchangeably between the segments. However, depreciation on such assets has been allocated to the segments to the extent of the related utilization by the respective segments, as used by management for its internal reporting purposes.

### (b) Geographic Segment Information:

#### Revenues:

Amount in ₹ lakhs

Region	Year Ended March 31, 2017	Year Ended March 31, 2016
North America (including Canada)	15,273.01	15,422.10
Europe (including Middle East)	10,597.66	10,772.31
Asia Pacific (other than India)	997.07	2,048.09
India	12,177.84	11,949.91
<b>Total</b>	<b>39,045.58</b>	<b>40,192.40</b>

#### Assets:

#### Trade receivables & Unbilled Revenue

Amount in ₹ lakhs

Region	As at March 31, 2017	As at March 31, 2016
North America (including Canada)	3,305.97	3,459.23
Europe (including Middle East)	2,794.23	2,426.20
Asia Pacific (other than India)	153.16	426.40
India	3,128.26	3,516.30
<b>Total</b>	<b>9,381.62</b>	<b>9,828.13</b>

Note: Other than above, rest of the assets are primarily located in India.

## Notes to Standalone Financial Statements (Contd.)

### 37. Earnings Per Share (EPS)

Reconciliation of the net income and number of shares considered in the computation of basic and diluted EPS is given below:

Amount in ₹ lakhs (except share data)		
Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Profit for computation of basic and diluted EPS	6,600.44	20,894.39
Weighted average number of shares considered for basic EPS	1,75,77,828	1,92,55,028
Add: Effect of stock options/warrants	-	-
Weighted average number of shares considered for diluted EPS	1,75,77,828	1,92,55,028

### 38. Operating leases

The Company has operating leases for office premises that are (a) renewable on a periodic basis and are cancellable by giving a notice period ranging from 1 month to 6 months and (b) renewable on a periodic basis and are non-cancellable for specified periods under arrangements. Rent escalation clauses vary from contract to contract, ranging from 0% to 15%. There are no restrictions imposed by the lease arrangements. There are no sub leases.

Amount in ₹ lakhs		
Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Rent expenses included in Statement of Profit and Loss towards operating leases	436.25	445.37

Future minimum lease obligation under non-cancellable lease contracts amounts to:

Amount in ₹ lakhs		
Particulars	As at March 31, 2017	As at March 31, 2016
Due within one year	0.83	20.84

### 39. Details of Corporate Social Responsibility (CSR) Expenditure

Amount in ₹ lakhs		
Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
a) Gross amount required to be spent by the Company during the year	429.39	238.80
b) Amount spent during the year ended on March 31, 2017:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	430.87	120.00

### 40. Dues to micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2017 has been made in the financial statements based on information received and available with the Company. Further in the view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Amount in ₹ lakhs		
Particulars	As at March 31, 2017	As at March 31, 2016
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
- Principal	3.71	2.44
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-

## Notes to Standalone Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
The amount of interest accrued and remaining unpaid at the end of each accounting period; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

### 41. Exceptional Items

#### Previous year

The Company had an arbitration proceeding with one of its customers and both parties had preferred certain claims. In March 2016, the two parties entered into a settlement agreement whereby both parties mutually agreed to stop the arbitration proceedings and the Company received a consideration of USD 45 million (equivalent to ₹29,812.50 lakhs) for assignment of its rights in the independently owned IPR and foreground information, which has been recognized as an exceptional item. Further, in relation to the above, a provision towards employee payments amounting to ₹2,100.00 lakhs and managerial remuneration amounting to ₹784.38 lakhs had also been recorded as an exceptional item.

The Company had evaluated certain long term investments for the purpose of determination of potential diminution in value of investments and based on such evaluation and determination, a provision for diminution in the value of investment as at March 31, 2016 amounting to ₹3,594.85 lakhs had been recorded as an exceptional item.

#### Current year

The Company evaluated the utilization of the provision of ₹2,884.38 lakhs made in the financial statements in March 2016. As payments were already been made to those associated with the Spreadtrum legal suit and that there are no further payments, the balance exceptional provision of ₹2,025.00 lakhs was reversed and has been disclosed as exceptional item in the financial statements.

### 42. Disclosure on Specified Bank Notes

During the year the Company had specified bank notes or denomination note as defined in MCA notification G.S.R. 308 E dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Amount in ₹ lakhs

Particulars	SBN	Other denomination Notes	Total
Closing cash in hand as on November 08, 2016	0.25	0.03	0.28
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount deposited in Banks	0.25	-	0.25
Closing cash in hand as on December 30, 2016	-	0.03	0.03

### 43. Comparatives

Previous year figures have been re-grouped / re-arranged, wherever necessary to conform to the current year's presentation.

As per our report of even date.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place : Bengaluru  
Date : April 19, 2017

For and on behalf of the Board of Directors of  
Sasken Technologies Limited

Rajiv C. Mody  
Chairman and Managing Director  
DIN: 00092037

S. Prasad  
Company Secretary

Neeta S. Revankar  
Whole Time Director &  
Chief Financial Officer  
DIN: 00145580

## Independent Auditors' Report

To the Members of Sasken Technologies Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Sasken Technologies Limited (Formerly known as Sasken Communication Technologies Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including jointly controlled entities in accordance with 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 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group and of jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and jointly controlled entities as at March 31, 2017, their consolidated profit, and their consolidated cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;

## Independent Auditors' Report (Contd.)

- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies incorporated in India, none of the directors of the Group's companies is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies and jointly controlled companies incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and jointly controlled entities – Refer Note 28(b) to the consolidated financial statements;
  - ii. The Group and jointly controlled entities did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and jointly controlled companies incorporated in India during the year ended March 31, 2017.
  - iv. The Holding Company, subsidiaries, and jointly controlled entities incorporated in India, have provided requisite disclosures in Note 37 to these consolidated financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group including jointly controlled entities and as produced to us by the Management of the Holding Company.

### Other Matters

- (a) We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of ₹2,917.72 lakhs and net assets of ₹2,034.30 lakhs as at March 31, 2017, and total revenues (including other income) of ₹5,207.50 lakhs and net cash inflows of ₹213.72 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.
- (b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of one jointly controlled entity whose financial statements and other financial information reflect total assets of ₹Nil and net assets of ₹Nil at March 31, 2017, and total revenues (including other income) of ₹169.04 lakhs and net cash outflows of ₹10.90 lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of this jointly controlled entity and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entity is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W / E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place of Signature: Bengaluru  
Date: April 19, 2017



## Annexure to Auditors' Report (Contd.)

### Annexure 1 to the Independent Auditors' Report of even date on the Consolidated Financial Statements of Sasken Technologies Limited (Formerly Sasken Communication Technologies Limited)

#### Report on the Internal Financial Controls under Clause (j) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Sasken Technologies Limited (Formerly Sasken Communication Technologies Limited) as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Sasken Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and jointly controlled companies, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Annexure to Auditors' Report *(Contd.)*

### Opinion

In our opinion, the Holding Company, its subsidiary companies and jointly controlled companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, incorporated in India.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W / E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place of Signature: Bengaluru  
Date: April 19, 2017

## Consolidated Balance Sheet

Amount in ₹ lakhs

	Notes	As at March 31, 2017	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	3	1,711.01	1,771.98
(b) Reserves and Surplus	4	53,020.58	48,129.05
		54,731.59	49,901.03
<b>2. Non Current Liabilities</b>			
(a) Long Term Provisions	5	624.72	566.78
<b>3. Current Liabilities</b>			
(a) Trade Payables	6		
Total outstanding dues of micro enterprises and small enterprises		3.71	2.44
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,767.15	6,313.96
(b) Other Current Liabilities	7	1,742.30	1,730.42
(c) Short Term Provisions	8	4,585.99	5,253.05
		<b>9,099.15</b>	<b>13,299.87</b>
<b>Total</b>		<b>64,455.46</b>	<b>63,767.68</b>
<b>ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets (net)	9		
(i) Property, Plant and Equipment	9a	3,748.24	3,966.64
(ii) Intangible Assets	9b	15.64	52.14
(iii) Capital Work - in - Progress		5.90	12.79
		<b>3,769.78</b>	<b>4,031.57</b>
(b) Non Current Investments	10	25,329.06	18,319.04
(c) Deferred Tax Assets (net)	11	895.16	1,139.61
(d) Long Term Loans and Advances	12	7,810.52	6,945.90
(e) Other Non Current Assets	13	-	0.80
		<b>37,804.52</b>	<b>30,436.92</b>
<b>2. Current Assets</b>			
(a) Current Investments	14	9,873.95	16,826.79
(b) Inventories	15	-	246.83
(c) Trade Receivables	16	7,774.05	9,627.84
(d) Cash and Bank Balances	17	3,248.75	2,338.26
(e) Short Term Loans and Advances	18	2,081.43	1,559.35
(f) Other Current Assets	19	3,672.76	2,731.69
		<b>26,650.94</b>	<b>33,330.76</b>
<b>Total</b>		<b>64,455.46</b>	<b>63,767.68</b>

Significant Accounting Policies and Notes attached herein form an integral part of the Consolidated financial statements.

As per our report of even date.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W / E300004

For and on behalf of the Board of Directors of  
Sasken Technologies Limited

per Chandra Kumar Rampuria  
Partner  
Membership number: 055729

Rajiv C. Mody  
Chairman and Managing Director  
DIN: 00092037

Neeta S. Revankar  
Whole Time Director &  
Chief Financial Officer  
DIN: 00145580

Place : Bengaluru  
Date : April 19, 2017

S. Prasad  
Company Secretary

## Consolidated Statement of Profit and Loss

Amount in ₹ lakhs

	Notes	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
I. Revenue from Operations	20	46,894.24	48,316.74
II. Other Income	21	2,547.83	1,620.29
III. <b>Total Revenue (I+II)</b>		<b>49,442.07</b>	<b>49,937.03</b>
IV. Expenses:			
(Increase)/Decrease in Work - in - Progress	22	218.84	(203.16)
Consumption of Raw Materials	23	25.19	18.84
Employee Benefit Expense	24	33,879.16	34,275.58
Depreciation and Amortization Expense	9	649.49	660.08
Other Expenses	25	8,455.99	9,508.50
Finance Cost	26	9.23	18.89
<b>Total Expenses</b>		<b>43,237.90</b>	<b>44,278.73</b>
V. <b>Profit Before Exceptional Items and Tax (III - IV)</b>		<b>6,204.17</b>	<b>5,658.30</b>
VI. <b>Exceptional Items [Refer Note 36]</b>			
Consideration for Assignment of IP Rights		-	29,812.50
Employee related (payments)/reversals (previous year includes managerial remuneration of ₹784.38 lakhs )		2,025.00	(2,884.38)
Impairment of Investments/Goodwill and Other Receivables		-	(3,633.85)
<b>Total</b>		<b>2,025.00</b>	<b>23,294.27</b>
VII. <b>Profit Before Tax (V + VI)</b>		<b>8,229.17</b>	<b>28,952.57</b>
VIII. <b>Tax Expense</b>			
Current Tax [(net of reversals of earlier years of ₹1,050 lakhs in current year) (Previous year ₹ Nil)]		616.12	8,187.28
Deferred Tax Charge		244.45	136.04
<b>Total Tax Expense</b>		<b>860.57</b>	<b>8,323.32</b>
IX. <b>Profit for the year (VII - VIII)</b>		<b>7,368.60</b>	<b>20,629.25</b>
X. Earnings Per Equity Share (EPS) in Rupees (Equity Share par value ₹10 each)			
Before Exceptional Items :			
Basic		34.15	18.46
Diluted		34.15	18.46
After Exceptional Items :			
Basic		41.92	107.14
Diluted		41.92	107.14
Weighted average number of Equity Shares used in computation of			
Basic EPS		1,75,77,828	1,92,55,028
Diluted EPS		1,75,77,828	1,92,55,028

Significant Accounting policies and Notes attached herein form an integral part of the consolidated financial statements.

As per our report of even date.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W / E300004

per Chandra Kumar Rampuria  
Partner  
Membership number: 055729

Place : Bengaluru  
Date : April 19, 2017

For and on behalf of the Board of Directors of  
Sasken Technologies Limited

Rajiv C. Mody  
Chairman and Managing Director  
DIN: 00092037

S. Prasad  
Company Secretary

Neeta S. Revankar  
Whole Time Director &  
Chief Financial Officer  
DIN: 00145580

## Consolidated Cash Flow Statement

Amount in ₹ lakhs

	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>A. Cash flows from Operating Activities:</b>		
<b>Profit Before Tax</b>	<b>8,229.17</b>	<b>28,952.57</b>
Adjustments for:		
Depreciation and Amortization Expense	649.49	660.08
Provision for Diminution in value of Investment	-	3,633.85
Other non - cash (writeback)/Charges	243.33	(103.77)
Unrealised Exchange (gain)/loss, net	42.92	31.71
Interest Expense	9.23	18.89
Other Income	(2,271.06)	(1,276.08)
Operating Profit before Working Capital Changes	6,903.08	31,917.25
Adjustments for:		
(Increase)/Decrease in Trade Receivables	1,567.38	(2,570.21)
(Increase)/Decrease in Inventories	246.83	(201.88)
(Increase)/Decrease in Other Assets	(918.77)	(296.26)
(Increase)/Decrease in Loans & Advances	113.13	310.70
Increase/(Decrease) in Liabilities	(3,182.28)	3,768.53
Increase/(Decrease) in Provisions	(403.31)	(497.86)
Cash generated from Operations	4,326.06	32,430.27
Taxes Paid, net	(1,816.34)	(7,530.72)
<b>Net Cash from Operating Activities</b>	<b>2,509.72</b>	<b>24,899.55</b>
<b>B. Cash flows from Investing Activities:</b>		
Purchase of Fixed Assets	(431.39)	(422.53)
Sale of Fixed Assets	34.13	9.49
Dividend received on Preference Shares	41.65	39.26
Dividend received on Current Investments	177.59	37.18
Interest Received	364.82	895.71
Sale/(purchase ) of Current Investments (net)	7,551.17	(4,057.01)
Sale/(purchase ) of Non-current Investments (net)	(6,035.11)	(14,565.21)
Loan to Body Corporate	-	(132.50)
Investment in Bank Deposits	-	(616.24)
Redemption of Bank Deposits	420.25	10,730.19
<b>Net cash from/(used in) Investing Activities</b>	<b>2,123.11</b>	<b>(8,081.66)</b>

## Consolidated Cash Flow Statement (Contd.)

Amount in ₹ lakhs

	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>C. Cash Flows from Financing Activities:</b>		
Buyback of Shares	(2,499.77)	(9,507.06)
Proceeds from issuance of share capital on exercise of stock options and share warrants	-	40.90
Repayment of Share Warrants	-	(360.75)
Repayment of Long Term Borrowings	(117.78)	7.14
Payment of Dividend Tax	-	(1,194.93)
Dividend paid during the year	(589.69)	(6,317.45)
Interest paid	(10.05)	(18.61)
<b>Net cash used in financing activities</b>	<b>(3,217.29)</b>	<b>(17,350.76)</b>
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)	1,415.54	(532.87)
Effect of translation on closing Cash and Cash equivalents	(84.80)	145.39
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>1,883.14</b>	<b>2,270.62</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>3,213.88</b>	<b>1,883.14</b>
<b>Components of cash and cash equivalents:</b>		
Cash on hand	1.27	3.33
Balances with banks - Current accounts	3,129.35	1,649.86
Balances with banks - unpaid dividend accounts*	83.26	229.95
<b>Total Cash and Cash Equivalents as per Note 17</b>	<b>3,213.88</b>	<b>1,883.14</b>
* The Company can utilize these balances only towards settlement of the respective unpaid dividend.		
<b>Supplementary non cash flow information</b>		
Dividends received and re-invested in units of mutual funds	581.69	254.45

As per our report of even date.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W / E300004

per Chandra Kumar Rampuria  
Partner  
Membership number: 055729

Place : Bengaluru  
Date : April 19, 2017

For and on behalf of the Board of Directors of  
Sasken Technologies Limited

Rajiv C. Mody  
Chairman and Managing Director  
DIN: 00092037

Neeta S. Revankar  
Whole Time Director &  
Chief Financial Officer  
DIN: 00145580

S. Prasad  
Company Secretary

## Notes to Consolidated Financial Statements

### 1. Description of Business

Sasken Technologies Limited (“Sasken” or “the Company”) is a specialist in Product Engineering and Digital Transformation providing concept-to-market, chip-to-cognition R&D services to global leaders in Semiconductors, Automotive, Industrials, Smart Devices & Wearables, Enterprise Grade Devices, Satcom and Retail industries. With over 27 years in Product Engineering and Digital Transformation and around 60 patents, Sasken has transformed the businesses of over a 100 Fortune 500 companies, powering over a billion devices through its services and IP.

The shareholders by way of Postal Ballot on December 23, 2016 had approved changing the name of the Company to “Sasken Technologies Limited” and the change was made effective February 14, 2017, on receipt of necessary approvals.

Established in 1989, the Group has its headquarter in Bengaluru, operating from state-of-the-art centers in Bengaluru, Pune, Chennai & Hyderabad (India), Kaustinen and Tampere (Finland), Beijing (China), Tokyo (Japan), Greater London (UK), California, New Jersey and Texas (USA) and Essen (Germany). The equity shares of Sasken have been listed on the National Stock Exchange of India Ltd., and BSE Ltd., since its initial public offering in 2005.

### 2. Significant Accounting Policies

#### (a) Basis for preparation of consolidated financial statements

The accompanying consolidated financial statements include the accounts of Sasken and its subsidiaries and joint venture as follows:-

Name of Subsidiary	Country of Incorporation	% Holding	
		March 31, 2017	March 31, 2016
Sasken Network Engineering Limited (SNEL)	India	100.00%	100.00%
Sasken Communication Technologies Mexico, S.A. de C.V (Sasken Mexico)	Mexico	100.00%	100.00%
Sasken Communication Technologies (Shanghai) Co. Ltd. (Sasken China)	China	100.00%	100.00%
Sasken Finland Oy (Sasken Finland)	Finland	100.00%	100.00%
Sasken Inc. (Sasken USA)	USA	100.00%	100.00%

Name of Joint Venture	Country of Incorporation	% Holding	
		March 31, 2017	March 31, 2016
ConnectM Technology Solutions Pvt. Ltd (ConnectM) (ceased to be joint venture of the Company w.e.f. November 25, 2016)	India	-	46.29%

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) and complies in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention on an accrual basis, except in case of certain financial instruments which are measured at fair values and in case of assets for which impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Group and are consistent with those used during the previous years, except other than those disclosed.

The consolidated financial statements have been prepared based on a line-by-line consolidation of the financial statements of Sasken and its subsidiary companies and proportionate consolidation of the assets, liabilities, income and expenses of the joint ventures, in accordance with Accounting Standard (AS) 21 ‘Consolidated Financial Statements’ and AS 27 ‘Financial Reporting of Interests in Joint Ventures’. All material inter-company transactions and balances between the entities included in the consolidated financial statements have been eliminated. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The excess of the cost to the Group of its investments in subsidiaries and joint venture, over its proportionate share in equity of the investee company as at the date of acquisition, is recognised in the financial statements as Goodwill. In case the cost of investment in subsidiary companies and joint venture is less than the proportionate share in equity of the investee company as on the date of investment, the difference is treated as capital reserve and shown under Reserves and Surplus.

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management’s best knowledge of current events and actions the Group may undertake in future, actual outcomes ultimately may differ from the estimates.

## Notes to Consolidated Financial Statements (Contd.)

### (b) Change in accounting policy

#### Accounting for proposed dividend

As per the requirements of pre-revised Accounting Standard 4 (AS 4), the Company used to create a liability for dividend proposed / declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the Company cannot create provision for dividend proposed / declared after the balance sheet date unless a statute requires otherwise. Rather, company will need to disclose the same in notes to the financial statements.

Accordingly, the Company has disclosed dividend proposed by Board of Directors after the balance sheet date in the notes.

Had the Company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss would have been lower by ₹909.68 lakhs and short-term provision would have been higher by ₹909.68 lakhs (including dividend distribution tax of ₹139.73 lakhs).

### (c) Fixed Assets (including intangible assets)

Fixed assets including intangible assets are stated at cost, less accumulated depreciation/amortization less impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets, which necessarily take substantial period of time to get ready for intended use, are also included to the extent they relate to the period till such assets are ready to be put to use. Cost of fixed assets not ready for their intended use before balance sheet date are disclosed under capital work in progress.

### (d) Depreciation/Amortization

Based on an independent assessment, the management has estimated the useful lives of the following classes of assets, which are lower than or equal to those indicated in Schedule II. Depreciation is provided on Straight Line Method (SLM), over the estimated useful life of the asset, as follows:

Type of asset	In years	
	Estimated life (SLM)	Schedule II Estimated life (SLM)
Building	20	60
Computers	3	3
Electrical Fittings	5	10
Furniture & Fixtures	10	10
Plant & Equipment	5	15
Office Equipment	5	5
Vehicles	5	5

Leasehold improvements at leased premises are depreciated on SLM, over the estimated useful life (not exceeding 10 years) or the lease period, whichever is lower.

Assets with unit value of ₹5,000 or less are depreciated entirely in the period of acquisition, except in case of Sasken Finland and its subsidiaries where the assets with unit value of Euro 5,000 or less are depreciated entirely in the period of acquisition.

Intangible assets comprise of the following and except otherwise mentioned, are amortized over the estimated useful life, on a straight line basis, as given below:

1. Goodwill arising on consolidation is not amortized but is tested for impairment in accordance with Accounting Standard 21 on Consolidated Financial Statements.
2. Goodwill on acquisition represents the excess of the purchase price over the value of the net assets of the acquired business and is not amortized but is tested for impairment on a periodic basis.
3. Computer Software -
  - (a) Computer Software used for development of software/rendering software services – over the life of the project/product – 1 year to 5 years.
  - (b) Generic Computer Software – over 1 year.
  - (c) Product Software for administration purposes – 3 years.
4. Contract Rights – over a period of 1 year.

### (e) Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Equipment or facilities that are acquired or constructed for research and development activities, which have alternative future uses are capitalized as tangible assets. Depreciation on such assets, during research phase is charged to expense as research and development costs.



## Notes to Consolidated Financial Statements (Contd.)

### (f) Capitalization and Amortization of Software Products

Costs incurred during the research phase are expensed off as period costs. Costs incurred towards development of computer software products meant for sale, lease or otherwise marketed, are capitalized subsequent to establishing the technological feasibility provided future economic benefit is probable and the Company has an intention and ability to complete and use or sell software and costs can be measured reliably. The costs are expensed as period costs, if the technological feasibility is not established. Capitalization ceases when the product is ready for general release to customers. Capitalized software product costs are amortized on a straight line method over the remaining estimated economic life of the product. The unamortized cost of capitalized software products is carried at cost, less accumulated amortization less impairment, if any.

### (g) Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Operating leases payments are recognized as expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

### (h) Impairment of assets

- (i) The carrying amounts of assets are reviewed at each balance sheet date to assess if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.
- (ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- (iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

### (i) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and net realizable value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

### (j) Inventories

- (i) Raw materials and Components

Raw materials and Components are valued at lower of cost or net realizable value. Cost is determined on FIFO basis. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

### (k) Revenue Recognition

The Group derives its revenues from product and technology licensing, software services and installation and commissioning services.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and the collection is probable. In all cases revenue is recognized only when no further vendor obligations remain, up to the stage of revenue recognized and collection is probable. The following specific recognition criteria must also be met before revenue is recognized.

- Licensing revenue is recognized when the product or technology is delivered and accepted.
- Revenue from time and material service contracts is recognized as the services are provided. Revenue from fixed price service contracts and customized products or technology developments is recognized based on the proportionate completion method. Revenue from maintenance contracts is recognized rateably over the term of the maintenance arrangement.
- Revenue from royalty is recognized on an accrual basis based on customer confirmation of shipment volumes, provided collection is probable.
- Revenue related to post contract customer support is recognized rateably over the support period.
- Dividend income is recognized when the right to receive dividend is established as at the reporting date.
- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.
- The Company recognizes legal award revenue when the litigation reaches finality, and the Company has assurance of collecting those awards or the Company has collected litigation awards from the other litigating party or parties.
- The Group collects service tax, business tax and value added taxes (VAT) on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

## Notes to Consolidated Financial Statements (Contd.)

### (l) Foreign Currency Translations

#### (i) Foreign Currency transactions and balances

##### *Initial Recognition*

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency approximately at the date of the transaction.

##### *Conversion*

Foreign currency monetary items are reported using the exchange rate prevailing at the balance sheet 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*

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Group at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

##### *Forward exchange contracts not intended for trading or speculation purposes covered by notified AS 11.*

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

##### *Options and Forward exchange contracts not intended for trading or speculation purposes, classified as derivative instruments (Cash flow hedge).*

The Group has adopted the principles of Guidance Note on Accounting for Derivative Contracts to the extent that the adoption does not conflict with notified guidance note and other applicable pronouncements. Accordingly, such derivative instruments, which qualify for hedge accounting are fair valued at balance sheet date and the effective portion of the resultant loss / (gain) is debited / credited to the hedging reserve and the ineffective portion is recognised in the Statement of Profit and Loss.

Changes in the fair value of derivative instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

Hedge Accounting is discontinued when the hedging instrument expires or is sold, or terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognized in hedging reserve is transferred to the Statement of Profit and Loss when the forecasted transaction occurs or when a hedged transaction is no longer expected to occur.

#### ii. Translation of Integral and Non-integral foreign operations:

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Group itself.

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the rate prevailing at the balance sheet date; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transactions; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

Where there is a change in the classification of foreign operations, the translation procedures applicable to the revised classification are applied from the date of change in the classification.

On disposal of a non-integral foreign operation, the cumulative amount of the exchange difference which have been deferred and which relate to that operation are recognized as income or expense in the same period in which the gain or loss on disposal is recognized. Where there is a change in the classification of a foreign operation, the translation procedure applicable to the revised classification are applied from the date of the change in the classification.

### (m) Retirement and other Employee Benefits

#### (i) Gratuity

The Group provides for gratuity, a defined benefit plan covering all eligible employees. The plan provides a lump sum payment to eligible employees at retirement or on termination of employment based on the salary of the respective employee and the years of employment with the Company.

The Group contributes to a gratuity fund maintained by an insurance company. The amount of contribution is determined based upon actuarial valuations as at the period end. Such contributions are charged off to the Statement of Profit and Loss. Provision is made for the shortfall between the actuarial valuation carried out as at Balance Sheet date as per Projected Unit Credit Method and the funded balance with the insurance company.

## Notes to Consolidated Financial Statements (Contd.)

### (ii) Provident Fund

Employees other than the employees at foreign branches and subsidiaries are eligible to receive Provident Fund benefits through a defined benefit plan in which both employee and employer make monthly contributions to the plan. The Company has established a Provident Fund Trust to which contributions towards provident fund are made each month. The Provident Fund Trust guarantees a specified rate of return on such contributions on a periodical basis. The Company will meet the shortfall in the return, if any, which is provided for based on actuarial valuation carried out, as at the date of Balance Sheet. Contributions towards Provident Fund are charged to the Statement of Profit and Loss on an accrual basis.

### (iii) Pension

In case of Germany branch, pension contributions are made as per the local laws and regulations. The Company provides for pension benefits, a defined benefit plan, covering all eligible employees. The plan provides for various pension benefits to eligible employees at retirement or on termination of employment based on earnings of the respective employee and the year of employment with the Company. The Company contributes to a reinsured support fund maintained by an external agency. The contributions made by the employer are charged to the Statement of Profit and Loss on accrual basis. Provision is made for the shortfall between the actuarial valuation as per the Projected Unit Credit Method and funded balance as at the Balance Sheet date.

For other overseas branches and foreign subsidiary companies, social security contributions are made as per the respective country laws and regulations. The same is charged to the Statement of Profit and Loss on an accrual basis. There are no obligations beyond the respective entity's contributions.

### (iv) Compensated absences

Short-term compensated absences are provided based on estimates. Long-term compensated absences are provided for based on actuarial valuation, done as per Projected Unit Credit Method, as at Balance Sheet date. The Group presents the compensated absences as a current liability in the balance sheet wherever it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.

### (v) Other employee benefits

The Group operates other long term benefit plan covering all eligible employees. The plan provide for lump sum payments at the end of agreed tenure. The cost of providing benefit under this plan is determined by the actuarial valuation, done as per Projected Unit Credit Method as at each Balance Sheet date.

### (vi) Superannuation

The Company contributes to a superannuation scheme, a defined contribution plan maintained by an insurance company. Such contributions are charged to the Statement of Profit and Loss on an accrual basis. The Company has no other obligations beyond its monthly contributions.

### (vii) Actuarial gains/losses

The actuarial gains/losses on the employee benefits are immediately recognized in the Statement of Profit and Loss and are not deferred.

## (n) Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with tax laws applicable to the respective jurisdictions. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities across various countries of operation are not set off against each other as the Group does not have a legal right to do so. Deferred tax liabilities are recognised for all taxable timing differences. In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Group has carry forward of unabsorbed depreciation and tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

## Notes to Consolidated Financial Statements (Contd.)

Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain or virtually certain, as the case may be that future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax (MAT) 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. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Credit Available in respect of MAT under the Income-tax Act, 1961, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Group reviews the MAT Credit Entitlement at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal Income Tax during the specified period.

### (o) Stock Compensation Expense

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Group accounts for stock compensation expense based on the fair value of the options granted, determined on the date of grant. Compensation expense is amortized over the vesting period of the option on a straight-line basis. The accounting value of the options outstanding net of the Deferred Compensation Expense is reflected as Employee Stock Options Outstanding.

### (p) Segment Reporting

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Identification of segments:

The Company is focused in the Product Engineering and Digital Transformation space. The risks and returns of the Company are predominantly determined by the nature of the solution offered to its customers, which may be in the form of products or services. The primary reporting segments are Software Services and Software Products.

The geographical segment information is disclosed based on the location of the customers.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

The unallocated items includes general corporate income and expense items, which are not allocated to any business segment.

### (q) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split and reverse share split (consolidation of shares).

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

### (r) Provisions and contingencies

A provision is recognised when the enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Provisions for onerous contracts, i.e., contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a best estimate of such obligation.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. A contingent asset is neither recognised nor disclosed in the financial statement.

### (s) Warranty

Provision for warranty related costs are recognised when the license or service is provided. Provision are based on historical experience. The estimate of such warranty related costs is revised periodically.

## Notes to Consolidated Financial Statements (Contd.)

### (t) Government Subsidy

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

### (u) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and in hand and short term investments with an original maturity value of three months or less.

The Cash Flow Statement has been prepared under the indirect method.

## 3. Share Capital

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Authorized Capital		
5,00,00,000 (As at March 31, 2016: 5,00,00,000) Equity Shares of ₹10 each	5,000.00	5,000.00
Issued, Subscribed and Paid up Capital		
1,71,10,114 (As at March 31, 2016: 1,77,19,813 ) Equity shares of ₹10 each fully paid up	1,711.01	1,771.98

For details of shares reserved for issue under Employee Stock Option Plan (ESOP) of the Company (Refer Note 30).

The Company has only one class of share referred to as equity shares having par value of ₹10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. For the year ended March 31, 2017, the Board of Directors have recommended a final dividend of ₹4.50 per equity share of ₹10 each. This is subject to approval of shareholders and if so approved, the total dividend for the year will amount to ₹7.00 per equity share (including interim dividend of ₹2.50 per share) (March 31, 2016 interim dividend declared was ₹7.00 per equity share and special dividend of ₹25.00 per equity share).

### Shareholders holding more than 5 percent shares in the Company:

Name of the shareholder*	As at March 31, 2017	
	No. of shares	% holding
Rajiv Chandrakant Mody	15,56,570	9.10%
GHI LTP Ltd.	9,76,166	5.71%

Name of the shareholder*	As at March 31, 2016	
	No of shares	% holding
Rajiv Chandrakant Mody as trustee of the estate of Late C. J. Mody	15,45,560	8.72%
GHI LTP Ltd.	9,76,166	5.51%

\*The shareholding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members.

### Reconciliation of the number of shares outstanding at the beginning and end of the reporting year:

Particulars	As at March 31, 2017	
	No. of Shares	Amount in ₹ lakhs
Outstanding at the beginning of the year	1,77,19,813	1,771.98
Add: Issued during the year - ESOP	-	-
Less: Bought back during the year	(6,09,699)	(60.97)
Outstanding at the end of the year	1,71,10,114	1,711.01

Particulars	As at March 31, 2016	
	No. of Shares	Amount in ₹ lakhs
Outstanding at the beginning of the year	2,13,44,873	2,134.49
Add: Issued during the year - ESOP	31,500	3.15
Less: Bought back during the year	(36,56,560)	(365.66)
Outstanding at the end of the year	1,77,19,813	1,771.98

## Notes to Consolidated Financial Statements (Contd.)

The Company has issued 6,42,900 shares (As at March 31, 2016: 11,97,825) during the period of five years immediately preceding the reporting date on exercise of options granted under the Employee Stock Option Plan (ESOP), wherein part consideration was received in form of employee services. In terms of decision of the Board of Directors dated October 27, 2016 and in accordance with the provisions of Companies Act, 2013 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and pursuant to approval of shareholders through Postal Ballot dated December 23, 2016, the Company had offered to buy-back 28,69,098 fully paid up equity shares of ₹10 each, at a price of ₹410 per share for an aggregate amount of up to ₹11,763.30 lakhs from the existing shareholders of the Company under Tender Offer mechanism. The offer size was 24.49% and 25% of the aggregate paid up capital and free reserves (including securities premium account) as per the audited standalone and consolidated financial statements of the Company as on March 31, 2016 respectively. The offer was kept open from February 03, 2017 to February 16, 2017. During the year, the company had purchased 6,09,699 equity shares and completed the payment and extinguishment of the said shares by March 07, 2017.

### Buy - back of Equity Shares

Particulars	As at March 31, 2017	As at March 31, 2016
Aggregate number of equity shares bought back by the Company during the period of five years immediately preceding the Balance sheet date.	95,44,137	96,63,805

### 4. Reserves and Surplus

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Capital Reserve</b>		
Opening Balance	132.00	132.00
<b>Total</b>	<b>132.00</b>	<b>132.00</b>
<b>Capital Redemption Reserve</b>		
Opening Balance	1,254.61	888.95
Add: Transferred during the year	60.97	365.66
<b>Total</b>	<b>1,315.58</b>	<b>1,254.61</b>
<b>Securities Premium</b>		
Opening Balance	29.16	6,524.09
Add: Receipts on exercise of employee stock options	-	49.95
Add: Premium on equity shares bought back	(29.16)	(6,544.88)
<b>Total</b>	<b>-</b>	<b>29.16</b>
<b>General Reserve</b>		
Opening Balance	3,526.88	4,400.72
Add: Transferred from Statement of Profit and Loss	-	2,080.44
Add: Transferred from Employee Stock Option Outstanding	-	7.90
Less: Transferred to Capital Redemption Reserve	(60.97)	(365.66)
Less: Premium on equity shares bought back	(2,409.64)	(2,596.52)
<b>Total</b>	<b>1,056.27</b>	<b>3,526.88</b>
<b>Hedging Reserve</b>		
Opening Balance	471.42	402.09
Less: Gain transferred to Statement of Profit and Loss on occurrence of forecasted hedge transaction	(449.83)	(400.17)
Add: Net changes in the fair value of effective portion of outstanding cash flow derivatives	1,085.40	469.50
<b>Total</b>	<b>1,106.99</b>	<b>471.42</b>
<b>Foreign Exchange Translation Reserve</b>		
Opening Balance	989.79	589.31
Movements during the year	(230.84)	400.48
<b>Total</b>	<b>758.95</b>	<b>989.79</b>

## Notes to Consolidated Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Surplus in the Statement of Profit and Loss</b>		
Opening Balance	41,725.19	29,603.94
Add: Profit for the year	7,368.60	20,629.25
Less: Transferred to General Reserve	-	(2,080.44)
Less: Interim dividend (including special dividend)	(443.00)	(5,669.94)
Less: Dividend Tax	-	(1,058.33)
Less: Excess/(short) dividend provision adjustment	-	163.94
Less: Excess/(short) dividend tax provision adjustment	-	136.77
<b>Total</b>	<b>48,650.79</b>	<b>41,725.19</b>
<b>Total</b>	<b>53,020.58</b>	<b>48,129.05</b>

### 5. Long Term Provisions

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Gratuity	-	9.62
Pension	531.40	432.54
Other employee benefits	-	0.69
Employee compensated absences	93.32	123.93
<b>Total</b>	<b>624.72</b>	<b>566.78</b>

### 6. Trade Payables

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
For Goods, Services and Expenses		
- Dues to Micro and Small Enterprises (Refer Note 35)	3.71	2.44
- Dues to other Creditors	2,767.15	6,313.96
<b>Total</b>	<b>2,770.86</b>	<b>6,316.40</b>

### 7. Other Current Liabilities

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Current Maturities of Long Term Borrowings	-	117.78
Interest Accrued but not due on Borrowings	-	0.82
Deferred Revenues	452.31	265.92
Advance Received from Customers	176.37	19.56
Unpaid Dividend	83.26	229.95
Capital Creditors	2.47	34.68
Statutory Liabilities	1,027.89	1,061.71
<b>Total</b>	<b>1,742.30</b>	<b>1,730.42</b>

### 8. Short Term Provisions

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Employee compensated absences	1,564.81	1,381.61
Gratuity	-	395.59
Warranty*	-	0.25
Other employee benefits	6.98	160.72
Income Tax (net of advance tax)	3,014.20	3,314.88
<b>Total</b>	<b>4,585.99</b>	<b>5,253.05</b>

\* Movement in provisions in accordance with Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":

Amount in ₹ lakhs

Particulars	Provision for Warranty	
	As at March 31, 2017	As at March 31, 2016
Opening Balance	0.25	19.73
Additions during the year	-	-
Less: Amounts utilized/(reversed) during the year	(0.25)	(19.48)
<b>Closing Balance</b>	<b>-</b>	<b>0.25</b>

## Notes to Consolidated Financial Statements (Contd.)

### 9. Fixed Assets

#### (a) Property, Plant & Equipment

Amount in ₹ lakhs

	Freehold Land	Buildings	Leasehold Improvements	Computers	Electrical Fittings	Furniture & Fixtures	Office Equipment	Plant & Equipment	Vehicles	Total
<b>Gross Block</b>										
As at April 1, 2015	2,287.67	3,314.88	362.27	4,448.09	375.28	1,851.37	2,042.91	3,571.52	0.01	18,254.00
Additions during the year	-	-	-	192.84	18.16	14.46	50.96	77.86	-	354.28
Deletions during the year	-	-	-	149.51	33.67	91.60	5.43	159.84	-	440.05
Foreign currency translation adjustments	-	-	-	20.37	-	62.86	0.06	200.63	-	283.92
<b>As at March 31, 2016</b>	<b>2,287.67</b>	<b>3,314.88</b>	<b>362.27</b>	<b>4,511.79</b>	<b>359.77</b>	<b>1,837.09</b>	<b>2,088.50</b>	<b>3,690.17</b>	<b>0.01</b>	<b>18,452.15</b>
Additions during the year	-	2.49	-	234.10	26.38	21.22	87.73	28.77	-	400.69
Deletions during the year	-	-	0.92	805.98	0.27	24.83	76.68	102.92	-	1,011.60
Foreign currency translation adjustments	-	-	-	(16.51)	-	(46.70)	(0.12)	(152.16)	-	(215.49)
<b>As at March 31, 2017</b>	<b>2,287.67</b>	<b>3,317.37</b>	<b>361.35</b>	<b>3,923.40</b>	<b>385.88</b>	<b>1,786.78</b>	<b>2,099.43</b>	<b>3,463.86</b>	<b>0.01</b>	<b>17,625.75</b>
<b>Depreciation</b>										
As at April 1, 2015	-	2,302.01	242.80	4,162.18	291.55	1,677.29	1,949.96	3,434.38	0.01	14,060.18
Charge for the year	-	168.00	21.50	175.78	41.93	72.40	53.71	54.43	-	587.75
Deletions during the year	-	-	-	148.77	33.67	90.90	4.46	159.84	-	437.64
Foreign currency translation adjustments	-	-	-	20.46	-	60.67	0.04	194.05	-	275.22
<b>As at March 31, 2016</b>	<b>-</b>	<b>2,470.01</b>	<b>264.30</b>	<b>4,209.65</b>	<b>299.81</b>	<b>1,719.46</b>	<b>1,999.25</b>	<b>3,523.02</b>	<b>0.01</b>	<b>14,485.51</b>
Charge for the year	-	168.06	19.42	201.67	35.37	59.65	43.11	73.52	-	600.80
Deletions during the year	-	-	0.92	799.29	0.27	23.68	76.22	97.61	-	997.99
Foreign currency translation adjustments	-	-	-	(16.82)	-	(46.72)	(0.11)	(147.16)	-	(210.81)
<b>As at March 31, 2017</b>	<b>-</b>	<b>2,638.07</b>	<b>282.80</b>	<b>3,595.21</b>	<b>334.91</b>	<b>1,708.71</b>	<b>1,966.03</b>	<b>3,351.77</b>	<b>0.01</b>	<b>13,877.51</b>
<b>Net Block</b>										
As at March 31, 2016	2,287.67	844.87	97.97	302.14	59.96	117.63	89.25	167.15	-	3,966.64
As at March 31, 2017	2,287.67	679.30	78.55	328.19	50.97	78.07	133.40	112.09	-	3,748.24



## Notes to Consolidated Financial Statements (Contd.)

### 9. Fixed Assets

#### (b) Intangible Assets

Amount in ₹ lakhs

	Computer Software	Goodwill on Consolidation	Acquired Goodwill	Contract Rights	Total
<b>Gross Block</b>					
As at April 1, 2015	2,597.36	21,479.77	442.43	798.77	25,318.33
Additions during the year	72.96	-	-	-	72.96
Deletions during the year	69.51	-	-	-	69.51
Foreign currency translation adjustments	12.56	2,642.28	-	-	2,654.84
<b>As at March 31, 2016</b>	<b>2,613.37</b>	<b>24,122.05</b>	<b>442.43</b>	<b>798.77</b>	<b>27,976.62</b>
Additions during the year	12.25	-	-	-	12.25
Deletions during the year	12.83	-	-	-	12.83
Foreign currency translation adjustments	(9.67)	(1,963.12)	-	-	(1,972.79)
<b>As at March 31, 2017</b>	<b>2,603.12</b>	<b>22,158.93</b>	<b>442.43</b>	<b>798.77</b>	<b>26,003.25</b>
<b>Amortization</b>					
As at April 1, 2015	2,546.38	-	-	798.77	3,345.15
Charge for the year	72.33	-	-	-	72.33
Deletions during the year	69.51	-	-	-	69.51
Foreign currency translation adjustments	12.03	-	-	-	12.03
<b>As at March 31, 2016</b>	<b>2,561.23</b>	<b>-</b>	<b>-</b>	<b>798.77</b>	<b>3,360.00</b>
Charge for the year	48.69	-	-	-	48.69
Deletions during the year	12.79	-	-	-	12.79
Foreign currency translation adjustments	(9.65)	-	-	-	(9.65)
<b>As at March 31, 2017</b>	<b>2,587.48</b>	<b>-</b>	<b>-</b>	<b>798.77</b>	<b>3,386.25</b>
<b>Impairment loss</b>					
As at April 1, 2015	-	21,479.77	442.43	-	21,922.20
Charge for the year	-	-	-	-	-
Deletions during the year	-	-	-	-	-
Foreign currency translation adjustments	-	2,642.28	-	-	2,642.28
<b>As at March 31, 2016</b>	<b>-</b>	<b>24,122.05</b>	<b>442.43</b>	<b>-</b>	<b>24,564.48</b>
Charge for the year	-	-	-	-	-
Deletions during the year	-	-	-	-	-
Foreign currency translation adjustments	-	(1,963.12)	-	-	(1,963.12)
<b>As at March 31, 2017</b>	<b>-</b>	<b>22,158.93</b>	<b>442.43</b>	<b>-</b>	<b>22,601.36</b>
<b>Net Block</b>					
<b>As at March 31, 2016</b>	<b>52.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52.14</b>
<b>As at March 31, 2017</b>	<b>15.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.64</b>

## Notes to Consolidated Financial Statements (Contd.)

### 10. Non Current Investments

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>A. Investment in Equity Instruments (Trade, unquoted, at cost less provision for diminution)</b>		
<b>i. Investment in Joint Ventures</b>		
TACO Sasken Automotive Electronics Ltd.		
52,00,403 (As at March 31, 2016: 52,00,403) equity shares of ₹10 each, fully paid up	520.04	520.04
Less: Provision for diminution in value of investment	(520.04)	(520.04)
	-	-
<b>ii. Other Investments</b>		
Prime Telesystems Ltd.		
3,92,285 (As at March 31, 2016: 3,92,285) equity shares of ₹10 each, fully paid up	240.00	240.00
Less: Provision for diminution in value of investment	(240.00)	(240.00)
	-	-
<b>B. Investment in Equity Instruments (Non-Trade, unquoted, at cost less provision for diminution)</b>		
Axiom Research Labs Private Ltd.		
5 (As at March 31, 2016: 5) equity shares of ₹10 each, fully paid up	2.80	2.80
Less: Provision for diminution in value of investment	(2.80)	(2.80)
	-	-
Cygni Energy Private Ltd.		
Nil (As at March 31, 2016: 80,000) equity shares of ₹10 each, fully paid up	-	200.00
<b>C. Investment in Preference Shares (Trade, unquoted, at cost less provision for diminution)</b>		
Investment in Joint Ventures		
TACO Sasken Automotive Electronics Ltd.		
24,78,000 (As at March 31, 2016: 24,78,000) Redeemable Preference shares of ₹10 each fully paid up	247.80	247.80
Less: Provision for diminution in value of investment	(247.80)	(247.80)
	-	-
<b>D. Investment in Preference Shares (Non-Trade, unquoted, at cost less provision for diminution)</b>		
Axiom Research Labs Private Ltd.		
424 (As at March 31, 2016: 424) Preference Shares of ₹10 each, fully paid up	237.06	237.06
Less: Provision for diminution in value of investment	(237.06)	(237.06)
	-	-
21E6 Inc.		
1,02,944 (As at March 31, 2016: 1,02,944) Series C Preference Stock of USD 0.001 each, fully paid up	648.45	662.50
Less: Provision for diminution in value of investment	(648.45)	(662.50)
	-	-
Tata Capital Limited		
50,000 (As at March 31, 2016: 50,000) 8.33% - Non-Convertible Cumulative Redeemable non-participating Preference shares (CRPS) of ₹1,000 each, fully paid up	500.00	500.00

## Notes to Consolidated Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>E. Investment in Tax free bonds (Non - Trade, quoted, at cost less provision for diminution)</b>		
60,400 (As at March 31, 2016: 60,400) units of ₹1,000.00 each IRFC Tax Free bonds 7.28%-15 Years	604.00	604.00
12,007 (As at March 31, 2016: 12,007) units of ₹1,001.96 each HUDCO Tax Free bonds 7.39%-15 Years	120.31	120.31
2,00,000 (As at March 31, 2016: 2,00,000) units of ₹1,033.75 each HUDCO Tax Free bonds 7.39%-15 Years (2)	2,067.50	2,067.50
1,00,000 (As at March 31, 2016: 1,00,000) units of ₹1,026.80 each IRFC Tax Free bonds 7.34%-15 Years	1,026.80	1,026.80
47,500 (As at March 31, 2016: 47,500) units of ₹1,125.00 each NHAI Tax Free bonds 8.50%-15 Years	534.38	534.38
32,000 (As at March 31, 2016: 32,000) units of ₹1,033.20 each IRFC Tax Free bonds 7.35%-15 Years	330.62	330.62
75,570 (As at March 31, 2016: 75,570) units of ₹1,002.49 NHAI Tax Free bonds 7.35%-15 Years	757.58	757.58
<b>F. Investment in Limited Liability Partnerships (Non - Trade, unquoted, at cost less provision for diminution)</b>		
Omni Capital LLP, USA	3,107.19	3,174.51
Less: Provision for diminution in value of investment	(3,107.19)	(3,174.51)
	-	-
<b>G. Investment in Mutual Funds (Non - Trade, quoted, at cost less provision for diminution)</b>		
Nil (As at March 31, 2016: 50,00,000) units of ₹10 each of Tata Fixed Maturity Plan Series 44 - Scheme B - Direct Plan - Growth	-	500.00
Nil (As at March 31, 2016: 45,00,000) units of ₹10 each of Tata Fixed Maturity Plan Series 43 - Scheme A - Direct Plan - Growth	-	450.00
Nil (As at March 31, 2016: 43,50,000) units of ₹10 each of Tata Fixed Maturity Plan Series 43 - Scheme D - Direct Plan - Growth	-	435.00
Nil (As at March 31, 2016: 26,00,000) units of ₹10 each of HDFC FMP 370D - Direct Growth	-	260.00
52,00,000 (As at March 31, 2016: 52,00,000) units of ₹10 each of HDFC FMP 1128D- Direct Growth - Series 33	520.00	520.00
Nil (As at March 31, 2016: 66,49,813) units of ₹10 each of HDFC FMP-370D Series 28-Direct Plan-Growth	-	664.98
1,39,90,980 (As at March 31, 2016: 1,39,90,980) units of ₹10 each of ICICI Prudential FMP-Series 75 - 1103 days Plan P Direct Plan-Cumulative	1,399.10	1,399.10
Nil (As at March 31, 2016: 40,00,000) units of ₹10 each of Kotak FMP Direct - Growth	-	400.00
31,00,000 (As at March 31, 2016: 31,00,000) units of ₹10 each of IDFC FTPS - 91 370 - Direct - Growth	310.00	310.00
62,50,000 (As at March 31, 2016: 62,50,000) units of ₹10 each of Kotak FMP Series 156 370 Days - Direct - Growth	625.00	625.00
22,87,680 (As at March 31, 2016: 22,87,680) units of ₹10 each of L&T FMP Series XI - Plan A - Direct - Growth	228.77	228.77
1,00,00,000 (As at March 31, 2016: 1,00,00,000) units of ₹10 each of Reliance FHF Series XXIX - Direct Plan - Growth	1,000.00	1,000.00
1,47,00,000 (As at March 31, 2016: 1,47,00,000) units of ₹10 each of Birla Sun Life Mutual Fund FTP SR NE (1100 D) Direct Growth	1,470.00	1,470.00
70,00,000 (As at March 31, 2016: 70,00,000) units of ₹10 each of SBI Mutual Fund Debt FD Series B-36 (1131 D) Direct Growth	700.00	700.00
1,05,00,000 (As at March 31, 2016: 1,05,00,000) units of ₹10 each of ICICI Prudential Mutual Fund FMP SR 78 - (1115 D) PL X Direct Cumulative	1,050.00	1,050.00

## Notes to Consolidated Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
1,50,00,000 (As at March 31, 2016: 1,50,00,000) units of ₹10 each of UTI FTI - Series XXIV - IX (1183 D) - Direct - Growth	1,500.00	1,500.00
1,50,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Reliance FHF 31 - Series 9 - Direct Plan - Growth	1,500.00	-
60,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Reliance FHF 31 - Series 13 - Direct Plan - Growth	600.00	-
1,00,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Reliance FHF 32 - Series 5 - Direct Plan - Growth	1,000.00	-
1,20,00,000 (As at March 31, 2016: Nil) units of ₹10 each of UTI FTIF - Series XXVI - Plan 6 - Direct Plan - Growth	1,200.00	-
1,00,00,000 (As at March 31, 2016: Nil) units of ₹10 each of DSP BlackRock FMP Series 205 - 37 Direct Plan - Growth	1,000.00	-
1,12,00,000 (As at March 31, 2016: Nil) units of ₹10 each of ICICI Prudential FMP - Series 80 - 1233 days - Plan O - Direct Plan - Growth	1,120.00	-
1,50,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Birla Sun Life FTP - Series OI - Direct Plan - Growth	1,500.00	-
1,00,000 (As at March 31, 2016: Nil) units of ₹1,000 each of DHFL Pramerica FDP Series AE - Direct Plan - Growth	1,000.00	-
1,00,00,000 (As at March 31, 2016: Nil) units of ₹10 each of Invesco India FMP - Series XXIX - Plan B - Direct Plan - Growth	1,000.00	-
66,50,000 (As at March 31, 2016: 66,50,000) units of ₹10 each of UTI FTI - Series XXII - Plan 1 - Direct - Growth	665.00	665.00
Aggregate amount of quoted investments	24,829.06	17,619.04
Aggregate amount of unquoted investments	500.00	700.00
Aggregate amount of investments	25,329.06	18,319.04
Aggregate market value of quoted investments	26,462.10	18,861.72
Aggregate provision for diminution in value of investments	(5,003.34)	(5,084.71)

### 11. Deferred Tax Assets

The following are the components of the Deferred Tax Asset (DTA) and Deferred Tax Liability (DTL):

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Deferred Tax Asset</b>		
Depreciation		
- Sasken	608.34	638.26
- SNEL	58.45	69.62
On expenditure allowed for tax purposes on payment basis		
- Sasken	181.30	425.31
- SNEL	47.07	6.42
<b>Total</b>	<b>895.16</b>	<b>1,139.61</b>

### 12. Long Term Loans and Advances

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured, considered good</b>		
Capital Advances	7.43	17.56
Security Deposits	288.77	291.34
Loan to body corporate	129.69	132.50
Advances recoverable in cash or in kind or for value to be received		
- Balances with government authorities*	960.15	960.33
- Advances to employees	2.93	6.57
- Prepaid expenses/Other recoverables	6.00	21.59
Advance Income Tax	6,405.99	5,506.45
MAT Credit Entitlement	9.56	9.56
<b>Total</b>	<b>7,810.52</b>	<b>6,945.90</b>

\* Includes Disputed taxes paid under protest ₹960.15 lakhs (Net of provision of ₹112.50 lakhs) [March 31, 2016 - ₹960.33 lakhs (net of provision of ₹112.50 lakhs)].

## Notes to Consolidated Financial Statements (Contd.)

### 13. Other Non Current Assets

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured, considered good</b>		
Long term trade receivables	-	0.80
<b>Unsecured considered doubtful</b>		
Long term trade receivables	-	9.26
Less: Provision for doubtful debts	-	(9.26)
<b>Total</b>	<b>-</b>	<b>0.80</b>

### 14. Current Investments

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
i. Unquoted, non trade at lower of cost or net realizable value, Investment in Mutual Funds		
<b>a) Liquid Funds:</b>		
Nil (As at March 31, 2016: 2,50,003 ) units of ₹1,000.65 each of Union KBC Liquid Fund Direct Plan - Daily Dividend Reinvestment	-	2,501.66
Nil (As at March 31, 2016: 2,22,252) units of ₹1,012.89 each of L&T Liquid Fund - Direct Plan - DDR	-	2,251.17
Nil (As at March 31, 2016: 1,38,477) units of ₹1,011.62 each of Kotak Floater ST - Direct Plan - Daily Dividend Reinvestment	-	1,400.86
Nil (As at March 31, 2016: 1,09,933) units of ₹1,001.52 each of Tata Money Market Fund - Direct Plan - DDR	-	1,101.00
9,574 (As at March 31, 2016: 2,47,68,114) units of ₹10.10 each of Sundaram Money Fund Direct Plan - DDR	0.97	2,502.20
Nil (As at March 31, 2016: 1,63,887) units of ₹1,000.64 each of Axis Liquid Fund - Daily Dividend Reinvestment	-	1,639.92
Nil (As at March 31, 2016: 999,054) units of ₹100.20 each of Birla Sun Life Cash Plus - Daily Dividend Reinvestment - Direct Plan	-	1,001.00
Nil (As at March 31, 2016: 98,213) units of ₹1,528.74 each of Reliance Liquid Fund - Treasury Plan - Direct - Daily Dividend - Reinvestment	-	1,501.42
1,685 (As at March 31, 2016: 1,625) units of ₹1,675.03 each of SBI Magnum Insta Cash Fund- Direct plan- Daily Dividend	28.54	27.23
4,860 (As at March 31, 2016: 1,71,721) units of ₹1,003.25 each of SBI Premier Liquid Fund - Direct - Daily Dividend Reinvestment	49.29	1,722.79
99 (As at March 31, 2016: 2,509) units of ₹1,001.84 each of Franklin India TMA - Daily Dividend Reinvestment - Direct Plan	0.99	25.14
3,751 (As at March 31, 2016: 3,617) units of ₹1,011.62 each of Kotak Floater ST -Direct - DDR	38.37	36.59
22,562 (As at March 31, 2016: Nil) units of ₹1,675.03 each of SBI Magnum Insta Cash - Daily Dividend Reinvestment - Direct Plan	377.92	-
760 (As at March 31, 2016: 24,940) units of ₹1,003.39 each of UTI Money Market Fund - Daily Dividend Reinvestment - Direct Plan	7.63	250.24
<b>Total</b>	<b>503.71</b>	<b>15,961.22</b>

## Notes to Consolidated Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>b) Arbitrage Funds</b>		
1,08,83,971 (As at March 31, 2016: Nil) units of ₹11.03 each of Birla SunLife Enhanced Arbitrage Fund - Dividend Payout - Direct Plan	1,200.00	-
1,35,10,285 (As at March 31, 2016: Nil) units of ₹10.73 each of Reliance Arbitrage Fund - Dividend Payout - Direct Plan	1,450.00	-
21,58,018 (As at March 31, 2016: Nil) units of ₹14.37 each of ICICI Prudential Equity Arbitrage Fund - Dividend Payout - Direct Plan	310.00	-
65,41,882 (As at March 31, 2016: Nil) units of ₹16.51 each of UTI Spread Fund - Dividend Payout - Direct Plan	1,080.00	-
1,61,81,160 (As at March 31, 2016: Nil) units of ₹10.94 each of Kotak Equity Arbitrage Fund - Dividend Payout - Direct Plan	1,770.00	-
<b>Total</b>	<b>5,810.00</b>	<b>-</b>
<b>c) Ultra Short Term Funds</b>		
119 (As at March 31, 2016: Nil) units of ₹1,002.35 each of UTI Treasury Advantage Fund - Direct Plan - Daily Dividend	1.19	-
6,77,645.148 (As at March 31, 2016: 6,34,680) units of ₹10.0648 each of IDFC Ultra Short Term Fund - DDR - Direct	69.05	65.57
<b>Total</b>	<b>70.24</b>	<b>65.57</b>
<b>d) Equity Funds</b>		
1,51,223 (As at March 31, 2016: Nil) units of ₹181.85 each of Birla Sun Life Frontline Equity Fund - Direct - Growth	275.00	-
1,44,331 (As at March 31, 2016: Nil) units of ₹190.53 each of Kotak 50 - Direct - Growth	275.00	-
1,93,766 (As at March 31, 2016: 14,702) units of ₹379.32 each of Franklin India BlueChip Fund - Direct - Growth	735.00	50.00
19,00,803 (As at March 31, 2016: 1,83,022) units of ₹30.25 each of ICICI Prudential Focused Bluechip Equity Fund - Direct - Growth	575.00	50.00
23,74,226 (As at March 31, 2016: 1,81,407) units of ₹30.96 each of SBI BlueChip Fund - Direct - Growth	735.00	50.00
8,63,646 (As at March 31, 2016: 66,775) units of ₹85.10 each of UTI MidCap Fund - Direct - Growth	735.00	50.00
37,297 (As at March 31, 2016: Nil) units of ₹428.99 each of Sundaram Select MidCap - Direct - Growth	160.00	-
Nil (As at March 31, 2016: 56,25,774) units of ₹10.67 each of Edelweiss Equity Savings Advantage Fund - Direct - Growth	-	600.00
<b>Total</b>	<b>3,490.00</b>	<b>800.00</b>
<b>Aggregate amount of Current investments</b>	<b>9,873.95</b>	<b>16,826.79</b>

### 15. Inventories (at lower of cost or net realizable value)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Raw materials and components	-	27.99
Work-in-Progress (Also Refer Note 22)	-	218.84
<b>Total</b>	<b>-</b>	<b>246.83</b>

### 16. Trade Receivables

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured considered good</b>		
Outstanding for more than six months from due date	32.93	11.24
Outstanding for less than six months from due date	7,741.12	9,616.60

## Notes to Consolidated Financial Statements (Contd.)

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured considered doubtful</b>		
Outstanding for more than six months from due date	43.90	140.00
Outstanding for less than six months from due date	221.81	-
Less: Provision for doubtful debts	(265.71)	(140.00)
<b>Total</b>	<b>7,774.05</b>	<b>9,627.84</b>

### 17. Cash and Bank Balances

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Cash and Cash Equivalents</b>		
Cash on Hand	1.27	3.33
Balance with banks - Current Accounts	3,129.35	1,649.86
Balance with banks - Unpaid dividend accounts*	83.26	229.95
	3,213.88	1,883.14
<b>Other Bank Balances</b>		
Bank deposits with original maturity more than 3 months but less than or equal to 12 months	-	413.42
Bank balances held as margin money/security against guarantees	34.87	41.70
	34.87	455.12
<b>Total</b>	<b>3,248.75</b>	<b>2,338.26</b>

\* The Company can utilize these balances only towards settlement of the respective unpaid dividend.

### 18. Short Term Loans and Advances

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Unsecured, considered good</b>		
Security Deposits	66.18	96.21
Advances recoverable in cash or in kind or for value to be received:		
- Advance to Suppliers	317.97	263.87
- Advance to Employees	142.02	234.26
- Balance with Government Authorities	92.67	124.62
- Prepaid expenses/Other recoverables	1,462.59	840.39
<b>Total</b>	<b>2,081.43</b>	<b>1,559.35</b>

### 19. Other Current Assets

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Interest accrued on fixed deposits/bonds	166.65	73.37
Unbilled revenues	3,506.11	2,658.32
<b>Total</b>	<b>3,672.76</b>	<b>2,731.69</b>

### 20. Revenue from Operations

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Revenue from Software Products	1,300.09	2,007.49
Revenue from Software Services	45,427.42	46,006.19
Others	166.73	303.06
<b>Total</b>	<b>46,894.24</b>	<b>48,316.74</b>

## Notes to Consolidated Financial Statements (Contd.)

### 21. Other Income

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Dividend on current investments	759.28	291.63
Dividend on Preference Shares	41.65	39.26
Net gain on sale of current investments	16.64	231.58
Net gain on sale of non current investments	974.91	-
Interest Income:		
- on Tax Free Bonds	393.29	23.65
- on Bank Deposits	46.07	653.65
- on Income Tax refund	-	8.19
- on Others	18.74	21.04
Write back of unclaimed balances/provisions	2.73	160.02
Profit on Sale of Fixed Assets	20.48	8.31
Write back of doubtful debts	-	2.16
Exchange gain (net)	165.12	155.35
Miscellaneous Income	108.92	25.45
<b>Total</b>	<b>2,547.83</b>	<b>1,620.29</b>

### 22. (Increase)/Decrease in Work-in-Progress

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Opening balance of Work - in - Progress	218.84	15.68
Closing balance of Work - in - Progress	-	218.84
<b>Total</b>	<b>218.84</b>	<b>(203.16)</b>

Amount in ₹ lakhs

Details of Work - in - Progress	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Software Services	-	218.84
<b>Total</b>	<b>-</b>	<b>218.84</b>

### 23. Consumption of Raw Materials & Components

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Opening balance of Raw Materials & Components	27.99	29.27
Add: Purchases	-	17.56
	<b>27.99</b>	<b>46.83</b>
Closing balance of Raw Materials & Components	-	27.99
Less : Adjustment on account of disinvestment in joint venture	2.80	-
<b>Total</b>	<b>25.19</b>	<b>18.84</b>

### 24. Employee Benefit Expense

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Salaries & Bonus	29,769.55	30,497.60
Contribution to Provident and Other Funds	2,890.00	2,641.45
Staff Welfare	1,000.84	932.49
Recruitment and Relocation	218.77	202.55
Employee stock option compensation cost	-	1.49
<b>Total</b>	<b>33,879.16</b>	<b>34,275.58</b>



## Notes to Consolidated Financial Statements (Contd.)

### 25. Other Expenses

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Rent	694.22	735.45
Repairs and Maintenance		
- Plant and Machinery	510.81	536.67
- Building	508.46	445.95
- Others	54.24	66.90
Communication Expense	307.18	329.92
Travel Expense	1,570.44	1,370.42
Electricity and Water Charges	444.27	461.43
Professional, Legal and Consultancy Charges	945.20	2,768.97
Insurance	107.90	133.14
Contract Staff Cost	1,677.28	1,350.26
Software Expense	110.02	61.86
Training and Conference Expense	160.92	73.15
Installation and Commissioning Charges	2.82	13.33
Selling expenses - others	170.23	57.61
Provision for doubtful deposits and other loans and advances	-	0.21
Provision for doubtful debts (net of bad debts)	246.06	56.71
Loss on sale / discard of assets, net	-	1.23
Auditor's Remuneration		
- Audit Fees (including fees for consolidated financials)	30.00	28.00
- Other Services	2.00	2.00
- Reimbursement of expenses	4.95	3.16
Rates and Taxes	155.03	274.08
Directors' Sitting Fees and Commission	29.65	165.56
Donations	6.79	18.29
Corporate Social Responsibility (CSR)	430.87	120.00
Printing & Stationery	64.50	73.48
Miscellaneous Expense	222.15	360.72
<b>Total</b>	<b>8,455.99</b>	<b>9,508.50</b>

### 26. Finance Cost

Amount in ₹ lakhs

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Interest Expense	9.23	18.89
<b>Total</b>	<b>9.23</b>	<b>18.89</b>

### 27. Joint Ventures and Subsidiaries

#### (a) ConnectM Technology Solutions Pvt. Ltd. (ConnectM)

Sasken has Nil (March 31, 2016, 46.29%) interest in a joint venture company called ConnectM Technology Solutions Pvt. Ltd. (ConnectM), incorporated in Bengaluru, which focuses on end-to-end cycle development & sustenance to the Transportation, Industrial, Utilities and Enterprise markets enabled by Machine-to-Machine (M2M) communications. As at March 31, 2016, the Company has invested ₹1,796.24 lakhs in ConnectM. ConnectM has incurred losses since the date of incorporation. The Company had evaluated its investment in the Joint Venture for the purpose of determination of potential diminution in value, and based on such evaluation and determination, the Company has recognised a provision for diminution in the value of investment in ConnectM in earlier years amounting to ₹1,796.24 lakhs. The Company has divested its stake in ConnectM on November 25, 2016.

## Notes to Consolidated Financial Statements (Contd.)

- (b) The proportionate share of assets and liabilities and income and expenditure for the year, in respect of the jointly controlled entity:

Amount in ₹ lakhs

Particulars	ConnectM	
	As at March 31, 2017	As at March 31, 2016
Deficit in Statement of Profit and Loss	-	(1,932.20)
Fixed Assets, net	-	1.56
Inventories	-	27.99
Trade Receivables	-	77.22
Cash and Bank	-	28.38
Other Current Assets	-	11.46
Other Non Current Assets	-	0.80
Loans and Advances	-	51.17
Liabilities and Provisions	-	248.38

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017*	Year Ended March 31, 2016
	Revenue	166.73
Expenses	208.23	310.67
Other Income including Exchange Gain/(Loss)	2.31	19.75
Interest	9.23	18.89
Profit/ (Loss) before Tax	(48.42)	(6.76)
Provision for Tax	-	-
Profit/ (Loss) After Tax	(48.42)	(6.76)

\* up to November 25, 2016

- (c) **TACO Sasken Automotive Electronics Limited (TSAE) (Formerly known as TACO Sasken Automotive Electronics Private Limited)**

Sasken has a 50% interest in a joint venture company called TACO Sasken Automotive Electronics Limited (formerly known as TACO Sasken Automotive Electronics Private Limited) (TSAE) in Pune. The shareholders of TSAE have resolved that the company be wound up voluntarily. Requisite documents have been filed with the Registrar of Companies.

Considering the closure of operations of TSAE, the financial statements of TSAE have not been consolidated.

- (d) The Board of Directors at their meeting held on September 14, 2015 considered the amalgamation of Sasken Network Engineering Ltd., (SNEL) a wholly-owned subsidiary of the Company with Sasken Technologies Ltd. to be effected through a Scheme of Amalgamation under the provisions of Section 391 to 394 and other applicable provisions of the Companies Act, 1956 or any other amendment or modifications made thereto with Appointed Date as April 1, 2015. The Scheme was approved by the Board subject to requisite approvals from the relevant regulatory authorities and sanction of the High Court of Karnataka. After getting appropriate approvals, SNEL filed a petition in the Hon'ble High Court of Karnataka on April 30, 2016. When the case was pending, the Board of Directors recommended another round of Buy-back of shares in their meeting held on October 27, 2016, through tender-offer method, which was approved by the shareholders through postal ballot. Regulation 19(2) of SEBI (Buy back of Securities) Regulations, 1998 says that "no public announcement of Buy-back shall be made during the pendency of any scheme of amalgamation or compromise or arrangement". Meanwhile the Ministry of Corporate Affairs vide notification dated December 7, 2016 transferred all pending proceedings before the High Court to National Company Law Tribunal (NCLT) effective December 15, 2016. In view of this, SNEL filed a Memo in the Hon'ble High Court for withdrawing the petition with a liberty to revive the Scheme at the same stage at which it was withdrawn, within 12 (twelve) months from this date or 3 (three) months of closure of the buy-back proposed by the Company, whichever is earlier and this was permitted by the Hon'ble High Court of Karnataka with a liberty to file it afresh at appropriate stage, if so necessary and so advised. Post the completion of buyback of shares in March 2017 SNEL had filed an application for the recall of the Order of the Hon'ble High Court dated December 9, 2016 and transferring the said proceedings to the National Company Law Tribunal, Bengaluru Bench and the said application is under consideration of the Hon'ble High Court.

## Notes to Consolidated Financial Statements (Contd.)

(e) Additional information, as required under Schedule III to the Act, of enterprises consolidated and subsidiaries/ Joint Venture

Net assets i.e., total assets minus total liabilities	As at March 31, 2017		As at March 31, 2016	
	Particulars	As % of consolidated net assets	Amount in ₹ lakhs	As % of consolidated net assets
<b>Parent</b>				
Sasken Technologies Limited	92.72%	54,168.51	93.06%	49,875.27
<b>Indian Subsidiary</b>				
Sasken Network Engineering Limited (SNEL)	1.35%	786.13	1.42%	758.79
<b>Foreign Subsidiary</b>				
Sasken Communication Technologies Mexico, S.A. de C.V (Sasken Mexico)	(0.09)%	(49.90)	(0.08)%	(41.01)
Sasken Communication Technologies (Shanghai) Co. Ltd. (Sasken China)	2.53%	1,481.05	2.37%	1,267.83
Sasken Finland Oy (Sasken Finland)	2.11%	1,233.29	2.51%	1,344.11
Sasken Inc. (Sasken USA)	1.38%	806.24	0.82%	438.55
<b>Joint Venture</b>				
ConnectM Technology Solutions Pvt. Ltd. (ConnectM)	-	-	(0.09)%	(49.80)
<b>Total</b>	100.00%	58,425.32	100.00%	53,593.74
<b>Adjustments arising out of consolidation</b>		(3,693.73)		(3,692.71)
<b>Total</b>		<b>54,731.59</b>		<b>49,901.03</b>
<b>Share in Profit and Loss</b>				
Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	As % of consolidated profit or loss	Amount in ₹ lakhs	As % of consolidated profit or loss	Amount in ₹ lakhs
<b>Parent</b>				
Sasken Technologies Limited	84.65%	6,600.44	110.85%	20,894.39
<b>Indian Subsidiary</b>				
Sasken Network Engineering Limited (SNEL)	0.35%	27.34	(0.08)%	(14.66)
<b>Foreign Subsidiary</b>				
Sasken Communication Technologies Mexico, S.A. de C.V (Sasken Mexico)	(0.17)%	(13.00)	(0.08)%	(15.96)
Sasken Communication Technologies (Shanghai) Co. Ltd. (Sasken China)	4.35%	339.57	2.67%	503.07
Sasken Finland Oy (Sasken Finland)	6.44%	502.58	1.75%	329.24
Sasken Inc. (Sasken USA)	5.00%	390.03	(15.07)%	(2,840.65)
<b>Joint Venture</b>				
ConnectM Technology Solutions Pvt. Ltd. (ConnectM)*	(0.62)%	(48.42)	(0.04)%	(6.76)
<b>Total</b>	100.00%	7,798.54	100.00%	18,848.66
<b>Adjustments arising out of consolidation</b>		(429.94)		1,780.59
<b>Total</b>		<b>7,368.60</b>		<b>20,629.25</b>

\* Up to November 25, 2016

### 28. Other Notes

#### (a) Capital and other Commitments

- Estimated amount of contracts remaining to be executed on capital account (net of advances) amounted to ₹69.42 lakhs. (As at March 31, 2016 ₹94.91 lakhs)
- The Group enters into foreign exchange forward contracts and option contracts to hedge its revenue including its future receivables. As per the current policy of the Group, the Group takes foreign exchange forward contracts for currencies primarily denominated in the US Dollar and Euro.

## Notes to Consolidated Financial Statements (Contd.)

The details of outstanding foreign exchange forward contracts entered by the Group are as under:

Foreign Currency Hedged	Type of Contract	As at March 31, 2017		As at March 31, 2016	
		Amount (In Foreign Currency lakhs)	Weighted Average Forward Exchange Rate (₹)	Amount (In Foreign Currency lakhs)	Weighted Average Forward Exchange Rate (₹)
US Dollar (USD)	Sell	186.62	70.71	291.59	70.09
Euro (EUR)	Sell	31.03	77.96	33.53	77.06

(iii) For commitments relating to lease arrangements, Refer Note 34.

### (b) Contingent Liabilities

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Bank Guarantees	42.42	45.34
Income taxes* (matters pertaining to disputes on tax holiday benefits, transfer pricing and disallowance of certain expenses claimed by the Group)	4,156.87	3,329.51
Indirect taxes* (includes matters pertaining to disputes on VAT/sales tax and service tax)	2,894.63	2,879.68

\* The Group is contesting the demands and based on expert advice, the management believes that its position will likely be upheld in the various appellate authorities/courts. The management believes that the ultimate outcome of these proceedings will not be adverse and such demands have been disclosed as contingent liabilities.

There are certain claims made against the Company by an investee company, which are a subject matter of arbitration proceedings. In the view of the management, such claims are frivolous and are not tenable. No provision has been made for such claims pending completion of legal proceedings as the amount of claims are currently not ascertainable.

### (c) Unhedged exposure

The Group has the following foreign currency exposures which are not hedged.

As at March 31, 2017

Currency	Amount in Foreign Currency (in lakhs)			Amount in Rupees (in lakhs)		
	Loans & Advances/ including receivables	Current Liabilities	Net Receivable / (Payable)	Loans & Advances/ including receivables	Current Liabilities	Net Receivable / (Payable)
Australian Dollar (AUD)	-	0.10	(0.10)	-	4.96	(4.96)
Canadian Dollar (CAD)	-	0.06	(0.06)	-	2.91	(2.91)
Euro (EUR)	0.46	0.77	(0.31)	31.87	53.61	(21.74)
Hong Kong Dollar (HKD)	-	0.34	(0.34)	-	2.84	(2.84)
Great Britain Pound (GBP)	0.01	-	0.01	0.81	-	0.81
Japanese Yen (JPY)	-	4.08	(4.08)	-	2.37	(2.37)
US Dollar (USD)	12.44	-	12.44	806.88	-	806.88
Mexican Pesos (MXN)	-	0.18	(0.18)	-	0.63	(0.63)
Singapore Dollar (SGD)	-	0.12	(0.12)	-	5.64	(5.64)
Swedish Krona (SEK)	-	0.18	(0.18)	-	1.31	(1.31)

As at March 31, 2016

Currency	Amount in Foreign Currency (in lakhs)			Amount in Rupees (in lakhs)		
	Loans & Advances/ including receivables	Current Liabilities	Net Receivable / (Payable)	Loans & Advances/ including receivables	Current Liabilities	Net Receivable / (Payable)
Australian Dollar (AUD)	-	0.13	(0.13)	-	6.63	(6.63)
Canadian Dollar (CAD)	-	0.13	(0.13)	-	6.66	(6.66)
Euro (EUR)	0.47	1.20	(0.73)	35.45	90.52	(55.07)
Hongkong Dollar (HKD)	-	0.34	(0.34)	-	2.90	(2.90)
Great Britain Pound (GBP)	0.06	0.07	(0.01)	5.73	6.69	(0.96)
Japanese Yen (JPY)	-	2.04	(2.04)	-	1.20	(1.20)
US Dollar (USD)	11.36	7.19	4.16	752.28	476.35	275.93
Singapore Dollar (SGD)	-	0.31	(0.31)	-	15.27	(15.27)
Swedish Krona (SEK)	-	0.18	(0.18)	-	1.47	(1.47)

## Notes to Consolidated Financial Statements (Contd.)

### (d) Employee Benefits:

(i) The Group contributed the following amounts to defined contribution plans:

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Superannuation Fund	12.52	23.53
Other Social Security Contributions	1,461.31	1,699.93

(ii) Defined Benefit Plans:

#### (a) Gratuity

Net employee benefit expense (in the Statement of Profit and Loss under the head Salaries and Bonus):

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Current Service Cost	165.81	124.60
Interest Cost	89.54	85.44
Expected return on Plan Assets	(105.55)	(85.39)
Actuarial (Gain)/Loss	540.31	267.02
<b>Total</b>	<b>690.11</b>	<b>391.67</b>

Liability/(Asset) recognized in the Balance Sheet:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Present value of the Defined Benefit Obligation	1,983.98	1,420.04
Plan Assets at the end of the year, at fair value	1,989.16	1,014.83
Liability/(Asset) recognized in the Balance Sheet	(5.18)	405.21

Changes in the present value of Defined Benefit obligation are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Defined Benefit Obligations at beginning of the year	1,420.04	1,246.10
Current Service Cost	165.81	124.60
Interest Cost	89.54	85.44
Benefits Paid	(305.38)	(232.76)
Actuarial (gain)/loss	615.80	196.66
Adjustment on account of disinvestment in Joint Venture	(1.83)	-
Defined Benefit Obligations at the end of the year	1,983.98	1,420.04

Changes in the fair value of Plan Assets are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Plan Assets at the beginning of the year at fair value	1,014.83	1,108.20
Contributions	1,100.49	124.36
Expected return on Plan Assets	105.55	85.39
Actuarial Gain/(Loss)	75.50	(70.36)
Benefits Paid	(305.38)	(232.76)
Adjustment on account of disinvestment in Joint Venture	(1.83)	-
Plan Assets at the end of the year at fair value	1,989.16	1,014.83
Actual Return on Plan Assets	181.05	15.03

## Notes to Consolidated Financial Statements (Contd.)

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	As at March 31, 2017	As at March 31, 2016
Interest Rate for discount (p.a.)	7.06%	7.90%
Salary increase (p.a.)	10.00%	5.00%
Estimated Rate of Return on Plan Assets (p.a.)	7.00%	8.00%

Experience adjustments are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Defined Benefit Obligation	1,983.98	1,420.04	1,246.10	1,129.37	1,157.75
Plan Assets	1,989.16	1,014.83	1,108.20	1,118.51	986.92
(Surplus)/Deficit	(5.18)	405.21	137.90	10.86	170.83
Experience (Gain)/Loss adjustments on Plan Liabilities	206.01	144.28	131.82	16.10	(16.20)
Experience Gain/(Loss) adjustments on Plan Assets	60.41	(35.30)	132.44	4.47	12.41

The major categories of Plan Assets as a percentage of the Total Plan Assets are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Investment with insurers managed funds	100.00%	100.00%

### (b) Pension

Net Employee Benefit Expense (in Statement of Profit and Loss under the head Contribution to Provident and other funds):

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Current Service Cost	-	-
Interest Cost	29.70	23.28
Expected return on Plan Assets	18.02	18.24
Actuarial (Gain)/Loss	126.46	(12.41)
<b>Total</b>	<b>174.18</b>	<b>29.11</b>

Liability/(Asset) recognized in the Balance Sheet:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Present value of the Defined Benefit Obligation	1,180.13	1,110.90
Plan Assets at the end of the year, at fair value	648.73	678.36
Liability/(Asset) recognized in the Balance Sheet	531.40	432.54

Changes in the present value of Defined Benefit Obligation are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Defined Benefit Obligations at beginning of the year	1,110.90	972.14
Current Service Cost	-	-
Interest Cost	29.70	23.28
Benefits Paid	-	-
Actuarial (Gain)/Loss	125.37	(4.88)
Exchange (Gain)/Loss	(85.84)	120.36
Defined Benefit Obligations at the end of the year	1,180.13	1,110.90

## Notes to Consolidated Financial Statements (Contd.)

Changes in the fair value of Plan Assets are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Plan Assets at the beginning of the year at fair value	678.36	578.58
Contributions	9.04	9.55
Expected return on Plan Assets	18.02	18.24
Actuarial Gain/(Loss)	(1.09)	7.53
Exchange (Gain)/Loss	(55.60)	64.46
Plan Assets at the end of the year at fair value	648.73	678.36
Actual return on Plan Assets	16.93	25.77

The principal assumptions used in determining pension for the Company's plan are shown below:

Particulars	As at March 31, 2017	As at March 31, 2016
Interest rate for discount (p.a.)	2.40%	2.85%
Estimated Rate of Return on Plan Assets (p.a.)	2.40%	2.85%

Experience adjustments are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Defined Benefit Obligation	1,180.13	1,110.90	972.14	1,070.42	797.25
Plan Assets	648.73	678.36	578.58	674.60	546.82
(Surplus)/Deficit	531.40	432.54	393.56	395.82	250.43
Experience (Gain)/Loss adjustments on Plan Liabilities	-	-	59.67	237.42	258.58
Experience Gain/(Loss) adjustments on Plan Assets	(1.09)	7.53	68.50	92.68	4.06

The major categories of Plan Assets as a percentage of the Total Plan Assets are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Investment with insurers managed funds	100.00%	100.00%

### (c) Provident Fund

The Guidance note on Implementing AS15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. The actuary has provided a valuation by applying the deterministic approach to compute the present value of interest rate guarantee and based on the below provided assumptions, there is no shortfall as at March 31, 2017.

Net employee benefit expense (in the Statement of Profit and Loss under the head Contribution to Provident and other funds):

Amount in ₹ lakhs

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Current Service Cost	551.88	526.32
Interest Cost	905.53	746.50
Expected Return on Plan Assets	(957.43)	(791.98)
Actuarial (Gain)/Loss	51.90	45.47
<b>Total</b>	<b>551.88</b>	<b>526.31</b>

## Notes to Consolidated Financial Statements (Contd.)

Liability/(Asset) recognized in the Balance Sheet:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Present value of the Defined Benefit Obligation	11,978.94	10,935.73
Plan Assets at the end of the year, at fair value	11,978.94	10,935.73
Liability/(Asset) recognized in the Balance Sheet	-	-

Changes in the present value of Defined Benefit Obligation are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Defined Benefit Obligations at beginning of the year	10,935.73	9,029.08
Current Service Cost	551.88	526.32
Contribution by Plan Participants	1,021.78	940.54
Interest Cost	905.53	746.50
Benefits Paid	(1,347.12)	(330.01)
Actuarial (Gain)/Loss	(88.86)	23.30
Defined Benefit Obligations at the end of the year	11,978.94	10,935.73

Changes in the fair value of Plan Assets are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Plan Assets at the beginning of the year at fair value	10,935.73	9,029.08
Contributions	1,573.66	1,466.85
Expected return on Plan Assets	957.43	791.98
Actuarial Gain/(Loss)	(140.76)	(22.17)
Benefits Paid	(1,347.12)	(330.01)
Plan Assets at the end of the year at fair value	11,978.94	10,935.73
Actual return on Plan Assets	816.67	769.81

The principal assumptions used in determining provident fund obligations for the Company's plan are shown below:

Particulars	As at March 31, 2017	As at March 31, 2016
Interest rate for discount (p.a.)	6.80%	7.88%
Estimated Rate of Return on Plan Assets (p.a.)	8.53%	8.53%

Experience adjustments are as follows:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Defined Benefit Obligation	11,978.94	10,935.73	9,029.08	8,324.41	8,021.50
Plan Assets	11,978.94	10,935.73	9,029.08	8,324.41	8,021.50
(Surplus)/Deficit	-	-	-	-	-
Experience (Gain)/Loss adjustments on Plan Liabilities	-	-	2.27	8.29	59.24
Experience Gain/(Loss) adjustments on Plan Assets	-	-	-	-	-

The major categories of Plan Assets as a percentage of the fair value of Total Plan Assets are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Government of India Securities	15.91%	21.81%
State Government Securities	35.02%	27.78%
PSU Securities	25.58%	38.47%
Others (including Bank Balances)	23.49%	11.94%



## Notes to Consolidated Financial Statements (Contd.)

Notes:

- (a) Assumptions relating to future salary increases, attrition, etc., have been considered based on relevant economic factors such as inflation, market growth, etc.
- (b) The Group expects to contribute ₹600 lakhs (March 31, 2016: ₹410 lakhs) to gratuity, ₹9 lakhs (March 31, 2016: ₹9 lakhs) to pension and ₹750 lakhs (March 31, 2016: ₹750 lakhs) to provident fund in the subsequent year.
- (c) The overall return on assets is determined based on prevailing market price.

### 29. Provision for tax expenses

The provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempt incomes and any tax liabilities arising overseas on income sourced from those countries. Sasken's operations are conducted through Software Technology Parks (STPs) and Special Economic Zones (SEZs). Income from SEZs is fully tax exempt for the first 5 years, 50% exempt for the next 5 years and 50% exempt for another 5 years subject to fulfilling certain conditions.

### 30. Employee Stock Option Plans (Equity Settled)

#### Sasken ESOP 2006

On February 25, 2006, the shareholders of the Company approved Stock Option Plan [ESOP-2006] in accordance with the Guidelines issued by the Securities and Exchange Board of India (SEBI) for Employees Stock Option Plans. The Plan covers all employees of the Company including foreign branches, employees of the subsidiaries and Directors other than the promoter directors/employees. The Plan provides for the issue of 35,75,000 shares of ₹10 each duly adjusted for any bonus, splits, etc. Compensation Committee of the Board administers the scheme. The terms of each issuance would be determined by the Compensation Committee. The Options vest subject to continuation of employment.

The Company issues options convertible into equity shares of ₹10 each. The options issued till March 31, 2008 carry a vesting period of one to four years, options issued thereafter carry a vesting period one to three years except options issued on April 21, 2008 which carries a vesting period of one year. All the options granted have an exercise period of two years from the date of vesting except options issued on April 21, 2008 which have an exercise period of three months from the date of vesting.

#### Details of Option Plans

Date of issue	No. of options issued	Exercise Price (₹)
17 - Jun - 2006	1,38,750	234 - 394
18 - Oct - 2006	1,50,000	234 - 394
1 - Jan - 2007	5,000	367 - 559
1 - Apr - 2007	2,35,000	475 - 667
1 - Jul - 2007	90,000	554 - 746
1 - Oct - 2007	10,000	410 - 602
21 - Apr - 2008	87,000	120
6 - Apr - 2009	18,60,000	52
15 - Jun - 2009	10,000	76
17 - Jul - 2009	80,000	52
19 - Sep - 2009	80,000	108
1 - Oct - 2009	60,000	155
21 - Jan - 2010	60,000	52
21 - Jan - 2010	30,000	155
30 - Apr - 2010	20,000	188
30 - Apr - 2010	70,000	190
26 - May - 2010	70,000	195
1 - Jul - 2010	3,90,000	200
30 - Jul - 2010	70,000	201
1 - Jan - 2011	50,000	207
1 - Oct - 2011	50,000	138
1 - Jul - 2012	50,000	123
1 - Nov - 2013	50,000	119

## Notes to Consolidated Financial Statements (Contd.)

The following table summarizes the Company's stock options activity for Sasken ESOP 2006:

Particulars	March 31, 2017			March 31, 2016		
	No. of Options	Amount in ₹ lakhs	Weighted average - Exercise Price (₹)	No. of Options	Amount in ₹ lakhs	Weighted average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	-	54,000	21.95	126.92
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	22,500	9.75	122.80
Exercised during the year	-	-	-	31,500	12.20	123.75
Outstanding at the end of the year	-	-	-	-	-	-
Exercisable at the end of the year	-	-	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-	-	-

The weighted average market price of the Company's shares during the year ended March 31, 2017 was ₹366.95 (March 31, 2016: ₹276.55 per share).

The Black Scholes valuation model has not been disclosed for computing the weighted average fair value since no ESOPs were granted during the current and previous year.

### 31. Related Party Disclosures

#### (a) Following is the list of Key Managerial Personnel

Name of the related party	Relationship
Rajiv C. Mody	Chairman, Managing Director and Chief Executive Officer
Krishna J. Jhaveri	Whole Time Director*
Neeta S. Revankar	Whole Time Director and Chief Financial Officer

\* Krishna J. Jhaveri, ceased to be a Whole Time Director as on March 15, 2017.

#### (b) Remuneration paid to Key Managerial Personnel

Amount in ₹ lakhs

Name of the related party	Year Ended March 31, 2017	Year Ended March 31, 2016
Rajiv C. Mody	157.50	747.66
Krishna J. Jhaveri	22.15	22.11
Neeta S. Revankar	122.50	408.18
<b>Total</b>	<b>302.15</b>	<b>1,177.95</b>

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

### 32. Segment Reporting

The management has identified segments based on the Company's risk and return and classified them as "Software Services", "Software Products" and "Others" which are in line with the underlying scale of operations and the manner in which management reviews business performance. Software Services that are related with Intellectual Property based on product offerings are considered as part of the Software Products segment.

#### (a) Business Segment Information

##### Segment Balance Sheet

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Segment Assets</b>		
Software Services	13,896.26	14,133.85
Software Products	538.49	312.55
Others	-	154.76
Corporate Assets (Unallocated)	50,020.71	49,166.52
<b>Total</b>	<b>64,455.46</b>	<b>63,767.68</b>

## Notes to Consolidated Financial Statements (Contd.)

Particulars	Amount in ₹ lakhs	
	As at March 31, 2017	As at March 31, 2016
<b>Segment Liabilities</b>		
Software Services	4,699.49	7,176.97
Software Products	131.80	59.11
Others	-	128.30
Corporate Liabilities (Unallocated)	4,892.58	6,502.27
<b>Total</b>	<b>9,723.87</b>	<b>13,866.65</b>
<b>Capital Expenditure</b>		
Software Services	115.85	132.08
Software Products	4.93	16.20
Others	-	1.11
Corporate and others (Unallocated)	275.14	286.40
<b>Total</b>	<b>395.92</b>	<b>435.79</b>

### Segment Results

Particulars	Amount in ₹ lakhs	
	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>Revenues</b>		
Software Services	46,100.65	47,271.26
Software Products	1,300.09	2,007.49
Others	166.73	303.06
<b>Gross Revenues</b>	<b>47,567.47</b>	<b>49,581.81</b>
Less: Inter Segmental Revenue	(673.23)	(1,265.07)
<b>Net Revenues</b>	<b>46,894.24</b>	<b>48,316.74</b>
<b>Segmental Profit</b>		
Software Services	11,635.42	12,870.67
Software Products	781.98	1,289.61
Others	25.95	81.13
<b>Total</b>	<b>12,443.35</b>	<b>14,241.41</b>
<b>Less:</b>		
Corporate Expenses (Unallocated)	8,777.78	10,184.51
<b>Profit from Operations</b>	<b>3,665.57</b>	<b>4,056.90</b>
Less: Finance Costs	9.23	18.89
Add: Other Income including Exchange Gain/(Loss), net	2,547.83	1,620.29
Add: Exceptional item	2,025.00	23,294.27
<b>Profit Before Taxes</b>	<b>8,229.17</b>	<b>28,952.57</b>
Income Taxes	860.57	8,323.32
<b>Profit After Taxes</b>	<b>7,368.60</b>	<b>20,629.25</b>
<b>Other Information:</b>		
<b>Depreciation/Amortization</b>		
Software Services	501.05	540.34
Software Products	9.27	17.74
Others	0.36	0.59
Unallocated Depreciation	138.81	101.41
<b>Total</b>	<b>649.49</b>	<b>660.08</b>

Note: Unallocated corporate assets and liabilities comprise of assets and liabilities not identifiable with reportable segments, as these assets and liabilities are used interchangeably between the segments. However, depreciation on such assets has been allocated to the segments to the extent of the related utilization by the respective segments, as used by management for its internal reporting purposes.

## Notes to Consolidated Financial Statements (Contd.)

### (b) Geographic Segment Information:

#### Revenues:

Amount in ₹ lakhs

Region	Year Ended March 31, 2017	Year Ended March 31, 2016
North America (including Canada)	15,251.60	14,719.25
Europe (including Middle East)	15,375.71	15,288.58
Asia Pacific (other than India)	3,922.35	6,055.93
India	12,344.58	12,252.98
<b>Total</b>	<b>46,894.24</b>	<b>48,316.74</b>

#### Assets:

Amount in ₹ lakhs

Region	As at March 31, 2017	As at March 31, 2016
North America (including Canada)	4,086.80	4,242.19
Europe (including Middle East)	4,894.09	4,155.06
Asia Pacific (other than India)	1,707.85	1,928.06
India	53,766.72	53,442.37
<b>Total</b>	<b>64,455.46</b>	<b>63,767.68</b>

#### Capital Expenditure:

Amount in ₹ lakhs

Region	As at March 31, 2017	As at March 31, 2016
North America (including Canada)	0.95	23.54
Europe (including Middle East)	34.36	51.19
Asia Pacific (other than India)	1.83	2.40
India	358.78	358.66
<b>Total</b>	<b>395.92</b>	<b>435.79</b>

### 33. Earnings Per Share (EPS)

Reconciliation of the net income and number of shares considered in the computation of basic and diluted EPS is given below:

Amount in ₹ lakhs (except share data)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Profit for computation of basic and diluted EPS	7,368.60	20,629.25
Weighted average number of shares considered for basic EPS	1,75,77,828	1,92,55,028
Add: Effect of stock options	-	-
Weighted average number of shares considered for diluted EPS	1,75,77,828	1,92,55,028

### 34. Operating Lease

The Group has operating leases for office premises that are (a) renewable on a periodic basis and are cancellable by giving a notice period ranging from 1 month to 6 months and (b) renewable on a periodic basis and are non-cancellable for specified periods under arrangements. Rent escalation clauses vary from contract to contract ranging from 0% to 15%. There are no restrictions imposed by the lease arrangements. There are no sub leases.

Amount in ₹ lakhs

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Rent expenses included in Statement of Profit and Loss towards operating leases	694.22	735.45

Minimum lease obligation under non - cancellable lease contracts amounts to:

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Due within one year	24.57	45.52
Due between one to five years	22.09	25.70

## Notes to Consolidated Financial Statements (Contd.)

### 35. Due to Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2017 has been made in the financial statements based on information received and available with the Company. Further in the view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the Balance Sheet date.

Amount in ₹ lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
- Principal	3.71	2.44
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

### 36. Exceptional Items

#### Previous year

The group had an arbitration proceeding with one of its customers and both parties had preferred certain claims. In March 2016, the two parties entered into a settlement agreement whereby both parties mutually agreed to stop the arbitration proceedings and the group received a consideration of USD 45 million (equivalent to ₹29,812.50 lakhs) for assignment of its rights in the independently owned IPR and foreground information, which has been recognized as an exceptional item. Further, in relation to the above, a provision towards employee payments amounting to ₹2,100.00 lakhs and managerial remuneration amounting to ₹784.38 lakhs had also been recorded as an exceptional item.

The group had evaluated certain long term investments for the purpose of determination of potential diminution in value of investments and based on such evaluation and determination, a provision for diminution in the value of investment as at March 31, 2016 amounting to ₹3,633.85 lakhs has been recorded as an exceptional item.

#### Current year

The group evaluated the utilization of the provision of ₹2,884.38 lakhs made in the financial statements in March 2016. As payments were already been made to those associated with the Spreadtrum legal suit and that there are no further payments, the balance exceptional provision of ₹2,025.00 lakhs was reversed and has been disclosed as exceptional item in the financial statements.

## Notes to Consolidated Financial Statements (Contd.)

### 37. Disclosure on Specified Bank Notes

During the year the Group had specified bank notes or denomination note as defined in MCA notification G.S.R. 308 E dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 08, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Amount in ₹ lakhs			
Particulars	SBN	Other denomination Notes	Total
<b>Closing cash in hand as on November 08, 2016</b>	0.25	0.03	0.28
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount deposited in Banks	0.25	-	0.25
<b>Closing cash in hand as on December 30, 2016</b>	-	<b>0.03</b>	<b>0.03</b>

### 38. Comparatives

Previous year figures have been re-grouped / re-arranged, wherever necessary to conform to the current year's presentation.

As per our report of even date.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W / E300004

per Chandra Kumar Rampuria  
Partner  
Membership Number: 055729

Place : Bengaluru  
Date : April 19, 2017

For and on behalf of the Board of Directors of  
Sasken Technologies Limited

Rajiv C. Mody  
Chairman and Managing Director  
DIN: 00092037

Neeta S. Revankar  
Whole Time Director &  
Chief Financial Officer  
DIN: 00145580

S. Prasad  
Company Secretary

Statement pursuant to Section 129(3) of the Companies Act, 2013, relating to Subsidiary Companies

Part "A" : Subsidiaries

Name of the Subsidiary	Amount in ₹ lakhs				
	Sasken Network Engineering Limited	Sasken Communication Technologies Mexico S.A. de C.V.	Sasken Communication Technologies (Shanghai) Co. Ltd.	Sasken Finland Oy	Sasken Inc.
Date of acquiring Subsidiary	September 29, 2004	November 22, 2005	January 4, 2006	March 4, 1989	September 25, 2007
Financial year / period of the Subsidiary ended on	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017
1. Reporting currency	INR	MXN	CNY	EUR	USD
2. Exchange rate as at March 31, 2017 to INR	1.00	3.4662	9.3988	69.2934	64.8450
3. Share Capital	305.00	176.75	706.96	12.09	222.25
4. Reserves & Surplus	481.13	(226.65)	774.09	1,221.20	583.99
5. Total Assets	872.20	2.54	1,642.64	2,124.84	914.38
6. Total Liabilities	86.07	52.45	161.59	891.55	108.14
7. Investments (except Investment in Subsidiary)	185.25	-	-	-	-
8. Turnover	-	-	1,899.92	5,205.24	1,370.94
9. Profit before Taxation	(2.14)	(13.00)	445.05	628.35	391.76
10. Provision for Taxation	(29.48)	-	105.48	125.77	1.73
11. Profit after Taxation	27.34	(13.00)	339.57	502.58	390.03
12. Proposed dividend	-	-	-	-	-
13. % of shareholding	100%	100%	100%	100%	100%
Rajiv C. Mody Chairman & Managing Director DIN: 00092037	Neeta S. Revankar Whole Time Director & Chief Financial Officer DIN: 00145580		S. Prasad Company Secretary		

Place: Bengaluru

Date: April 19, 2017

Note:

1. Name of subsidiary /ies which are yet to commence operations: None
2. Name of subsidiary /ies which have been liquidated / sold during the year: None

**Part "B" : Associates and Joint Ventures**

**Statement pursuant to Section 129(3) of the Companies Act, 2013, relating to Associate Companies and Joint Ventures**

Amount in ₹ lakhs

Name of the Joint Venture	ConnectM Technology Solutions Pvt. Ltd.	TACO Sasken Automotive Electronics Ltd. (TSAE)
1. Latest audited Balance Sheet Date	Not Applicable	Not Applicable
2. Date on which the Joint Venture was associated or acquired	July 6, 2007	April 4, 2007
3. Shares of Joint Venture held by the Company on the year end		
Number of shares held	Nil	52,00,403 equity shares of ₹10 each fully paid-up and 24,78,000 redeemable preference shares of ₹10 each fully paid-up
Amount of investment in Joint Venture	Nil	767.84
Extent of holding (%)	Nil	50%
4. Description of how there is significant influence	Not Applicable	Not Applicable
5. Reason why the Joint Venture is not consolidated	Disinvestment of its entire shareholding of 1,44,73,846 equity shares of ₹10 each on November 25, 2016	The shareholders of TSAE have resolved that the company be wound up voluntarily. Requisite documents have been filed with the Registrar of Companies. Considering the closure of operations of TSAE, the financials statements of TSAE have not been consolidated.
6. Networth attributable to shareholding as per latest audited Balance Sheet	Not Applicable	Not Applicable
7. Profit / (Loss) for the year ended March 31, 2017		
i. Considered in consolidation	Not Applicable	Not Applicable
ii. Not considered in consolidation	Not Applicable	Not Applicable

Rajiv C. Mody Chairman & Managing Director DIN: 00092037	Neeta S. Revankar Whole Time Director & Chief Financial Officer DIN: 00145580	S. Prasad Company Secretary
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Place: Bengaluru  
Date: April 19, 2017

Note:

1. Name of Joint Venture(s) which are yet to commence operations: None
2. Name of Joint Venture(s) which have been liquidated/sold during the year 2016 - 17: ConnectM Technology Solutions Pvt. Ltd. on November 25, 2016.



## Management Discussion and Analysis Report

*In addition to historical information, this annual report contains certain forward-looking statements (FLS). The FLS contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the FLS. Factors that might cause such a difference include, but are not limited to, those discussed in the Management Discussion and Analysis of financial performance and elsewhere in this report. Readers are cautioned not to place undue reliance on these FLS, which reflect management's analysis only as of the date hereof.*

### Company brief

For close to three decades, Sasken has been providing Product Engineering and transformation services to marquee customers around the world. Sasken provides a comprehensive suite of cutting edge technology services in Industry segments such as Semiconductors, Automotive, Rugged Devices, Smart Devices and Wearables, Industrial Automation, Satellite Communication & Consumer (Retail). Over the years, we have built on our expertise in embedded systems, multimedia, computing and connectivity to address diversified business segments. We have deepened our capability and have made business gains in areas that are benefitting from the collision of computing, connectivity and cognitive sciences. This has enabled us to occupy a unique position of being a full-fledged 'Chip to Cognitive' Company. Keeping in mind the dynamic and evolving nature of our business, we have chosen a new title that best represents our organization and the work we do. The name of your Company has been changed from Sasken Communication Technologies Limited to Sasken Technologies Limited effective February 14, 2017.

### Outlook

Leading trade body NASSCOM predicts growth opportunities and newer prospects for the ER&D (also referred to as Product Engineering Services – PES) sector in global markets. This segment is expected to witness a double-digit growth until 2020. These trends look positive for India, giving it the prospect of becoming the preferred destination globally for providing PES. Your Company is competent and well equipped to capitalize on this opportunity and deliver world-class PES. Disruption is driving increased spends in embedded systems and Digital IT, thereby enhancing the total addressable market for us. The verticals we have chosen to focus are among the largest investors in ER&D and also have the highest velocity of growth in Digital Transformation.

### Business environment

The World Bank is cautiously optimistic and expects that global growth will rise from the post-crisis nadir to a new high of 2.7% in 2017. This growth is essentially fuelled by Emerging Markets and Developing Economies (EMDEs). These markets will continue to be on the ascendant for the foreseeable future.

The World Economic Forum has identified 5 disruptive forces that will shake and change the global economy. Foremost of this is the fact that emerging markets will significantly drive the global economy and emerge as the hotbeds for innovation. Development in machine learning, artificial intelligence and cognitive sciences are beginning to replace human workers in knowledge, service and industrial areas. Commerce is rapidly shifting from traditional trade routes to the digital highways. The exponential growth in data traffic is evident for this shift in commerce. The focus on emerging markets and the challenge of optimally using resources has led to focus on marshaling resource consumption. Finally, the highly interconnected global economy is expected to face instability due to volatility in the socio-political rubric.

At the core of these 5 vectors of change, is technology, whose evolution, will continue to exert the most significant influence on the global economy.

### Growth opportunities for Sasken

Industry experts have estimated that the global ER&D spends continue to be dominated by top 500 companies and is executed in over 10,000 distributed Global Innovation Centers (GIC).

Estimates by leading analysts and trade bodies indicate that the demand for embedded systems development and its interplay with Digital IT systems will see a smart increase year on year. The good news is, this growth is largely powered by investments made by enterprises in all the 5 BLs your Company operates in. Investments in ER&D in the Semiconductor & Automotive industry will continue to drive a large portion of spends in both captive and outsourced development. Consumer electronics, communications and industrial automation are also among the high growth areas.

All the BLs we are focusing on are accelerating spends in Digital IT. Among these, the Retail (Consumer) sector is one of the largest investors in Digital Transformation. The total addressable market for both PES and Digital IT is significant and large. Investments will be in the excess of 25 Billion USD on an annualized basis in the areas we are focused on. Enterprises with asset light business models, which are digital natives will lead spends in enhancing digital assets. Traditional players in the industry are expected to respond aggressively to counter this threat and make significant investments to straddle both the physical and digital space.

Sasken is ideally placed to deliver services to customers from both proximity and offshore centers to address the customer needs arising from the trends stated above. An overview of your Company's solutions in both these arenas will follow.

### ER&D Services

In the Engineering Research & Development (ER&D) space, semiconductors form the bedrock on which all other spaces are built. This segment's growth is driven by investments addressing the need for building multiple platforms. Semiconductor companies are focusing on full functional reference designs, sensor integration, low power design and providing a comprehensive software stack. Additionally, semiconductor companies are investing heavily in silicon targeting, the burgeoning automotive market. The automotive and entertainment (gaming) markets are driving investments in high-end graphics. The spate of digital transactions delivered over wireless networks to multiple computing platforms has increased the threat of cyber-attacks. Consequently, embedded security is a large focus area for investment along with development of personal to wide area connectivity. Responding to market needs, semiconductor vendors are increasing the number of platforms and derivatives to support nuanced requirements. The software stack continues to be the key differentiator. Consumers of semiconductors continue to push the demand for chipsets that are packaged with ready to use software.

## Management Discussion and Analysis Report (Contd.)

In the automotive electronics arena, trends that are playing out include advancements In - Vehicle Infotainment, Telematics and technologies (ADAS) that will pave the way for autonomous driving. The move towards use of Open Source standards continues and Auto OEMs are veering toward the use of Auto Grade Linux/ Android to build Infotainment platforms. In Telematics, there is an increased demand for services tailored to address vertical specific needs ranging from fleet management, maintenance, safety, transportation & logistics, etc. Multiple solutions including radar and image processing based systems are paving the way toward making autonomous driving a reality in the not so distant future.

Industrial Automation remains an exciting prospect for us to nurture and grow. Leading organizations in this space, are increasingly adopting solutions that require the use of embedded systems, supported by digital technologies. Currently the emphasis here is to use technologies like augmented and virtual reality, communications and IoT to manage and track critical assets. As these assets are not easily accessible, enabling field support through these technologies improves asset uptime and reduces cost of support.

Communications as a segment especially pertaining to Smart & Rugged Devices, Wearables and the Connected Home Appliances, has been an area of strength for us. This segment's growth is being shaped by the dynamic evolution of consumer preferences and demands. Commoditization in Consumer Electronics has driven the focus of key players in this industry towards optimizing costs on the one hand and increased investments to support product differentiation on the other hand. The need to combat rapid obsolescence has resulted in them embarking on agile development. The lines are blurring between Consumer & Rugged Devices, save the need to engineer robustness, ingress protection, intrinsic safety and customized peripheral support in the latter. Satellite terminals continue to play an important role in supplementing terrestrial networks and now incorporate support for LTE. Satellite terminals are expected to be as user - friendly as consumer devices. The demand for data and the rise in need for satellite communication is pushing satellite operators to shift to higher frequency bands.

On the semiconductor front, we have widened our engagements with two of the largest players in this industry. We have executed cutting - edge technology based products spanning areas such as IoT, Smart Home projects, Auto Grade Linux development, among others. Our engagements with leading Tier - 1 Auto OEMs continue to progress as we assist them keep pace with the evolution of connectivity and multimedia technologies. In the rugged devices space we successfully executed several upgrade programs to enable a family of products support the latest versions of Android. We provide critical field and conformance testing services to two leading smart device vendors and support these programs across several geographies. We have expended our service offerings to one of the largest telecom service providers in India, who have rolled out a pan India 4G network. Our solution is helping a leader in industrial automation to improve the efficiency of communication in a robotic assembly system in real - time. This clearly illustrates that your Company has one of the most comprehensive suite PES in the industry.

Sasken's end - to - end device development experience continues to be leveraged across multiple business verticals. We have been repeatedly entrusted to own the development, enhancement and maintenance of satellite handheld devices. As part of this program, we have successfully executed the development of Radio Frequency (RF) in the L - Band. This is further validation of our full product development abilities.

Your Company continues to offer best in class product engineering services to catalyze the development, maintenance and commercialization of products through customer centric innovation for global companies.

### Digital Transformation Services

Over the last two years, we have built our digital practice predominantly with a view of leveraging our strengths in embedded systems, computing, connectivity and multimedia. We embarked on this journey as Digital Transformation draws from advancements in areas, which have been core to us since inception. The progress thus far has been encouraging and we expect to see the benefits of scale in the near future. The thrust areas in digital transformation that is on our radar include Analytics, Enterprise Mobility, Physical to Digital and the Cloud. Our focus here is on enabling enterprises to service the needs of Consumers, Prosumers and Industrial Workforce leveraging the ubiquity of wireless networks and smart devices.

Digital Transformation Services (DTS) are expected to benefit multiple verticals in areas as diverse field sales mobilization, optimal asset utilization and tracking, predictive and preventive maintenance, retail in - store applications, among others. Mobility and P2D will continue to remain the key pillars of growth in DTS, thereby giving us an opportunity to expand and deepen our portfolio of offerings.

Over the course of the year, we have scaled up our engagement with a leading Mobile Virtual Network Operators (MVNO) and have built an actionable insights analytic platform. We have developed a suite of Mobile Apps for a large European Conglomerate's Healthcare division supporting a range of products from smart shavers to toothbrushes. Our engagement with a large manufacturer of Smart Tags has resulted in our delivering interesting solutions for a range of verticals including leading footwear brands, food processing equipment vendors, etc. These solutions enable brand to engage with their consumer, both pre and post purchase.

Our engagement with a large European conglomerate is to provide development and enhancement services for their portfolio of Intelligent Transportation Systems (ITS) solutions. We have enabled their solution to offer OMNI channel support including Point Of Sale (POS), mobile ticketing and web portals in real time. This also allows real - time vehicle monitoring, schedule management for improving commuter convenience and safety.

Our productized approach to developing DTS has brought fresh perspective to our customers, enabling them to accelerate the transition to Digital and bridge the divide between the Physical and the Digital.

## Management Discussion and Analysis Report (Contd.)

### Financial Performance

#### Financial results for the Year Ended March 31, 2017

Particulars	Year Ended March 31, 2017		Year Ended March 31, 2016		Increase / Decrease
	(In ₹ lakhs)	(%)	(In ₹ lakhs)	(%)	
<b>Revenue from Operations</b>	<b>46,894.24</b>	<b>100.0</b>	<b>48,316.74</b>	<b>100.0</b>	<b>(2.9)</b>
Employee Benefits Expenses	33,879.16	72.2	34,275.58	70.9	(1.2)
Inventory Related Expenses	244.03	0.5	(184.32)	(0.4)	(232.4)
Other Expenses	8,455.99	18.0	9,508.50	19.7	(11.1)
Total Expenditure	42,579.18	90.8	43,599.76	90.2	(2.3)
<b>Profit before Interest, Taxes, Depreciation and Amortization</b>	<b>4,315.06</b>	<b>9.2</b>	<b>4,716.98</b>	<b>9.8</b>	<b>(8.5)</b>
Interest & Borrowing Expenses	9.23	0.0	18.89	0.0	(51.1)
Depreciation and Amortization Expenses	649.49	1.4	660.08	1.4	(1.6)
Other Income	2,547.83	5.4	1,620.29	3.4	57.2
Exceptional items income/(expenditure)	2,025.00	4.3	23,294.27	48.2	(91.3)
<b>Profit before Taxes</b>	<b>8,229.17</b>	<b>17.5</b>	<b>28,952.57</b>	<b>59.9</b>	<b>(71.6)</b>
Income Tax Expense (Including deferred tax benefit and MAT credit entitlement)	860.57	1.8	8,323.32	17.2	(89.7)
<b>Net profit for the year</b>	<b>7,368.60</b>	<b>15.7</b>	<b>20,629.25</b>	<b>42.7</b>	<b>(64.3)</b>

#### Revenue from operations

Consolidated revenues for FY 2017 were ₹46,894.24 lakhs, a decrease of 2.9%, from ₹48,316.74 lakhs in FY 2016. The decrease in revenue is mainly due to decline in revenue in some of our key accounts.

Software services revenues, software product revenues and automotive, utilities and industrial revenues net off inter segmental revenues were ₹45,427.42 lakhs (previous year ₹46,006.19 lakhs), ₹1,300.09 lakhs (previous year ₹2,007.49 lakhs) and ₹166.73 lakhs (previous year ₹303.06 lakhs) respectively, for FY 2017.

In FY 2017, in ₹ terms, services revenue contributed 96.9% of the overall revenues. It was at ₹45,427.42 lakhs as against ₹46,006.19 lakhs in FY 2016, down by 12.6%. The services revenue by project type is as follows:

Particulars	In %	
	FY 2017	FY 2016
Time and Material	78.9	83.9
Fixed Price	21.1	16.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Composition of time and material projects has decreased as compared to previous year, as we have earned more revenue from fixed price contracts.

There has not been any significant change in the mix of onsite and offshore revenue. The offshore - onsite mix of revenues was as follows:

Particulars	In %	
	FY 2017	FY 2016
Onsite	37.7	39.1
Offshore	62.3	60.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

In FY 2017, in ₹ terms, software product revenue contributed 3.1% of the overall revenues. It was at ₹1,300.69 lakhs as against ₹2,007.49 lakhs in FY 2016, down by 35%.

Details of software product revenue were as follows:

Particulars	In %	
	FY 2017	FY 2016
Royalties	38.5	29.6
Customization	61.5	70.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

We no longer invest in product development and therefore there will not be significant amount of revenue from products in subsequent years.

#### Employee benefits expenses

Employee benefits expenses include salaries which have fixed and variable components, contribution to social security funds such as provident fund, superannuation fund, gratuity fund and other statutory schemes. It also includes expenses incurred on Employee stock compensation costs, if any, staff welfare, recruitment and relocation.

The total employee costs for FY 2017 were ₹33,879.16 lakhs compared to ₹34,275.38 lakhs in FY 2016. In percentage terms, the cost in FY 2017 is 72.2% of revenues, as against 70.9% in the earlier year.

## Management Discussion and Analysis Report (Contd.)

The employee cost largely depends on the mix of onsite and offshore revenue and engagement. With the marginal increase in the offshore revenue, driven primarily by increase in the fixed price project, the employee expenses have marginally decreased. We have strengthened the sales force in overseas geographies, in order to stay close to our customers, which may impact the employee benefit expenses.

### Inventory related expenses

Inventory related expenses include increase or decrease of work in progress (relating to fixed price program), consumption of components and raw materials and purchase of traded goods.

In FY 2017, inventory related expenses are higher as compared to FY 2016 due to accrual of revenue on account of delivery of major milestones.

### Other expenses

Other expenses for FY 2017 were ₹8,455.99 lakhs as against ₹9,508.50 lakhs for FY 2016 – a decrease of ₹1,052.51 lakhs.

Break up of other expenses into major head is as follows:

	Amount in ₹ lakhs	
Particulars	FY 2017	FY 2016
Facility costs	2,367.03	2,520.48
Communication & IT costs	481.70	465.26
Other Costs	785.60	806.80
Training Costs	160.92	73.15
Travel Costs	1,570.44	1,370.42
Outsourcing & consulting costs	2,659.43	4,152.39
Corporate Social Responsibility	430.87	120.00
<b>Grand Total</b>	<b>8,455.99</b>	<b>9,508.50</b>

There is a net reduction in other expenses during this year, which is largely driven by reduction in legal fees incurred for the arbitration and the settlement which we reached with one of our customers in the last year. Total reduction in legal fees compared to previous year is ₹1,821 lakhs. During the year CSR contribution has increased by ₹311 lakhs, contract staff cost has increased by ₹327 lakhs and travel cost has increased by ₹200 lakhs which is offset by decrease in rates & taxes ₹120 lakhs and directors' commission ₹136 lakhs.

### Interest & Borrowing expenses

This pertains to the interest on borrowing by ConnectM Technology Solutions Pvt. Ltd., (ConnectM), which is a Joint Venture of Sasken, from InnoVen Capital India Private Limited (formerly known as SVB Finance India Pvt. Ltd.), which is a Non-Banking Finance Company (NBFC). The interest expense relates to interest on secured long term borrowing from this NBFC. During the year, the Company completed disinvestment of its holding of 1,44,73,846 fully paid-up equity shares of ₹10 each in the capital of ConnectM and therefore there will be no further interest costs in future.

### Depreciation and amortization expenses

Depreciation and amortization charge has decreased to ₹649.49 lakhs in FY 2017 from ₹660.08 lakhs in FY 2016. The depreciation has been lower as certain assets including intangible assets have reached the end of useful life. There were no additional cost as we have not de-commissioned any office during FY 2017.

### Other Income

Other Income comprises of Interest earned on Fixed Deposits, Dividend on Mutual Funds including FMPS, Gain on sale of Investments, profit on sale of fixed assets, write back of unclaimed balances and provisions, exchange gains and other miscellaneous receipts.

Other income was ₹2,547.83 lakhs in FY 2017, an increase of ₹927.54 lakhs over the other income in FY 2016 amounting to ₹1,620.29 lakhs. The increase in current year was mainly on account of dividend from investments and gain on maturity of FMP, while there is a reduction in the interest from fixed deposits. Your Company after due evaluation has changed the mix of investments in the approved investment policy to maintain the yield and reduce the tax incidence. The income from investments are recognized in the books of income when the Company has a right to receive the income. We have earned an annualised post-tax yield of 7.8% amounting to ₹2,250.57 lakhs on an average investment of ₹36,406.37 lakhs during FY 2017 as against an annualized post-tax yield of 6.81% on an average investment of ₹23,390.26 lakhs during FY 2016. We use a combination of foreign exchange forward contracts to hedge our exposure to movements in foreign exchange rates. We manage our foreign exchange exposures in line with our hedging policy which aims to ensure that foreign exchange exposures on revenue and balance sheet accounts are properly monitored and are limited to acceptable levels.

### Exceptional items

In the current year, your Company evaluated the utilization of the provision of ₹2,884.38 lakhs made in the financial statements in March 2016. To the extent the said provision was not utilized, an amount of ₹2,025.00 lakhs was reversed and has been disclosed as an exceptional item in the financial statements.

### Income tax expense

The tax charges vary depending on the nature of the transaction, mix of onsite-offshore revenues, country of operations and revenues generated from units which enjoy tax holiday.

## Management Discussion and Analysis Report (Contd.)

The income tax expense was ₹860.57 lakhs in FY 2017 (previous year ₹8,323.32 lakhs in FY 2016), a decrease of ₹7,462.75 lakhs as compared to the previous year. The provision made last year includes a tax charge of ₹7,091.60 lakhs made towards the assignment of IP rights. Additionally, during the year, your Company received a refund from one overseas jurisdiction and a closure of assessment for a block of years in another jurisdiction. These resulted in reversals of tax provisions made during earlier year.

### Profit after taxation

Consolidated Profit After Tax (PAT) has decreased to ₹7,368.60 lakhs in FY 2017 from ₹20,629.25 lakhs in FY 2016 - a decrease of 64.3%. In absolute terms, the PAT decreased by ₹13,260.65 lakhs in FY 2017. It may be noted that the PAT of last year includes the revenue from assignment of IP rights, net of provision made for employee payments and impairment of certain investments. The PAT margins for FY 2017 were 15.7% as against 42.7% in FY 2016.

### Segment Results

	Year ended March 31, 2017	Year ended March 31, 2016	Increase/ Decrease
	(In ₹ lakhs)	(In ₹ lakhs)	(%)
<b>Segment Revenues</b>			
Software Services	46,100.67	47,271.26	(2.5)
Software Products	1,300.09	2,007.49	(35.2)
Automotive, Utilities and Industrial	166.73	303.06	(45.0)
Less: Intersegment Revenue	(673.25)	(1,265.07)	(46.8)
Total Revenue	46,894.24	48,316.74	(2.9)
<b>Segmental EBITDA</b>			
Software Services	3,704.36	4,975.57	(25.5)
Software Products	651.84	(251.53)	(359.2)
Automotive, Utilities and Industrial	(41.15)	(7.01)	487.1
Exceptional items (net)	2,025.00	23,394.27	(91.3)
<b>Segment EBITDA (%)</b>			
Software Services	8.1	10.8	(25.0)
Software Products	50.1	(12.5)	(500.2)
Automotive, Utilities and Industrial	(24.7)	(2.3)	967.1

EBITDA margins from services business, in the current year, were 8.1% as against 10.8% in FY 2016. The decrease in margins in FY 2017 was largely due to lower realization in fixed price projects and provision for bad and doubtful debt.

EBITDA margins from software products, in the current year, increased to 50.1% from (12.5)% in FY 2016.

### Consolidated Financial Position

Particulars	As at March 31, 2017		As at March 31, 2016	
	(In ₹ lakhs)	(%)	(In ₹ lakhs)	(%)
<b>EQUITY AND LIABILITIES</b>				
1. Shareholders' Funds				
(i) Share Capital	1,711.01	2.7	1,771.98	2.8
(ii) Reserves and Surplus	53,020.58	82.2	48,129.05	75.5
2. Non-Current Liabilities				
(i) Long Term Provisions	624.72	1.0	566.78	0.9
3. Current Liabilities and Provisions				
(i) Trade Payables	2,770.86	4.3	6,316.40	9.9
(ii) Other Current Liabilities	1,742.30	2.7	1,730.42	2.7
(iii) Short Term Provisions	4,585.99	7.1	5,253.05	8.2
<b>Total</b>	<b>64,455.46</b>	<b>100.0</b>	<b>63,767.68</b>	<b>100.0</b>
<b>ASSETS</b>				
1. Non-Current Assets				
(i) Net Fixed Assets including Capital Work-in-Progress	3,769.78	5.9	4,031.57	6.3
(ii) Non Current Investments	25,329.06	39.3	18,319.04	28.7
(iii) Deferred Tax Assets (net)	895.16	1.4	1,139.61	1.8
(iv) Long Term Loans and Advances	7,810.52	12.1	6,945.90	10.9
(v) Other Non-Current Assets	-	0.0	0.80	0.0
2. Current Assets				
(i) Current Investments	9,873.95	15.3	16,826.79	26.4
(ii) Inventories	-	0.0	246.83	0.4
(iii) Trade Receivables	7,774.05	12.1	9,627.84	15.1
(iv) Cash and Bank Balances	3,248.75	5.0	2,338.26	3.7
(v) Short Term Loans and Advances	2,081.43	3.2	1,559.35	2.4
(vi) Other Current Assets	3,672.76	5.7	2,731.69	4.3
<b>Total</b>	<b>64,455.46</b>	<b>100.0</b>	<b>63,767.68</b>	<b>100.0</b>

## Management Discussion and Analysis Report (Contd.)

### Equity and Liabilities

#### Share Capital

The authorized share capital is ₹5,000.00 lakhs comprising of 500 lakh equity shares of face value of ₹10 each. The number of shares outstanding, as on March 31, 2017 were 1,71,10,114 and these are fully paid-up. The issued, subscribed and paid-up capital as on March 31, 2017 stood at ₹1,711.10 lakhs, lower by ₹60.97 lakhs as compared to March 31, 2016. During the current year 6,09,699 shares were bought back at a price of ₹410 each, as part of buy-back program. Although the buy-back program envisaged buy-back of 28,69,098 shares, the Company received applications for 6,09,699 shares, which is 21.25% of the total buy-back offer.

#### Reserves and Surplus

Reserves and Surplus as at March 31, 2017 was ₹53,020.58 lakhs as against ₹48,129.05 lakhs as at March 31, 2016, increase of ₹4,891.53 lakhs. This increase over the last year is due to the following movements:

1. Increase in Profit & Loss account balance by ₹6,925.60 lakhs due to profit for the year as reduced by appropriations towards dividend. The balance retained in the Profit and Loss account as at March 31, 2017 was ₹48,650.79 lakhs after payment of interim dividend of ₹443 lakhs.
2. During FY 2017, securities premium decreased by ₹29.16 lakhs due to buy-back of shares.
3. Decrease in General Reserve of ₹2,470.61 lakhs at the end of FY 2017, is due to payment of premium on shares bought back.
4. Closing balance of hedging reserve as at March 31, 2017 is ₹1,106.99 lakhs as against a balance of ₹471.42 lakhs as at March 31, 2016. This balance represents the unrealised gain on the hedging contracts taken by the Company. The profits will be transferred to Profit and Loss account when the contracts are settled by delivering the foreign exchange earned to the counterparty.

#### Long term provisions:

Long term provisions include provision for long term employee benefit obligations. In respect of these provisions, your Company has unconditional right to defer settlement beyond twelve months from Balance Sheet date and the provisions are considered to be non-current.

Long term provisions representing 1% of the Balance Sheet, were at ₹624.72 lakhs as at March 31, 2017, as against ₹566.78 lakhs as at March 31, 2016. This balance largely represents the pension obligation in respect of employees in an overseas location. The increase is mainly on account of the provisions for long term employee benefits. This is a defined benefit plan and reduction in interest rates leads to increase in liability.

#### Trade payables

Trade payables includes amount due on account of goods purchased or services received in the normal course of business.

As at March 31, 2017, trade payables representing 4.3% of the Balance Sheet, were at ₹2,770.86 lakhs, as against ₹6,316.40 lakhs as at March 31, 2016 - a reduction of ₹3,545.54 lakhs. The provision made on March 31, 2016 includes the commission payable to Whole Time Directors and variable pay payable to employees. It also includes an exceptional provision of ₹2,100 lakhs made for employee related payments, out of which ₹2,025 lakhs was reversed in the current year as the provision was no longer required. The reduction in the trade payables is mainly on account of this reversal and payment of commission to Whole Time Directors amounting to ₹749 lakhs, employee related dues amounting to ₹430 lakhs and other payment of ₹210 lakhs.

#### Other current liabilities:

Other current liabilities of the current year includes deferred revenues, advance received from customers, unclaimed dividend, capital creditors and statutory liabilities. The corresponding figure of the last year includes the principal and interest due on loan taken by one of the joint ventures of the Company and which are to be settled within twelve months from the Balance Sheet date. Deferred revenues consist primarily of advance billings on customers for fixed price contracts. Advance received from customers represents amount received from customers for the delivery of services in future. Unclaimed dividend represents dividend paid, but not encashed by shareholders and is represented by bank balance of the equivalent amount. Capital creditors include amounts due on account of goods purchased or services received in the nature of capital expenditure. Statutory liabilities include withholding tax and social security costs payable to statutory authorities in various countries we operate in.

Other current liabilities constituting 2.7% of the Balance Sheet, as at March 31, 2017 were at ₹1,742.30 lakhs, as against ₹1,730.42 lakhs as at March 31, 2016.

#### Short term provisions

Short term provisions include provision for long term employee benefit obligations, warranties, onerous contracts, provision for mark-to-market losses on derivative contracts which are expected to be settled within twelve months from the Balance Sheet date and are considered to be current.

Short term provisions represent 7.1% of the Balance Sheet, and as at March 31, 2017 were at ₹4,585.99 lakhs as against ₹5,253.05 lakhs as at March 31, 2016. The decrease is because we have funded the liability of certain long term employee benefits before March 31, 2017.

### Assets

#### Net Fixed assets including Capital Work-in-Progress:

Net Fixed assets including Capital Work-in-Progress includes tangible and intangible assets as reduced by accumulated depreciation/amortization, Capital Work-in-Progress and Intangible assets under development.

## Management Discussion and Analysis Report (Contd.)

Freehold Land & Buildings, Leasehold Improvements on leased facilities, Computers, Electrical fittings, Furniture and Fixtures, Office equipment and Plant & Equipment are classified under tangible assets. Computer software, contract know-how and Goodwill - both arising on consolidation and acquired are classified as intangible assets.

The Net Fixed Assets, representing 5.9% of the total assets includes tangible assets, intangible assets and Capital Work-in-Progress. The break up of that is as follows:

	Amount in ₹ lakhs	
Fixed Assets	As on March 31, 2017	As on March 31, 2016
Tangible assets	3,748.24	3,966.64
Intangible assets	15.64	52.14
Capital Work-in-Progress	5.90	12.79
<b>Total</b>	<b>3,769.78</b>	<b>4,031.57</b>

Technical know-how, Contract Rights and Goodwill, both arising out of consolidation and purchased have been fully amortized or impaired. ₹2,966.97 lakhs, which is 79% of the tangible assets as on March 31, 2017 is represented by land and building.

Additions to fixed assets during FY 2017 were ₹412.94 lakhs mainly on account of investments in computing equipment and software.

### Non-current investments

Investments are classified as current or non-current based on management intention at the time of purchase. Investments which the management intends to hold for a period more than one year from the Balance Sheet date are classified as non-current investments. Under this category, Sasken has made several strategic investments aimed at procuring business benefits and operation efficiencies.

The non-current investments, representing 39.3% of the total assets, were ₹25,329.06 lakhs, as at March 31, 2017 as against ₹18,319.04 lakhs as at March 31, 2016. The balance as at March 31, 2017 is represented by tax free bonds amounting to ₹5,441.19 lakhs and mutual fund amounting to ₹19,387.87 lakhs and Non-Convertible Cumulative Redeemable non-participating Preference shares (CRPS) of Tata Capital Limited amounting to ₹500 lakhs.

### Deferred tax assets (net)

Deferred income taxes represent 1.4% of total assets. This reflects the tax impact of timing differences between taxable income and accounting income for the year and reversal of tax due to timing differences of earlier years. Deferred tax assets and deferred tax liabilities across various countries of operation are not set off against each other as we do not have a legal right to do so.

The deferred tax assets as at March 31, 2017 were ₹895.16 lakhs as against ₹1,139.61 lakhs as at March 31, 2016, a decrease of ₹244.45 lakhs. The decrease in deferred tax assets in FY 2017 was mainly on account of deferred tax assets recognized on an employee benefit liability which was funded this year.

### Long term loans and advances

Loans and advances consist of capital advance, security deposits, prepaid expenses, advance to employees, balances with Government Authorities and advance tax & MAT credit entitlement. Loans & advances which are non-current and not expected to be settled within twelve months from the Balance Sheet date has been classified as long term loans & advances. This represents 12.1% of the Balance Sheet, as at March 31, 2017 was ₹7,810.52 lakhs, as against ₹6,945.90 lakhs as at March 31, 2016 – an increase of ₹864.62 lakhs. The increase is largely due to payment of advance income tax.

### Current Investments

Investment in treasury products which are readily realisable, and that are intended to be held for not for more than a year are classified under this head. These investments, representing 15.3% of the total assets, were ₹9,873.95 lakhs, as at March 31, 2017 as against ₹16,826.79 lakhs, as at March 31, 2016. During the year we have redeemed/liquidated our current investments after assessing the return on investments in long term funds and our short term requirements. Large amounts were retained in short term instruments/funds in anticipation of outflow of funds towards buy-back of shares. Since only 21.25% of the shares were bought back, we have invested the surplus funds in longer tenor funds.

The Company deploys its surplus funds primarily in debt mutual funds, equity mutual funds and arbitrage funds. During FY 2017 the composition of the investments has undergone change considering rate of returns on various instruments in the current market scenario.

The breakup of treasury investments by instrument type is as follows:

	Amount in ₹ lakhs	
Particulars	As on March 31, 2017	As on March 31, 2016
Liquid Plan/Ultra Short Term Plan	573.95	16,026.79
Arbitrage/Equity Funds	9,300.00	800.00
<b>Total</b>	<b>9,873.95</b>	<b>17,826.79</b>

## Management Discussion and Analysis Report (Contd.)

### Inventories

Inventories represent (a) Work-in-Progress-that is costs related to project milestones that have not been met (b) Raw materials and components – costs related to stock of raw material and other components which are used as a part of project deliverables and the balance of these two was NIL as at March 31, 2017.

### Trade receivables

Trade receivables, representing 12.1% of the total assets, as at March 31, 2017 were at ₹7,774.05 lakhs as against ₹9,627.84 lakhs as at March 31, 2016. We periodically review the quality of receivables and make provision where necessary. Accordingly, the provisions for doubtful debts as at March 31, 2017 were ₹265.71 lakhs, compared to ₹140 lakhs as at March 31, 2016.

Trade receivables including long term trade receivables were 59 days (March 31, 2016: 69 days) in terms of days of sales outstanding (DSO) as at March 31, 2017.

### Cash and Bank balances

Cash and Bank balances, representing 5% of the total assets, as at March 31, 2017 were at ₹3,248.75 lakhs as against ₹2,338.26 lakhs as at March 31, 2016. We maintain sufficient cash balance in current accounts for operational requirements and invest surplus funds in a variety of instruments including fixed deposits in line with the Investment policy as approved by Board. Cash balances are also impacted by our ability to repatriate surplus balances from certain overseas jurisdictions.

Amount in ₹ lakhs

Particulars	As on March 31, 2017	As on March 31, 2016
Cash in Hand	1.27	3.33
With Indian Banks		
In Current Accounts	982.14	607.44
Others	83.26	229.95
With Foreign Banks	2,182.08	1,084.12
In Fixed Deposits	Nil	413.42
Total	3,248.75	2,338.26
Less: Deposits with original maturity greater than 12 months shown as other non-current assets	-	-
<b>Cash and Bank Balances</b>	<b>3,248.75</b>	<b>2,338.26</b>

### Short term Loans and Advances

Loans and advances consist of security deposits, prepaid expenses, advance to employees and suppliers, balances with Government Authorities. This represents 3.2% of the Balance Sheet, and as at March 31, 2017 was ₹2,081.43 lakhs, as against ₹1,559.35 lakhs as at March 31, 2016 - an increase of ₹522.08 lakhs. This is largely due to increase in the unrealized gain on hedge contracts for foreign exchange receivables, which is explained by the increase in hedging reserve balance.

### Other Current Assets

This represents interest accrued on fixed deposits and unbilled revenue and constitutes 5.7% of Balance Sheet. As at March 31, 2017 the balance was ₹3,672.76 lakhs, as against ₹2,731.69 lakhs as at March 31, 2016 - an increase of ₹941.07 lakhs. Unbilled revenue, which forms a substantial portion of this, represents amounts recognized based on services performed in accordance with contract terms and where invoices are yet to be raised as on the Balance Sheet date. This has increased by ₹847.79 lakhs as on March 31, 2017 compared to March 31, 2016.

### Cash flow

During the year, we have generated ₹2,509.72 lakhs from operating activities as against ₹24,899.55 lakhs. Cash flow from operating activities during previous year includes ₹23,294.27 lakhs on account of collections from litigated items. The outflow on account of taxes was lower by ₹5,715 lakhs at ₹1,816.34 lakhs. Of the cash generated, ₹589.69 lakhs was utilized towards distribution of dividend (including tax thereon) and ₹2,499.77 lakhs was utilized towards buy-back of shares. The balance at the end of the year including treasury investments is ₹38,451.76 lakhs.

### Threats, Risks and Concerns

Business Risks:

The business verticals we operate in are among the leading adopters of technologies. This is because the forces of disruption have triggered a new paradigm. Incumbents continued to be challenged by new entrants who are aggressive owing to asset-light business models and being digital from inception. Technologies such as cloud, big data, mobile devices and social media continue to alter the dynamics of the industry landscape across most verticals. In the midst of this relentless change, there are boundless opportunities for your Company. However, as a company, we need to continuously invest to ensure that our competencies in technologies, platforms, tools stay current. Additionally, we need to invest in new areas and the related technologies to stay ahead. The positive upshot is that the business verticals we are focusing on including automotive, semiconductor, communications, consumer and industrial are among the largest investors in research and development to further their growth. Our strengths in core technologies spanning semiconductors, computing, connectivity, multimedia and data analytics have resulted in us occupying a unique position as a 'Chip to Cognitive' Company.



## Management Discussion and Analysis Report (Contd.)

The nature of our business requires us to have a key account focus. The result of this is that our customer concentration, especially from top customers, will remain high. From a geographic standpoint, our market focus is on the North American region, Europe and Japan. In some of these areas, the wave of protectionist thinking continues. The anti-outsourcing rhetoric, as well as developments such as Brexit, continue to preoccupy industry captains and trade bodies. Both these developments are of strategic interest to us. Proposed changes in 'visa regulations' in the US and imminent Brexit in the Euro-region could have an impact on our business. However, we have factored these geopolitical forces and believe that there will be no adverse impact on your Company. We are confident that the demand for 'embedded and digital IT' skills will continue to be robust at the tide of 'Digital Transformation' continues to sweep across all business verticals.

### HR Risks:

We continue to be a knowledge Company, and our people are our assets. To provide services to our customers, we rely on our highly skilled and trained engineers. Ensuring that we continue to attract and retain talents will remain a challenge. We need to watch and factor increase in employment costs as this constitutes the largest element of our costs. The ability to service clients on site requires global workforce mobility. Immigration restrictions in key markets will continue to be another challenge faced by the industry.

We stay committed to developing and training our employees and invest in multiple programs to enhance employee engagement. Additionally, our compensation and benefits program is built on fundamental pillars of internal parity and external equity. Our performance management systems are designed to reward and recognize high performers.

### Financial risks:

#### Foreign Exchange Fluctuation Risk

About two-thirds of the Group revenues are derived from its global customers and are denominated in US Dollars and/or Euros. However, as we execute a majority of our contracts from India, a significant portion of the expenses we incur are Rupee denominated. We are therefore subject to currency fluctuation as movements in the exchange rate have an influence on our operating profit. The prevailing economic uncertainty in the Euro-region and political developments in the United States may result in volatility in the exchange rates.

To effectively contain the risk on account of foreign exchange fluctuations, the Group takes appropriate hedges both in terms of forward and options contracts. Our policy for covering vagaries on account of foreign currency exposure is geared only toward containment of risk. Our policy has adequate safeguards to ensure unhedged exposures are subject to predefined downside limits for the purpose of deciding the quantum of hedge taken during a financial period.

#### Liquidity Risk

We continue to be debt-free and have sufficient cash to meet our strategic and operational objectives. The Board reviews the liquidity position of the Group periodically. Your Company and its subsidiaries had adequate resources to meet the working capital requirements through internal cash accruals during the current year. Cash surplus generated by the business are invested in line with Board approved policy which factors interest risk, credit risk and reinvestment risks. The Group has access to fund based and non-fund based lines of credit, to meet any working capital requirements.

### Internal Control Systems

The Group aims to manage risk so as to protect the value of the shareholders. The identification and mitigation of risk comprise documenting 'Entity level' risks and controls. The exercise involves identifying significant risks on account of (a) locations and (b) business processes. This is followed by (a) documenting the process flows (b) creation of risk registers (c) assessment of controls by way of testing and (d) periodic reporting & monitoring. The risk register captures areas of potential financial risks & operational risks and the associated internal controls that are in place or have been identified.

Annual certification is an important procedure. It starts with the 'control' owner and then on to the 'process' owner and upwards, leading to the CEO and CFO certification. Your Company complies with the requirements of Enterprise Risk Management (ERM), which is mandated by various regulations including SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Companies Act 2013.

There is a periodic assessment of the risks and controls for the existing and new process flows. We evaluate the risk and put in place controls to mitigate the same whenever we come across any weakness in the existing process. We have adopted policies and procedures to ensure prevention and detection of frauds and errors, have measures to safeguard our assets and ensuring the accuracy and completeness of accounting records with reliable financial disclosures. The Internal auditors carry out audit as per the scope mandated by the Audit Committee. The Internal Auditors periodically review operating effectiveness of internal financial controls and report the findings to the Audit Committee. As a measure of good corporate governance, all matters of significant importance or relevance have been reported to the Audit Committee and the Company's Statutory and/or Internal Auditors.

## Our Contact Details

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