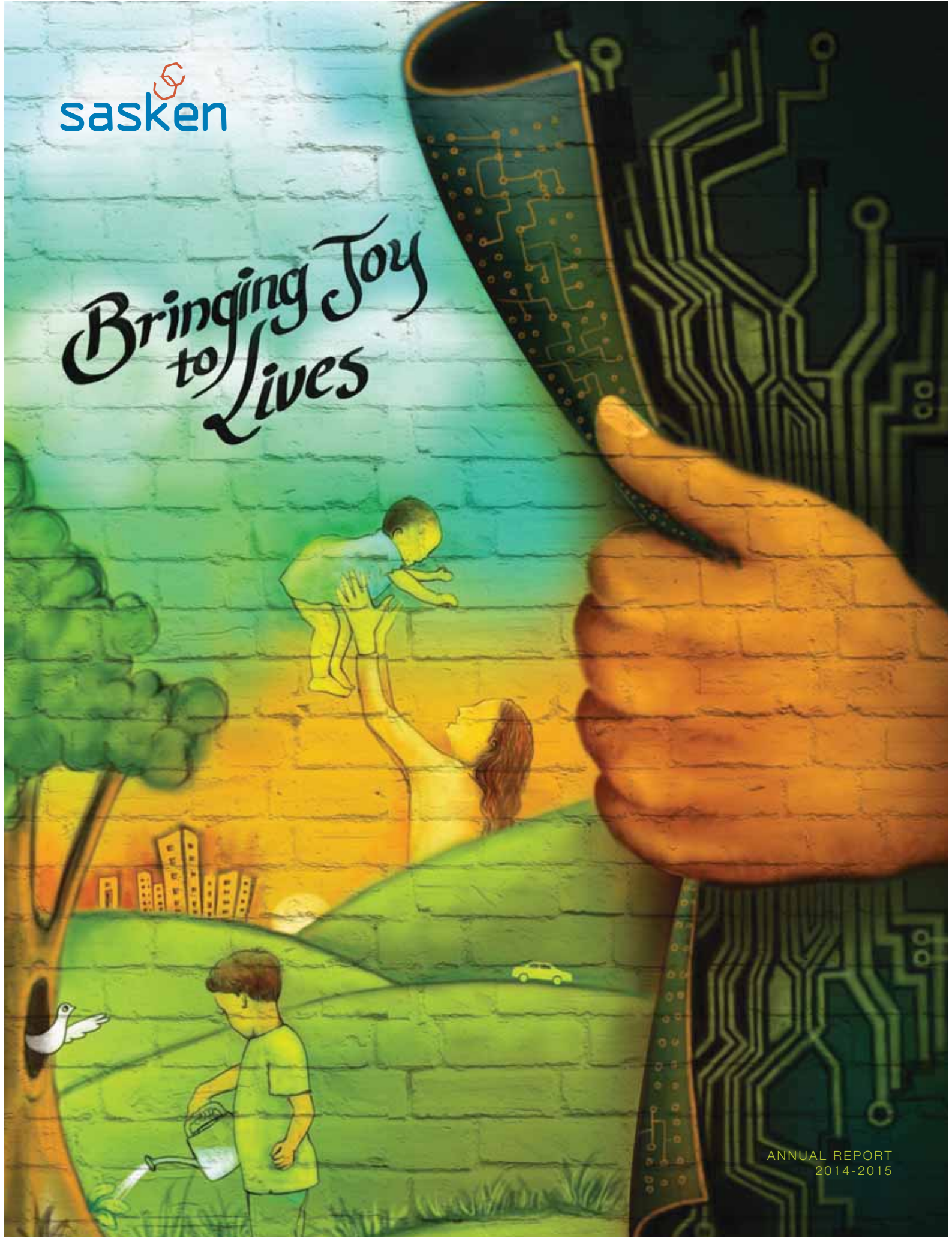


Bringing Joy to Lives



In this highly-connected world, technology is touching lives in our daily activities.

With every challenge that life poses, technological advances are being made that have far-reaching implications. From staying in touch with a loved one to hearing an unborn child's heartbeat or contributing to sustained living by conserving energy, technology extends its presence deep into our lives and enables a richer life.

At Sasken, we have helped some of our global customers enable technology that has not only touched the lives of over a billion people across the globe, but has also brought them together for a better future. As you turn the pages of this report, you will be taken on a journey of how we have contributed to adopting technology to celebrate life, connectivity, and communication thus enhancing togetherness and sustainability.



Table of Contents

Board of Directors	04
Letter to Shareholders	05
Technology and Markets	08
Sasken People	16
Board's Report	21
Annexure to the Board's Report	27
Sasken Quality, Information Security and Environment Policy	56

Financial Statements

The Year at a Glance - Consolidated (Non GAAP)	57
Financial Performance - A Seven Year Snapshot	58
Auditors' Report on Standalone Financial Statements	60
Annexure to the Auditors' Report	61
Auditors' Report on Abridged Financial Statements	63
Abridged Balance Sheet	64
Abridged Statement of Profit and Loss	65
Abridged Cash Flow Statement	66
Notes to Abridged Financial Statements	67
Consolidated Auditors' Report	75
Consolidated Balance Sheet	76
Consolidated Statement of Profit and Loss	77
Consolidated Cash Flow Statement	78
Notes to Consolidated Financial Statements	80
Statement pursuant to Section 129(3) of the Companies Act, 2013	112
Management Discussion and Analysis Report	114

Other Information

Route Map to Sasken Registered Office	124
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Joy of Life

Working with leading healthcare equipment manufacturers, Sasken's expertise in multimedia imaging software has helped engineer advanced prenatal solutions that celebrate life.



Board of Directors

Mr. Rajiv C. Mody	Chairman, Managing Director and CEO
Dr. Ashok Jhunjhunwala	Director
Mr. Banshi S. Mehta	Director
Mr. Bharat V. Patel	Director
Mr. Jyotindra B. Mody	Director
Mr. Kiran S. Karnik	Director
Mr. Pranabh D. Mody	Director
Prof. J. Ramachandran	Director
Mr. Sanjay M. Shah	Director
Dr. G. Venkatesh	Director
Mr. Krishna J. Jhaveri	Whole Time Director
Ms. Neeta S. Revankar	Whole Time Director & Chief Financial Officer

Committees of the Board

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

Company Secretary

Mr. S. Prasad

Statutory Auditors

S.R. Batliboi & Co. LLP
Chartered Accountants

Bankers

Citibank NA
Deutsche Bank AG
Union Bank of India

Registered and Corporate Office

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

Letter to Shareholders

Dear Shareholder,

One of the highlights of the year gone by has been the resolution of our dispute with a non-Indian licensee. The arbitration ruling in our favor stands as testimony to the deep-rooted talent base of your Company, our ability to deliver world-class products and zealously defend what is rightfully due to us. During the course of this year, we collected around ₹ 276 crores pursuant to the award. Recognizing our employees as key stakeholders we shared the remuneration gained from the arbitration award. Payments made were commensurate with tenure thereby recognizing employees' long-standing commitment to the Company.

Having navigated turbulent changes in the technology landscape, we pride ourselves in being a resilient organization. In the current year, I have taken on the additional role of the Chief Executive Officer (CEO). Your Company will continue to pursue its intended strategy to work on the cusp of opportunities created by the intersection of embedded and IT domains.

As a pioneer in providing engineering research and development (ERnD) services, we have built a reputation of being a strategic partner to several marquee customers. We have worked extensively on the Android ecosystem supporting leading smart device OEMs in areas such as operating system upgrades, commercialization, application development, and testing. Upstream engagement with semiconductor vendors places us in a unique position to help OEMs accelerate product development. Our prowess in connectivity and multimedia helps customers build products that are state-of-the-art. Our capabilities in the area of network engineering complement our semiconductor and smart device expertise. We partnered with leading network equipment manufacturer (NEMs) to develop wireless communication systems for railway networks. Additionally, we have helped customers build next-generation access and packet core networks.

Hyper-connectivity of devices and pervasive wireless infrastructure has resulted in a data deluge. This has enabled platform players to disrupt conventional businesses. The Internet of Things (IoT) is integrating discreet services to fundamentally enhance the quality of life. IoT promises myriad possibilities with evolving monetization opportunities. Your Company has won pilot engagements from enterprises seeking to profit from these disruptive forces.

We are working on embedded technologies such as RFID and NFC. Additionally, we are helping retail and insurance customers deploy innovative technological solutions. Thus, your Company is associated in a process - we like to call stack2app - where enterprises can benefit from our expertise in embedded engineering to deliver new-to-market IT services.

Analysis by industry experts reveals that the verticals your Company serves are the most prolific outsourcers of ERnD services and allied IT services. Over two decades, we have served the automotive, semiconductor, consumer electronics, industrial and rugged devices, satellite, independent software vendors (ISV), insurance and retail verticals. We are now servicing the IT needs of our customers leading to greater entrenchment. Our geocentric organization provides proximity to key customers enabling sharper focus and better market access. We have augmented our forte in ERnD and Testing by building expertise in IT Infrastructure and Analytics and Data Services. The combined portfolio that Sasken has built distinctly positions us in the industry today to respond with agility to the needs of the digital enterprise.

Keeping in mind our tradition of rewarding our stakeholders, I am happy to bring to your attention the payment of a Special Dividend of 200% (₹ 20 per equity share) during October 2014. We have also paid interim dividend of 25% (₹ 2.50 per equity share) in January 2015. The Board has recommended a final dividend of 45% (₹ 4.50 per equity share) subject to approval of shareholders at the AGM, thus making the total regular dividend ₹ 7 per equity share for the year. You would recall that your Company has a good track record of paying dividends since its listing in 2005.

I believe that quality drives everything we do - from technology to processes to human resource practices. We have reinitiated the CMMI journey and have currently attained CMMI Dev V1.3, Maturity Level 3. According to TL 9000 standards, your Company has an average of 98 percent on-time delivery. This corroborates our focus towards delivery excellence. Additionally, Sasken uses a variety of software development and lifecycle management methodologies including DevOps and Agile methods. We have consistently achieved 4+ customer satisfaction score leading to a significant percentage of our projects being repeat business.

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

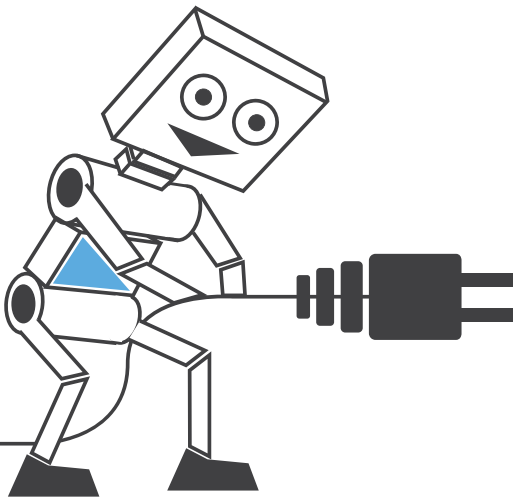
Chairman, Managing Director and CEO



Joy of Smart Living

Sasken's capabilities in providing product engineering services has helped in putting technology to use for a cleaner and greener environment by enabling end-users to smartly manage their energy expenditure.





Technology and Markets

Over the last two decades, computing and communication have re-shaped human experiences. Sasken has been at the forefront of both these life-changing vectors. The world has seen two new vectors – cloud and data – begin yet another uplift of human experiences in the last couple of years. Sasken has once again made robust progress in these areas. Sasken envisions a hyper-connected world designed to elevate human existence. The Internet of Things (IoT) will be the foundation of this paradigm. Simply put, IoT comprises of four key enablers: computing, communication, cloud and data. Sasken's Product Engineering Services have mastered the confluence of communication and computing in all forms of devices such as mobiles, tablets, computers, smart TVs, set-top boxes and smart automobiles.

As the world gears up now to benefit from IoT, Sasken's traditional strengths and new forays come together in perfect symphony to offer compelling solutions to several verticals such as retail, insurance, automotive, consumer electronics, and healthcare. Widespread wireless connectivity, proliferation of sensors, increased device computing power, and an application ecosystem imply that a smart device will now be the single portal to both the information and entertainment experiences of life. The smartphone has become multifaceted by enabling commerce, health monitoring, and location based awareness. Since wearables find a natural place in the human anatomy, they are likely to cause the fragmentation of smart devices into multiple form factors. The advent of smarter wearable devices is opening up new vistas for us as they facilitate in the creation of new business opportunities.

Semiconductors

The growth in automotive and consumer electronics, industrial automation, computing & communications, sensors, and wearables has been pushing the frontiers of research and development in the semiconductors space. The complexity of semiconductors has increased the building of complete system-on-chip (SoC) platforms. Silicon vendors are taking a platform approach to development, while architecturally ensuring compatibility with peripherals and sensors. Intense competitive pressure among original equipment manufacturers (OEMs) is driving the need for the creation of fully functional reference design (FFRD). In addition, these FFRDs need to support repurposing in order to allow rapid introduction of product families of varying form factors, price points and applications. The challenges of keeping pace with the evolution of connectivity, computing, power management, and

displays will remain. The need to cater to coexistence of smart devices and wearables will only serve to accentuate it.

Your Company has worked on several projects with customers in the semiconductor industry. Sasken helped a tier-1 North American smart device original equipment manufacturer (OEM) with Android upgrades and sustenance across multiple chipsets including modems. A world leader in embedded automotive software chose Sasken's platform and system software capabilities in developing automotive solutions. In addition to platform system software activities, Sasken contributed to virtualization to improve in-vehicle security in connected cars. Sasken also became the preferred partner for a tier-1 North American (NA) semiconductor OEM for supporting modem, Android and Windows platforms. Sasken helped a North American semiconductor solutions provider to enable application development for validating multiple sensors which are not covered by existing open source applications.

Smart Devices

The evolution of smart devices is at a juncture where it would be apt to ask whether the smartphone is moving away from being the nerve center of activity. The smart device has evolved from being huge to handheld and is now as diminutive as a wristwatch or a belt buckle. There is a need to incorporate sensors that capture presence and proximity data for better customer engagement. For example, usage-based insurance is cashing in on acceleration sensors in smartphones to detect how an individual drives a car thereby providing customized insurance. On one hand, the smartphone is an MP3 player, game station, camera, phone and personal computer all morphed into one. On the other hand, it is fragmenting into wearables for the wrist, eye and fingers.