

Sasken Communications Technologies Mexico S.A De C.V

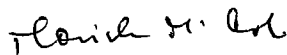
Balance Sheet

Amount in Rs.

	Reference in Notes	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds:			
Share Capital	2	17,674,619	17,674,619
Reserves and Surplus	3	7,287,865	80,272,612
Current Liabilities:			
Trade payables		4,542,507	12,799,437
Other current liabilities	4	89,666	86,044
Total		29,594,657	110,832,712
ASSETS			
Non Current Assets			
Long-term loans and advances	5	28,072,572	102,895,989
Current Assets			
Cash and Bank balances	6	1,331,127	3,286,342
Short-term loans and advances	7	190,958	4,650,381
Other current assets	8	-	-
Total		29,594,657	110,832,712

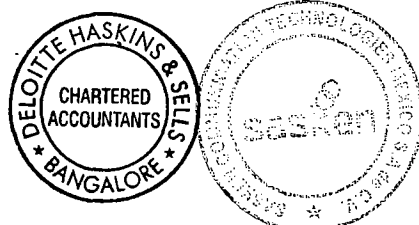
See accompanying notes forming part of the financial statements 1-10

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

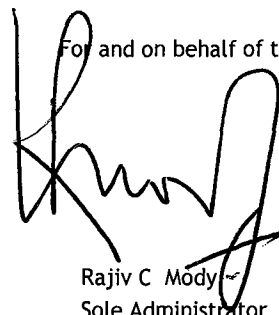


Monisha Parikh
Partner

Place : Bangalore
Date : April 22, 2014



For and on behalf of the Board of Directors



Rajiv C. Mody
Sole Administrator



Krishna J. Jhaveri
Chief Executive Officer

Place : Bangalore
Date : April 22, 2014

Sasken Communications Technologies Mexico S.A De C.V

Statement of Profit and Loss

Amount in Rs.

	Reference in Notes	For the year ended March 31, 2014	For the year ended March 31, 2013
Revenue			
Other Income	8	5,422,525	4,502,070
Total Revenue		5,422,525	4,502,070
Expenses			
Other operational expense	9	2,694,104	16,184,062
Total Expenses		2,694,104	16,184,062
Profit/(loss) before exceptional and extraordinary items and tax		2,728,421	(11,681,992)
Profit/(loss) before tax		2,728,421	(11,681,992)
Tax expense/(credit):			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total tax expense		-	-
Profit/(loss) for the year carried to the Balance Sheet		2,728,421	(11,681,992)
Earnings per share (Equity share par value of Rs. 1,841 (MXN 500))			
Basic and Diluted		284.21	(1,216.87)
Weighted average number of equity shares used in computation of Basic and Diluted			
		9,600	9,600

See accompanying notes forming part of the financial statements 1-10

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For Deloitte Haskins & Sells
Chartered Accountants

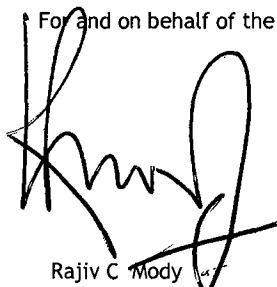


Monisha Parikh
Partner

Place : Bangalore
Date : April 22, 2014



For and on behalf of the Board of Directors



Rajiv C. Mody
Sole Administrator

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Krishna J. Jhaveri
Chief Executive Officer

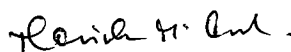
Sasken Communications Technologies Mexico S.A De C.V
Cash Flow Statement

Amount in Rs

	For the year ended March 31, 2014	For the year ended March 31, 2013
A. Cash flow from operating activities:		
Net Profit/(Loss) before tax	2,728,421	(11,681,992)
Adjustments for:		
Profit on sale of assets	-	(881,253)
Interest Income	(967,854)	(2,637,579)
Unrealised foreign exchange (gain)/loss	(166,582)	4,974,272
Operating profit before working capital changes	1,593,985	(10,226,552)
Adjustments for:		
(Increase)/decrease in Short- term loans and advances	4,753,129	187,952
(Increase)/decrease in long term loans and advances	46,753	(25,068)
(Increase)/decrease in Other current assets	-	387,528
Increase/(decrease) in Current Liabilities and provisions	(8,985,610)	8,148,119
Cash generated from operations	(2,591,743)	(1,528,021)
Direct taxes (paid) / refund received	-	-
Net cash inflow/ (out flow) from operating activities	(2,591,743)	(1,528,021)
B. Cash flow from investing activities:		
Interest Income	967,854	220,758
Proceeds from Sale of Asset / Equipment	-	867,170
Net cash used in investing activities	967,854	1,087,928
C. Cash flow from financing activities:		
Dividend paid	(81,726,143)	-
Proceed from long- term borrowing	80,940,309	-
Net cash used in financing activities	(785,834)	-
Net increase/(Decrease) in Cash and Bank balances (A+B+C)	(2,409,723)	(440,093)
Impact on Cash Flow on account of Foreign Currency Translation	454,508	(916,564)
Cash and Bank balances at the beginning of the year	3,286,342	4,642,999
Cash and Bank Balances at the end of the year	1,331,127	3,286,342

See accompanying notes forming part of the financial statements 1-10

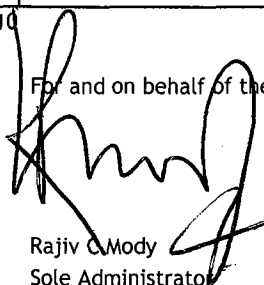
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Monisha Parikh
Partner



For and on behalf of the Board of Directors



Rajiv C. Mody
Sole Administrator



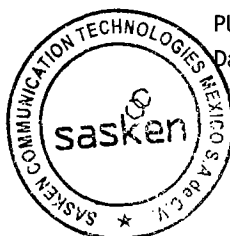
Krishna J. Jhaveri
Chief Executive Officer

Place : Bangalore

Date : April 22, 2014

Place : Bangalore

Date : April 22, 2014



Sasken Communications Technologies Mexico S.A De C.V

Reference To Notes Forming Part of Balance Sheet

Amount in Rs.

	Reference in Notes	As at March 31, 2014	As at March 31, 2013
Shareholders' Funds			
Issued, subscribed and paid up capital	2	17,674,619	17,674,619
9,600 equity shares of Mexican Peso 500 each, fully paid up (As on March 31, 2013 - 9,600 equity shares of Mexican Peso 500 each, fully paid up)			
(9,599 Equity Shares of \$ 500 (Mexican Peso) each held by Sasken Communication Technologies Limited, India, March 31, 2013 : 9599 Equity Shares of Mexican Peso 500 each fully paid up [1 Equity Share of \$ 500 (Mexican Peso) held in the name of Krishna Jhaveri)			
Total		17,674,619	17,674,619
Reserves & Surplus	3		
<u>Foreign exchange translation reserve</u>			
Opening balance		17,563,716	6,650,041
Movement during the year		(13,042,837)	10,913,675
Total		4,520,879	17,563,716
<u>Profit and loss account balance</u>			
Opening balance		62,708,896	74,390,888
Profit/(loss) for the year		2,728,421	(11,681,992)
Less: Dividend		(62,670,331)	-
Total		2,766,986	62,708,896
Grand Total		7,287,865	80,272,612
Other current liabilities	4		
Other current liabilities		89,666	86,044
Total		89,666	86,044



Sasken Communications Technologies Mexico S.A De C.V

Reference To Notes Forming Part of Balance Sheet

Other current Assets: 8
Assets Held for Sale

Fixed Asset	Gross Block				Depreciation/Amortization/Impairment				Net Block	
	April 1, 2013	Additions/ Adjustments during the year	Deductions	Adjustment	March 31, 2014	During the year	Deductions	Adjustments	March 31, 2014	March 31, 2013
Assets Held for Sale	-	-	-	-	-	-	-	-	-	-
Computers	7,438,856	313,199	-	7,752,055	7,752,055	-	313,199	7,752,055	-	-
Plant and Machinery / Office equipment	23,196,240	976,628	-	24,172,868	24,172,868	-	976,628	24,172,868	-	-
TOTAL	30,635,096	1,289,827	-	31,924,923	31,924,923	-	1,289,827	31,924,923	-	-
Total	30,635,096	1,289,827	-	31,924,923	31,924,923	-	1,289,827	31,924,923	-	-
Previous Year	34,489,625	3,524,497	(7,379,026)	30,635,096	34,489,625	(7,379,026)	3,524,497	30,635,096	-	-

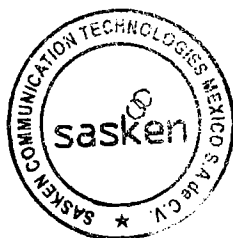
Note: 1) The above assets are considered as held for sale from March 31, 2011.
2) Foreign exchange adjustment on restatement at the closing conversion exchange rates.



Sasken Communications Technologies Mexico S.A De C.V

Reference To Notes Forming Part of Balance Sheet

		Amount in Rs.	
	Reference in Notes	Ast at March 31, 2014	As at March 31, 2013
Long-term loans and advances	5		
<u>Unsecured considered good</u>			
Security deposits		-	43,940
Loan to Sasken Inc (Fellow Subsidiary)		2,941,055	78,735,888
Advance income tax (net)		25,131,517	24,116,161
Total		28,072,572	102,895,989
Cash and bank balances	6		
<u>Cash and cash equivalents</u>			
Balances with Banks			
Balances in current account		1,328,806	3,284,115
Cash on hand		2,321	2,227
Total		1,331,127	3,286,342
Short-term loans and advances	7		
<u>Unsecured considered good</u>			
- Sasken Inc		19,351	4,494,842
-Sasken Communication Technologies Ltd.		171,607	155,539
Total		190,958	4,650,381



Sasken Communications Technologies Mexico S.A De C.V
Reference To Notes Forming Part of Statement of Profit and Loss

		Amount in Rs.	
	Reference in Notes	For the year ended March 31, 2014	For the year ended March 31, 2013
Other income	8		
Miscellaneous income		1,126	968,520
Interest on Loan		967,854	2,637,579
Write back of unclaimed balances/ provisions		677,619	14,718
Profit on Sale of Fixed Assets		-	881,253
Exchange gain		3,775,926	-
Total		5,422,525	4,502,070

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Sasken Communications Technologies Mexico S.A De C.V
Reference To Notes Forming Part of Statement of Profit and Loss

Amount in Rs.

	Reference in Notes	For the year ended	For the year ended
		March 31, 2014	March 31, 2013
Other operational expense	9		
Rent		229,320	213,814
Repairs and maintenance			
-Building		-	250,342
-Others		122,650	68,610
Travel expenses		-	(4,384)
Professional, legal and consultancy charges		4,237,198	1,609,887
Auditor's Remuneration			
- Audit fees		1,030,947	782,562
Rates and taxes (Net of reversals of -Rs. 44.44 lakhs ; [Previous year: Nil])		(3,085,764)	9,475,058
Miscellaneous expenses		159,753	115,352
Exchange Loss		-	3,672,821
Total		2,694,104	16,184,062



Sasken Communication Technologies de Mexico, S.A. DE C.V

Notes forming part of the financial statements for the year ended March 31, 2014

1. Significant accounting policies

- a) These financial statements have been prepared for the purpose of consolidation with Sasken Communication Technologies Limited, the Holding company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP).
- b) The financial statements have not been prepared under the going concern assumption and all assets have been stated at lower of cost and realizable values and all liabilities have been considered at their estimated payout values. The following adjustments are made:

Fixed assets have been depreciated fully on accelerated basis to their estimated realisable values and are considered as assets Held for Sale.

Non-current assets have been restated at the realisable values as estimated by the Management.

c) Discontinuing Operations:

As explained in Note (b) above, the operations of the Company are being discontinued and consequently the Statement of Profit and Loss, Earnings per share and the Cash flow from operations pertaining to the year, represent discontinuing operations. [Refer note 10 (a)]

d) Use of estimates

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 results ultimately may differ from the estimates.

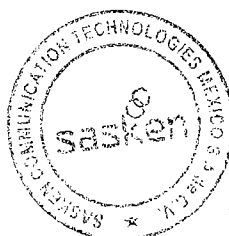
- e) The Cash Flow statement has been prepared under the indirect method as per Accounting Standard (AS) 3 - Cash Flow Statements, issued by Companies (Accounting Standards) Rules 2006.

f) Foreign Exchange Transactions

- (i) Initial Recognition – The Company is domiciled in Mexico and its functional currency is Mexican Pesos (MXN). Foreign currency transactions are recorded in the Functional currency, by applying to the foreign currency amount, the exchange rate between the Functional currency and the foreign currency approximately at the date of the transaction.
- (ii) Exchange Differences - Exchange differences arising on the settlement or restatement of monetary items, are recognized as income or as expenses in the period in which they arise.
- (iii) Translation/Conversion – All transactions recorded in Mexican pesos (Functional currency) are translated to Indian Rupees (Reporting currency) using monthly average rate for income and expenses and closing rate for balance sheet items.

g) Current Taxes

Current taxes are provided as per the relevant laws.



h) Provisions

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 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 estimate.

i) 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.

j) Other Income

Interest Income is accounted on accrual basis.

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10. Other Notes

- a. The Board of Directors in their meeting held on January 19, 2011, decided to discontinue the operations of the Company. Accordingly, the financial statements have not been prepared under the going concern assumption and the accounting treatment has been done as mentioned in note 1(b). Subsequent to the discontinuation of operations, the Company is in the process of selling the assets which are held for sale and has been working with various Government departments of Mexico to obtain the Tax Refunds.

b. Earnings per Share

Earnings Per Share has been determined as follows:

Particulars	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
Profit / (Loss) after tax as per the Statement of Profit & Loss (a)	2,728,421	(11,681,992)
Weighted Average Number of equity shares for Basic and diluted EPS (b)	9,600	9,600
Nominal value of equity shares	MXN 500 INR 1,841	MXN 500 INR 1,841
Earnings Per Share		
Basic and diluted (a) / (b)	284.21	(1,216.87)

c. Derivative Instruments

There are no outstanding Forward Exchange Contracts entered into by the company as on March 31, 2014 [Previous year- March 31, 2013 Nil]

The yearend foreign currency exposures (other than MXN) that have not been hedged by a derivative instrument or otherwise are given below

- i. Amounts receivable in foreign currency on account of the following:

	March 31, 2014		March 31, 2013	
	(In Rs. / MXN)	In Foreign Currency	(In Rs. / MXN)	In Foreign Currency
Export of goods/services, Interest receivable and others	Rs.171,607 (MXN 37,477)	USD2,864	Rs.155,539 (MXN 35,398)	USD 2,864
Loans and Advances to Sasken Inc.(including Interest)	Rs.2,960,406 (MXN 646,518)	USD 49,414	Rs.83,230,730 (MXN 18,941,905)	USD1,532,777

- ii. Amounts payable in foreign currency on account of the following:

	March 31, 2014		March 31, 2013	
	(In Rs. / MXN)	In Foreign Currency	(In Rs. / MXN)	In Foreign Currency
Trade Payables	Rs.1,308,445 (MXN 285,749)	USD21,840	Nil	Nil

(Amounts in MXN have been disclosed in Rs. at the period end rate)



d. Operating leases

The Company has cancellable operating leases for office premises. The total expenditure charged to Statement of Profit & Loss against these lease are as follows:

	For the year ended March 31, 2014	For the year ended March 31, 2013
Rent expenses included in Statement of Profit & Loss towards operating leases	Rs. 229,420 (MXN 49,000)	Rs.213,814 (MXN 51,000)

e. Deferred Tax:

The Company has deferred tax assets on account of losses which are not recognized as matter of prudence in absence of virtual certainty.

f. Related Party Disclosure

Names of the related parties and description of relationship

Holding Company	Sasken Communication Technologies Limited
Fellow Subsidiary Company	Sasken Inc, USA

The details of the transactions with the related parties during the year are as under

	Holding Company		Sasken Inc.	
	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
Transactions during the year				
Interest Income	Nil	Nil	967,854	2,637,579
Loan repaid	Nil	Nil	85,608,378	Nil
Dividend Paid	62,670,331	Nil	Nil	Nil
Closing balances of the (Payables) and Receivables	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Short- term loans and advances	171,607	155,539	19,351	4,494,842
Loan Receivable	Nil	Nil	2,941,055	78,735,888

Note:

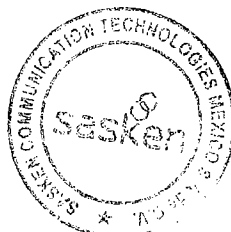
1. Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors.
2. No amount is/has been written back during the year in respect of debts due/from/to a related party.

g. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors


Rajiv C Mody
Sole Administrator


Krishna J Jhaveri
Chief Executive Officer



Place: Bangalore
Date : April 22,2014