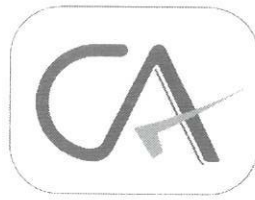


CA S.S. Swamy

B.Sc. B.Com. F.C.A., CAIIB

Chartered Accountant



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BANGALORE – 560 018.

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
SASKEN FINLAND OY**

Report on the Audit of Financial Statements

I have audited the accompanying financial statements of **SASKEN FINLAND OY** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes thereon, including a summary of the significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("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 31st March 2020, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. My responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the institute of Chartered Accountants of India together with the ethical requirements that are relevant to my audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the Financial Statements of the current period. These matters were addressed in the context of my audit of the Financial Statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and my auditor's report thereon.

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My opinion on the Financial Statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the Financial Statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Company's management is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of Financial Statements

My objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse

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consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

(A) As required by Section 143(3) of the Act, I report that:

- a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In my opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.

(B) 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 my opinion and to the best of my information and according to the explanations given to me:

- i. The Company has disclosed the impact of pending litigations as at 31st March 2020 on its financial position in its Financial Statements.
- ii. The Company did not have any materials long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March 2020.

Bangalore

Date: April 27, 2020

Signature:

Name: S.S. Swamy

Membership No. 019990



Sasken Finland Oy

Balance sheet

Particulars	Notes	Amounts in Rs.	
		As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	14,330,122	20,228,412
Financial assets			
Other financial assets	5	4,377,863	4,106,436
Other non-current assets	6	165,647	-
Total non-current assets		18,873,632	24,334,848
Current assets			
Financial assets			
Trade receivables	7	93,283,420	60,523,119
Cash and cash equivalents	8	19,571,950	12,473,375
Contract asset		170,249,011	182,651,283
Unbilled revenue		30,825,134	30,903,622
Other current assets	9	8,006,898	7,982,277
Total current assets		321,936,413	294,533,676
Total assets		340,810,045	318,868,524
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	1,208,925	1,208,925
Other equity	11	110,783,449	107,431,236
		111,992,374	108,640,161
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	12	34,985,638	26,951,576
Deferred revenue		5,468,386	1,924,596
Other current liabilities	13	126,069,286	115,848,941
Provisions	14	62,294,361	65,273,420
Current tax liabilities	15	-	229,830
Total current liabilities		228,817,671	210,228,363
Total equity and liabilities		340,810,045	318,868,524

The accompanying notes form an integral part of the financial statements
As per my report of even date


S.S. Swamy
Chartered Accountant
Membership No.019990

For and on behalf of the Board of Directors of
Sasken Finland Oy


Toni Varila
CEO, Sasken Finland Oy



Place : Bengaluru
Date : April 27, 2020

Place : kaustinen
Date : April 24, 2020



Sasken Finland Oy

Statement of profit and loss

Particulars	Notes	Amounts in Rs.	
		For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Revenue from operations	16	571,605,940	665,656,013
Other income	17	7,806,741	3,085,866
Total income		579,412,681	668,741,879
Expenses			
Employee benefits	18	409,617,891	452,239,491
Finance costs	19	5,940,895	1,973,249
Depreciation and amortisation	4	7,534,655	7,770,877
Other expenses	20	159,284,563	209,565,658
Total expenses		582,378,004	671,549,274
Profit before income tax		(2,965,323)	(2,807,395)
Tax expenses:			
Current income taxes	21	(12,872)	109,003
		(12,872)	109,003
Profit after tax for the period		(2,952,451)	(2,916,398)
Foreign Exchange Translation Reserve		6,304,664	492,412
Other comprehensive income for the period		6,304,664	492,412
Total comprehensive income for the period		3,352,213	(2,423,986)
Basic and Diluted EPS		(146)	(144)
Weighted average number of Equity Shares used in computation of			
Basic EPS		20,197	20,197
Diluted EPS		20,197	20,197

The accompanying notes form an integral part of the financial statements.
As per my report of even date


S.S. Swamy
Chartered Accountant
Membership No.019990

For and on behalf of the Board of Directors of
Sasken Finland Oy


Toni Varila
CEO, Sasken Finland Oy



Place : Bengaluru
Date : April 27, 2020



Place : Kaustinen
Date : April 24, 2020

Sasken Finland Oy
Statement of changes in equity

A. Equity share capital

Balance as at 1st April 2018	Changes in equity share capital during the year	Balance as at March 31, 2019
1,208,925	-	1,208,925.00
Balance as at 1st April 2019	Changes in equity share capital during the year	Balance as at March 31, 2020
1,208,925	-	1,208,925.00

B. Other Equity

Particulars	Securities Premium	Retained Earning	Other Reserves	Total
Balance as at April 1, 2018	80,385,374	75,619,222	11,182,570	167,187,166
Profit / (loss) for the period	-	(2,916,398)	-	(2,916,398)
Dividend Paid	-	(57,331,944)	-	(57,331,944)
Movement for the period	-	-	492,412	492,412
Balance as at March 31, 2019	80,385,374	15,370,880	11,674,982	107,431,236
Particulars	Securities Premium	Retained Earning	Other Reserves	Other Reserves
Balance as at April 1, 2019	80,385,374	15,370,880	11,674,982	107,431,236
Profit / (loss) for the period	-	(2,952,451)	-	(2,952,451)
Dividend Paid	-	-	-	-
Movement for the period	-	-	6,304,664	6,304,664
Balance as at March 31, 2020	80,385,374	12,418,429	17,979,646	110,783,449

The accompanying notes form an integral part of the financial statements
As per my report of even date


S.S. Swamy
Chartered Accountants
Membership No. 019990



Place : Bengaluru
Date : April 27, 2020

For and on behalf of the Board of Directors of
Sasken Finland Oy



Toni Varila
CEO, Sasken Finland OY

Place : Kaustinen
Date : April 24, 2020




Sasken Finland Oy

Cash Flow Statement

Amounts in Rs.

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation	(2,965,323)	(2,807,395)
Adjustments for:		
Depreciation and amortization	7,534,655	7,770,877
Unrealised exchange gain, net	(7,153)	(5,733,971)
Interest expense	5,940,895	1,973,249
Operating profit before working capital changes	10,503,074	1,202,760
Adjustments for:		
(Increase)/decrease in Trade Receivables	(28,752,856)	(18,549,744)
(Increase)/decrease in Other Financial Assets	27,099,273	(110,144,026)
Increase/(decrease) in Trade Payables	6,250,573	8,090,221
Increase/(decrease) in Liabilities	5,981,604	(25,052,053)
Increase/(decrease) in Provisions	(7,293,493)	6,723,400
Cash generated from operations	13,788,174	(137,729,442)
Income taxes paid (net)	(397,797)	(1,065,879)
Net cash generated from/ (used in) operating activities	13,390,377	(138,795,321)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(299,145)	(9,970,326)
Receipt from Bank guarantee	(538,920)	(4,309,560)
Net cash generated from investing activities	(838,065)	(14,279,886)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from STL towards Short term loan	-	89,295,775
Interest paid	(5,940,895)	(1,973,249)
Payment of dividend	-	(57,331,944)
Net cash used in financing activities	(5,940,895)	29,990,582
Net increase in cash and cash equivalents	6,611,416	(123,084,624)
Impact on account of Foreign Currency Translation	(51,761)	2,025,290
Cash and cash equivalents at the beginning of the period	4,320,011	125,379,346
Cash and cash equivalents at the end of the period	10,879,666	4,320,012

The accompanying notes form an integral part of the financial statements


S.S. Swamy
Chartered Accountant
Membership No.019990

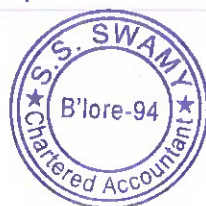
For and on behalf of the Board of Directors of
Sasken Finland Oy


Toni Varila
CEO, Sasken Finland Oy



Place : Bengaluru
Date : April 27, 2020

Place : Kaustinen
Date : April 24, 2020



North America (including Canada)	214,218,294	185,283,124
Europe (EMEA)	79,288,816	88,794,900
Asia Pacific (other than India)		
India	850,455	
Total	294,357,565	274,078,024

Liabilities:
Deferred Revenue

Amount in Rs.

Region	As at March 31, 2020	As at March 31, 2019
North America (including Canada)	5,468,386	1,924,596
Total	5,468,386	1,924,596

24 Earnings per Share (EPS)

Reconciliation of the net income and number of shares considered in the

Amount in Rs.

Particulars	For the Years Ended March 31, 2020	For the Years Ended March 31, 2019
Profit for computation of basic and diluted EPS	(2,952,451)	(2,915,398)
Weighted average number of shares considered for basic EPS	20,197	20,197
Earnings Per Share (Equity Share par value Euro 1 each) (Basic & Diluted)	(146)	(144)

25 Operating lease

The Company has operating leases for office premises that are (a) renewable on a periodic basis and are cancelable by giving a

Amount in Rs.

Particulars	For the Years Ended March 31, 2020	For the Years Ended March 31, 2019
Rent expenses included in profit & loss account	30,293,945	29,445,371

Minimum lease obligation under non-cancelable lease contracts amounts to:

Amount in Rs.

Particulars	As at March 31, 2020	As at March 31, 2019
Due in one year of the balance sheet date	4,004,253	4,273,674
Due between one to five years	2,874,205	3,732,035

26 The Company has following foreign currency exposures which are not hedged:

Amount in Rs.

Particulars	As at March 31, 2020	As at March 31, 2019
Amount in USD		
Loans & Advances	773,707	2,723,093
Current Liabilities		
Net Receivable (Payable)	773,707	2,723,093
Amount in INR		
Loans & Advances	58,550,277	188,301,881
Current Liabilities		
Net Receivable (Payable)	58,550,277	188,301,881

27 Other notes

Contingent Liabilities - Bank Guarantee given amounting to Rs. 82,78,090 towards keski euro bank hedge deposit and RS 414,194 towards Op. kaustinen deposit bank (As at March 31, 2019; Rs.81,533,364).

S.S. Swamy
Chartered Accountant
Membership Number: 019990

Place: Bengaluru
Date: April 27, 2020



For and on behalf of the Board of Directors of
Sasken Finland Oy

Toni Varila
Sasken Finland Oy

Place: Kaustinen
Date: April 24, 2020



4. Property, plant and equipment						Intangible assets	Amounts in Rs.
Particulars	Computers	Furniture and Fixtures	Plant and Equipment	Total	Computer Software	Grand Total	
Gross Block							
As at April 01, 2018	5,782,110	4,060,744	209,775,496	219,618,350	4,267,780	223,886,130	
Additions during the year	1,932,370	732,946	6,988,594	9,653,910	-	9,653,910	
Deletions during the year	-	-	-	-	-	-	
Adjustments	225,903	158,985	8,209,433	8,594,321	167,007	8,761,328	
As at March 31, 2019	7,488,577	4,634,705	208,554,657	220,677,939	4,100,773	224,778,547	
Additions during the year	276,158	240,622	166,789	683,569	-	683,569	
Deletions during the year	-	-	-	-	-	-	
Adjustments	(494,764)	(306,321)	(13,785,437)	(14,586,522)	(271,052)	(14,857,574)	
As at March 31, 2020	8,259,499	5,181,648	222,506,883	235,948,030	4,371,825	240,319,855	
Depreciation / Amortization							
As at April 01, 2018	2,108,907	4,060,744	194,711,847	200,881,498	4,241,246	205,122,744	
Charge for the year	1,889,124	481,668	5,373,600	7,744,392	26,485	7,770,877	
Adjustments	158,127	187,323	7,831,078	8,176,528	166,958	8,343,486	
As at March 31, 2019	3,839,904	4,355,089	192,254,369	200,449,362	4,100,773	204,550,135	
Charge for the year	2,179,663	91,250	5,263,742	7,534,655	-	7,534,655	
Adjustments	(364,724)	(292,372)	(12,976,795)	(13,633,891)	(271,052)	(13,904,943)	
As at March 31, 2020	6,384,291	4,738,711	210,494,906	221,617,908	4,371,825	225,989,733	
Net Block							
As at March 31, 2019	3,648,673	279,616	16,300,288	20,228,577	-	20,228,412	
As at March 31, 2020	1,875,208	442,937	12,011,977	14,330,122	-	14,330,122	



Sasken Finland Oy

Notes to the financial statements for the year ended March 31, 2020

Non-current assets

Financial assets

Amounts in Rs.

5 Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	4,377,863	4,106,436
Total	4,377,863	4,106,436

6 Other non-current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Withholding tax	165,647	-
Total	165,647	-

Current assets

Financial assets

7 Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
<i>Unsecured</i>		
Considered good	93,283,420	60,523,119
Considered doubtful	26,499,276	24,856,326
Total	119,782,696	85,379,446
Less: Allowance for expected credit loss	(26,499,276)	(24,856,326)
Net trade receivables	93,283,420	60,523,119

8 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
On current accounts	10,879,666	4,320,011
Cash and cash equivalents in the statement of cash flows	10,879,666	4,320,011
Other Bank Balances		
Bank balance held as margin money/ security against guarantees	8,692,284	8,153,364
Total	8,692,284	8,153,364

9 Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Advances to suppliers	517,016	96,491
Prepaid expenses	7,489,882	7,885,786
Total	8,006,898	7,982,277



10 Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised:		
72,000 (As of March 31, 2018 : 72,000) Equity Shares of 1 Euro each	72,000	72,000
(Minimum Capital - 8,000 Euro; Maximum Capital - 50,000,000 Euro)		
Total	72,000	72,000
Issued, subscribed and paid up capital:		
20,197 (As of March 31, 2018: 20,197) Equity Shares of 1 Euro each fully paid up	1,208,925	1,208,925
Total	1,208,925	1,208,925

11 Other equity

Particulars	As at March 31, 2020	As at March 31, 2019
i. Securities premium	80,385,374	80,385,374
ii. Retained earnings	12,418,429	15,370,880
iii. Other reserve	17,979,646	11,674,982
Total	110,783,449	107,431,236

i. Securities Premium

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	80,385,374	80,385,374
Total	80,385,374	80,385,374

ii. Retained Earnings

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	15,370,880	75,619,222
Add: Profit for the period	(2,952,451)	(2,916,398)
Less: Dividend paid	-	(57,331,944)
Total	12,418,429	15,370,880

iii. Other Reserves - Foreign Currency Translation Reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	11,674,982	11,182,570
Add: Movements during the year	6,304,664	492,412
Total	17,979,646	11,674,982



Current liabilities
Financial liabilities

12	Trade payables		As at	As at
		Particulars	March 31, 2020	March 31, 2019
		Outstanding dues of creditors other than micro enterprises and small enterprises	34,985,638	26,951,576
		Total	34,985,638	26,951,576
13	Other current liabilities		As at	As at
		Particulars	March 31, 2020	March 31, 2019
		Capital creditors		1,125,981
		Statutory liabilities	30,871,251	25,427,185
		Loan from Sasken Technologies Limited	95,198,035	89,295,775
		Total	126,069,286	115,848,941
14	Provisions		As at	As at
		Particulars	March 31, 2020	March 31, 2019
		Provision for employee benefits		
		Employee compensated absences	62,294,361	65,273,420
		Provision for onerous contract	-	-
		Total	62,294,361	65,273,420
15	Current tax liabilities		As at	As at
		Particulars	March 31, 2020	March 31, 2019
		Provision for taxation, net of advance tax	-	229,830
		Total	-	229,830



Amounts in Rs.

16	Revenue from operations		
	Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	Software services	571,605,940	665,656,013
	Total	571,605,940	665,656,013
17	Other Income		
	Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	on Others	191	-
	Write back of unclaimed balances/ provisions	10,228,582	-
	Exchange gain (net)	(2,422,032)	2,882,236
	Miscellaneous income	-	203,630
	Total	7,806,741	3,085,866
	Expenses		
18	Employee benefits expense		
	Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	Salaries & Bonus	325,884,493	352,176,147
	Contribution to Provident and Other Funds	77,492,802	88,569,971
	Staff Welfare	6,036,447	10,130,483
	Recruitment and Relocation	204,149	1,362,891
	Total	409,617,891	452,239,491
19	Finance costs		
	Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	Interest on loan from Sasken Technologies Limited (formerly known as Sasken Communication Technologies Limited)	5,940,895	1,973,249
	Total	5,940,895	1,973,249
20	Other expenses		
	Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
	Rent	30,293,945	29,445,371
	Repairs and maintenance	-	-
	On Plant & machinery	4,229,547	8,102,721
	On Building	2,838,709	4,422,377
	On Others	3,655,458	1,389,404
	Communication expense	6,662,916	6,601,772
	Travel expense	9,092,294	14,825,399
	Electricity and water charges	1,072,025	273,299
	Professional, legal and consultancy charges	10,282,590	8,327,915
	Insurance	1,390,034	1,388,312
	Contract staff cost	1,200,219	5,637,505
	Software expense	3,374,783	3,515,328
	Training and conference expense	535,884	2,288,466
	Selling expense - others	878,383	1,932,499
	Audit fees (fees for local GAAP financials)	445,110	633,128
	Reimbursement of expenses	-	13,082
	Rates and taxes	125,029	77,014
	Printing & Stationery	55,410	232,422
	Miscellaneous expenses	2,258,227	156,050
	Project Purchases	80,894,000	120,303,593
	Total	159,284,563	209,565,658



21 Tax expense

Amounts recognised in profit and loss

Particulars	For the Year Ended	For the Year Ended
	March 31, 2020	March 31, 2019
Current tax		
Current period	(12,872)	109,003
Tax expense	(12,872)	109,003



1. Company Overview

Sasken Finland Oy ("SF" or "the Company") is engaged at Finland in wireless technology and its applications, i.e. mobile handsets and telecom equipments. It is operating in wireless technology providing total wireless design services of different technologies as well as communication protocols and standards by integrating hardware and software design.

SF has its headquarters in Kaustinen, Finland.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed u/s 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016, Companies (Indian Accounting Standards) Amendment Rules, 2017 and other relevant provisions of the Act.

These financial statements have been prepared for the purpose of consolidation with Sasken Technologies Limited the Holding Accounting policies have been applied consistently to all periods presented in these financial statements, except for the adoption of new accounting standards and amendments to the existing accounting standards, effective as of April 1, 2018, as disclosed in note 3 below.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the condensed standalone interim financial statements, where applicable.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Parent Company's reporting currency, functional currency being Euros. All amounts included in the financial statements are reported in INR, except share and per share data, unless

C. Basis of measurement

The financial statements have been prepared on the historical cost convention and on accrual basis except for the following material items which have been measured at fair value:

Items	Measurement Basis
Derivative financial instruments	Fair value
Financial instruments classified as fair value through profit or loss	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Stock Option	Fair value

D. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

a) Revenue recognition:

The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labor costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

b) Impairment testing:

Investments in subsidiaries and intangible assets are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

c) Income taxes:

The operations of SF are taxable under the Finnish Tax Laws.



d) Deferred taxes:

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

e) Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

g) Other estimates:

Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.

E. Measurement of fair values

Some of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Significant accounting policies

(a) Property, Plant and Equipment (including intangible assets)

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The cost of property, plant and equipment not available for use as at each reporting date is disclosed under capital work-in-progress. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property,

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation and 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. Management believes this best represents the period over which they expect to use these assets. Depreciation is provided using the straight line method (SLM), over the estimated useful life of the asset, as follows:

Type of asset	Useful life as per Schedule II
Building	60
Computers	3
Electrical and fittings	10
Furniture and fixtures	10
Office equipment	5
Plant and equipments	15

Leasehold improvements are amortized over the shorter of the estimated useful life of the assets and the related lease term.

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



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

1. 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.
2. Technical know-how – over a period of 3 years.

v. 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.

vi. 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.

(c) Leases

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognise a lease liability at the date of initial application for leases previously classified as an operating lease applying Ind AS 17. The Company has measured the lease liability at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease

The Company has recognized a right-of-use asset at the date of initial application for leases previously classified as an operating lease applying Ind AS 17. The Company has chosen to measure the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. The right-of-use assets is depreciated using the straight-line method from the date of initial application over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

(d) Revenue

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

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the condensed standalone interim interim statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The adoption of the standard did not have material impact to the financial statements of the Company.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

i. Time and Material contracts

Revenue and costs relating to time and material contracts are recognized as and when the services are rendered.

ii. Fixed-price contracts

Revenue from fixed price service contracts and customized technology developments is recognized based on the percentage of completion method (POC) of accounting with contract cost incurred determining the degree of completion of the performance obligation. Revenue from maintenance contracts is recognized ratably over the term of the maintenance arrangement.

The solutions offered by the Company may include supply of third-party software. In such cases, revenue for supply of such third party services are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

iii. Others

Revenue from royalty is recognized when the later of the following events occurs;

- a) the subsequent sale or usage occurs; or
- b) the performance obligation to which some or all of the sales-based or usage-based royalty has been allocated has been satisfied (or partially satisfied).

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.



Deferred revenue ("contract liability") is recognised when there is billings in excess of revenues. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Interest income is recognized as it accrues in the statement of profit and loss using effective interest rate method. Dividend income is recognized when the right to receive the dividend is established.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers by geography and nature of services.

Use of significant judgements in revenue recognition

The Company's contracts with customers include promises to transfer services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct service promised in the contract.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

(e) Foreign currency

(i) Foreign currency transactions

Initial Recognition

Transactions in foreign currency are translated into the reporting currency by applying to the foreign currency amount the exchange rate prevailing on the date of the transaction.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI);
- qualifying cash flow hedges to the extent that the hedges are effective.

Forward exchange contracts not intended for trading or speculation purposes

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.

(ii) Foreign Operations

The assets and liabilities of foreign operations are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

(f) Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.



Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, see Note 3(c)(v) for derivatives designated as hedging
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in

Financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates

Cash flow

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

(g) Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

i. Impairment of non financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.



For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

(h) 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.

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.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in OCI.

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. Share-based payment transactions

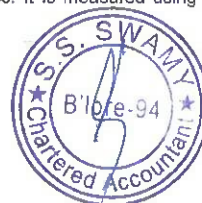
The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(i) Income Taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws enacted or substantively enacted by the reporting date).



Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(j) 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.

(k) 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 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.

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 or disclosed in the financial statement.

(l) Warranty Provisions

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

(m) 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.



22 Related Party Disclosures

(a) Remuneration paid to Key Managerial Personnel

Name of the related party	Relationship	Amount in Rs.	
		For the Years Ended March 31, 2020	For the Years Ended March 31, 2019
Toni Varila	Managing Director	9,586,790	10,136,188

The above does not include provisions for employee benefits determined on actuarial basis and provisions for compensated absences.

(b) The following table summarizes the transactions and balances of the Company with group companies:

List of related parties

Holding Company	Sasken Technologies Limited
Fellow Subsidiary Company	Sasken Communication Technologies (Shanghai) Co., Limited

Transactions	Amount in Rs.	
	For the Years Ended March 31, 2020	For the Years Ended March 31, 2019
Sasken Technologies Limited		
Loan received from STL	-	-
Interest on loan	5,940,895.00	1,973,249.00
Dividend Paid	-	57,331,944.00
Balances		
	As at March 31, 2020	As at March 31, 2019
Sasken Technologies Limited		
Loan from STL	95,198,035	89,295,775
Interest on loan	-	1,973,249
Sasken Communication Technologies (Shanghai) Co., Limited		
Receivable	-	-
Payable (Incl. provisions)	-	9,651,260

23 Segment reporting

The Company currently operates in single business segment, i.e. services.
The geographical segment information is disclosed based on the location of the customers.
Geographic Segment Information:

Revenues:

Region	Amount in Rs.	
	For the Years Ended March 31, 2020	For the Years Ended March 31, 2019
North America (including Canada)	288,564,162	328,104,587
Europe (EMEA)	283,041,778	337,551,426
Asia Pacific (other than India)	-	-
India	-	-
Total	571,605,940	665,656,013

Assets:

Trade receivables, Unbilled Revenue & Contract Assets:

Region	Amount in Rs.	
	As at March 31, 2020	As at March 31, 2019



Liabilities
Deferred Revenue24 Earnings per Share (EPS)

Amount: ₹

25 Operating lease

26. The Company has following foreign currency exposures which are not hedged

27 Other notes


N. Slavany
Chartered Accountant
Membership Number: 019990



Toni Varila
Sasken Finland OY



Date : April 14, 2020