



INDEPENDENT AUDITORS' REPORT

To the members of **IGATE Computer Systems (Suzhou) Co., Ltd.**

Report on the Financial Statements

We have audited the accompanying financial statements of **IGATE Computer Systems (Suzhou) Co., Ltd.** which comprise of the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss Account and Cash Flow Statement for the financial period ended on that date and a summary of the significant accounting policies and other explanatory information annexed thereto.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in Section 133 of the Companies act 2013("the act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls,

relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended 31st March, 2015;
- (c) In the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date.

203-204, Jayam Complex, 2nd Floor, Sampige Road, Malleshwaram, Bangalore - 560 003.
Phone : 91-80-41281816 E-mail : trandco@vsnl.net

Branch Office : # 108/46, Branch Office: Vijaya Complex, II Floor, # 108/46, Arya Gowda Road, West Mambalam, Chennai 600033.
Mob.: 98849 57595 E-mail: chennaibranch@trandco.net



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, the statement on the matters specified in paragraphs 3 and 4 of the Order is not applicable to the company.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representation received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long -term contracts including derivative contracts.

For M/s. T RAMACHANDRAN & CO
Chartered Accountants


T RAMACHANDRAN
Partner-Membership No 207600
(FRN 009009S)



IGATE Computer Systems (Suzhou) Co., Ltd.
Balance sheet as at 31 March 2015

	Notes	(Rs. in thousands)	
		As at 31 March 2015	As at 31 March 2014
Equity and liabilities			
Shareholders' funds			
Share capital	3	48,539	48,539
Reserves and surplus	4	<u>38,617</u>	<u>20,711</u>
		<u>87,156</u>	<u>69,250</u>
Non-current liabilities			
Long-term provisions	5	<u>3,505</u>	<u>11,315</u>
		<u>3,505</u>	<u>11,315</u>
Current liabilities			
Trade payables	6	65,351	59,493
Other current liabilities	6	860	786
Short-term provisions	5	<u>1,881</u>	<u>2,445</u>
		<u>68,092</u>	<u>62,724</u>
TOTAL		<u>158,753</u>	<u>143,289</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	7	<u>651</u>	<u>1,787</u>
		<u>651</u>	<u>1,787</u>
Loans and advances	8	<u>805</u>	<u>2,104</u>
		<u>1,456</u>	<u>3,891</u>
Current assets			
Trade receivables	9.1	30,392	67,695
Cash and bank balances	10	125,901	70,201
Loans and advances	8	438	283
Other current assets	9.2	<u>566</u>	<u>1,219</u>
		<u>157,297</u>	<u>139,398</u>
TOTAL		<u>158,753</u>	<u>143,289</u>
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants


per T Ramachandran
Partner
Membership no. 207600



For and on behalf of the board of directors of
IGATE Computer Systems (Suzhou) Co., Ltd.


Mukund Srinath
Director

Place : Bangalore
Date : October 1, 2015

Place : Bangalore
Date : October 1, 2015



IGATE Computer Systems (Suzhou) Co., Ltd.
Statement of profit and loss for the year ended 31 March 2015

(Rs. in thousands)

	Notes	Year ended 31 March 2015	Year ended 31 March 2014
Income			
Revenue from operations		179,063	173,626
Other income	11	11,455	11,950
Total revenue (I)		190,518	185,576
Expenses			
Employee benefits expense	12	139,269	123,602
Other expenses	13	35,712	26,539
Depreciation and amortization expense	14	1,409	8,137
Finance costs	15	319	123
Total (II)		176,709	158,401
Profit before tax (I) - (II)		13,809	27,175
Tax expenses			
Current tax			
Pertaining to profit for the current period		3,403	11,196
Adjustment of tax relating to earlier periods		(4,171)	458
Deferred tax		-	-
Total tax expense		(768)	11,654
Profit for the year		14,577	15,521


Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements.


As per our report of even date

For T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants

per 
Partner
Membership no. 207600



For and on behalf of the board of directors of
IGATE Computer Systems (Suzhou) Co., Ltd.


Mukund Srinath
Director

Place : Bangalore
Date : October 1, 2015

Place : Bangalore
Date : October 1, 2015

IGATE Computer Systems (Suzhou) Co., Ltd .
Cash flow statement for the year ended 31 March 2015

(Rs. in thousands)

	31 March 2015	31 March 2014
Cash flows from operating activities		
Profit before tax	13,809	27,175
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization	1,409	8,137
Unrealised foreign exchange	(2,549)	(729)
Interest income on bank deposits	(50)	(52)
Operating profit before working capital changes	<u>12,619</u>	<u>34,531</u>
Movements in working capital:		
Increase in trade payables	8,520	9,778
(Decrease)/increase in short-term provisions	(564)	525
Increase/(decrease) in other current liabilities	74	(858)
Decrease/(increase) in trade receivables	37,134	(17,661)
(Increase)/decrease in short-term loans and advances	(155)	518
Decrease/(increase) in long-term loans and advances	476	(476)
Decrease/(increase) in other current assets	677	(1,376)
Cash generated from operations	<u>58,781</u>	<u>24,981</u>
Direct taxes paid (net of refunds)	<u>(6,219)</u>	<u>(1,967)</u>
Net cash flows from operating activities (A)	<u>52,562</u>	<u>23,014</u>
Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(241)	(545)
Interest received on bank deposits	50	52
Net cash flows used in investing activities (B)	<u>(191)</u>	<u>(493)</u>
Cash flows from financing activities		
Proceeds from issuance of share capital	-	20,523
Net cash flows from/(used in) financing activities (C)	<u>-</u>	<u>20,523</u>
Net (decrease)/increase in cash and cash equivalents during the year (A+B+C)	52,371	43,044
Effect of exchange differences on cash and cash equivalents held in foreign currency	3,329	4,762
Cash and cash equivalents at the beginning of the year	70,201	22,395
Cash and cash equivalents at the end of the year	<u>125,901</u>	<u>70,201</u>
Components of cash and cash equivalents		
Balances with banks:		
On current accounts	125,901	70,201
	<u>125,901</u>	<u>70,201</u>

Summary of significant accounting policies

2.1

As per our report of even date

For T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants


per T Ramachandran
Partner
Membership no. 207600



For and on behalf of the board of directors of
IGATE Computer Systems (Suzhou) Co., Ltd .


Mukund Srinath
Director

Place : Bangalore
Date : October 1, 2015

Place : Bangalore
Date : October 1, 2015



1. Corporate information

IGATE Computer Systems (Suzhou) Co., Ltd. ("the Company" or "IGATE") is primarily engaged in providing Information Technology ("IT") and IT-enabled operations offshore outsourcing solutions and services to large and medium-sized organizations using an offshore/onsite model. The Company is a wholly owned subsidiary of IGATE Global Solutions Limited, a public company domiciled in India.

Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies

Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. The Company has used the following useful lives to provide depreciation on its fixed assets.

Asset	Years (SLM)
Computers and related assets	3-5
Office equipments	5
Furniture and fixtures	5

Leasehold land and lease hold improvements are depreciated over the primary lease period or remaining useful life, whichever is lower, on a straight line basis.

As per Schedule II to the Companies Act 2013 Assets individually costing Rs 5,000 or less are not required to depreciate fully within 12 months from the date of purchase. However The management has decided to depreciate asset costing Rs 5000 or less with in 12 months from the date of purchase

Revenue Recognition

Revenue, net of volume discounts is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from services

(i) Time and material contracts

Revenues from time and material services are recognized as the related services are performed.

(ii) Fixed price, milestone based contracts

Revenue from fixed-price development contracts are recognized using the percentage-completion method, under which the contract performance is determined by relating the actual costs incurred to date to the estimated total costs for each contract. Any anticipated losses expected upon contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the period in which the changes are identified.

(iii) Other Contracts

Revenue from contracts with amounts to be billed on monthly basis is recognized on a straight-line basis over the term of the contract. Revenue from transaction-priced contracts is recognized on rendering of the services as per the terms of the contracts.

Revenue from export services also comprises income from development of custom software applications and other IT services rendered on the basis of agreed upon mark up on cost incurred by the Company.

Unbilled revenue represent amounts recognized as revenues for the periods presented based on services performed in accordance with the terms of contracts that will be billed in subsequent periods.

Deferred revenue represents amounts billed in excess of revenue earned for which related services are expected to be performed in subsequent periods.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Other income

Other income is recognized on accrual basis.



Foreign currency transactions and balances

i) Initial Recognition

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

ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

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

iv) Hedging of monetary assets and liabilities

The premium or discount arising at the inception of forward exchange contracts and option 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 expense for the year.

v) Translation of integral and non-integral foreign operation

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

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss.

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

Retirement and other employee benefits

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the tax rates and tax laws used to compute the amount are those that are enacted as per the respective country tax laws at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as per the respective tax laws at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Segment reporting

Identification of segments

The Company is engaged in the business of providing Information Technology and IT Enabled services, which in the context of Accounting Standard 17, Segment Reporting, issued by the Institute of Chartered Accountants of India, is considered as the only business segment. Further, the operations of the Company are managed from independent locations based on customer, which are located in different geographical locations.

Segment accounting policies

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

Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



3. Share capital

	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
Authorised Capital		
USD1000,000 (March 2014 - USD 1000,000)	48,539	48,539
Issued, subscribed and fully paid up capital		
USD1000,000 (March 2014 - USD 1000,000) of Capital Contribution	48,539	48,539
Total issued, subscribed and fully paid up share capital	48,539	48,539

4. Reserves and surplus

	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
Foreign currency translation difference account		
Balance as per the last financial statements	8,080	3,318
Movement during the year	3,329	4,762
Closing balance	11,409	8,080
Surplus in the statement of profit and loss		
Balance as per the last financial statements	12,631	(2,890)
Profit for the year	14,577	15,521
Net surplus in the statement of profit and loss	27,208	12,631
Total reserves and surplus	38,617	20,711

5. Provisions

	Long-term		Short-term	
	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
Provision for employee benefits				
Provision for leave benefits	-	-	1,881	2,445
Others				
Provision for tax (net of advance tax)	3,505	11,315	-	-
	3,505	11,315	1,881	2,445

6. Other current liabilities

	31 March 2015 Rs. in thousands	31 March, 2014 Rs. in thousands
Trade payables	65,351	59,493
Other current liabilities		
Provision for volume discount	356	213
Provision for warranty	15	-
Statutory liabilities	489	573
	860	786
	66,211	60,279

(This space has been intentionally left blank)



IGATE Computer Systems (Suzhou) Co., Ltd.
Notes to financial statements for the year ended 31 March 2015

7. Tangible Assets	(Rs. in thousands)			
	Computers	Office Equipment	Furniture & Fixtures	Total
Cost or valuation				
At 1 April 2013	17,952	141	2,134	20,227
Additions	332	207	6	545
Exchange difference	1,677	14	199	1,890
At 31 March 2014	19,961	362	2,339	22,662
Other Adjustments				
Additions	42	-	199	241
Exchange difference	1,057	19	126	1,202
At 31 March 2015	21,060	381	2,664	24,105
Depreciation				
At 1 April 2013	10,458	44	1,083	11,585
Charge for the year	7,621	47	468	8,136
Exchange difference	1,058	4	92	1,154
At 31 March 2014	19,137	95	1,643	20,875
Charge for the year	864	76	470	1,410
Exchange difference	920	16	233	1,169
At 31 March 2015	20,921	187	2,346	23,454
Net block				
At 31 March 2014	824	267	696	1,787
At 31 March 2015	139	194	318	651



8. Loans and advances

	Non-current		Current	
	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
Unsecured, Considered good				
Security deposit	-	476	15	14
Prepaid expenses	-	-	130	182
Advances to employees	-	-	293	87
Other loans and advances				
Advance income-tax (net of provision for tax)	805	1,628	-	-
	<u>805</u>	<u>2,104</u>	<u>438</u>	<u>283</u>

9. Trade receivables and other assets

9.1 Trade receivables

		31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
Outstanding for a period exceeding six months from the date they are due for payment			
	Unsecured, considered good	-	-
	Unsecured, considered doubtful	-	-
	Provision for doubtful receivables	-	-
	(A)	<u>-</u>	<u>-</u>
Other receivables			
	Unsecured, considered good	30,392	67,695
	Unsecured, considered doubtful	-	-
	Provision for doubtful receivables	-	-
	(B)	<u>30,392</u>	<u>67,695</u>
	Total (A+B)	<u>30,392</u>	<u>67,695</u>

9.2 Other current assets

		31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
Unsecured, considered good			
	Unbilled revenues	566	1,219
		<u>566</u>	<u>1,219</u>

10. Cash and bank balances

		31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
Cash and cash equivalents			
Balances with banks:			
	On current accounts	125,901	70,201
		<u>125,901</u>	<u>70,201</u>

(This space has been intentionally left blank)



11. Other income		
	31 March 2015	31 March 2014
	Rs. in thousands	Rs. in thousands
Interest income on bank deposits	50	52
Interest income others	181	-
Exchange differences (net)	2,829	49
Miscellaneous income	8,395	11,849
	<u>11,455</u>	<u>11,950</u>
12. Employee benefit expense		
	31 March 2015	31 March 2014
	Rs. in thousands	Rs. in thousands
Salaries, wages and bonus	107,014	94,778
Employee stock compensation expense (refer note 17)	248	89
Contribution to provident and other fund	31,261	28,028
Staff welfare expenses	746	707
	<u>139,269</u>	<u>123,602</u>
13. Other expenses		
	31 March 2015	31 March 2014
	Rs. in thousands	Rs. in thousands
Sub-contracting expenses	4,340	306
Power	1,561	1,492
Rent	717	2,038
Rates and taxes	129	-
Insurance	-	37
Repairs and maintenance		
Building	2,200	492
Computers	516	919
Others	2,236	2,165
Advertisement and sales promotion	170	-
Travel and conveyance	6,372	6,631
Communication costs	4,259	4,325
Recruitment and training	417	2,656
Legal and professional fees	4,023	4,808
Outside consultancy charges	7,716	343
Provisions for warranty cost	15	-
Miscellaneous expenses	1,041	327
	<u>35,712</u>	<u>26,539</u>
14. Depreciation and amortization		
	31 March 2015	31 March 2014
	Rs. in thousands	Rs. in thousands
Depreciation of tangible assets	1,409	8,137
	<u>1,409</u>	<u>8,137</u>
15. Finance costs		
	31 March 2015	31 March 2014
	Rs. in thousands	Rs. in thousands
Bank charges	319	123
	<u>319</u>	<u>123</u>



16. Related party disclosures

Names of related parties and related party relationship

Related party where control exists

Ultimate Holding Company
IGATE Corporation

Holding Company
IGATE Singapore Pte Ltd

Other related parties (enterprise controlled by key management personnel)
Mastech Holdings Inc.

Key Management Personnel

Ashok Vemuri
Sujit Sircar
Mukund Srinath
Ashok Trivedi (Resigned on July 1,2015)
Sunil Wadhvani (Resigned on July 1,2015)

Related parties with whom transactions have taken place during the year

IGATE Technologies Inc.
IGATE Global Solutions Limited
IGATE Corporation
IGATE Singapore Pte Ltd
IGATE Computer Systems (UK) Limited

Related party transactions

	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
a) Revenues from operations		
IGATE Technologies Inc.	149,985	148,306
IGATE Global Solutions Limited	14,917	21,700
IGATE Computer Systems (UK) Limited	436	-
b) Expense incurred by Company on behalf of		
IGATE Global Solutions Limited	8,111	19,391
c) Expenses cross charged		
IGATE Technologies Inc.	2,183	110
IGATE Global Solutions Limited	2,942	1,007
Others	260	89

Balances outstanding

	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
a) Trade receivables		
IGATE Technologies Inc.	19,844	23,104
IGATE Global Solutions Limited	4,825	44,279
b) Other liabilities		
IGATE Singapore Pte Ltd	38,186	39,585
IGATE Global Solutions Limited	8,443	5,306
Others	3,798	431



17. Employee stock compensation plans

Certain employees of the Company are entitled to share-based compensation plans of IGATE Corporation (the ultimate Holding Company). The Institute of Chartered Accountants of India has issued a Guidance Note on Accounting for Employee Share-based Payments, which is applicable to employee share-based payment plans, the grant date in respect of which falls on or after April 1, 2005. The management is of the opinion that the schemes of the ultimate holding company is managed and administered by the ultimate holding company for its own benefit and do not have any settlement obligations on the Company. Further, the aforesaid schemes pertain to shares of the ultimate holding company and the impact of compensation benefits in respect of such schemes is assessed and accounted for in the books of the ultimate holding company. Accordingly, the Company is of the opinion that the same is in compliance with the said Guidance Note.

During the year, the company has been cross charged Rs. 248 thousands (31 March 2014: Rs. 89 thousands) by the ultimate holding company as stock compensation expense towards the cost incurred by the ultimate holding company for providing stock options to some of its employees. The Company recognises the intra group recharge when it is actually levied or paid. The stock compensation expense has been recorded in the statement of profit and loss under employee benefit expense.

18. Segment information

The Company's operations predominantly relate to providing Information Technology ("IT") services and IT Enabled services, delivered to customers globally across the geographies, the work being performed onsite and offshore. The Company considers all of these services to be relating to one segment i.e. IT enabled services. Accordingly, the board of directors and Chief Executive Officer of the Company review the performance of the Company as one primary segment as IT and IT-enabled operations solutions and services. Secondary segmental reporting is performed on the basis of the geographical segmentation since Company operates in various countries. The Company has assessed and concluded in that it operates in a single operating segment of IT and IT-enabled operations solutions and services considering similar risk and return for various types of services provided by the Company.

The Company's geographic segmentation is based on location of customers and comprises China and Rest of the world. Revenue in relation to geographic segments is categorised based on the location of the specific customer entity for which services are performed irrespective of the customer entity that is billed for the services and whether the services are delivered onsite or offshore. Categorisation of customer related assets in relation to geographic segments is based on the location of the specific customer entity which is billed for the services.

Geographic segments

	31 March 2015 Rs. in thousands	31 March 2014 Rs. in thousands
Segment Revenue		
China	6,691	2,220
Rest of the world	172,372	171,406
	<u>179,063</u>	<u>173,626</u>
Segment Assets		
China	132,813	74,686
Rest of the world	25,940	68,603
	<u>158,753</u>	<u>143,289</u>

19. Previous year figures

Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.


As per our report of even date

For T Ramachandran & Co
Firm registration number: 009009S
Chartered Accountants


per T Ramachandran
Partner
Membership no. 207600



For and on behalf of the board of directors of
IGATE Computer Systems (Suzhou) Co., Ltd.


Mukund Srinath
Director

Place : Bangalore
Date : October 1, 2015

Place : Bangalore
Date : October 1, 2015