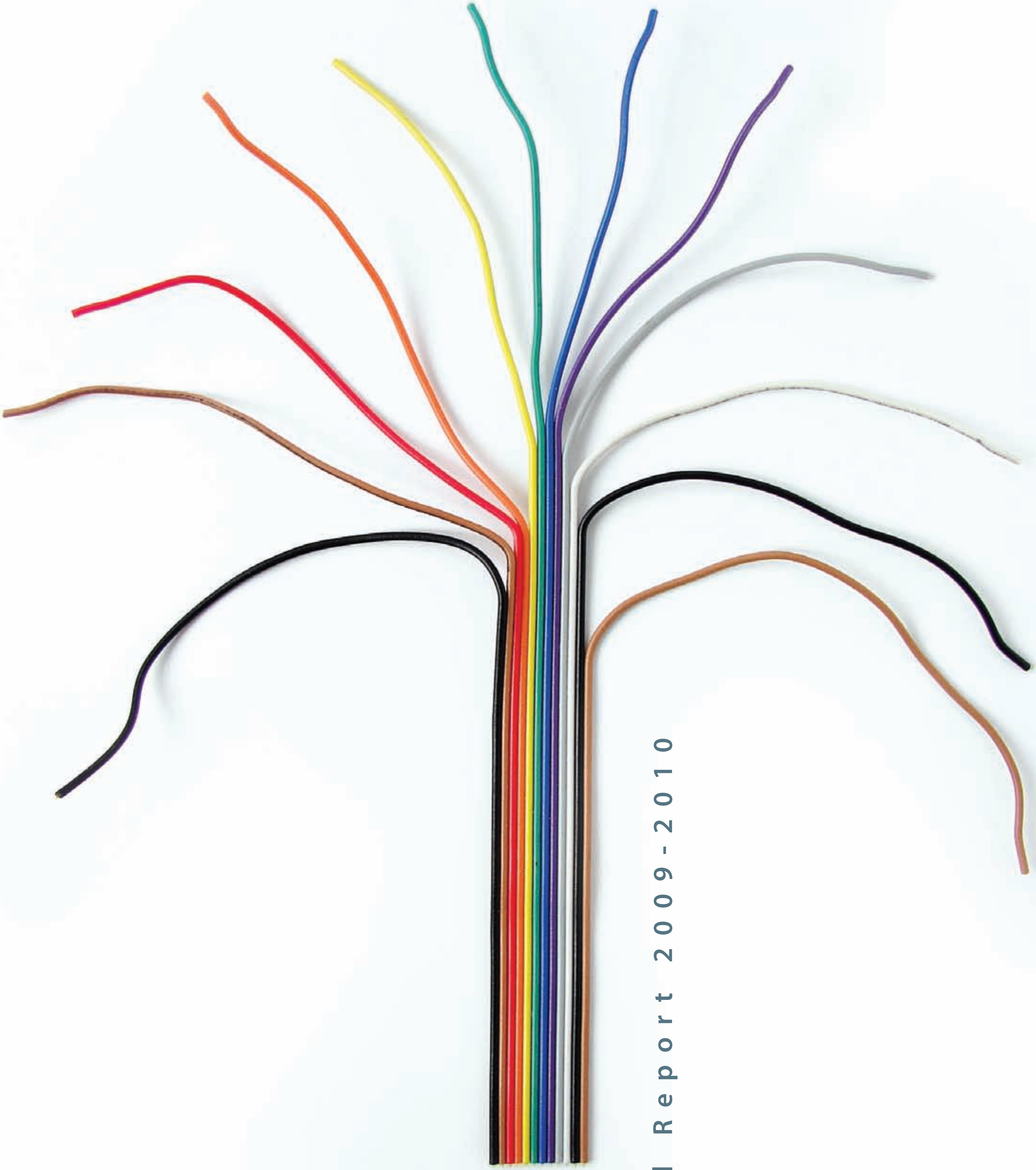


Annual Report 2009-2010

Going Lean-Mean-Green:
Strategies for
a Sustainable Tomorrow

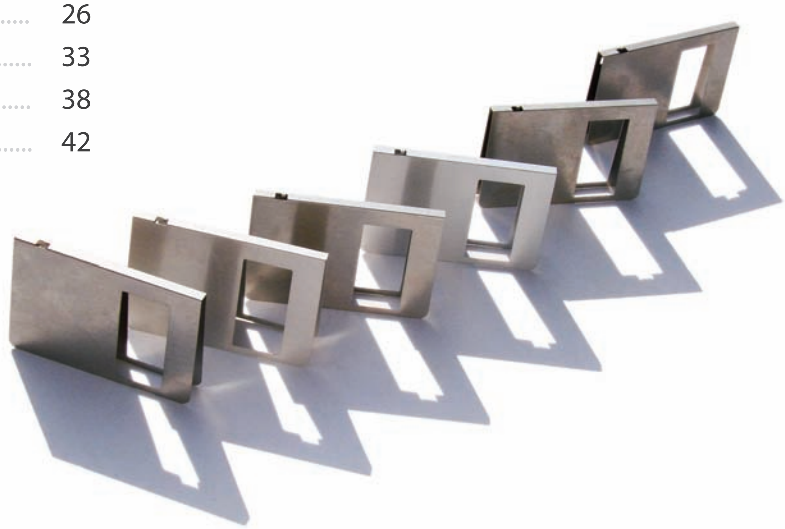
sasken

The 20th century brought in unforeseen change on the planet – the world population doubled, food production tripled, energy usage quadrupled, and economic activity quintupled. Albeit this economic growth has brought in opportunities aplenty, it has fueled environmental degradation and decline. Therefore, this presents a need for sustainable development and environment-friendly practices that also spell economic success for the corporate sector.

In response this need, corporations worldwide are turning to leaner, meaner and greener measures that meet the needs of the present without compromising the quality of the future. At Sasken, we recognise the call of the hour and work towards a sustainable environment through a socially responsive style of operation. In short, we're geared to meet tomorrow because we are Lean-Mean-Green!

Our Annual Report 2009-2010 bears testimony to this philosophy. Working with electronic waste materials, we have created models that best describe the Lean, Mean and Green aspects of Sasken. These models also demonstrate the perfect synergy with which man, machine and nature co-exist in our operations. All the waste components used to create the aesthetic models are from discarded electronic equipment, once in use at Sasken. This is in harmony with our philosophy of reducing, reusing, re-cycling and re-engineering – not just in our infrastructure but in every aspect of our development and operations too; not just for today, but in anticipation of and planning for a sustainable tomorrow. The animals and structures depicted through these pages further elucidate our story. Read on.

TABLE OF CONTENTS



Financial Statements

Other Information

Ability. Agility. Prowess. Competence. Put together, these traits give the cheetah his place… at the forefront of every race! The goal is clear and he doesn't flinch. And because he doesn't play a mediocre game, he comes backed by strength and vigor, to be nothing but the best… cutting edge, mean, unstoppable!

In the circle of time, come those moments that are simply unstoppable – when the right skills and the right attitude combine to give you your moment of truth… your place in the sun!

We, at Sasken, stop at nothing when it comes to honouring our commitment of delivering the best in quality and technology, to our customers. Towards this, our technologies, methodologies, investments in innovation, and continuous learning and development give us the nimbleness to meet the next decade head on. Our professionals across the globe, are backed by a proven track-record in technologies and engagements that we take pride in nurturing. Because, when our customers win, we win!

*When courage partners capability,
the game's no longer a draw – the playing field's set
for a win. And the winner takes it all, they say!*

Board of Directors

Mr. Rajiv C. Mody	Chairman and Managing Director
Dr. Ashok Jhunjhunwala	Director
Mr. Bansi S. Mehta	Director
Mr. Bharat V. Patel	Director
Mr. J. B. Mody	Director
Prof. J. Ramachandran	Director
Mr. Kiran S. Karnik	Director
Mr. Pranabh D. Mody	Director
Mr. Sanjay M. Shah	Director
Dr. G. Venkatesh	Whole-time Director
Mr. Krishna J. Jhaveri	Whole-time Director
Ms. Neeta S. Revankar	Whole-time Director
Mr. Bharat P. Mehta	Alternate Director to Mr. J B Mody

Committees of the Board

Audit Committee

Mr. Bansi S. Mehta	Chairman
Dr. Ashok Jhunjhunwala	Member
Prof. J. Ramachandran	Member
Mr. Pranabh D. Mody	Member

Compensation Committee

Prof. J. Ramachandran	Chairman
Dr. Ashok Jhunjhunwala	Member
Mr. Pranabh D. Mody	Member

Share Transfer and Investor Grievance Committee

Prof. J. Ramachandran	Chairman
Dr. G. Venkatesh	Member
Mr. Rajiv C. Mody	Member

Enterprise Management and Governance Leadership Team

Mr. Rajiv C Mody	Chairman and Chief Executive Officer
Dr. G Venkatesh	CTO, Head World-Wide Delivery and Capability
Ms. Neeta S. Revankar	CFO and Global Head - HR, IT and Administration

CFO and Global Head - HR, IT and Administration

Ms. Neeta S. Revankar

Company Secretary & Compliance Officer

Mr. R. Vittal

Statutory Auditors

S.R. Batliboi & Co.
Chartered Accountants

Internal Auditors

Aneja Associates
Chartered Accountants

Bankers

Citibank N.A.
HDFC Bank Ltd.
Union Bank of India

Registered and Corporate Office

No.139/25, Ring Road, Domlur,
Bangalore 560 071.

From left to right:

Ms. Neeta S. Revankar, CFO and Global Head - HR, IT and Administration,
Dr. G Venkatesh, CTO, Head World-Wide Delivery and Capability,
Mr. Rajiv C. Mody, Chairman and Chief Executive Officer

LETTER TO SHAREHOLDERS

Dear Shareholder,

I am happy to present to you the performance of the company for FY 2010. While the year gone by was challenging in many aspects, we used this to streamline our operations and bring back efficiencies into our system. Our way of gearing up to meet the challenges of the future is a well-rounded approach that we call Lean-Mean-Green. And so, we've grown leaner in our operations, meaner/ keener in our technologies and solutions, and greener in our endeavour to nurture a sustainable eco-system. And while we've been doing this, our key customers have recovered…

It gives me immense pleasure to inform you that IsatPhone Pro, a handheld satellite phone developed by Sasken for Inmarsat, the leader in global satellite communication services, has completed its first call and is set for a planned global launch sometime in the latter half of 2010. Last year we had announced the partnership with Inmarsat to bring the satellite phone to market and this year I am happy to announce that we are all set to deliver on the plan. Sasken is responsible for end-to-end development of the Isatphone Pro satellite phone, which has been made possible through our multi-site capabilities and centers of excellence in India, Finland and Germany. Our global footprint gives us access to the best talent across the world and allows us to deliver at optimum costs to our customers.

We have added a few key customers in the North American region. These are expected to become large, long, ongoing partnerships for Sasken over the next several quarters. The R&D outsourcing market in the handset segment is expected to grow at approximately 15% and we believe that with our capabilities across the R&D value chain, we are in a prime position to serve this market. Outsourcing of application, user interface solutions, and testing of different elements at units, system and field testing levels also continues to grow as OEMs and operators look to move activities to third parties located in low-cost locations such as India and China. We have added customers with projects in new technology areas including Bluetooth, Mobile Internet, Web Runtime, Antenna Design and Android Platform while continuing to strengthen our position in Satellite Communication Segment, given our IP and expertise in the mobile handset space.

The convergence of computing and communications is bringing about in its wake, exciting prospects for enhanced personal and professional communication. Along with this, the high growth trend of consumer usage of wireless data, including video, images, content and communication is expected to continue as consumers demand more from their wireless devices. Smart Phones continue to be a key driver of growth in the technology industry, with innovations in interfaces, design, applications and promotion helping to stabilise prices and boost sales. Device manufacturers are continuously challenged to provide high-end features, low power and user friendly devices at low price points. As an early and key player in this segment, Sasken's investments in the key development platforms of Android and Symbian are paying off well with our services and solutions empowering customers to build phones that have been successful in the marketplace.

Recent semiconductor industry association reports reflect continued recovery of sales of semiconductor, with leading demand drivers being PCs and cell phones. We continue to be beneficiaries of this trend with sufficient demand from semiconductor manufacturers. We had a couple of sizeable wins in this segment including one from a leading semiconductor customer for modem memory optimisation. New accounts that we penetrated in the last financial year have quickly scaled up to greater than 1 million accounts on a run rate basis. Time-to-market pressures and design complexity are critical challenges that design teams in the semiconductor industry face today. Design teams want to "get it right" the first time, and improve the predictability of design process. As software service providers to the semiconductor segment, we have been working towards making the verification process cost-effective and have focussed not only on design services but also on IP integration to ensure predictability for our customers at optimal costs.

The networks business continues to remain a challenge, but we are gaining some traction with leading satellite communication companies that provide network infrastructure solutions. We continue to make investments in 4G technologies like LTE, which we believe is the growth area in the network space. Nortel, a key customer for us in the Networking space, completed the sale of its GSM/GSM-R business to Ericsson and Kapsch Carriercom during the year and prior to this its enterprise business to Avaya. We continue to be engaged with both Avaya and Kapsch and the business that we were servicing for Nortel continues with the new incumbents.

We continue to extend our competencies to tap adjacencies to the telecom vertical and expand our customer base and offerings. In line with this strategy, we have planned for about 10 to 12% of revenues in FY 2011 to come from adjacent verticals like satellite, auto and consumer electronics. We had announced the acquisition of Ingenient in the beginning of the second half of FY 2010. The integration of Ingenient business is proceeding as per plan. There is an excellent complementary fit of Ingenient Multimedia software offerings with Sasken's strategy of diversifying its portfolio and expanding into market adjacencies and we are tremendously excited by the opportunities that this deal is opening up for both Sasken and Ingenient. Sasken has always aimed to be the supplier of choice for embedded R&D services by providing best-in-class embedded solutions for various applications. Ingenient's best-in-class multimedia solutions combined with Sasken's global reach and India-based development centres enable us to offer a compelling portfolio of value-added solutions to our customers across the globe.

It gives me immense pleasure to inform you that Sasken has won the "Best Supplier" award from Sony Ericsson in the Software Consultancy & Outsourcing category amidst strong competition from other leading global players. This has opened up opportunities for us with this key customer. Our operations in China, where we completed one year recently, received the ISO 9001:2008 certification too.

In conclusion, I wish to state that we are well-placed to exploit growth opportunities this year. I am confident that our multi-site global delivery strategy that lowers the total cost of ownership for our customers will place us ahead of our competitors and help us grow quickly. I remain confident of sustainable growth in the coming financial year and thank you all for your support and confidence in Sasken's management.

Thanking you,

Rajiv C. Mody
Chairman & Managing Director

Think eagle and you think of size, strength and keenness of vision. A symbol of powerful empires of the past and present, the eagle represents the ability to think far and achieve flight to attain its goal. But not before, it has seen the bigger picture from its vantage position. And having done so, it leverages its talent to give shape to its vision.

Soaring to bigger and better environs, facing the unknown, your heart experiences unbridled joy. Therein lies the spirit that nurtures confidence and trust in your own abilities.

At Sasken, we revel in the spirit of innovation and discovery – of seeking the unknown and the unexplored. We leverage our strengths to build mean capabilities that present an advantage to our business and our customers. We seek to abandon limited perspectives and set business goals that facilitate growth and learning. But not before we have defined the path that takes us there – achieving target values in resource utilization, environment integration, agility, scalability, and business and infrastructure inter-dependency.

When a vision is backed by strength of ability,
there's a clear strategic and competitive advantage.
It's simply a matter of taking home the prize then.

Overview of the Global Telecom Market

The effects of the collapse of the financial markets and the resultant recession continued to haunt the telecom industry. Global telecom service provider capital expenditures hit a plateau in 2008, marking the end of a 5 year investment cycle and the beginning of a 3 year disinvestment cycle, albeit a less dramatic one than what followed the great telecom crash of 2000. Global capex spend declined by almost 6% in 2009 and is expected to hit a bottom in 2010. The service providers in the advanced markets, hit by the drop in consumer spending, have cut down or postponed their decisions on networks and equipment. In effect, there is a conscious effort by all the stakeholders in the telecom supply chain to be extremely cautious about their cost structure and the need for extracting more value of every investment made. This is true of our company as well.

Glimmer of hope is that emerging telecom markets in China and India continue to witness hyper growth. The demand for mobile services in these markets will fuel the capex of mobile service providers across the globe to scale over to $224.5 billion by the year 2015. This shift in growth and the associated telecom equipment spending has drawn the attention of the global players to reach and serve these growing geographies. However, the associated challenge in this market for the global telecom gear makers is to reduce costs to be competitive, especially against the domestic manufacturers. This intense pressure on margins has led to extensive consolidation that is still taking place in the telecom equipment, the semi-conductor and to a lesser extent in the handset industry.

Network Equipment Segment

The consolidation in the network equipment space continues. The purchase of Nortel's CDMA and LTE technologies by Ericcson, has forced the three European and one North American vendor in the network equipment space to compete rigorously especially on price with a large Chinese counterpart. Though IMT-Advanced (4G) technologies such as LTE-Advanced and IEEE 802.16m are under evaluation by the International Telecommunications Union (ITU), the R&D outsourcing market for these as well as for 3G mobile technologies continue to see decrease in volume and margins. Realizing these trends Sasken is re-vectoring technical resources and product line management capabilities in the network equipment space to other growth areas such as mobile handsets, consumer, automotive infotainment, satellite/government/defense and enterprise businesses. Outlook for FY 10-11 continues to be towards further consolidation with market share moving strongly towards one European and one Chinese vendor.

The new investment cycle in this industry segment is expected to start in 2011, driven by 3G rollouts in India, and central and Latin America; the start of 3G rollouts in Africa; and a ramp-up in LTE deployments in Australia, Brazil, western Europe, Japan, and North America. Sasken has the advantage of being nearer to the two high-growth markets of China and India to understand the needs of the market very closely. Moreover, emerging markets such as Africa closely resemble Indian market in terms of the requirements. Sasken is making selective investments in 4G network equipment capabilities with the firm belief that there will be a resurgence of investment in 4G networks in long run due to the growth of broadband wireless in all the markets.

Handsets Segment

There is intense growth in the Smartphone segment. Worldwide shipments of Smartphones, is expected to surpass 390 million units, growing at a compound annual growth rate of 20.9% during 2009-2013 as per IDC estimates. Share of Apple's iPhone in the Smartphone market segment increased to about 19%, while Google's NexusOne launched for the first time in the US directly in to the retail market also witnessed good sales. However, we have also been witnessing commoditization of the Smartphone components such as audio/ video players, browsers, codecs and even chipsets. Taiwan based Media Tech has become a serious contender in the Smartphone segment, especially in emerging markets.

There is hyper activity in the Smartphone platforms market. There are a host of application development platforms today such as the Android promoted by the Open Handset Alliance and Google, Apple's iPhone OS 4, Nokia's "Symbian", and others. While this provides us a huge opportunity to build applications and solutions that can be cross-sold across a number of platforms, the clear winner is still in the asking. Motorola exited Symbian and instead started focusing on Android. While we continue to build our capabilities in Symbian and maintain our lead as the preferred vendor, we have consciously developed capabilities in Android and have rotated resources around different platforms to improve their fungibility. As a result, we have seen our opportunities in Android scaling up well.

The growth in Smartphones has contributed substantially to the increasing adoption of mobile broadband. It is expected that one in every three mobile subscriber will adopt mobile broadband, resulting in about 1 Billion mobile broadband users by the year 2012. However, the battle between content/ application providers and the telcos continues. The mobile operators especially in the US, have started putting restrictions on the applications that can run on their 3G networks, citing huge downloads clogging the networks. The proponents of "network neutrality", comprising mainly of Internet geeks, want prohibition against such blockages of content, applications and mobile Internet access. While the debate between the two camps is certain to prop up certain regulatory interventions, we continue to invest in our capabilities to provide applications, services and platform support for mobile Internet.

With so many different platforms and the rapid evolution of the Smartphone market, the operators, handset vendors as well as the mobile chip makers are faced with critical shortage of skilled engineers to conduct field testing. We have made a conscious effort to diversify in to the area of field testing as a major offering and offer modem and application testing services.

Semiconductor Segment

Semiconductor segment continues to witness consolidation and rationalization of products. Hitachi and Mitsubishi combine to form Renesas; next Renesas and NEC combine; AMD acquires ATI, and so on. For Sasken, there were ramp-downs on certain key customer accounts which resulted in reduction of head count in this vertical. Our training engine has been strengthened to place new joinees in customer projects within a reduced time frame. With the recent reports on TI's earnings beating expectations, the market is again poised for growth this year. We have been able to foresee these signs in the semiconductor space and have accordingly hedged our risks to provide our offerings in non-mobile adjacency sectors such as in automotive and consumer electronics as well. This will help us to maintain our growth rate in this sector.

Change comes to those who are ready for bigger things;
to those who have the tenacity to transform;
to those who have the courage to reinvent themselves.
It's they who take wings and fly to horizons new.

Evolving, growing, undergoing a metamorphosis, the seemingly-dead chrysalis emerges as a beautiful butterfly. Alive and full-of-energy it's ready to take on the world, to explore uninhibited, to discover the unknown.

Change happens when it's time to discover new horizons, to go where you've never gone before. But change doesn't just happen. It's invited.

Leaner organisations carefully plan for change. This calls for jettisoning the unwanted weight, becoming more agile and swift and operationally-efficient. Towards this, we at Sasken, create processes that need less human effort, capital and time. Paperless administrative functions and day-to-day operations keep us lighter, faster and sharper, while process efficiency and surety give us the wings to fly to better avenues of business operations.

VyapaarSEWA™

Employing multiple technologies, VyapaarSEWA™ is a breakthrough business services platform from Sasken. This platform is rather unique since it provides business services to those strata of Indian society that is close to the base of the pyramid, yet, where sustainable commerce can exist – The Women Self Help Groups (SHGs). Such SHGs typically employ women to deliver a variety of extremely useful products using rudimentary and traditional production facilities in the remote hinterlands of India.

VyapaarSEWA™ has the primary aim of bringing in unparalleled efficiency and to reduce transaction time at lower transaction cost. It attempts to maximise the use of mobile phones as the end user device and employs a multi-modal platform for user interaction, incorporating multi-lingual web, WAP, SMS, call centres and digit-based & speech recognized IVRs. Integrated with down-stream entities like web portals and marketing agencies, the platform supports cashless payments secured by voice or biometric authentication, and provides logistics support for labeling, tracking and routing the shipments from the producers to intermediaries or to customers. At the heart is a powerful analytics engine that provides valuable information to the producers, intermediaries and service providers to help them optimize their operations.

Sasken Network Engineering – The India Focus

In Sasken Network Engineering Limited (SNEL), we continue to focus on network engineering services for the Indian mobile industry. The mobile segment witnessed an addition of 184 million subscribers in 2009. The addition of 3-5 operators in each circle, and the corresponding infrastructure deployment on the radio access networks, has resulted in increased opportunities for SNEL. The new operators who were allotted license and spectrum in 2008, did massive green field network rollouts in 2009 and are continuing to add capacity in 2010. The older operators in order to retain their competitive edge continue to expand their presence in category B and C circles. Constrained by the allotted spectrum, they continue to reengineer and optimize their Radio Access Networks in urban areas for improved spectral efficiency. With intense competition and Mobile Number Portability sure to become a reality, the service providers would take all steps to retain their competitive edge by working on improving the quality of service, resulting in a renewed interest in our specialized services such as auditing and network benchmarking. SNEL being one of the large pan India players in the network engineering services business is very well positioned to capitalize on these opportunities. With a view to reduce expenditure and enabled by regulation, the operators have started sharing their active infrastructure such as backhaul capacities. This has resulted in SNEL acquiring businesses for the deployment and management of telecommunications signaling infrastructure and soft-switches, for some of the leading telecom solutions vendors.

The auctioning of 3G and Broadband Wireless Access (BWA) spectrum and the ensuing capex spending by the telcos in 2010 are expected to offer good business prospects for SNEL. According to Federation of Indian Chambers of Commerce and Industry (FICCI), the 3G subscriber base in India is expected to hit 90 million by 2013, accounting for 12% of the overall wireless user base. SNEL is already in discussion with some of the leading WiMax equipment vendors to support their business plans in India.

ConnectM - M2M Technology

Over the last few years, M2M as a technology domain flourished with the successful application of wireless technologies like GSM/GPRS/GPS to the monitoring and management of mobile and immobile assets from a remote location. Analysts point out that the shipment of M2M module shipments will grow 10x in the next 4 years to 22 million, and number of remotely monitored assets will grow more than 3x to 34 million.

The ConnectM Energy Management Solution (EMS) for commercial real estate in IT-ITES and BFSI has witnessed significant adoption over the last year. Energy conservation is a growing concern across organization – analysis of 600 Indian companies with revenues in excess of Rs.1000 Crores shows that energy cost averages at 5% of their revenues. This is significant, and has the potential to contribute towards improving the EBITDA by 50 to 100 basis points.

Upon deploying ConnectM's EMS customers have seen a 10% reduction of their energy bills. We have now deployed this solution successfully for the commercial real estate of over 1 million square feet across 10 customers, and are delivering energy cost saving of the order Rs.50 Lacs annually to them. Customers are delighted with the results, and we are receiving repeat orders from all our large customers.

Similarly, Telecom Service Providers today spend 10% of their 28B$ revenue on energy used for the network infrastructure. ConnectM's solution is well placed to deliver a 100 to 200 basis point impact on the EBITDA for these customers.

Over the next 6 to 7 years, ConnectM will target to have a footprint of 100 million square-feet and 100,000 telecom towers in these markets.

Sasken Inc.

Over the past few years, we have seen considerable convergence between handsets, Consumer devices and In Vehicle Infotainment (IVI) devices such as Personal Media Players, Personal Navigation Devices and Digital Still Cameras. Additionally, over the past few years, consumer devices have become smaller and lighter as well as more individual rather than shared. This trend towards portability and individualization means that the CE vendor has the same "care-abouts" as the handset vendor. The end market is marked by several device categories, and there is no clear leader across market segments. In this environment, Consumer electronics and IVI vendors are forced to respond with innovation, as they deal with price sensitive customers and shrinking product life cycles. We believe that these vendors will address the challenge by increasing the amount of software in the device and by creating "platforms" on which these devices will be based. This creates an opportunity for us. In order to address the requirements of this space, this year we acquired certain assets of Ingenient Inc in October 2009. We intend to address the growing needs of this market by leveraging the multimedia assets acquired from Ingenient (now Sasken Inc.) and supplementing these with our skill sets in hardware design, firmware development and local connectivity.

With capabilities and presence in the various arteries of the telecom supply chain, Sasken is well positioned to diversify into adjacent markets, undertake projects of varying complexities to become the global leader in R&D services and a partner of choice for its customers.

Small but efficient, the ant is a perfect example of keeping it simple, clean, lean but effective. The minute creature leaves a huge footprint in terms of teamwork and logical methodologies – its legendary accomplishments, are indeed well demonstrative of a lean philosophy, backed by strong, internal processes and frameworks.

At the bottom of every strong edifice, is a foundation built with gravel… at the heart of every big plan, are the little somethings that complete the big picture!

At Sasken, this is amply-demonstrated by our lean style of development. Whether its reusable or green code, service oriented architecture or agile technologies and frameworks, it's the smallest aspects that we pay attention to. The foundation of these, in turn, helps us promote reusability, reduces time and error, and keeps our code clean. While our customers gain from the rapid pace and certainty of development, our shareholders gain from our profitable operations!

Only the unwise underestimate the power of being small, they say… strength lies, not always in the might of the muscle, but sometimes in the discipline of persistence with spirit!

PEOPLEFIRST

Sasken has been known for and takes pride in conceiving and employing innovative and employee friendly policies, since its inception. Faced with the uncertainty surrounding a protracted recession, Sasken leadership responded in a manner that balanced the need of all stakeholders while ensuring Sasken values were always upheld.

Measures were swiftly put in place to enable Sasken to tide the storm, while ensuring that all stakeholders' interests were considered. In arriving at the appropriate balance between stakeholder interests, we consciously choose to tread the path of building a resilient organization. Strong head wind meant that we were faced with a surfeit of resources which we had to prudently address. The Sasken Human Resources and Leadership teams engaged themselves in addressing this issue with utmost care and compassion, which included but was not limited to offering Outplacement support to affected Sasians to help cope with the transition.

Moreover, in alignment with the clear business focus of enhancing operational efficiency and Global Harmonization of various Policies & Processes to reflect the transition from a "small"/ single-location enterprise to a multi-geography/ multi-site enterprise, various measures were undertaken. These measures were bolstered by apposite policies and practices with a clear emphasis and accent on strict adherence with minimal exceptions. The inevitable difficulty in managing this change was addressed by aligning the leadership to internalize the raison d'être for the change. The leadership team responded aptly by accepting and supporting this change process. We believe it is this "disciplined" approach that largely contributed to the fact that we met our profit targets for the year despite the challenging business environment, reinforcing the view that we were on the right track.

Continuing on our journey to build a high performance oriented organization we strengthened and improved our Performance Management System, ensured compliance within the organization with respect to goal setting and performance appraisals which resulted in closer alignment between desired and actual job performance. Our variable pay structure was implemented in a transparent manner and gave impetus to employee's efforts to build a stronger organization. We are confident that the benefits of these systemic improvements will be visible and accrue over the years to come. Further, our compensation philosophy was aligned with the business reality and we re-vectored our salary and moved a part of fixed pay to a fixed and variable component. More importantly, we initiated a compensation review project, with globally acclaimed HR consulting firms to put in place a Compensation strategy that is sustainable in the medium to long term. The goal was to ensure that our "Compensation and Benefits Philosophy" fairly and transparently determined individual compensation. We believe the results of this exercise will be visible in fiscal 2011, when the salary revision is expected to be carried out in line with the articulated "Compensation and Benefits" philosophy.

Employee communication measures were significantly reinforced and strengthened. Touch time between the leaders and employees was substantially increased, in various ways including periodic large group meetings. Small group interactions between leaders and employees at large helped strengthen the relationship and brought about an invaluable two way communication channel. Regular written communication by way of a Monthly Newsletter was broadcast from the leadership team to the entire organization. These initiatives helped employees understand and cope with the challenges of a recession and provided them a line of sight to stay abreast of all significant developments.

The HR team put in place and implemented a comprehensive training program for all first level managers. These initiatives have given a fillip to our aspiring leaders, and have also resulted in secondary benefits to employees, who are experiencing a work environment that encourages and abets good people management practices in line with our "People First" ideology.

Sasken has and continues to take pride in being able to nurture an innovative talent pool. Various opportunities were created for employees to show case their abilities to undertake pioneering work within and across their respective functional and domain areas. Quark was one such initiative which allowed Sasians to showcase their talent in various leading edge technology domains. Balancing work and play, the Sasken Premium League (SPL) initiated during April / May 2009 saw over 200 employees participate in the tournament. Cricketing talent amongst Sasians was on display during matches every evening after work, and during practice sessions in the mornings and on weekends in a collegiate and carnival like environment. This and many other celebrations/ fun events across various sites ensured that we did not let the recession take away the fun from our lives and this was largely a result of the indomitable spirit of Sasians.

One measure of the effectiveness of an organization's employee practices is the level of attrition. In addition, internal employee satisfaction surveys and industry wide surveys provide comparative information about the strength of organization's human resource practices and employee level of engagement with the organization. While attrition remained at the same level as that of the previous year, we believe that we will see fruits of our actions in the coming years. For the leadership team and the HR team at Sasken, continuous employee engagement is one of the most significant goals for the coming years. We endeavor to restore Sasken back to its rating as "The Best Employer" in the years to come and will do our utmost to direct our business and people practices appropriately.

Financial Performance – *A Seven Year Snapshot*

In Retrospect - Consolidated

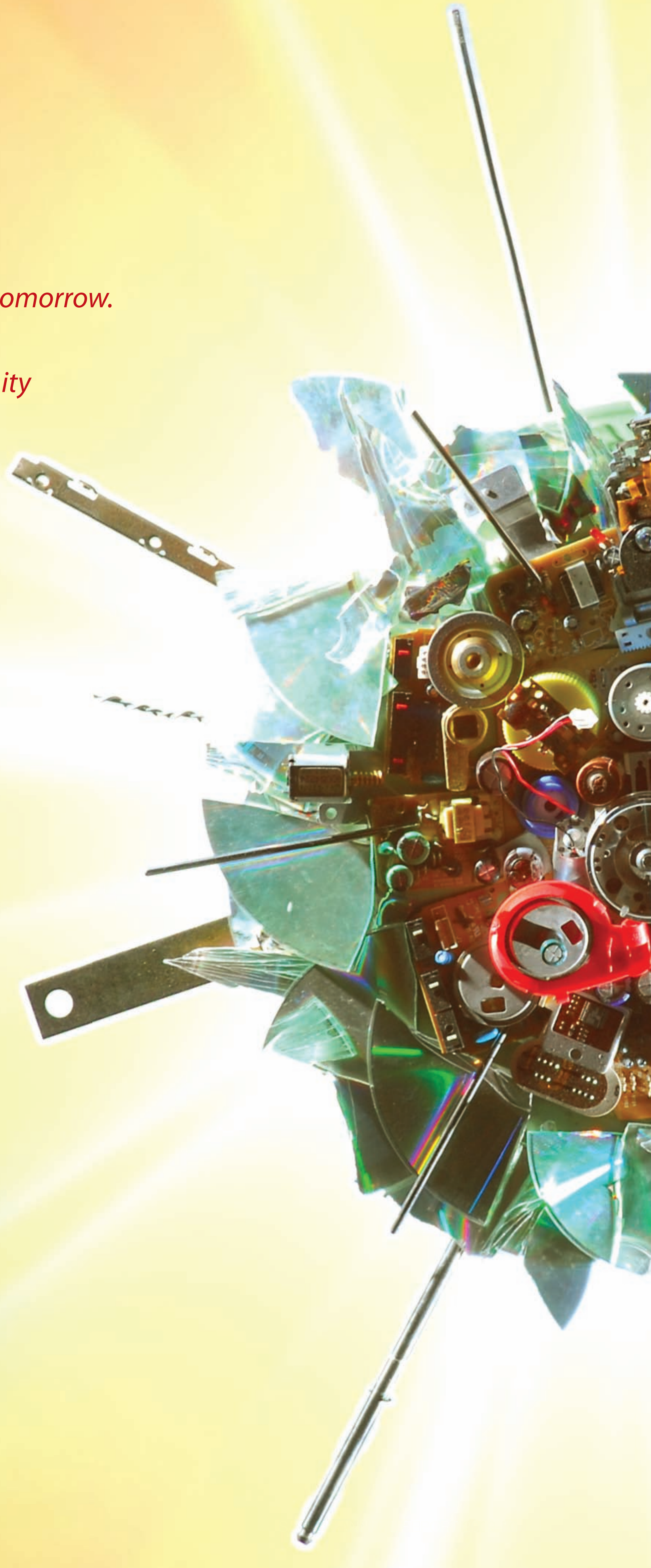
Amount in Rs. lakhs

	Particulars	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
(1)	**Revenue Account**							
	Sales/Revenue	16,613.01	24,177.00	30,812.79	47,712.90	57,017.71	69,781.33	57,419.31
	PBIDTA	2,757.69	3,551.46	4,818.11	7,575.97	7,919.37	16,380.39	10,187.66
	Provision for Diminution in Value of Investments	-	-	-	-	-	117.71	(85.35)
	Depreciation & Amortization	1,187.79	1,419.04	1,790.85	2,669.96	4,178.50	3,739.02	3,166.01
	PBIT & Exceptional Item	1,569.90	2,132.42	3,027.26	4,906.01	3,740.87	12,523.65	7,107.00
	Other Income	130.45	367.08	640.72	974.68	2,342.66	(3,539.51)	2,446.58
	Interest	79.84	47.32	14.30	447.22	402.58	381.77	261.35
	Exceptional Item	-	-	676.08	-	-	1,519.70	-
	Profit/(Loss) Before Tax	1,620.51	2,452.18	2,977.60	5,433.47	5,680.95	7,082.68	9,292.23
	Income Tax (including withholding taxes and FBT)	(213.20)	174.15	685.98	1,006.53	1,742.52	2,852.27	1,740.50
	Profit/(Loss) After Tax	1,833.71	2,278.03	2,291.62	4,426.94	3,938.43	4,230.41	7,551.73
	Dividend	379.02	505.42	838.09	1,140.01	1,142.43	1,084.44	1,626.66
(2)	**Capital Account**							
	Share Capital	1,516.09	1,684.72	2,793.64	2,850.01	2,856.08	2,711.11	2,711.11
	Share Application Money	-	25.49	-	-	-	-	132.00
	Reserves and Surplus	9,858.70	12,483.59	35,708.37	39,325.14	43,027.73	45,579.20	49,515.01
	Loan Funds	42.68	145.59	115.04	9,184.98	8,764.22	6,372.01	3,405.52
	Deferred Tax Liability	-	-	-	7.10	-	-	-
	Gross Block (Incl. Cap. Work in Progress)	13,716.82	16,102.72	19,289.87	42,258.91	45,980.74	49,910.27	48,353.55
	Net Block (Incl. Cap. Work in Progress)	7,805.35	8,773.95	10,111.79	29,955.38	30,723.30	31,978.03	28,930.27
	Capitalized Software Product Costs (net of amortization)	115.03	-	1,413.45	3,327.36	2,123.62	-	-
	Investment	264.29	55.95	18,651.01	3,680.58	2,664.05	2,019.98	15,906.60
	Deferred Tax Asset	-	-	-	62.98	125.30	216.66	404.51
	Net Current Assets	3,232.80	5,509.49	8,440.80	14,340.93	19,011.76	20,447.65	10,522.26
(3)	**Other information**							
	Total number of Shareholders	788	935	28,498	21,305	39,150	45,808	39,034

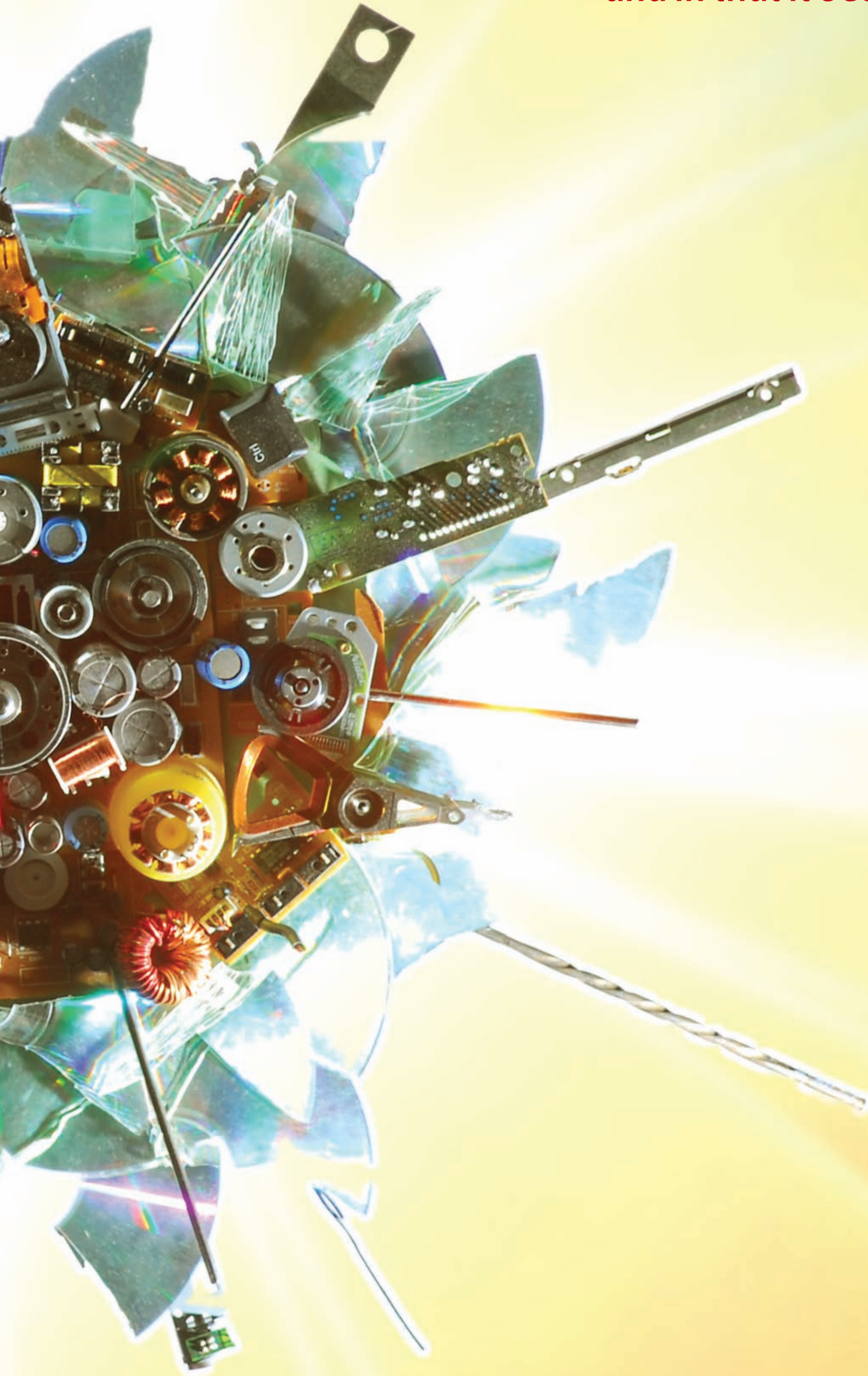
The sun is a symbol of unending energy. But the sun is also a symbol of happiness, contentment, prosperity, and nurturing. Of a philosophy that encourages one to grow and nurture in a way that fosters a secure tomorrow and a brighter future for the coming generations.

The seed you sow today, gives you a fruit tomorrow.
The fruit, in turn gives you a seed to sow!
Give to the community what the community
gives to you… and so life has planned it.

As the world moves to Cleantech and GreenIT, we at Sasken, rejoice in a philosophy we have always cherished. Our naturally-lit campus uses water recycling, solar energy, and promotes a sustainable way of life. Not only is this our way of staying green but it's our way of giving back to the planet, giving back to life – because at Sasken, we believe that in solutions that not only complete your today, but also empower your tomorrow.



The flame exists to give light and warmth.
It's biggest gift however, is that it doesn't perish
when it lights another...
and in that it becomes ageless and timeless!



Financial Performance – *A Seven Year Snapshot*

In Retrospect - Consolidated

Amount in Rs. lakhs

	Particulars	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
(4)	Ratios							
(a)	Profitability / Efficiency							
	Operating Turnover/Total Income (%)	99%	99%	98%	98%	96%	105%	96%
	PBIDTA/Total Turnover (%)	17%	15%	16%	16%	13%	25%	17%
	PBIT & Exceptional Items/Total Turnover (%)	9%	9%	10%	10%	6%	19%	12%
	PBT/Total Turnover (%)	10%	10%	10%	11%	10%	11%	16%
	PAT/Total Turnover (%)	11%	9%	7%	9%	7%	6%	13%
	Return on Average Net Worth (%) (PAT/Average Net Worth)(%)	17%	18%	9%	11%	9%	9%	15%
	Return on Average Capital Employed (pre-tax) (PBT+Interest)/(Average Capital Employed) (%)	14%	19%	11%	13%	14%	16%	19%
	Return on Average Capital Employed (post-tax) (PAT+Interest)/(Average Capital Employed) (%)	16%	18%	9%	11%	10%	10%	16%
	Sales to Average Net Working Capital	4.6	5.5	4.4	4.2	3.4	3.5	3.7
	Total Revenues to Average Total Assets	1.4	1.9	1.2	1.1	1.1	1.3	1.0
	Fixed Assets Turnover	1.2	1.5	1.6	2.4	1.9	2.2	2.0
(b)	Liquidity							
	Net Working Capital to Total Assets	0.3	0.4	0.2	0.3	0.3	0.4	0.2
	Average Collection Period (Days)	74	82	77	67	78	73	62
	Current Ratio	2.6	2.6	3.2	2.8	2.8	2.5	1.9
(c)	Leverage							
	Debt-Equity Ratio	0.0	0.0	0.0	0.2	0.2	0.1	0.1
	Interest Cover	24.0	49.1	161.3	11.0	9.3	32.8	27.2
	Total Assets/Net Worth	1.0	1.0	1.0	1.2	1.2	1.1	1.1
(d)	Growth							
	Growth in Operational Turnover (%)	52%	46%	27%	55%	20%	22%	(18%)
	Growth in PBITDA (%)	35%	29%	36%	57%	5%	107%	(38%)
	Net Profit Growth (%)	1341%	24%	1%	93%	(11%)	7%	79%

The Year at a Glance - Consolidated

For the Year	March 31, 2010		March 31, 2009	
	Rs. lakhs	K US $	Rs. lakhs	K US $
Exports	41,844.75	88,728.70	53,571.69	115,516.97
Domestic Sales	15,574.56	33,024.70	16,209.68	34,953.04
Other Income and Exchange Gain / (Loss)	2,446.58	5,187.79	(3,539.51)	(7,632.27)
Profit Before Interest, Depreciation and Taxes (PBIDTA)	10,187.66	21,602.18	16,380.38	35,321.12
PBIDTA as a Percentage of Revenue	17.7%	17.7%	23.5%	23.5%
Profit / (Loss) Before Taxes (PBT)	9,292.23	19,703.48	7,082.68	15,272.43
Profit / (Loss) After Tax (PAT)	7,551.73	16,012.87	4,230.41	9,122.06
Earnings Per Share … Weighted Average (in Rs. / US$)[†]	27.85	0.59	15.17	0.33
Earnings Per Share … Diluted (in Rs. / US$)[†]	26.62	0.56	15.17	0.33
Equity Dividend Percentage (including Interim Dividend)	60%	60%	40%	40%
Equity Dividend Amount (including Interim Dividend)	1,626.66	3,537.76	1,084.44	2,358.50
Investment in Fixed Assets (Gross)	2,507.43	5,561.56	2,881.56	5,677.95
PBT as a Percentage of Average Net Worth	19.7%	19.7%	15.0%	15.0%
PAT as a Percentage of Average Net Worth	16.0%	16.0%	9.0%	9.0%
Revenue Per Person Year*	18.41	39,036	19.98	43,075
At the End of the Year				
Total Assets	55,763.64	123,685.57	54,662.32	107,709.00
Fixed Assets (Net)	28,930.27	64,168.28	31,978.03	63,010.90
Working Capital	10,522.26	23,338.71	20,447.65	40,290.94
Investment	15,906.60	35,281.36	2,019.98	3,980.26
Other Assets	404.51	897.22	216.66	426.92
Total Debt	3,405.52	7,553.55	6,372.01	12,555.68
Net Worth	52,358.12	116,132.02	48,290.31	95,153.32

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

- at the average conversion rate for all revenue items
- at the closing rate for all Balance Sheet items

* Quarterly average considering all employees including the support staff, numbers are in Rs. lakhs and US $

† Face value of Rs.10 per share

To shed the old skin and take on a new avtaar, let the old ways of business and operations give way to the new, is the only way to a sustainable future. To move with the times, we today, ironically look to something that has existed since time immemorial – nature. And we celebrate its unique ability to nurture a future without eroding the present.

With new opportunities must come the ability to discern it with a new pair of eyes, accept it without the biases of the old, to foster a new future that is here to stay.

At Sasken, we are geared to meet the future with a revolution – a green one. Towards this, we have adopted environment sustainability initiatives from energy conservation and optimal power distribution, to saving paper and recycling as per statutory norms and rainwater harvesting. Not only do our eco-friendly operations look to nature for inspiration, but we stand to inspire others in our wake too. Not for the immediate future but for a long time to come.

The winds of change don’t stop. And they mustn’t.
For with every change, comes new birth,
bigger opportunities and the ability to reinvent oneself.

Sasken Communication Technologies Limited

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

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Company will be held on Friday, July 9, 2010 at 4.00 p.m. at the Registered Office of the Company at No.139/25, Ring Road, Domlur, Bangalore 560 071, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010, Profit and Loss Account for the year ended on that date together with the reports of the Directors and the Auditors thereon.

2. To declare a dividend.

3. To appoint a Director in place of Mr. Sanjay M. Shah who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Dr. G. Venkatesh who retires by rotation and being eligible, offers himself for re-appointment.

5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the re-appointment of Mr. Rajiv C. Mody as Chairman & Managing Director of the Company for a period of 5 years with effect from April 1, 2010.

   RESOLVED FURTHER THAT (i) Mr. Rajiv C. Mody be paid the following remuneration for the financial year 2010-11 and (ii) that his other terms of appointment shall be as detailed below:

   (a) Fixed Salary of a sum not exceeding Rs.1.00 crore (Rupees One crore only) per annum, as may be determined by the Compensation Committee of the Board of Directors.

   (b) Variable Performance Pay (VPP) of such amount as may be determined by the Compensation Committee such that the aggregate remuneration of all Executive Directors does not exceed 10% of the net profits of the Company for the year ending March 31, 2011.

   (c) Other terms such as gratuity, leave, etc. shall be as applicable to other employees of the Company or as may be decided by the Compensation Committee.

   (d) The Board of Directors of the Company has the authority to determine the term of office at any time.

   RESOLVED FURTHER THAT in case of absence or inadequacy of profits for the financial year 2010-11, Mr. Rajiv C. Mody be paid the above mentioned remuneration, excluding VPP as minimum remuneration or as determined by the Compensation Committee.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds and things as are incidental thereto or as may be deemed necessary or desirable and to settle any question or difficulty that may arise, in such manner as it may deem fit.

7. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the re-appointment of Mr. Krishna J. Jhaveri as Whole Time Director of the Company for a period of 5 years with effect from April 1, 2010.

   RESOLVED FURTHER THAT (i) Mr. Krishna J. Jhaveri be paid the following remuneration for the financial year 2010-11 and (ii) that his other terms of appointment shall be as detailed below:

(a) Fixed Salary of a sum not exceeding US $ 100,000 (US $ One lakh only) per annum and other statutory contributions to be made by the Company as applicable, as may be determined by the Compensation Committee of the Board of Directors.

(b) Variable Performance Pay (VPP) of such amount as may be determined by the Compensation Committee such that the aggregate of remuneration of all Executive Directors does not exceed 10% of the net profits of the Company for the year ending March 31, 2011.

(c) Other terms such as gratuity, leave, etc. shall be as applicable to other employees of the Company or as may be decided by the Compensation Committee.

(d) The Board of Directors of the Company has the authority to determine the term of office at any time.

RESOLVED FURTHER THAT in case of absence or inadequacy of profits for the financial year 2010-11, Mr. Krishna J. Jhaveri be paid the above mentioned remuneration, excluding VPP as minimum remuneration or as determined by the Compensation Committee.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds and things as are incidental thereto or as may be deemed necessary or desirable and to settle any question or difficulty that may arise, in such manner as it may deem fit.

8. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the re-appointment of Dr. G. Venkatesh as Whole Time Director of the Company.

RESOLVED FURTHER THAT (i) Dr. G. Venkatesh be paid the following remuneration for the financial year 2010-11 and (ii) that his other terms of appointment shall be as detailed below:

(a) Fixed Salary of a sum not exceeding Rs.1.00 crore (Rupees One crore only) per annum, as may be determined by the Compensation Committee of the Board of Directors.

(b) Variable Performance Pay (VPP) of such amount as may be determined by the Compensation Committee such that the aggregate of remuneration of all Executive Directors does not exceed 10% of the net profits of the Company for the year ending March 31, 2011.

(c) Other terms such as gratuity, leave, etc. shall be as applicable to other employees of the Company or as may be decided by the Compensation Committee.

(d) The Board of Directors of the Company has the authority to determine the term of office at any time.

RESOLVED FURTHER THAT in case of absence or inadequacy of profits for the financial year 2010-11, Dr. G. Venkatesh be paid the above mentioned remuneration, excluding VPP as minimum remuneration or as determined by the Compensation Committee.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds and things as are incidental thereto or as may be deemed necessary or desirable and to settle any question or difficulty that may arise, in such manner as it may deem fit.

9. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 257 of the Companies Act, 1956, Ms. Neeta S. Revankar be and is hereby appointed as a Director of the Company, liable to retire by rotation.

10. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Ms. Neeta S. Revankar as Whole Time Director of the Company with effect from April 22, 2010.

RESOLVED FURTHER THAT (i) Ms. Neeta S. Revankar be paid the following remuneration for the period April 22, 2010 to March 31, 2011 and (ii) that her other terms of appointment shall be as detailed below:

(a) Fixed Salary of a sum not exceeding Rs.1.00 crore (Rupees One crore only) per annum, as may be determined by the Compensation Committee of the Board of Directors.

(b) Variable Performance Pay (VPP) of such amount as may be determined by the Compensation Committee such that the aggregate of remuneration of all Executive Directors does not exceed 10% of the net profits of the Company for the year ending March 31, 2011.

(c) Other terms such as gratuity, leave, etc. shall be as applicable to other employees of the Company or as may be decided by the Compensation Committee.

(d) The Board of Directors of the Company has the authority to determine the term of office at any time.

RESOLVED FURTHER THAT in case of absence or inadequacy of profits for the financial year 2010-11, Ms. Neeta S. Revankar be paid the above mentioned remuneration, excluding VPP as minimum remuneration or as determined by the Compensation Committee.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds and things as are incidental thereto or as may be deemed necessary or desirable and to settle any question or difficulty that may arise, in such manner as it may deem fit.

11. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

    RESOLVED THAT pursuant to Section 257 of the Companies Act, 1956, Mr. Kiran S. Karnik be and is hereby appointed as a Director of the Company, liable to retire by rotation.

By order of the Board

Place: Bangalore
Date: April 22, 2010

R. Vittal
Company Secretary

Notes:

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business is annexed hereto.
2. Corporate members are requested to send a duly certified copy of the board resolution authorizing their representative(s) to attend and vote at the Annual General Meeting.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
4. The Register of Members and Share Transfer Books will remain closed from July 3, 2010 to July 9, 2010 (both days inclusive).
5. Dividend as may be declared at the Annual General Meeting would be made payable on or before August 6, 2010 to the shareholders whose names are recorded in the Register of Members on July 2, 2010.
6. National Electronic Clearing Service / Mandate / Bank Details:

   Payment of dividend through National Electronic Clearing Service (NECS) – Reserve Bank of India vide its Circular 376-DPSS.(CO). EPPD. No.191-04.01.01-2009-10, dated July 29, 2009 has instructed banks to move to the NECS platform with effect from October 1, 2009. In this regard, it may be noted that in case the shareholders have not provided to the Company or to their Depository Participant (DP) the new account number as allotted after implementation of Core Banking System (CBS) by the Bank, ECS credit of future dividends to the shareholders' old account number may be rejected or returned by the banking system. In the above circumstances, the shareholders are requested to forthwith provide the Company or to the Share Transfer Agent, Karvy Computershare Pvt. Ltd., their new bank account number allotted to them, after the Bank has implemented CBS, along with the name of the Bank, Branch, 9 digit MICR Bank / Branch Code and Account type by quoting their folio number and a photocopy of a cheque pertaining to the Bank Account, so that the future dividends can be credited to their new account

number. In case the shareholders are holding shares in demat form, they are requested to provide the above bank account details to their DP.

7. Copies of the Annual Report will not be distributed at the Annual General Meeting. Members / Proxy Holders are therefore requested to bring to the Annual General Meeting their copy of the Annual Report and the Attendance Slip sent herewith duly filled in.

8. Members intending to seek explanation/clarification at the meeting about the information contained in Annual Report are requested to inform the Company at least a week in advance of their intention to do so, so that relevant information may be made available, if the Chairman permits such information to be furnished.

9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

10. Members are requested to write to the Company Secretary or to the Share Transfer Agent at the address given below, regarding transfer of shares and for resolving grievances:

    The Company Secretary
    Sasken Communication Technologies Limited
    139/25, Ring Road, Domlur,
    Bangalore 560 071.
    Tel: 080 3981 1122 Extn. 4914
    Fax: 080 3981 3329 / 2535 1309
    E-mail: investor@sasken.com

    Karvy Computershare Pvt. Ltd.
    Plot No.17-24, Vittalrao Nagar, Madhapur,
    Hyderabad 500 081.
    Tel: 040 2342 0818 / 4465 5000
    Fax: 040 2342 0814 / 4465 5021
    Contact Person: Mr. K.S. Reddy, Asst. Gen. Manager
    E-mail: einward.ris@karvy.com

11. (a) Route Map to the venue of the Annual General Meeting (b) Attendance Slip and (c) Proxy Form are given at the end of Annual Report.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956:

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

Ordinary Business

For Item Nos.3 & 4

Profile of Directors proposed to be re-appointed is given in the attachment to this annexure.

Special Business

For Item Nos.6 to 10

Mr. Rajiv C. Mody is one of the founders and is currently the Chairman & Managing Director of the Company. He has been steering the Company since 1989. Over the last 5 years, the Revenue of the Group has increased from Rs.24,177 lakhs to Rs.57,419 lakhs. In spite of turbulent conditions that prevailed in the last 2 years in the Information Technology Sector, the Profit after Tax of the Group has also increased over the last 5 years from Rs.2,278 lakhs to Rs.7,552 lakhs.

At the Annual General Meeting held on June 10, 2005 shareholders of the Company approved the appointment of Mr. Rajiv C. Mody as Chairman & Managing Director for a period of 5 years ending on March 31, 2010. The Board of Directors at its meeting held on April 22, 2010 has re-appointed Mr. Mody as Chairman & Managing Director for a further period of 5 years from April 1, 2010.

Mr. Krishna J. Jhaveri is also one of the founders and is currently the Whole Time Director of the Company and based in USA.

At the Annual General Meeting held on June 10, 2005 shareholders of the Company approved the appointment of Mr. Krishna J. Jhaveri as Whole Time Director for a period of 5 years ending on March 31, 2010. At its meeting held on April 22, 2010 the Board of Directors has re-appointed Mr. Krishna J. Jhaveri as Whole Time Director for a further period of 5 years from April 1, 2010.

Dr. G. Venkatesh has been with the Company since 1995 and became a Whole Time Director in January 2005. Subject to his being appointed as a Director under Item No.4 at the forthcoming AGM, it is proposed to re-appoint him as a Whole Time Director.

Notice *(Contd.)*

At its meeting held on April 22, 2010, the Board of Directors considered the valuable contributions made by Ms. Neeta S. Revankar, CFO and Global Head HR, IT & Administration, ever since she joined the Company in 1995 and decided to elevate her to the Board with immediate effect as a Whole Time Director. Towards this end the Board co-opted her as an Additional Director to hold office until the forthcoming Annual General Meeting under Article 114 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956. As required by Section 257 of the said Act, a notice along with the requisite deposit has been received from a shareholder signifying his intention to propose Ms. Neeta S. Revankar as a candidate for the office of Director at the forthcoming AGM. Subject to her being appointed as a Director under Item No.9, it is proposed to appoint her as a Whole Time Director.

Your Directors recommend the appointment / re-appointment and remuneration specified against each of the Whole Time Directors. In arriving at such remuneration, the Compensation Committee has taken into account the following factors:

- The job responsibility
- The contribution to the Company so far
- The industry practices
- Their expected contribution for the Company in the year ahead
- Present compensation package of senior management personnel.

VPP to be paid to the Whole Time Directors will be as per the same policy applicable to other employees and/or as determined by the Compensation Committee.

In any case, remuneration for the Whole Time Directors shall be determined by the Compensation Committee within the limits specified in the resolutions.

This may also be treated as an abstract of the terms and conditions of remuneration for these Directors pursuant to Section 302 of the Companies Act, 1956.

Mr. Rajiv C. Mody, Mr. Krishna J. Jhaveri, Dr. G. Venkatesh and Ms. Neeta S. Revankar, are concerned or interested in these resolutions to the extent of proposed remuneration to each of them. None of the other Directors of the Company is in any way concerned or interested in these resolutions.

The profile of the Directors being appointed / re-appointed is given in the attachment to this annexure.

Shareholders' approval is sought for the appointment / re-appointment and payment of remuneration to the above said Whole Time Directors.

For Item No.11

The Board of Directors of your Company co-opted Mr. Kiran S. Karnik as an Additional Director October 12, 2009 under Article 114 of the Articles of Association read with Section 260 of the Companies Act, 1956.

Mr. Karnik, has been recognized as the guiding force for the Indian IT industry for over a decade through his stewardship of NASSCOM. By providing perspective and background information, he has been instrumental in promoting India's technology strength to the world.

Mr. Karnik holds office upto the date of this Annual General Meeting. As required by Section 257 of the said Act, a notice along with requisite deposit has been received from a shareholder signifying his intention to propose Mr. Karnik as a candidate for the office of Director at the forthcoming AGM. His profile is given in the attachment to this annexure.

None of the directors of the Company, except Mr. Karnik is in any way concerned or interested in this resolution.

Your Directors recommend the appointment and shareholders' approval is sought for the same.

By order of the Board

Place: Bangalore
Date: April 22, 2010

R. Vittal
Company Secretary

Attachment to the Annexure to Notice (Item Nos.3,4, 6 to 11 of the Notice)

Details of Directors to be appointed / re-appointed at the Annual General Meeting to be held on July 9, 2010.

Name of Director	Mr. Rajiv C. Mody	Mr. Krishna J. Jhaveri	Dr. G. Venkatesh
Age	52 years	55 years	48 years
Date of Appointment / Last Re-appointment	September 29, 1989 / April 1, 2005	September 29, 1989 / April 1, 2005	January 25, 2005 / June 23, 2007
Brief Resume and nature of expertise in specific functional areas	He is Chairman and Managing Director and one of the founders of the Company. Founded Sasken in 1989 at San Jose along with two other co-founders. The Company was set up in the classical tradition of Silicon Valley startups, in a garage in Fremont, California. He qualified in Electrical Engineering degree from M.S. University, Baroda and Masters Degree in Computer Science from Polytechnic Institute of New York. He worked for Advanced Micro Devices, Seattle Tech Inc., and VLSI Technology Inc. in USA. At VLSI, he was responsible for the design, development and integration of physical design tools for Gate-Array and Standard Cell Design Styles. He has co-authored a patent in the area of physical design and published a paper at the ICCAD conference. He has been with Sasken since inception. He has over 24 years of experience in the technology business.	He is a Whole Time Director and one of the founders of the Company. He completed his Bachelors degree in Mechanical Engineering from M.S. University, Baroda in 1978 and Masters in Operations Research and Industrial Engineering from the University of Texas at Austin in 1983. He worked in Intel for over eight years and is well experienced in the semiconductor manufacturing processes. As a Project Engineer at Intel, he has actively participated in bringing about the production of some of the world's most popular microprocessors, including the Intel 80286, 80386, 80486 and 80860.	He is a Whole Time Director of the Company. He started as a researcher at India's premier research Institute TIFR, Bombay, then moved to the Computer Science Department of IIT Bombay where he spent 8 years teaching and researching in the areas of temporal logic, functional/logic programming, and applications of logic and languages to VLSI design, which resulted in about 50 papers in international conferences and journals in these areas. He made his transition to the industry in 1990 when Sasken was in its start up phase and moved full time to Sasken as Technology Head in 1995. He has played various managerial roles at Sasken and is currently a board member, the Chief Technology and Strategy Officer and heads the Global Delivery function. He also participates in teaching and research at IIM, Bangalore, where his interests revolve around applying game theory to strategic thinking, specifically in the telecom and semiconductor industries and in IT outsourcing. He is a graduate in Electronics from IIT, Madras, a Ph.D in Computer Science from TIFR, Bombay, and is a Fellow of the Indian National Academy of Engineers. Other positions held by him are Governing Council member, Centre for Excellence in Wireless Technology (CEWiT), IIT, Madras; Governing Council member of the Indian Association for Research in Computing Science (IARCS); Steering Committee Chair for the Communication Systems and Networks conferences (ComsNets); Member, Sectional Committee VI, INAE; Member NASSCOM Embedded Systems SIG; Jury member for the NASSCOM Innovation Awards; Member ISA Core committee.
List of other Indian Companies in which Directorship is held	J B Chemicals & Pharmaceuticals Ltd., Sasken Network Engineering Ltd., Solectron EMS India Ltd., TACO Sasken Automotive Electronics Ltd. and ConnectM Technology Solutions P. Ltd.	–	Sasken Network Engineering Ltd. TACO Sasken Automotive Electronics Ltd., 3D Solid Compression P. Ltd. (Advisory Board Member) and ConnectM Technology Solutions P. Ltd.
Chairman/Member of the Committee(s) of Board of Directors of Sasken	Member - Share Transfer and Investor Grievance Committee	–	Member - Share Transfer and Investor Grievance Committee
Chairman/Member of the Committee(s) of Board of Directors of other companies in which he is a Director			
a) Audit Committee	Solectron EMS India Ltd.	–	–
b) Share Transfer and Investor Grievance Committee	–	–	–
Shareholding in the Company (Equity Shares of Rs.10/- each)	11,113	38,056	210,707

Name of Director	Mr. Sanjay M. Shah	Mr. Kiran S. Karnik	Ms. Neeta S. Revankar
Age	46 years	63 years	43 years
Date of Appointment / Last Re-appointment	June 10, 2005 / June 17, 2006	October 12, 2009	April 22, 2010
Brief Resume and nature of expertise in specific functional areas	He is the Managing Director of Skelta Software Pvt. Ltd. He did his Bachelor of Technology from the Indian Institute of Technology, Bombay in 1985 and Masters in Computer Science from Virginia Tech, US in 1988. Prior to joining Skelta Software, he was the Managing Director and Head of Research and Development of iCode Software, a wholly owned subsidiary of a US based multinational software company, iCode Inc., which he co-founded in 1994.	A post-graduate from Indian Institute of Management – Ahmedabad, he was the President of NASSCOM, the premier trade body and the “Chamber of Commerce” for the IT software and services industry in India, till 2008. In this role, he worked closely with the industry and the Indian central and state governments to formulate policies and strategies for the advancement of this sector locally as well as internationally. He has been recognized as the guiding force for the Indian IT industry during the outsourcing backlash. By providing perspective and background information, he has been instrumental in promoting India’s technology strength to the world. Prior to joining NASSCOM in 2001, he was the Managing Director at Discovery Networks in India where he spearheaded the launch of Discovery Channel in South Asia in August 1995 and Animal Planet (a Discovery – BBC joint venture) in 1999. From 1991 to 1995, he was founder-director of the Consortium for Educational Communication, which was responsible for UGC’s Countrywide Classroom broadcasts and other ICT initiatives. In his career spanning over four decades, Mr. Karnik has been conferred many awards and accolades. He has been awarded the Padma Shri in 2007 and the ‘DATAQUEST IT Person of the Year – 2005’. BusinessWeek named him as one of the ‘Stars of Asia’ in 2004 and he was selected as Forbes magazine’s ‘Face of the Year 2003’, for being a driving force behind India’s offshoring wave. He has been on many key Government Committees and is a Member of Scientific Advisory Council to Prime Minister and the Central Employment Guarantee Council. He also chairs the International Steering Committee of the Commonwealth Connects Programme.	She has been with Sasken since April 1995 and is one of the many Sasken leaders who have grown through the ranks. She is a qualified Chartered Accountant and Company Secretary and participated in the Program for Global Leadership (PGL) in 2001 and Advanced Management Program (AMP) of the Harvard Business School in 2007. She has established herself as a CFO not just in Sasken but also has won commendations from external accredited CFO forums. In recognition of her contribution towards enhancing the strategic scope of the finance function and the excellence exemplified by her in the domain, she was conferred the India CFO Award 2005 for ‘Excellence in Finance in SME’ by IMA India. As CFO she has helped Sasken establish strong financial discipline, corporate governance & ethical business practices. Further, over the last couple of years she has contributed to stabilizing and strengthening the Human Resource (HR) function. Her current responsibilities - CFO and Global Head HR, IT and Administration – are a reflection of her sharp business acumen and capable leadership.
List of other Indian Companies in which Directorship is held	Skelta Software P. Ltd.	Torrent Pharmaceuticals Ltd., Torrent Pharma Ltd., IDBI Asset Management Ltd., Aujas Networks P. Ltd., Devas Multimedia P. Ltd., IKP Investment Management Co. P. Ltd., and Schnabel DC Consultants India P. Ltd.	Sasken Network Engineering Ltd., TACO Sasken Automotive Electronics Ltd.
Chairman/Member of the Committee(s) of Board of Directors of Sasken	–	–	–
Chairman/Member of the Committee(s) of Board of Directors of other companies in which he/she is a Director			
a) Audit Committee	–	Torrent Pharmaceuticals Ltd.	TACO Sasken Automotive Electronics Ltd.
b) Share Transfer and Investor Grievance Committee	–	–	–
Shareholding in the Company (Equity Shares of Rs.10/- each)	8,482	Nil	22,242

Directors' Report

Your Directors have pleasure in presenting the report on the business and operations of the Company along with the Audited Accounts for the financial year ended March 31, 2010.

Result of Operations (Consolidated) - Extract

Amount in Rs. lakhs

Particulars	Year ended March 31, 2010	Year ended March 31, 2009
Revenues	**57,419.31**	**69,781.33**
Cost of Revenues	42,919.14	47,228.54
Gross Profit	14,500.17	22,552.79
Non-operating Income (net)	2,446.58	(3,539.51)
Exceptional Item	–	1,519.70
Profit before Income taxes	9,292.23	7,082.68
Income Taxes Expense, net (including FBT)	1,740.50	2,852.27
Profit after Tax	**7,551.73**	**4,230.41**
Appropriation:		
Proposed Equity Dividend	1,084.44	1,084.44
Interim Dividend	542.22	–
Dividend Tax	276.45	184.30

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

Your Company's performance in the financial year may be summed by what George S. Clason, the well known US writer said,"Opportunity is a haughty goddess who wastes no time with those who are unprepared".

During the turbulent period in this financial year, your Company has proactively taken several measures to ensure that there is sufficient growth in bottom line despite challenges in maintaining top line growth. In parallel the management team has ensured that, going forward your Company emerges stronger and is poised for growth. This will be by a two pronged strategy of leveraging on its deep competencies to grow existing business and tap into market adjacencies, consumer electronics, defense, aerospace and satellite communications.

A few notable achievements that we are proud of in the current year include the path breaking development of the "IsatPhone Pro", a handheld satellite phone for Inmarsat plc, UK, the leader in global mobile satellite communications services. Inmarsat completed its first call from Hawaii and this unique phone is set for a planned global launch in June 2010.

One of the most important elements of the IsatPhone Pro development has been the contribution of your Company in the R&D of this phone. Our global multi-site teams have successfully delivered on all key milestones in the last 13 months of this engagement. We were entrusted with the responsibility for end-to-end development of this satellite phone, which has been made possible through the coordinated efforts of multiple global centers of excellence spanning India, Finland and Germany. Sasken's global footprint, multifaceted capability and access to the best talent across the world place it in a unique position to deliver at optimal and cost-effective solutions to its customers.

During the year under review your Company joined the "Open Handset Alliance", a group of 65 technology and mobile companies who have come together to accelerate innovation in mobile devices and offer consumers a richer, affordable, and superior mobile experience. As a member of the Open Handset Alliance, your Company will work with other member companies to enable our customers to launch differentiated customer owned equipment like phones and other communication devices/appliances. The ability to enhance the user experiences through its unique combination of consultancy and services in both hardware and software is a key and critical determinant of "market acceptance" for such products. Sasken is able to integrate its software products to platforms such as Android and service a burgeoning market for devices that intersperse mobile communication and web technologies.

Your Company is privileged to be part of the Open Handset Alliance as it brings its extensive experience and leadership in helping build differentiated applications and solutions to the Android platform. Android provides the ideal platform for rich media consumption and a differentiated user experience, which is already shaping the nature of these devices. Our work with leading members of this community and the membership to the Open Handset Alliance strengthens our position to service customers in their quest to provide an enhanced quality of service.

During the year your Company acquired certain product portfolio, assets as well as certain customers of Ingenient Technologies Inc. USA. This has enabled your Company to offer turn key solutions to consumer electronics, security & surveillance, enterprise, infrastructure and automotive electronics markets. This has also helped in having a foothold in Korea as well as expanding its business operations in Japan.

Opportunities are opening up in the semiconductors and handset space while networks business remains a challenge. Your Company is working on re-vectoring network capabilities towards the satellite infrastructure space. While we strike the right balance in keeping the business profitable and in protecting the interests of your Company, we have seen challenging times and our conviction is that things will improve from here onwards.We have expanded our engagements within the areas of modem development and testing, leveraging our deep expertise and experience in communication protocol stacks.

Field-testing of wireless modems and handsets, both at the radio level and applications is an area of focus and expected growth. We are engaged with Tier 1 customers across multiple geographies, helping them test their products for launch in various countries and operators. Mobile Internet, broadly delivering web services on the mobile are other areas where we are focusing, though still in early stages.

Your Company's revenues have decreased by 17.7% in rupee terms, from Rs.69,781.33 lakhs in 2008-09 to Rs.57,419.31 lakhs in 2009-10. Software Services, including Network Engineering Services, dropped by 14.7%, contributing 95% to the revenues, while the Software Products revenues contributed 4%. The net profits grew from Rs.4,230.41 lakhs in FY09 to Rs.7,551.73 lakhs during the year, registering a growth of 78.5%. This has also translated to an Earnings Per Share of Rs.27.85 in 2009-10 vs. Rs.15.17 in 2008-09.

Dividend

Your Company paid an interim dividend of 20% in November 2009 and the Board recommends a final dividend of 40% (Rs.4 per equity share) thus making the total dividend of 60% for the year.

Scheme of Arrangement

Your Company had approached the Hon'ble High Court of Karnataka for its sanction to create a Business Restructuring Reserve from out of the Securities Premium Account in terms of a Scheme under Section 391 / 394 of the Companies Act, 1956. The Scheme provides for the Business Restructuring Expenses to be directly adjusted against the said Business Restructuring Reserve. Pursuant to the Scheme and as approved by the Hon'ble High Court of Karnataka, vide its order dated March 31, 2010, a sum of Rs.14,578.08 lakhs has been transferred from the Securities Premium Account and credited to Business Restructuring Reserve Account. The Company has adjusted Rs.1,519.70 lakhs, being impairment loss on capitalized software, which was charged to Profit and Loss Account in the previous year, being considered as a Restructuring Expense incurred after the Appointed Date, i.e. April 1, 2008, has been credited to Profit and Loss Appropriation Account and adjusted against Restructuring Reserve Account.

Had the Scheme not prescribed the aforesaid treatment, the balance in Profit and Loss Account would have been lower by Rs.1,519.70 lakhs and Business Restructuring Reserve higher by Rs.1,519.70 lakhs, with no impact on overall reserves of the Company.

Employees Stock Option Plan (ESOP)

The Company's ESOP continues with the philosophy of sharing wealth with its employees and encourages the employees to be partners in the growth of the organization.

ESOP 2000 Scheme

No new grants were made under this scheme during the year under review. There were 28,696 options outstanding with employees as of March 31, 2010.

ESOP 2006 Scheme

New grants made under this scheme during the year are detailed in Annexure 1. The options outstanding with employees including Directors, as of March 31, 2010 are 2,125,000 options. There are 679,250 unissued options as on March 31, 2010.

The details required under SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme), Guidelines 1999, as on March 31, 2010 are given in Annexure 1 forming part of this Report.

Corporate Social Responsibility (CSR)

As a responsible Corporate Citizen, your Company is committed to contributing to the society, environment and community. The focus areas in which your Company strives to “Make a Difference Everyone” or “MaDE” and our endeavor is to serve the community, environment, differently abled citizens, children, underprivileged and academia. Sasken translates this into action by providing financial and non-financial support, as well as extending and encouraging volunteer participation in CSR initiatives.

Your Company has been supporting Vathsalya Charitable Trust over several years. Vathsalya is an NGO, working for the welfare of orphan children. Sasken bears all their medical bills, on monthly basis subject to a pre-fixed limit. Your Company also extends its support to other non-governmental voluntary organizations on a case-by-case basis.

‘Prakruti Mela’ is conducted every year at Sasken premises to promote sale of environmentally friendly products through partner vendors. Awareness programs on AIDS, Cancer and CSR are conducted at regular intervals. Support for setting up stalls is provided for non profit organizations for sale of their products to employees.

Patents

The following table gives details about the various patent applications made by your Company, till date.

	US	India	Other Countries	Acquired
Applied	40	21	9	-
Granted	26	8	1	1
Granted since last report	3	-	-	-
Abandoned	5	7	2	-
Sold	4	-	-	-
Pending	9	6	6	-

There has been a conscious effort on the part of the Company to obtain a return on investment on the patents. In this direction, the Company chose to sell four patents for a consideration of USD 450,000. However, the Company continues to retain the right to use these patents in its own products. Your Company will continue to actively explore various options for licensing the patents, through well established and credible Intellectual Property consultants.

Corporate Governance

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the standards set out by the Securities and Exchange Board of India’s (SEBI) Corporate Governance practices and accordingly have implemented all the major stipulations prescribed. Your Company’s Corporate Governance Compliance Certificate dated April 22, 2010 in line with Clause 49 of the Stock Exchange Listing Agreement is given in Annexure 2 forming part of this Report.

Directors’ Responsibility Statement

As stipulated in Section 217(2AA) of the Companies Act 1956, your Directors subscribe to the “Directors’ Responsibility Statement” and confirm that:

- In the preparation of the annual accounts, the applicable accounting standards and in relation to the Scheme of Arrangement, the Order of the High Court of Karnataka have been followed. (Refer Note No.5 of the Abridged Financial Statements / Note No.4(a) of Notes forming part of the Consolidated Accounts for details of the same).
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- The Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.

Directors' Report *(Contd.)*

Subsidiary Companies

As required under Accounting Standard 21, Consolidated Financial Statements incorporate the results of the following subsidiary companies, viz. (a) Sasken Network Engineering Limited, (b) Sasken Network Solutions Inc., USA, (c) Sasken Communication Technologies Mexico S.A. de C.V., (d) Sasken Communication Technologies (Shanghai) Co. Ltd., (e) Sasken Communication Technologies Oy, (f) Sasken Finland Oy, (g) Sasken Inc. USA and (h) Sasken Japan KK.

In terms of the Central Government approval under Section 212(8) of the Companies Act, 1956, the audited Financial Statements along with the reports of the Board of Directors and the Auditors pertaining to the above subsidiaries have not been attached to this Report. The Financial Statements of the said subsidiaries will be kept for inspection by any investor at the registered office of your Company and that of the subsidiary companies. Investors who want to have a copy of the above may write to the Company Secretary at the registered office.

Directors

Mr. Sanjay M. Shah and Dr. G. Venkatesh retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr. Kiran S. Karnik was co-opted as an Additional Director on October 12, 2009 and as such he holds office upto the date of this Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Kiran S. Karnik as a candidate for the office of Director and accordingly a resolution is placed before the members at the forthcoming Annual General Meeting.

At its meeting held on April 22, 2010, the Board of Directors considered the valuable contributions made by Ms. Neeta S. Revankar, CFO and Global Head HR, IT & Administration, ever since she joined the Company in 1995 and decided to elevate her to the Board with immediate effect as a Whole Time Director. Towards this end, the Board co-opted her as an Additional Director to hold office until the forthcoming Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Ms. Neeta S. Revankar as a candidate for the office of a Whole Time Director and accordingly a special resolution is placed before the members at the forthcoming Annual General Meeting.

At the Annual General Meeting held on June 10, 2005, Mr. Rajiv C. Mody and Mr. Krishna J. Jhaveri were appointed as Chairman & Managing Director and Whole Time Director respectively for a period of five years and their term expired on March 31, 2010. The Board at its meeting held on April 22, 2010 re-appointed them for a further period of five years with effect from April 1, 2010.

The terms of appointment of Mr. Rajiv C. Mody and Mr. Krishna J. Jhaveri are detailed in the Notice convening the Annual General Meeting for members' approval. The remuneration payable to Mr. Rajiv C. Mody as Chairman & Managing Director and the remuneration payable to Mr. Krishna J. Jhaveri, Dr. G. Venkatesh and Ms. Neeta S. Revankar as Whole Time Directors for the year 2010-11 are detailed in the Notice convening the Annual General Meeting for members' approval.

Conservation of Energy, Technology Absorption and Foreign Exchange Outgo

Annexure 3 forming part of this Report gives information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors), Rules 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo.

ISO 14001

Sasken is compliant with the Environmental Management System Standard - ISO 14001, an International Standard. Sasken is committed to be a responsible member of the communities in which it works. This reaffirms your Company as a responsible corporate citizen.

ISO 27001

Sasken adheres to the Information Security Management System - ISO 27001, an International Standard. This is important for assuring our customers of our commitment in protecting their IP as well as sensitizing all employees about confidentiality and integrity of information.

TL 9000 (including ISO 9001:2008)

Sasken is compliant with the telecom industry specific Quality Management System Standard - TL 9000 R5.0, an International Standard which by definition includes the ISO 9001:2008 requirements.

ISO/IEC 17025

Sasken Test Lab is compliant with the Test Lab specific Quality Management System Standard - ISO/IEC 17025, an International Standard. This is important for assuring quality and reliability of test lab reports as required by our customers to meet Global Communication Forum requirements.

Particulars of Employees

We present abridged accounts under Section 219 of the Companies Act, 1956. Pursuant to the Rules and Forms read with Section 219 of the Companies Act, 1956, the particulars of employees, as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 have not been provided. However, these particulars are available for inspection at the Registered Office of the Company and upon written request from a shareholder, we will arrange to mail these details. It may be noted such particulars will not include details of employees of the Company posted and working outside India as per the relevant rules.

Deposits

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

Auditors

M/s. S.R. Batliboi & Co., auditors of the Company retire at the forthcoming Annual General Meeting and have confirmed their eligibility for re-appointment.

Acknowledgement

Your Directors place on record their appreciation of co-operation and support extended by customers, shareholders, vendors, bankers and all governmental and statutory agencies. Your Directors thank the employees for their valuable contribution during the year and look forward to their continued support.

For and on behalf of the Board of Directors

Bangalore
April 22, 2010.

Rajiv C. Mody
Chairman & Managing Director

Annexure to the Directors' Report

Annexure 1

Disclosures under SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme), Guidelines 1999

	Description	ESOP 2000	ESOP 2006
1.	Total number of Options outstanding as on April 1, 2009	181,173	240,750
2.	Total number of Options granted during the year	-	2,180,000
3.	Total number of Options vested (but not exercised) cumulative till March 31, 2010	-	2,000
4.	Total number of Options exercised during the year	-	-
5.	Total number of shares arising as a result of exercise of option	-	-
6.	Total number of Options lapsed (due to resignation, etc.) during the year ended March 31, 2010	152,477	295,750
7.	Total number of Options outstanding as on March 31, 2010	28,696	2,125,000
8.	Money realized by the exercise of Options (in Rs.)	-	-
9.	Total number of Options in force	28,696	2,125,000

10. Variation of terms of Options

ESOP 2000: During the year, the exercise period of 25,213 options issued in June 2004 have been extended by 2 years. Consequently, the exercise period for these options now ends on March 31, 2012 / June 30, 2012, all other terms remaining unaltered.

ESOP 2006: Nil

11. Pricing formula for the grant:

Pricing of the Option will be the weighted average of the stock traded price, as on the last day of the quarter previous to the month of grant of Option with a progressive increase for subsequent years or as may be determined by the Compensation Committee from time to time. The first lot of Options will vest after one year from the date of grant of Option and the subsequent lots will vest thereafter. The Option-holder will have 2 years from the date of vesting to exercise the Options. On the expiry of the exercise period, Options that have not been exercised will lapse and cease to be valid. However, the exercise period can be extended for exceptional cases based on approval by the Compensation Committee.

Following is a snapshot of Vesting Schedule applied at different grants:

Options granted during	Vesting Schedule	Price Range (Rs.)
2004-05	July 2005 – July 2008	160 – 256
2005-06	July 2006 – July 2009	225 – 321
2006-07	July 2007 – July 2009 Oct 2007 – Oct 2010 Jan 2008 – Jan 2011	234 – 321 298 – 394 367 – 559
2007-08	Apr 2008 – Apr 2011 July 2008 – July 2011 Oct 2008 – Oct 2011	475 – 667 554 – 746 410 – 602
2008-09	Apr 2009 – July 2009	120
2009-10	April 2010 – Oct 2012	52 – 155

12. Details of Options granted to some of the senior managerial personnel during the year under review:

Name	No. of Options	Vesting Schedule	Price Range (Rs.)
Dr. G. Venkatesh	150,000	Apr 2010 - Jan 2012	52
Ms. Neeta S. Revankar	150,000	Apr 2010 - Jan 2012	52
Mr. Rajesh Maniar	75,000	Apr 2010 - Jan 2012	52
Mr. S. Ramaraj	75,000	Apr 2010 - Jan 2012	52

Name	No. of Options	Vesting Schedule	Price Range (Rs.)
Mr. T.K. Srikanth	75,000	Apr 2010 - Jan 2012	52
Mr. Hannu Jyrkka	60,000	Apr 2010 - Jan 2012	52
Mr. Ashok Bhaskar	50,000	Apr 2010 - Jan 2012	52
Mr. Kalle Toivonen	60,000	Oct 2010 – July 2012	155

13. Employee-wise details of Options granted to:

Any other Employees who were in receipt of grants amounting to 5% or more of total Options granted during the year	:	Nil
Employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	:	Nil

14. Consolidated Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with the Indian Accounting Standard 20 : Rs.26.62 per share

15. Description of method and significant assumptions used during the year to estimate fair value of Options:

The method applied was the Black – Scholes – Merton formula with the following assumptions:

	April 2009	June 2009	July 2009	Sept. 2009	Oct. 2009	Jan. 2010	Jan. 2010
Average risk free interest rate	7.39%	7.39%	7.39%	7.39%	7.41%	7.69%	7.69%
Weighted average expected life of options granted (in years)	2.63	2.63	2.63	2.48	2.63	2.63	2.63
Expected dividend yield	6.84%	3.73%	3.21%	2.46%	2.48%	1.98%	1.98%
Volatility (annualized)*	67.62%	70.26%	70.25%	70.33%	70.14%	69.00%	69.00%
Weighted average market price (Rs)	58.50	107.10	124.65	162.65	161.35	202.12	202.15
Weighted average fair value of the options	22.03	53.53	79.32	87.28	71.69	153.05	103.52
Exercise Price	52.00	76.00	52.00	108.00	155.00	52.00	155.00

* Based on historical market price of the Company's shares for the period since listing.

Annexure 2

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members,
Sasken Communication Technologies Limited,
Bangalore.

We have examined all relevant records of Sasken Communication Technologies Limited (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Bombay Stock Exchange Ltd., and National Stock Exchange of India Ltd., for the period commencing from April 1, 2009 to March 31, 2010. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purposes of the certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with:

(a) All the mandatory conditions of the said Clause 49 of the listing agreement,

(b) The following non-mandatory requirements of the said Clause 49:

- Constitution of Remuneration Committee (designated as Compensation Committee)
- Implementation of the Whistle Blower Policy
- Audited financial results for half year ended September 30, 2009 were mailed to shareholders.

For J. Sundharesan & Associates
Company Secretaries

J. SUNDHARESAN
Partner
Practising Company Secretary
FCS 5229, CP No.5164

Date: April 22, 2010
Place: Bangalore

Annexure 3

Particulars pursuant to the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A) Conservation of Energy – Environmental Management System (EMS)

"SAVE ENERGY TODAY FOR A BRIGHTER TOMORROW"

Sasken, being a responsible corporate citizen focuses equally on the environment as well as its business. Our employees being important Stakeholders have been acting as a major "Change Agents" in supporting initiatives such as:

- 100% compliance to all applicable legislations
- Creating awareness on the consumption of environment's resources through various campaigns
- Recycling and re-using resources in our Business operations
- Promoting environment friendly products

Sasken has been committed to achieving high standards of environmental quality and product safety, as well as providing a safe and healthy environment for its employees, contractors and the society.

To create awareness and contribute to conserve the environment, extensive environmental drives were initiated in FY 0910 which attracted a huge participation from Employees. Under the "Prakruti Mela" initiative, we encourage employees to procure environment friendly products which helped employees to understand the importance of natural resource conservation. A Six Sigma Project on employee cubicle cost management was done where environment friendly materials were used for which Sasken also won the "Six Sigma Excellence Award".

We have been successful in reducing our energy consumption by about 18%, waste generation by about 30% and paper consumption by 20% respectively. We have also successfully carried out various waste recycling programmes. Set of guidelines have been put in place by the EMS team to ensure that EMS awareness is driven at the design stage of all hardware and software related projects.

At Sasken, our commitment to continuous improvement on environmental performance is integrated into our programs. This is driven by individual commitment of various team members and strong support from the management.

At Sasken our philosophy is

"Every drop counts, every tree is precious and every watt is valuable. We pledge to take the initiative and make a difference."

B) Research and Development and Technology Absorption

The Company has made significant strides in product R & D during the year, especially in Multimedia.

Your Company has acquired the product portfolio of Ingenient Technologies Inc. Ingenient headquartered in Chicago, offers best-in-class Multimedia codecs in Audio, Video, Image and Speech space. It is a leading supplier of custom multimedia components in USA, Japan and Korea. Ingenient's customers are key players in Consumer Electronics, Security and Surveillance and Broadcast segments.

The acquisition positions your Company as a global leader in multimedia software solutions and widens the Company's customer base to include Consumer Electronics vendors. Ingenient's multimedia software complements the Company's portfolio. This is in line with your Company's strategy of diversifying its portfolio and expanding into market adjacencies.

The Company continued to work closely with a leading Japanese customer and has been part of many successful handset launches with Sasken's Multimedia Subsystem offering designed into them. The Company is currently engaged with this customer in providing multimedia codec components on next generation platforms. This Intellectual Property is part of the handsets that were launched in Q2'09. The Company is also engaged in developing an offering in Microsoft's Device Stage 7, which is expected to become a de facto standard for accessing and synchronizing any consumer device that connects to a PC.

The Company has focused more closely on working with Open Source Forums like Symbian Foundation and Open Handset Alliance (Android). Active efforts are going on towards contributing advanced features or technology to these forums to maintain the Company's leadership in handset space.

Your Company has consolidated its position in the satellite communication space. It has been involved in a full phone design for Inmarsat. It has successfully re-engineered the GSM protocol stack to GMR2+ satellite communications standard. It has licensed its Application framework for this phone. The phone has been designed to accommodate the Company's GSM solution in the future if there is a need.

Your Company continues to participate in R&D efforts in Broadband Wireless domain through industrial forums, such as CEWiT (Centre of Excellence in Wireless Technology) and IU-ATC (India-UK Advanced Technology Centre).

With CEWiT, the Company is actively exploring collaboration in Long Term Evolution (LTE) technology, which is expected to be the next generation (4G) wireless technology. The Company has consciously invested a team on developing part of this technology in-house.

As member of IU-ATC, your Company is supporting a project granted by DST (Department of Science and Technology). As part of this exercise the Company will contribute in kind to the exploration of setting up an end-to-end Indo-UK transnational wireless test bed.

C) Foreign Exchange Earnings and outgo

Amount in Rs. lakhs

Foreign exchange earnings	36,871.17
Foreign exchange outgo (including capital goods purchased, Travel Expenses (Net) and Dividend Paid in foreign currency)	9,758.53

Corporate Governance

Your Company believes that Corporate Governance is to ensure corporate fairness, transparency and accountability in all its activities, while keeping the whole structure of the Company more responsible towards enhancing the trust of all stakeholders, whether it is majority or minority. It involves a set of relationships between a Company's management, its board, its shareholders and other stakeholders of the Company. It is a culture based on a foundation of sound business ethics for accomplishing the long term strategic goal of the Company while taking into account the expectations of all the key stakeholders and within the applicable legal framework.

Your Company has a Code of Conduct for its employees and Directors and it is available on its website. Your Company has also in place a Policy on Code of Conduct for Prevention of Insider Trading and an Information Security Policy that ensures proper utilisation of IT resources and a commitment to do business in an efficient, responsible, honest and ethical manner.

All the Members of the Board and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct.

Your Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement existing as of March 31, 2010 and presents the following Corporate Governance Report for the year 2009-10 based on the said disclosure requirements.

Board of Directors

As on March 31, 2010, the Board of Directors of your Company comprises eleven directors out of which eight are Non-Executive Directors including the Independent Directors and three are Executive Directors. An Alternate Director is also on the Board. The Board has an optimum combination of Executive, Non-Executive and Independent Directors with considerable experience in their respective fields. The Chairman of the Board is an Executive Director and manages the day to day affairs of the Company. Of the entire Board, 50% of the Directors are "Independent", as defined in Clause 49 of the Listing Agreement.

Ms. Neeta S. Revankar was co-opted as an Additional Director of the Company on April 22, 2010. As the information provided in this Report is for the year ended March 31, 2010 and details of her profile, directorship, shareholding, etc., do not form part of this report but may be seen in Annexure to Notice on the subject relating to her appointment as Director.

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

Director	Category	Shareholding as of March 31, 2010	No. of Directorship held*		Committees†	
			Public	Private	Chairman	Member
Mr. Rajiv C. Mody**	Executive	11,113	4	1	-	1
Dr. G. Venkatesh	Executive	210,707	2	2	-	-
Mr. Krishna J. Jhaveri**	Executive	38,056	-	-	-	-
Mr. J.B. Mody**	Non-Executive	368,106	4	3	-	1
Mr. Pranabh D. Mody**	Non-Executive	318,506	3	3	-	-
Dr. Ashok Jhunjhunwala	Independent	1,970	7	0	1	4
Mr. Bansi S. Mehta	Independent	5,929	14	1	4	5
Prof. J. Ramachandran	Independent	1,150	7	2	3	4
Mr. Sanjay M. Shah	Independent	8,482	-	1	-	-
Mr. Bharat V. Patel	Independent	-	4	-	1	2
Mr. Kiran S. Karnik♪	Independent	-	3	4	-	1
Mr. Bharat P. Mehta#	Alt. Director	1,250	3	3	-	-

* Does not include directorships in Sasken, foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

** Promoter

Corporate Governance *(Contd.)*

† Only membership in Audit and Investor Grievance Committees of public limited companies are considered. Does not include membership in Sasken.

♪ Mr. Kiran S. Karnik was appointed as an additional director w.e.f. October 12, 2009.

Mr. Bharat P. Mehta is the son-in-law of Mr. J. B. Mody.

The Board normally meets once in a quarter and additionally as and when required. During the year 2009-10, the Board of Sasken met on 9 occasions, i.e., on May 4, 2009, June 29, 2009, July 16, 2009, July 17, 2009, October 12, 2009, October 28, 2009, November 10, 2009, January 21, 2010, and January 29, 2010. The maximum gap between the two meetings was not more than 4 months. Quorum was present at all the meetings.

The agenda papers along with explanatory statements were circulated in advance of the meetings with sufficient information as required under Clause 49 of the Listing Agreement.

The attendance of the Directors and the sitting fees paid to them is as follows:

Directors	No. of Board meetings during 2009-10		Whether attended last AGM held on September 19, 2009	Sitting fee (In Rs. lakhs)**
	Held	Attended		
Mr. Rajiv C. Mody	9	8	Yes	-
Dr. G. Venkatesh	9	9	Yes	-
Mr. Krishna J. Jhaveri	9	4	No	-
Mr. J.B. Mody	9	-	No	-
Mr. Pranabh D. Mody	9	5	Yes	0.70
Dr. Ashok Jhunjhunwala	9	6	Yes	1.21
Mr. Bansi S. Mehta	9	5	No	0.97
Prof. J. Ramachandran	9	8	Yes	1.30
Mr. Sanjay M. Shah	9	7	Yes	0.90
Mr. Bharat V. Patel*	7	5	Yes	0.50
Mr. Kiran S. Karnik*	5	1	NA	0.10
Mr. Bharat P. Mehta	9	6	Yes	0.50

* Information relates to Board meetings held since the date of appointment of these directors.

** Represents sitting fee paid for attending Board and other Committee meetings.

Profile

The profile of Directors who are being appointed/re-appointed at the Annual General Meeting is given in annexure forming part of the Notice convening the meeting. The profile of all the Directors is available in the website, viz. www.sasken.com.

Remuneration

The Compensation Committee approved the compensation payable to the Executive Directors, within the overall limits approved by the shareholders and in accordance with the provisions of the Companies Act, 1956.

(i) Elements of remuneration package of Executive Directors:

The remuneration of the Executive Directors is broken into two parts viz., Fixed Pay and Variable Performance Pay (VPP). Fixed pay is determined by the Compensation Committee within the limits set by the shareholders. VPP is paid on the basis of performance parameters set for each of the Executive Directors, at the beginning of the year, in consultation with the CEO.

The Compensation Committee reviews the performance of the Executive Directors. VPP payable to the Executive Directors for the year is determined by the Compensation Committee based on the performance of the Directors and also of the Company.

Apart from the remuneration mentioned above, the Executive Directors are not eligible for any other benefits such as commission on net profits, etc. Contribution towards gratuity, provident and superannuation funds is as per the Company's policy and forms part of the fixed pay. Among the Executive Directors, Mr. Rajiv C. Mody and Mr. Krishna J. Jhaveri being Promoter Directors are not eligible for stock options. Dr. G. Venkatesh is eligible for stock options.

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

The Members have at the Annual General Meeting held on September 19, 2009 approved payment of commission on net profits to the Independent Directors for a period of five years commencing from April 1, 2009 to March 31, 2014 at the rate not exceeding in the aggregate of 1% of the net profits of the Company for each year as computed under the applicable provisions of the Companies Act, 1956 and such commission be allocated amongst them in such manner as may be decided by the Board of Directors within the limits specified therein.

Towards this end, the Board took into consideration the attendance and contribution made by Independent Directors at Board and certain Committee Meetings as well as the time spent by them on operational matters other than at meetings while arriving at the commission payable to them for the year ended March 31, 2010.

The following table shows the remuneration paid/payable to the Directors and the Stock Options granted to them for the year 2009-10:

(Rs. in lakhs except stock options data)

Directors	Fixed Remuneration	Variable Performance Pay	Commission	Number of Stock options
Mr. Rajiv C. Mody	67.50	79.59	-	-
Mr. Krishna J. Jhaveri	28.53	2.01	-	-
Dr. G. Venkatesh	54.00	14.47	-	150,000
Dr. Ashok Jhunjhunwala	-	-	10.00	40,000
Mr. Bansi S. Mehta	-	-	10.00	40,000
Prof. J. Ramachandran	-	-	10.00	40,000
Mr. Bharat V. Patel	-	-	6.00	20,000
Mr. Sanjay M. Shah	-	-	3.00	-
Mr. Pranabh D. Mody	-	-	-	-
Mr. Bharat P. Mehta	-	-	-	-
Mr. Kiran S. Karnik	-	-	1.00	30,000

The proposed remuneration to the Executive Directors for the financial year 2010-11 is given in the notice convening the next Annual General Meeting, forming part of this Annual Report.

Board Committees

As of March 31, 2010, your Company has the following committees of the Board of Directors:

(a) Audit Committee

(b) Compensation Committee

(c) Share Transfer and Investor Grievance Committee.

Audit Committee

The Audit Committee was constituted on February 1, 2001. The purpose of this Committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure process, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters. The Audit Committee comprises four Directors, three of whom are Independent Directors.

Mr. Bansi S. Mehta is the Chairman of the Audit Committee. The other members of the Committee are Prof. J. Ramachandran, Dr. Ashok Jhunjhunwala and Mr. Pranabh D. Mody.

Corporate Governance *(Contd.)*

The terms of reference of Audit Committee are as follows:

1. Regular review of accounts, accounting policies, disclosures, etc.
2. Review of the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
3. Qualifications in the draft audit report.
4. Establishing and reviewing the scope of the independent audit including the observations of the auditors and review of the quarterly, half-yearly and annual financial statements before submission to the Board.
5. Conducting post audit discussions with the independent auditors to ascertain any area of concern.
6. Establishing the scope and frequency of internal audit, reviewing the findings of the internal auditors and ensuring the adequacy of internal control systems.
7. To look into reasons for substantial defaults in the payment to depositors, debenture holders, shareholders and creditors.
8. To look into the matters pertaining to the Directors' Responsibility Statement with respect to compliance with Accounting Standards and accounting policies.
9. Compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
10. The Committee shall look into any related party transactions i.e., transactions of the Company of material nature, with promoters or management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.
11. To recommend appointment and remuneration of statutory and internal auditors.
12. To review the functioning of Whistle Blower mechanism.
13. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Audit Committee.

The Audit Committee met five times during the year, i.e., on June 29, 2009, July 17, 2009, September 19, 2009, October 28, 2009 and January 21, 2010. The minutes of the meetings are placed before the Board at the succeeding Board Meeting for information. Quorum was present at all the meetings.

Details of attendance of Audit Committee members at the committee meetings are given below:

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

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

Mr. R. Vittal, Company Secretary acts as Secretary to the Committee.

Compensation Committee

The Compensation Committee was constituted on February 1, 2001. This Committee's goal is to ensure that the Company attracts and retains highly qualified employees in accordance with its business plans, that the Company fulfils its ethical and legal responsibilities to its employees, and that management compensation is appropriate.

Prof. J. Ramachandran chairs the Compensation Committee. Dr. Ashok Jhunjhunwala and Mr. Pranabh D. Mody are the members of the Committee.

The terms of reference of the Compensation Committee are given below:

1. To review performance and determine the remuneration payable to Executive Directors.

2. To determine the number of stock options to be granted under the Company's Employees Stock Option Scheme and administration of the Stock Option Plan.

3. Establishment and administration of employee compensation and benefit plans.

4. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by the Compensation Committee.

The Compensation Committee met once during the year on May 25, 2009. The minutes of the meetings are placed before the Board at its succeeding meeting for information. Quorum was present at the said meeting.

Details of attendance of Compensation Committee members at the committee meeting are given below:

Director	No. of Meetings	
	Held	Attended
Prof. J. Ramachandran	1	1
Dr. Ashok Jhunjhunwala	1	1
Mr. Pranabh D. Mody	1	0

Share Transfer and Investor Grievance Committee

The Company has a Share Transfer and Investor Grievance Committee at the Board level *inter alia* to look into various issues relating to Investor Grievances including transfer and transmission of shares, issue of duplicate share certificates, non-receipt of dividend, Annual Report, etc. The Committee meets to approve share transfers, transmissions and issue of duplicate share certificates from time to time. Members of the Committee are Prof. J. Ramachandran (Chairman), Mr. Rajiv C. Mody and Dr. G. Venkatesh.

The Committee met four times during the year on June 29, 2009, July 16, 2009, October 28, 2009 and January 21, 2010 to deliberate on the aforesaid matters. The minutes of the meetings are placed before the Board at its succeeding meeting for information. Quorum was present at all the meetings.

Details of the attendance of Committee members at the committee meetings are given below:

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

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

As on March 31, 2010, there were no share transfers pending. Details of number of shares transferred during the year, time taken for effecting transfers and number of complaints received are given in the "Shareholder Information" section of the Annual Report.

Mr. R. Vittal, Company Secretary acts as the Compliance Officer.

Management Discussion and Analysis

Management Discussion and Analysis Report is given separately, forming part of this Annual Report and is in accordance with the requirements laid out in Clause 49 of the Listing Agreement with Stock Exchanges.

General Meetings

Details of last three Annual General Meetings of the Company are given below:

Year	Venue	Date	Time
2009	Registered office of the Company	September 19, 2009	9.00 a.m.
2008	Registered office of the Company	June 30, 2008	10.00 a.m.
2007	Registered office of the Company	June 23, 2007	10.30 a.m.

Two Executive Directors (including the Chairman and Managing Director), six Non-Executive/Independent Directors attended the last Annual General Meeting held on September 19, 2009.

At each of the above AGMs, Special Resolutions were passed approving the remuneration to Executive Directors and commission to the Independent Directors. At the last AGM held on September 19, 2009, a Special Resolution was also passed to revise the maximum number of options that can be granted to Non-Executive / Independent Directors.

Postal Ballot

Postal Ballot was conducted during the year to obtain the approval of shareholders by way of Special Resolution under Section 81(1A) of the Companies Act, 1956 read with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for making preferential issue of 300,000 convertible warrants to Mr. Rajiv C. Mody, Chairman & Managing Director and one of the promoters of the Company.

A Committee of Directors for Preferential Issue 2010 was constituted by the Board for the purpose of making the preferential issue. The Committee had authorised Dr. G. Venkatesh, Whole Time Director and Mr. R. Vittal, Company Secretary to oversee the postal ballot process.

Mr. Gopalakrishnaraj H. H., Practising Company Secretary was appointed as the Scrutinizer for conducting the postal ballot process and based on his report, the results were announced on March 15, 2010. The communication regarding the same was issued to the Stock Exchanges, an advertisement was released in the newspapers on March 16, 2010 and the information was also made available on the Company's website.

Other Disclosures

Related Party Transactions:

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company. There is no material transaction with any related party, which requires a separate disclosure. Schedule 16 of the Annual Accounts as at March 31, 2010 contains the list of related party relationships and transactions as required by Accounting Standard 18 on Related Party Disclosures issued by the Institute of Chartered Accountants of India.

Details of non-compliance by the company, penalties and strictures imposed on the company by Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of the Stock Exchanges or SEBI on matters relating to Capital Markets, as applicable from time to time.

Corporate Governance *(Contd.)*

Your Company has a Whistle Blower Policy in place. We confirm that no employee of the Company has been denied access to the Audit Committee in respect of any incident covered by the Whistle Blower Policy.

Means of communication

Following information is displayed at Company's website www.sasken.com from time to time:

(1) Financial results at the end of each quarter of the year

(2) Relevant Press Releases

(3) Company Presentations

(4) Transcript of tele-conference with Investor Analysts at the end of each quarter

(5) Shareholding Pattern

(6) Annual Report

The financial results are published in The Business Standard (a National daily) and in Kannada Prabha / Udhayavani / Times of India (a Kannada daily). The last four quarterly results were published in the above dailies on July 1, 2009, July 18, 2009, October 31, 2009 and on January 22, 2010.

The audited financial results for the half-year ended September 30, 2009 were sent by post to members of the Company.

All material information about the Company is promptly sent through facsimile to the Stock Exchanges where the Company's shares are listed and released to wire services and the Press for information of the public at large. Besides, the Company disseminates information through Press meets and Analyst meets. Your Company also disseminated information about Quarterly Financial Results, Shareholding Pattern, etc., in SEBI's Electronic Data Information Filing and Retrieval System (www.sebiedifar.nic.in) (until its discontinuance).

Bangalore	**Rajiv C. Mody**
April 22, 2010	Chairman & Managing Director

General Shareholder Information

Forthcoming AGM

The next Annual General Meeting of the Company will be held on July 9, 2010 at 4.00 p.m. at the registered office of the Company at 139/25, Ring Road, Domlur, Bangalore 560 071.

Tentative Calendar for the financial year April 1, 2010 to March 31, 2011

Quarter ending	Likely Board Meeting Schedule
June 30, 2010	Second fortnight of July 2010
September 30, 2010	Second fortnight of October 2010
December 31, 2010	Second fortnight of January 2011
March 31, 2011	Second fortnight of April 2011
Year ending March 31, 2011	**Likely Shareholder Meeting Schedule**
Annual General Meeting	June - July 2011

Book Closure dates for the purpose of dividend

The Register of Members and Share Transfer Books will remain closed from July 3, 2010 to July 9, 2010 (both days inclusive) to determine the entitlement of shareholders to receive the dividend as may be declared for the year ended March 31, 2010.

Payment of Dividend

Dividend on equity shares as recommended by the Directors for the year ended March 31, 2010, when declared at the Annual General Meeting will be paid on or before August 6, 2010:

(a) In respect of shares held in physical form to those members whose names appear on the Company's Register of Members, after giving effect to all valid share transfers in physical form lodged with the Company or the Share Transfer Agent - Messrs Karvy Computershare Pvt. Ltd., on or before July 2, 2010;

(b) In respect of shares held in electronic form, to those "deemed members" whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on July 2, 2010.

Listing on Stock Exchange

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

Bombay Stock Exchange Limited (BSE) Scrip Code 532663	National Stock Exchange of India Ltd. (NSE) Scrip Code SASKEN
ISIN Number for equity shares	INE231F01020

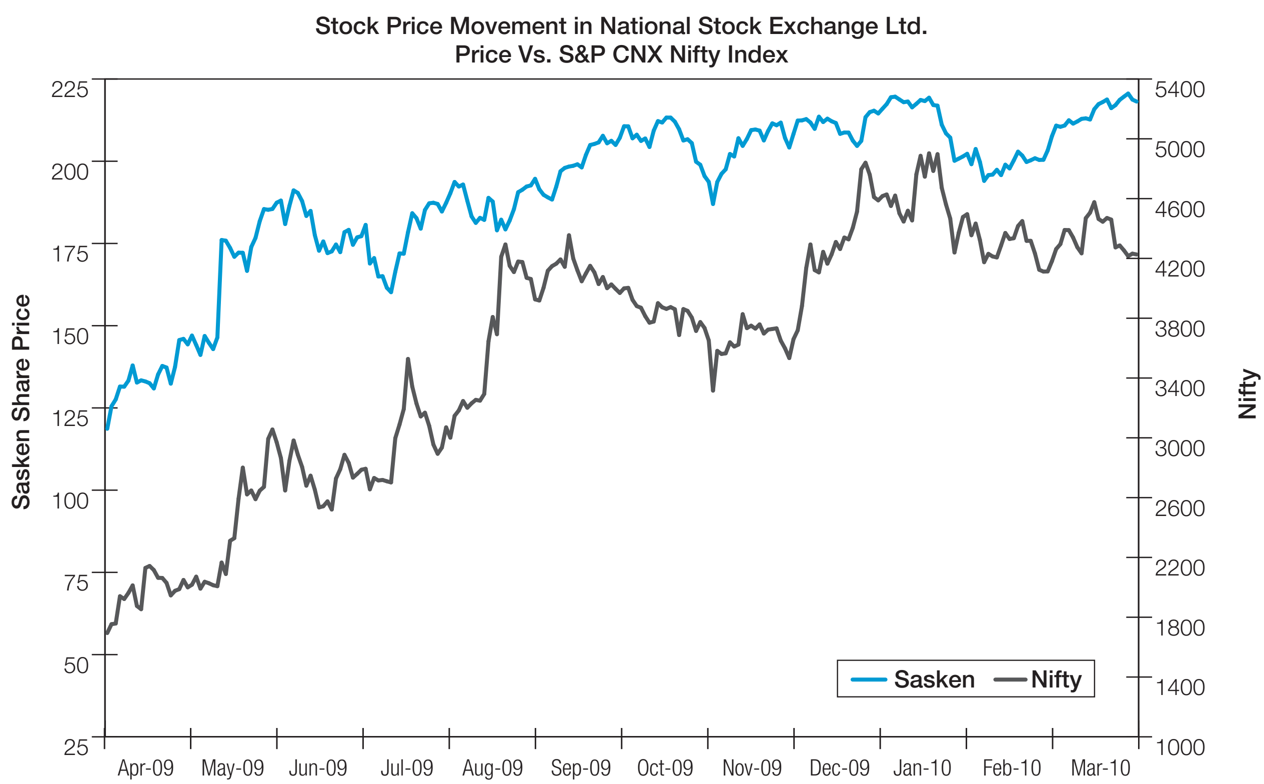
Listing fees for the year 2010-11 have been paid to both the Stock Exchanges.

Corporate Governance *(Contd.)*

Stock Market Data

The monthly high and low stock quotations during the financial year 2009-10 and performance in comparison to broad based indices are given below:

Financial Year 2009 - 10	Price @ NSE during each month (In Rs.)		S & P Nifty Index during each month		Price @ BSE during each month (In Rs.)		BSE Sensex during each month	
Month	High	Low	High	Low	High	Low	High	Low
Apr-09	82.95	55.75	3,517.25	2,965.70	82.90	55.80	11,492.10	9,546.29
May-09	111.35	68.20	4,509.40	3,478.70	111.00	68.50	14,930.54	11,621.30
Jun-09	124.50	90.00	4,693.20	4,143.25	125.00	91.90	15,600.30	14,016.95
Jul-09	143.00	98.50	4,669.75	3,918.75	143.50	98.40	15,732.81	13,219.99
Aug-09	184.80	114.50	4,743.75	4,353.45	184.90	114.60	16,002.46	14,684.45
Sep-09	181.25	158.65	5,087.60	4,576.60	181.40	158.25	17,142.52	15,356.72
Oct-09	164.80	143.00	5,181.95	4,687.50	164.50	144.00	17,493.17	15,805.20
Nov-09	157.90	127.00	5,138.00	4,538.50	157.80	127.10	17,290.48	15,330.56
Dec-09	203.50	145.25	5,221.85	4,943.95	203.30	145.50	17,530.94	16,577.78
Jan-10	209.70	169.15	5,310.85	4,766.00	209.90	169.25	17,790.33	15,982.08
Feb-10	187.90	164.75	4,992.00	4,675.40	187.30	163.30	16,669.25	15,651.99
Mar-10	191.00	167.80	5,329.55	4,935.35	189.90	167.30	17,793.01	16,438.45



Corporate Governance *(Contd.)*

Investor Correspondence

The Company Secretary
Sasken Communication Technologies Limited,
139/25, Ring Road, Domlur,
Bangalore 560 071.
Tel: 080 3989 1122 Extn. 4914
Fax: 080 3981 3329 / 2535 1309
E-mail: investor@sasken.com

Registrar and Share Transfer Agent

(For share transfers and other communication relating to share certificates, dividend and change of address)

Karvy Computershare Pvt. Ltd.
Plot No.17-24, Vittalrao Nagar,
Madhapur,
Hyderabad 500 081.
Tel: 040 2342 0818 / 4465 5000
Fax: 040 2342 0814 / 4465 5021
Contact Person: Mr. K.S. Reddy, Asst. General Manager
E-mail: einward.ris@karvy.com

Distribution of Shareholding as at March 31, 2010

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 - 5,000	36,680	93.97	3,094,972	11.42
5,001 - 10,000	1,153	2.95	866,254	3.20
10,001 - 20,000	540	1.38	766,895	2.83
20,001 - 30,000	214	0.55	476,137	1.76
30,001 - 40,000	84	0.22	192,681	0.71
40,001 - 50,000	67	0.17	314,626	1.16
50,001 - 100,000	109	0.28	873,453	3.22
100,001 and above	187	0.48	20,526,033	75.71
Total	**39,034**	**100.00**	**27,111,051**	**100.00**

Shareholding Pattern as at March 31, 2010

Category	No. of shares	%
Promoters & Promoter Group	7,586,024	27.98
Mutual Funds	1,787,588	6.59
Banks & Financial Institutions	80,024	0.30
Foreign Institutional Investors	2,709,801	10.00
Bodies Corporate	3,212,468	11.85
NRIs / Foreign Nationals	1,400,273	5.16
Directors & Relatives (other than Promoter Directors)	238,498	0.88
Indian Public & Others	10,096,375	37.24
Total	**27,111,051**	**100.00**

Except 5,000 shares, none of the equity shares held by Promoters & Promoter Group are under pledge.

Details of complaints:

Description	Received	Cleared
Non receipt of Dividend / Annual Report / Share Certificate	48	48

There are no valid requests pending for share transfers as at March 31, 2010.

Corporate Governance *(Contd.)*

Details of Shares held in Suspense Account

Your Company went in for IPO during August 2005 and the shares were allotted to the applicants on August 31, 2005. Immediately after the IPO there were 838 cases involving 32,962 shares, which could not be transferred to investors owing to various factors such as incomplete / wrong / invalid Demat Account details, etc. With persistent follow up and reminders, we were able to identify and transfer most of the shares. As at March 31, 2010 there were 28 cases involving 700 shares that remained unclaimed. The unclaimed shares are kept in a separate Suspense Account and will be transferred to the rightful holders as and when they approach the Company. Our efforts to locate the rightful owners will continue. The voting rights on these shares shall remain frozen till the rightful owners of such shares claim the shares.

The current status:

Description	No. of Holders	No. of Shares in Suspense Account
At the beginning of the year	28	700
No. of shareholders that approached for transfer of shares from Suspense Account during the year	Nil	Nil
No. of shareholders to whom shares were transferred during the year	Nil	Nil
Status as of March 31, 2010	28	700

Other information useful for Shareholders

During the year, the Company approved 2 requests for transfer of 3,283 shares in physical segment. Share transfer requests are acted upon within 7-10 days from the date of their receipt at the Registered Office / Registrar. In case no response is received within 15 days of lodgement of transfer request, the lodger may write to the Company with full details so that necessary action could be taken to safeguard interests of the concerned against any possible loss / interception during postal transit. As mandated by the Stock Exchanges, the Company has designated investor@sasken.com as the exclusive e-mail ID for redressal of investor complaints. Investors are urged to make use of this facility.

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

National Electronic Clearing Service / Mandates / Bank Details

Shareholders may note that Bank Account details given by them to their Depository Participants would be used for payment of dividend under National Electronic Clearing Service facility. Shareholders desirous of modifying those instructions may write to the Share Transfer Agent, Karvy Computershare Pvt. Ltd., Hyderabad (for shares held in physical form) or to their respective Depository Participants (for shares held in electronic form), as early as possible and in any case before the date of next Annual General Meeting.

Unclaimed Dividends

Under the provisions of the Companies Act, 1956, dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As regards unclaimed dividend that may have become due for transfer to IEPF this year, since no dividend was declared at the Annual General Meeting held on July 14, 2003, the remittance of unclaimed amount does not arise.

After expiry of seven years from the date of declaration of dividend no claims shall lie against the said Fund or the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims. Members who have not encashed the dividend warrants issued on any date after July 2003 may write to the Company and follow the procedure for claiming the amount.

Dematerialization of Shares

Equity Shares of the Company can be traded on the Stock Exchanges only in dematerialized form and at present 93.58% of the shares of the Company are held in demat form. Considering the advantages of scripless trading including adding marketability to the shares, shareholders holding shares in physical form are requested to consider dematerializing their shareholding so as to avoid inconvenience in future.

Outstanding Warrants, conversion date and likely impact on equity

300,000 convertible warrants were allotted on March 29, 2010 to Mr. Rajiv C. Mody, Chairman & Managing Director and one of the Promoters of the Company pursuant to a Special Resolution passed by the shareholders under Section 81(1A) of the Companies Act, 1956 read with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. The last date for the conversion is September 28, 2011 (i.e., 18 months from the date of allotment). As and when the warrants are converted, the shareholding of Mr. Mody would increase correspondingly.

General

(a) Shareholders holding shares in physical form are requested to notify the Company / Registrar in writing, any change in their address and Bank Account details under the signature of sole / first joint holder. Beneficial owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc., directly to their Depository Participants (DP) as the same are maintained by the DP.

(b) Non-resident shareholders are requested to notify at the earliest:

- change in their residential status on return to India for permanent settlement;
- particulars of their NRE Bank Account with a bank in India, if not furnished earlier;
- E-mail address, if any, to the Company / Registrar.

(c) In case of loss / misplacement of share certificates, investors should immediately lodge a FIR / complaint with the police and inform the Company / Registrar along with copy of FIR / acknowledged copy of complaint.

(d) For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of Power of Attorney should also be quoted in the transfer deed at the appropriate place.

(e) Shareholders are requested to maintain record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.

(f) Shareholder(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to write to the Company for consolidation of such Folio(s) with the relevant share certificates.

(g) Nomination in respect of shares - Section 109A of the Companies Act, 1956 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining Succession Certificate / Probate of the Will, etc. It would therefore be in the best interests of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Please write to the Company Secretary for a nomination form.

(h) Shareholders holding shares in demat form are advised to contact their DP for making nominations.

(i) Some of the shareholders have not yet exchanged their old share certificates for new share certificates necessitated by the consolidation of capital effected by the Company in July 2004 (i.e., consolidation of two old shares of Rs.5 each into one new share of Rs.10 each). Such holders are advised to send the share certificates immediately. If the share certificates are brought in person for exchange, the new share certificates will be provided on the spot. If the share certificates are sent by post, the new share certificates will be sent under Registered Post within 2 days from the date of receipt of the old share certificates. It is needless to mention that the old share certificate(s) cannot be submitted for dematerialization.

(j) Shareholders are requested to quote their E-mail IDs, Telephone / Fax numbers for prompt reply to their communication.

(k) We solicit suggestions for improving the investor services.

Auditors' Report on Abridged Financial Statements

To

The Members of Sasken Communication Technologies Limited

We have examined the abridged Balance Sheet of Sasken Communication Technologies Limited as at March 31, 2010 and the abridged Profit and Loss Account and Cash Flow Statement for the year ended on that date, together with the notes thereon (hereafter collectively referred to as "Abridged Financial Statements"). These abridged financial statements have been prepared by the Company pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 and Clause 32 of the Listing Agreement and are based on the accounts of the Company for the year ended March 31, 2010 prepared in accordance with Schedule VI to the Companies Act, 1956 and covered by our report dated April 22, 2010 to the members of the Company which report is attached.

For S. R. Batliboi & Co.

Firm Registration Number: 301003E

Chartered Accountants

per Kaustav Ghose

Partner

Membership No: 057828

Bangalore

April 22, 2010

Auditors' Report on Standalone Financial Statements

To

The Members of Sasken Communication Technologies Limited

1. We have audited the attached Balance Sheet of Sasken Communication Technologies Limited ("the Company") as at March 31, 2010, the Profit and Loss Account and the Cash Flow Statement for the year then ended annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditors' Report) Order, 2003 (as amended), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to above, we report that:

   (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   (d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

   (e) On the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

Auditors’ Report Standalone Financial Statements *(Contd.)*

(f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and, give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;

(ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No: 057828

Bangalore
April 22, 2010

Annexure to the Auditors’ Report

Annexure referred to in paragraph 3 of our report of even date

Re: Sasken Communication Technologies Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanations given to us, no material discrepancies were noticed on such verification.

(c) There was no substantial disposal of fixed assets during the year.

(ii) In our opinion and according to the information and explanations given to us, in view of the nature of activities of the Company, the provisions of Clause 4(ii) relating to inventory is not applicable to the Company.

(iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence Clause (iii) (b) (c) and (d) of the Order are not applicable.

(b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence Clause (iii) (f) and (g) of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, as represented by the management that some items are of a special nature for which alternative quotations cannot be obtained, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of software products and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.

(v) Based on the audit procedures applied by us and according to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained under that section. Hence Clause (v)(b) of the Order is not applicable.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the software products and services of the Company.

(ix) (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it with the appropriate authorities.

Further, since the Central Governent has till date not prescribed the amount of cess payable under Section 441A of the Companies Act,1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income taxes	922,850	AY 1992-93	Karnataka High Court
Income Tax Act, 1961	Income taxes	654,553	AY 1999-00	Supreme Court
Income Tax Act, 1961	Income taxes	239,131	AY 2000-01	Supreme Court
Income Tax Act, 1961	Income taxes	1,768,771	AY 2000-01	ITAT
Income Tax Act, 1961	Income taxes	7,056,614	AY 2001-02	Karnataka High Court
Income Tax Act, 1961	Income taxes	18,591,921	AY 2002-03	CIT (Appeals)
Income Tax Act, 1961	Income taxes	565,515	AY 2003-04	ITAT
Income Tax Act, 1961	Income taxes	3,493,798	AY 2003-04	Karnataka High Court
Income Tax Act, 1961	Income taxes	4,578,380	AY 2004-05	CIT (Appeals)
Income Tax Act, 1961	Income taxes	41,848,985	AY 2005-06	CIT (Appeals)
Income Tax Act, 1961	Income taxes	21,796,720	AY 2006-07	CIT (Appeals)
Income Tax Act, 1961	Non-withholding of income taxes	17,898,637	AY 2006-07	ITAT
Income Tax Act, 1961	Income taxes	3,533,223	AY 2006-07	CIT (Appeals)
KVAT Act, 2003	KVAT	3,619,006	FY 2003-04	STAT, Karnataka
CST Act, 1956	CST	224,988	FY 2003-04	STAT, Karnataka
KVAT Act, 2003	KVAT	17,706,763	FY 2005-06	STAT, Karnataka
CST Act, 1956	CST	8,441,022	FY 2005-06	STAT, Karnataka
KVAT Act, 2003	KVAT	20,608,999	FY 2006-07	STAT, Karnataka
CST Act, 1956	CST	12,547,166	FY 2006-07	STAT, Karnataka
KST Act, 1957	KST	4,507,973	FY 2002-03	JCCT (Appeals)
KST Act, 1957	KST	15,701,106	FY 2004-05	JCCT (Appeals)
KST Act, 1957	KST	11,871,588	FY 2004-05	JCCT (Appeals)

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

Name of the Statute	Nature of Dues	Amount (Rs.)	Period	Forum where dispute is pending
KVAT Act, 2003	KVAT	32,449,018	FY 2007-08	JCCT (Appeals)
CST Act, 1956	CST	3,087,244	FY 2007-08	JCCT (Appeals)
Canadian Income Tax Laws	Income Tax for Branches	43,603,886	FY 2000-01 to 2007-08	Canadian Revenue Agency
Canadian Income Tax Laws	Income Tax for Branches	10,712,100	FY 2000-01 to 2007-08	Ministry of Revenue, Ontario
Total		**308,029,957**		

Note: Of the above, Rs.157,269,067 has been deposited under protest.

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. The Company did not have any outstanding debentures during the year.

(xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of Clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof, in our opinion, are not prima facie prejudicial to the interest of the Company.

(xvi) The Company did not have any term loans outstanding during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) During the year the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.

(xix) The Company did not have any outstanding debentures during the year.

(xx) The Company has not raised any money through a public issue during the year.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.: 057828

Bangalore
April 22, 2010

Abridged Balance Sheet

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
I. Sources of Funds		
(1) Shareholders' Funds		
(a) Equity Share Capital	2,711.11	2,711.11
(b) Share Application Money	132.00	-
(c) Employee Stock Options Outstanding (Net of deferred compensation cost)	393.62	273.64
(d) Reserves and Surplus		
(i) Capital Redemption Reserve	144.97	144.97
(ii) Business Restructuring Reserve	13,058.38	-
(iii) General Reserve	1,230.26	470.00
(iv) Surplus in Profit and Loss Account	16,021.53	9,562.63
(v) Securities Premium Account	14,578.08	29,156.16
Total of (1)	**48,269.95**	**42,318.51**
II. Application of Funds		
1) Fixed Assets		
(a) Net Block – (Original Cost *less* Depreciation)	6,770.54	8,149.10
(b) Capital Work in Progress	152.86	100.05
(2) Investments (Net of provisions)		
(a) In Subsidiary Companies / Joint Ventures - Unquoted	17,975.07	16,945.68
(b) Others (i) Quoted	14,882.17	1,514.63
(ii) Unquoted	-	-
(3) (i) Current Assets, Loans and Advances		
(a) Inventories	166.55	-
(b) Sundry Debtors	6,699.25	10,430.90
(c) Cash and Bank Balances	2,398.36	8,255.81
(d) Other Current Assets	1,162.67	2,090.88
(e) Loans and Advances		
(i) To Subsidiary Companies	2,662.69	2,138.56
(ii) To Others	4,402.18	3,775.47
Less:		
(ii) Current Liabilities and Provisions		
(a) Liabilities	6,339.94	8,415.72
(b) Provisions	2,662.45	2,666.85
Net Current Assets (i - ii)	8,489.31	15,609.05
Total of (1) to (3)	**48,269.95**	**42,318.51**

Notes to abridged financial statements form an integral part of Abridged Financial Statements.

As per our report on the Abridged Financial Statements of even date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.057828

Place : Bangalore
Date : April 22, 2010

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

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Abridged Profit and Loss Account

Amount in Rs. lakhs

	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
I. Income		
– Sales - Software Services / Products and Other Services	40,150.89	47,974.68
– Dividend	390.25	125.77
– Interest	181.63	154.50
– Other Income	62.57	7.86
Total	**40,785.34**	**48,262.81**
II. Expenditure		
Cost of Revenues, including Research and Development Expenses	7,791.04	5,989.93
Selling Expenses	827.32	415.17
Salaries, Wages and Other Employee Benefits	21,345.68	26,125.92
Managerial Remuneration	292.28	191.27
Depreciation and Amortization	2,128.79	2,785.44
Auditors' Remuneration	22.45	21.33
Provisions for (i) Doubtful Debts (Net of reversals)	(704.28)	460.52
(ii) Doubtful Deposits (Net of reversals)	23.88	36.00
Exchange (Gain) / Loss (Net)	(1,749.69)	3,845.08
Provision for / (Reversal of) Diminution in Value of Investments	(42.63)	831.39
Exceptional Item - Impairment Loss on Capitalized Software Products	-	1,519.70
Other Expenses	1,804.97	1,532.59
Total	**31,739.81**	**43,754.34**
III. Profit Before Tax (I - II)	**9,045.53**	**4,508.47**
IV. Provision for Taxation (including Fringe Benefit Tax in previous year)	**1,442.96**	**1,933.93**
V. Profit After Tax	**7,602.57**	**2,574.54**
VI. Balance Brought Forward	**9,562.63**	**8,514.28**
VII. Reversal of Restructuring Expenses charged off in earlier years	**1,519.70**	**-**
VIII. Profit Available for Appropriation	**18,684.90**	**11,088.82**
IX. Dividend on Equity Shares:		
- Proposed Dividend	1,084.44	1,084.44
- Interim Dividend	542.22	-
- Tax on Dividend	276.45	184.30
X. Transfer to General Reserve	**760.26**	**257.45**
XI. Balance Carried to Balance Sheet	**16,021.53**	**9,562.63**
Earning Per Share (Equity shares of par value Rs.10 each)		
Basic (in Rs.)	28.04	9.23
Diluted (in Rs.)	26.80	9.23
Weighted Average Number of Equity Shares used in computation of		
Basic EPS	27,111,051	27,888,609
Diluted EPS	28,364,875	27,888,609

Notes to Abridged Financial Statements form an integral part of Abridged Financial Statements.

As per our report on the Abridged Financial Statements of even date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.057828

Place : Bangalore
Date : April 22, 2010

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

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Cash Flow Statement

Amount in Rs. lakhs

	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
A. Cash Flows from Operating Activities:		
Net Profit Before Tax	**9,045.53**	**4,508.47**
Adjustments for:		
Depreciation	2,094.08	2,103.78
Amortizaton of Non Compete Fees	-	20.54
Amortizaton of Technical Knowhow	34.71	57.20
Amortizaton of Capitalized Software Costs	-	603.92
Provision for / (Reversal of) Diminution in value of Investment	(42.63)	831.39
Impairment loss of Capitalized Software Product	-	1,519.70
Other Non-Cash (Writeback) / Charges	69.44	283.65
Foreign Exchange Adjustments	(3,082.49)	1,949.29
Other Income	(572.81)	(280.27)
Operating Profit Before Working Capital Changes	7,545.83	11,597.67
Adjustments for:		
(Increase) / Decrease in Sundry Debtors	3,613.12	(1,132.75)
(Increase) / Decrease in Work in Progress	(166.55)	184.50
(Increase) / Decrease in Other Current Assets	897.97	(525.26)
(Increase) / Decrease in Loans & Advances	(201.07)	(232.57)
Increase / (Decrease) in Current Liabilities and Provisions	1,036.68	2,224.42
Cash generated from Operations	12,725.98	12,116.01
Taxes (Paid) / Received, Net	(1,490.42)	(1,834.46)
Net Cash from Operations	**11,235.56**	**10,281.55**
B. Cash flows from Investing Activities:		
Purchase of Fixed Assets and Intangible Assets	(1,044.03)	(1,966.65)
Sale of Fixed Assets	44.64	76.58
Interest Received	186.70	103.75
Sale / (Purchase) of Investments, Net	(12,976.50)	608.50
Investment in Subsidiaries	(968.13)	(387.87)
Share Application Money – Subsidiary & Joint Venture	(18.63)	(105.00)
Investment in Joint Ventures	-	(751.20)
Loans given to Subsidiaries	(1,724.50)	(508.80)
Repayment of Loans by Subsidiaries	1,200.37	293.20
Investment in Deposits	20.55	(2.76)
Net Cash used in Investing Activities	**(15,279.53)**	**(2,640.25)**

Cash Flow Statement *(Contd.)*

Amount in Rs. lakhs

	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
C. Cash Flows from Financing Activities:		
Share Application Money	132.00	-
Buyback of Shares	-	(1,548.37)
Payment of Dividend Tax	(276.45)	(194.16)
Dividend Paid during the year	(1,626.66)	(1,142.43)
Net Cash used in Financing Activities	**(1,771.11)**	**(2,884.96)**
Net increase / (decrease) in Cash and Bank Balances (A+B+C)	(5,815.08)	4,756.34
Effect of Translation on Bank Balance	(21.82)	386.96
Cash and Bank Balances at the beginning of the year	8,206.29	3,062.99
Cash and Bank Balances at the end of the year	**2,369.39**	**8,206.29**
Cash on Hand (including Remittance in Transit)	1.66	240.67
Balances with Banks		
- in Current Account	1,298.27	1,203.43
- in Deposit Account	1,098.43	6,811.71
Total	**2,398.36**	**8,255.81**
Less: Margin money for Bank Guarantees	(28.97)	(49.52)
Cash and Bank Balances at the end of the year	**2,369.39**	**8,206.29**
Supplementary Non-Cash Flow Information		
Investment in Subsidiary / Joint Venture through conversion of Loan / Share Application	105.00	8.24
Dividends received and re-invested in Units of Mutual Funds	390.25	125.77

Notes to Abridged Financial Statements form an integral part of Abridged Financial Statements.

As per our report on the Abridged Financial Statements of even date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.057828

Place : Bangalore
Date : April 22, 2010

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

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Notes to Abridged Financial Statements

1. Description of Business

Sasken Communication Technologies Limited ("Sasken" or "the Company") is a provider of telecommunication software services and solutions to network equipment manufacturers, mobile terminal vendors and semiconductor companies around the world. Sasken delivers end-to-end solutions that enable richer content delivery on next generation networks.

Sasken has its headquarters in Bangalore, India with offices in Pune, Chennai, Hyderabad, China, Germany, Japan, Sweden, United Kingdom (UK), United States of America (USA) and South Korea.

2. Basis for Preparation

The abridged financial statements have been prepared in accordance with the requirements of Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 and Clause 32 of the Listing Agreement. These abridged financial statements have been prepared on the basis of the complete set of financial statements for the year ended March 31, 2010. The notes number in the brackets "[ ]" are as they appear in the complete set of financial statements.

The complete set of financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis, except in case of assets for which impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used during the previous year, other than those disclosed.

3. Investments in Subsidiaries and Joint Ventures

(a) As at March 31, 2010, the Company has invested Rs.902.44 lakhs for its 49.87% equity share in ConnectM Technology Solutions Pvt. Ltd. ("ConnectM"). ConnectM has incurred losses since the date of incorporation and the 49.87% share of cumulative loss incurred as of March 31, 2010 is Rs.800.35 lakhs. The Company believes that ConnectM is currently in the initial stages of business development and these losses are initial start up losses and hence considers the diminution in value of investment as temporary [Note 3 (a) in the Notes to accounts of main financial statements].

(b) As at March 31, 2010, the Company and Tata AutoComp Systems Limited ("TACO") each hold 50% of the equity in Taco Sasken Automotive Electronics Limited ("TSAE"). The Board of Directors of TSAE has, at the meeting held on January 09, 2009, decided to close down the operations of the company. Accordingly the financial statements of TSAE have not been prepared under the going concern assumption and all assets have been stated at realizable values and all liabilities have been considered at their estimated settlement value. Considering the closure of operations of TSAE, the Company has made a provision of Rs.756.39 lakhs as at March 31, 2010 towards diminution in the value of its investments in TSAE [Note 3 (b) in the Notes to accounts of main financial statements].

(c) As at March 31, 2010, the Company has total investment of Rs.542.86 lakhs in Sasken Communication Technologies (Shanghai) Co. Ltd. (Sasken China), its wholly owned subsidiary. Sasken China has made a loss of Rs.149.31 lakhs for the year ended March 31, 2010 and has accumulated losses of Rs.524.66 lakhs as at the Balance Sheet date. The Company has provided for diminution of its investment in Sasken China of Rs.144.88 lakhs in earlier periods. Considering that the subsidiary is still in investment phase, the Company is of the view that no additional provision for diminution is required [Note 3 (c) in the Notes to accounts of main financial statements].

4. Capital Commitments and Contingencies

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances) amounted to Rs.71.76 lakhs (As at March 31, 2009 Rs.124.38 lakhs) [Note 4 (b) in the Notes to accounts of main financial statements].

(b) Contingent Liabilities

Contingent liabilities towards income taxes and indirect taxes not provided for amount to Rs.1,552.70 lakhs (March 31, 2009 Rs.974.60 lakhs) and Rs.1,188.93 lakhs (As at March 31, 2009 Rs.833.57 lakhs) respectively.

There are certain claims made against the Company by an investee company, which are a subject matter of arbitration proceedings. In the view of the management of the Company such claims are frivolous and are not tenable. No provision has been made for such claims pending completion of legal proceedings as the amount of claims are currently not ascertainable [Note 4 (c) in the Notes to accounts of main financial statements].

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Bank Guarantees	287.35	203.85
Corporate Guarantee on behalf of subsidiaries	10,333.98	12,474.70

(c) The Company has operating leases for office premises that are (a) renewable on a periodic basis and are cancellable by giving a notice period ranging from 1 month to 6 months and (b) renewable on a periodic basis and are non-cancellable for specified periods under arrangements. Rent escalation clauses vary from contract to contract, ranging from 0% to 15%. There are no restrictions imposed on operating leases. There are no subleases [Note 11 in the Notes to accounts of main financial statements].

Amount in Rs. lakhs

	Year Ended March 31,2010	Year Ended March 31,2009
Rent expenses included in Profit and Loss Account towards operating leases	1,441.18	1,754.98

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

Amount in Rs. lakhs

	Year Ended March 31,2010	Year Ended March 31,2009
Due within one year of the Balance Sheet date	253.90	807.66
Due between one to five years	240.98	745.47
Due after five years	-	-

5. Other Notes

(a) The Company had approached the High Court of Karnataka, Bangalore to create a Business Restructuring Reserve to be carved out from Securities Premium account in terms of a Scheme under Section 391 / 394 of the Companies Act, 1956 whereby the Business Restructuring Expenses will be adjusted against the said Reserve. Pursuant to the Scheme and as approved by the High Court of Karnataka, Bangalore vide its order dated March 31, 2010, a sum of Rs.14,578.08 lakhs, has been transferred from the Securities Premium Account and credited to Business Restructuring Reserve Account. Further, impairment loss on capitalized software amounting to Rs.1,519.70 lakhs, which was charged to Profit and Loss Account in the previous year, being considered as a Restructuring Expense incurred after the Appointed Date, i.e., April 1, 2008, has been adjusted against Restructuring Reserve Account, with corresponding credit in the Profit and Loss Account Balance [Note 4 (a) in the Notes to accounts of main financial statements].

Had the Scheme not prescribed the aforesaid treatment, the balances would be as under:

Notes to Abridged Financial Statements *(Contd.)*

(i) In the Profit and Loss Account:

Amount in Rs. lakhs

Item	For the Year Ended March 31, 2010
Profit after Tax	7,602.57
Add: Balance brought forward	9,562.63
Profit available for appropriation	17,165.20

(ii) In the Balance Sheet:

Amount in Rs. lakhs

Item	As at March 31, 2010
Reserves and Surplus:	
Securities Premium Account	29,156.16
Business Restructuring Reserve	-

(b) Buy-Back of Equity Shares

In terms of decision of the Board of Directors dated April 18, 2008 and in accordance with the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, the Company offered to buy-back its equity shares of face value of Rs.10 each, upto a maximum amount of Rs.4,000 lakhs at a maximum price of Rs.260 per share from open market. The Company commenced the buy-back on September 15, 2008. During the previous year, the Company has bought back 1,449,742 equity shares at an average price of Rs.106.80 per share, utilizing a sum of Rs.1,548.37 lakhs. The amount paid towards buy-back of shares, in excess of the face value, has been appropriated out of General Reserve.

In terms of the provisions of Section 77A of the Companies Act, 1956 and SEBI (Buy Back of Securities) Regulations, 1998, the Company has extinguished the above mentioned 1,449,742 shares as on March 31, 2009 and has created Capital Redemption Reserve of Rs.144.97 lakhs towards the face value of 1,449,742 shares of Rs.10 each by way of appropriation against General Reserve, in previous year [Note 4 (j) in the Notes to accounts of main financial statements].

(c) Pursuant to The Institute of Chartered Accountants of India's (ICAI) Announcement dated March 29, 2008 on "Accounting for Derivatives", the Company has, based on the principles of prudence enunciated in Accounting Standard-1 on "Disclosure of Accounting Policies", recognized mark to market losses on derivative contracts outstanding,(including forward contracts for highly probable collections), to the extent the losses are not offset by the fair value gain on the underlying hedge items. For the purpose of arriving at the net losses, on foreign currency derivative contracts, the Company has considered foreign currency derivative contracts as one portfolio. During the year ended March 31, 2010 there was a mark to market gain of Rs.799.23 lakhs, which has not been recognized in line with the ICAI announcement. In the previous year there was a mark to market loss of Rs.1,239.30 lakhs which was recognized in the Profit and Loss Account [Note 4 (l) in the Notes to accounts of main financial statements].

(d) On March 29, 2010, the Company allotted 300,000 convertible warrants to Mr. Rajiv C. Mody, Chaiman and Managing Director and one of the Promoters of the Company, on a preferential basis on such terms and conditions as contained in the Special Resolution passed by the Company through Postal Ballot on March 15, 2010. The warrant expires at the end of 18 months from the date of issue. The allottee shall be entitled for one equity share of Rs.10 each of the Company for each such warrant at a price of Rs.176 each. As per the terms of allotment, 25% of the application money has been paid, which has been recorded as share application and on payment of the remaining 75% of consideration, proportionate number of shares will be allotted [Note 4 (m) in the Notes to accounts of main financial statements].

(e) Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2010 [Note 4 (n) in the Notes to accounts of main financial statements].

(f) The Board of Directors has recommended a final dividend of Rs.4 per share which is subject to the approval of the members at the forthcoming Annual General Meeting. While making provision for the proposed dividend, regard has been had to Regulatory Practices requiring payment of full dividend on all shares that exist on the Record Date; and, with a view to ensuring the foregoing de-facto position to fall in line with the Company's Articles of Association, Article 162 of the Articles of Association is proposed to be amended, so that the pro-ration rule will have to yield to any regulatory requirement precluding pro-ration [Note 4(p) in the Notes to accounts of main financial statements].

6. Managerial Remuneration

[Note 5(a), 5(b) and 5(c) in the Notes to accounts of main financial statements]

Amount in Rs. lakhs

	Year Ended	
	March 31, 2010	**March 31, 2009**
Whole Time Directors		
Salaries and Bonus	235.43	145.67
Contribution to Provident Fund and other Funds #	10.67	9.60
Total (A)	**246.10**	**155.27**
Non Whole Time Directors		
Commission	40.00	33.70
Sitting Fees	6.18	2.30
Total (B)	**46.18**	**36.00**
Total Remuneration (A)+(B)	**292.28**	**191.27**

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

Stock compensation cost in respect of options issued to the directors of Rs.61.50 lakhs for the year ended March 31, 2010 (for year ended March 31, 2009 - Rs.11.70 lakhs) has not been considered as managerial remuneration.

Computation of net profits under Section 198 read with Section 349 and Section 350 of the Companies Act, 1956 for the year ended March 31, 2010 and March 31, 2009.

Amount in Rs. lakhs

Particulars	**March 31, 2010**		**March 31, 2009**	
Profits Before Taxation		9,045.53		4,508.47
Add:				
Stock Compensation Cost / (reversal)	119.97		(251.22)	
Provision for Doubtful Debts, created (net of reversals)	(704.28)		460.52	
Provision for Doubtful Deposits (net of reversals)	23.88		36.00	
Depreciation as per Accounts (except intangibles)	2,094.08		2,103.78	
Loss on Sale of Fixed Assets	1.28		11.11	
Loss on Sale of Investment	0.14		27.25	
Provision for / (reversal of) Diminution in the value of Investment	(42.63)		831.39	
Provision for Warranty / (reversal)	187.91	1,680.35	(60.45)	3,158.38
Less:				
Depreciation as per Section 350 of the Companies Act, 1956	1,910.33		1,400.13	
Gain (Net) on Sale of Investments (non trade)	0.93		-	
Bad Debts written off	628.45		-	
Doubtful Deposits / Advances written off	36.00	2,575.71	-	1,400.13
Net profits as per Section 349 of the Companies Act, 1956		8,150.17		6,266.72

Notes to Abridged Financial Statements *(Contd.)*

Amount in Rs. lakhs

Particulars	March 31, 2010	March 31, 2009
Add:		
Managerial Remuneration to Directors	292.28	191.27
Profit as per Section 198 of the Companies Act, 1956	8,442.45	6,457.99
Remuneration / Commission to Managing and Whole Time Directors		
Maximum remuneration u/s.309 of the Companies Act, 1956 at 10% of net profits	844.25	645.79
Remuneration actually approved for payment	246.10	155.27
Remuneration / Commission to Other Directors		
Maximum remuneration u/s.309 of the Companies Act, 1956 at 1% of net profits	84.43	64.57
Remuneration actually approved for payment	46.18	36.00

7. Related Party Disclosures

[Note 8 (a), 8(b), 8(c) and 8(d) in the Notes to accounts of main financial statements]

(a) Remuneration paid to Key Managerial Personnel

Amount in Rs. lakhs

Name of the Related Party	Relationship	Year Ended	
		March 31, 2010	March 31, 2009
Rajiv C. Mody	Managing Director	147.09	70.25
Krishna J. Jhaveri	Whole Time Director	30.54	30.02
G. Venkatesh	Whole Time Director	68.47	55.00
Total		**246.10**	**155.27**

The above does not include provision for gratuity and compensated absences determined on actuarial basis.

(b) Following is the list of subsidiary / Joint Venture Companies:

	Percentage of holding as at	
	March 31, 2010	March 31,2009
Subsidiaries		
Sasken Network Engineering Limited (SNEL)	100.00%	100.00%
Sasken Network Solutions Inc., USA (SNSI)#	100.00%	100.00%
Sasken Communication Technologies Mexico, S.A. de C.V (Sasken Mexico)	100.00%	100.00%
Sasken Communication Technologies (Shanghai) Co. Ltd. (Sasken China)	100.00%	100.00%
Sasken Communication Technologies Oy (Sasken Oy)	100.00%	100.00%
Sasken Finland Oy (Sasken Finland)##	100.00%	100.00%
Sasken Inc. (Sasken, USA)	100.00%	100.00%
Sasken Japan KK (Sasken Japan)	100.00%	100.00%
Joint Ventures		
TACO Sasken Automotive Electronics Limited (TSAE)	50.00%	50.00%
ConnectM Technology Solutions Pvt. Ltd. (ConnectM)	49.87%	50.00%

100% subsidiary of Sasken Network Engineering Limited

100% subsidiary of Sasken Communication Technologies Oy

Notes to Abridged Financial Statements *(Contd.)*

(c) Transactions and Balances due to/ (from) Subsidiary/ Joint Venture Companies:

Amount in Rs. lakhs

Particulars	As at March 31, 2010	As at March 31,2009
Equity Holding:		
- SNEL	305.00	305.00
- Sasken Mexico	176.75	176.75
- Sasken China*	542.86	500.02
- Sasken Oy	14,897.83	14,332.99
- Sasken Inc.**	951.15	590.70
- Sasken Japan	75.76	75.76
- TSAE***	612.21	507.21
- ConnectM	902.44	902.44
Preference Share Capital - TSAE***	130.00	130.00
Share Application:		
- TSAE***	18.63	105.00
Optionally Convertible Debentures (interest free) due from		
- SNEL	263.71	263.71
Loans outstanding from:****		
- SNEL (Interest free)	-	130.00
- Sasken Mexico	-	154.01
- Sasken Inc.	1,724.50	-
Corporate Guarantee provided to banks in respect of loans to:		
- Sasken Mexico	-	1,015.00
- Sasken Oy	10,333.98	11,459.70
Other Receivable for reimbursement of expenses:		
- SNEL	464.65	705.06
- Sasken Mexico	85.50	630.51
- Sasken Oy	108.78	120.63
- Sasken Finland	117.47	8.82
- Sasken China	91.78	81.95
- Sasken Inc.	59.58	9.17
- SNSI	4.25	298.41
- Sasken Japan	6.18	-

* Provision for Diminution in Value of Investments Rs.144.88 lakhs, As at March 31, 2009 Rs.144.88 lakhs

** Provision for Diminution in Value of Investments Rs.Nil, As at March 31, 2009 Rs.85.35 lakhs

*** Provision for Diminution in Value of Investments Rs.756.39 lakhs, As at March 31, 2009 Rs.713.67 lakhs

**** There is no specific repayment schedule for the loans granted to Subsidiaries.

Notes to Abridged Financial Statements *(Contd.)*

(d) Debtors and Unbilled Revenue and Payable with/to Subsidiary Companies

Amount in Rs. lakhs

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
Sundry Debtors outstanding for a period exceeding six months:		
- Sasken Finland	38.33	-
Sundry Debtors outstanding for a period less than six months:		
- Sasken Finland	537.94	14.20
- Sasken Japan	75.61	-
- Sasken Inc.	68.21	-
Unbilled Revenue:		
- Sasken Japan	23.46	397.61
- Sasken Finland	2.14	-
Advance from customer:		
- Sasken Japan	-	227.25
Sundry Creditors for goods, expenses and services:		
- Sasken Finland	522.79	571.86
- Sasken Mexico	199.41	1.31
- Sasken Japan	50.53	53.91
- SNEL	-	51.76
- Sasken China	41.50	-
- SNSI	0.66	-
Total dues to subsidiaries	814.89	678.84

The following table summarizes the transactions of the Company with subsidiary companies

Amount in Rs. lakhs

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
Cross charges for common administrative services, net:		
- SNEL	88.75	143.73
- Sasken Mexico	131.94	121.02
- Sasken Oy	103.59	37.29
- Sasken Japan	5.55	(52.20)
- Sasken Inc.	24.63	0.79
- SNSI	91.61	287.64
- Sasken China	18.97	-
Software Development Services rendered to:		
- Sasken Finland	833.30	26.40
- Sasken Japan	179.39	633.59
- Sasken Inc.	68.22	-
Purchase of Fixed Assets:		
- Sasken Finland	9.61	5.55
- Sasken Mexico	10.24	-
Network Support Services procured from:		
- SNEL	190.11	181.78
- SNSI	162.44	-

Amount in Rs. lakhs

Particulars	Year Ended March 31, 2010	Year Ended March 31, 2009
Software Development Services procured from:		
- Sasken Finland	1,657.67	596.34
- Sasken China	39.53	-
- Sasken Japan	36.89	-
- Sasken Mexico	172.46	-
Interest on Loan charged to:		
- Sasken Mexico	1.28	11.63
- Sasken Inc.	20.53	-
Investments in Subsidiaries and Joint Ventures during the year:		
- Sasken Finland	564.84	-
- Sasken Japan	-	32.73
- Sasken Inc.	360.45	-
- Sasken China	42.84	355.14
- ConnectM	-	494.44
- TSAE	18.63	370.00

(e) The following table summarizes the maximum amount of loans and advances outstanding during the year.

Amount in Rs. lakhs

Name of Subsidiary / Joint Venture	Maximum Amount Outstanding during the year	
	2010	2009
Advances outstanding from:		
- SNEL	705.06	736.64
- Sasken Mexico	634.92	645.70
- Sasken Oy	126.21	121.51
- Sasken Finland	670.81	23.02
- Sasken China	91.78	81.95
- Sasken Inc.	59.58	9.17
- SNSI	298.41	298.41
- Sasken Japan	81.79	-
Loans outstanding from:		
- SNEL (interest free)	130.00	305.00
- Sasken Mexico	154.01	317.96
- Sasken Inc.	1,777.91	-

8. Earnings Per Share (EPS)

[Note 10 in the Notes to accounts of main financial statements]

Reconciliation of the net income and number of shares considered in the computation of basic and diluted EPS is given below:

	Year Ended March 31, 2010	Year Ended March 31, 2009
Profit for computation of Basic and Diluted EPS – Amount in Rs.lakhs	7,602.57	2,574.54
Weighted Average Number of Shares considered for Basic EPS	27,111,051	27,888,609
Add: Effect of Stock Options	1,253,824	-
Weighted Average Number of Shares considered for Diluted EPS	28,364,875	27,888,609

Notes to Abridged Financial Statements *(Contd.)*

9. Important Ratios

Ratios	2010	2009
Revenue to Total Assets	70.11%	89.84%
Profit from Operations* / Capital Employed	13.71%	24.66%
Return on Net Worth	15.75%	6.08%
PAT to Revenue	18.93%	5.37%

*Profit from operations does not include exchange gain of Rs.1,749.69 lakhs for FY 2010 and exchange loss of Rs.3,845.08 lakhs for FY 2009, respectively.

10. Market Value of Quoted Investments

As at March 31, 2010 and 2009, the aggregate market values of quoted investments are Rs.14,883.11 lakhs and Rs.1,514.63 lakhs respectively.

11. Provision for Taxation

The Company is registered under the Software Technology Park Scheme and Special Economic Zone Scheme and is claiming tax benefits under Section 10A and Section 10AA of the Income Tax Act, 1961. Pending clarity on extension of the tax holiday period beyond March 31, 2011, the Company is not able to reliably estimate the future income against which deferred tax assets will be realized. Accordingly, as a matter of prudence, deferred tax asset has not been recognized.

Income Tax charge includes overseas income taxes and withholding taxes of Rs.349.01 lakhs (previous year Rs.1,206.97 lakhs).

Income Tax charge for the year includes Rs.Nil (Rs.88.84 lakhs for the year March 31, 2009) pertaining to earlier years. [Note 6 in the Notes to accounts of main financial statements].

12. Breakup of Revenues are given below:

Amount in Rs. lakhs

	Year Ended March 31, 2010	Year Ended March 31, 2009
Software Services	37,736.22	40,531.20
Software Products	2,041.90	6,146.43
Other Services	372.77	1,297.05
Total Revenues	**40,150.89**	**47,974.68**

13. The Company is engaged in the development of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of revenue and the information as required under paragraphs 3, 4C and 4D of part II of Schedule VI to the Companies Act, 1956.

14. Comparatives

[Note 13 in the Notes to accounts of main financial statements]

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

As per our report on the Abridged Financial Statements of even date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.057828

Place : Bangalore
Date : April 22, 2010

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

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Balance Sheet Abstract

Information pursuant to Part IV of Schedule VI to the Companies Act, 1956

Statement on Balance Sheet Abstract and General Business Profile of the Company

I. Registration Details

Registration No.	L72100KA1989PLC014226	State Code	8
Balance Sheet Date	31.03.10		

II. Capital raised during the year

Amount in Rs. lakhs

Public Issue	Nil	Rights Issue / Preferential Allotment:	Nil
Bonus Issue	Nil	Stock Options	Nil

III. Position of mobilisation and deployment of funds

Amount in Rs.lakhs

Total Liabilities	48,269.95	Total Assets	48,269.95
Sources of Funds			
Paid-up Capital	2,711.11		
Share Application Money	132.00		
Reserves and Surplus	45,426.84		
Unsecured Loans	-		
Secured Loans	-		
Application of Funds			
Net Fixed Assets	6,923.40		
Capitalized Software	-		
Investments	32,857.24		
Net Current Assets	8,489.31		
Misc. Expenditure	Nil		
Accumulated Losses	Nil		

IV. Performance of the Company

Amount in Rs.lakhs

Turnover	40,150.89	Total Expenditure	32,548.32
Profit / (Loss) Before Tax	9,045.53	Profit / (Loss) After Tax	7,602.57
Earnings Per Share (Rs.) (Weighted Average)	28.04	Dividend Rate	60%

V. Generic names of three principal products of the Company

(as per monetary terms)

Item Code No. (ITC Code)	85249009.10
Product Description:	Computer Software

Consolidated Auditors' Report

To The Board of Directors of
Sasken Communication Technologies Limited

1. We have audited the attached consolidated Balance Sheet of Sasken Communication Technologies Limited ("the Company") and its subsidiaries and joint ventures (collectively called "Sasken Group"), as at March 31, 2010, and also the consolidated Profit and Loss account for the year ended March 31, 2010 and the consolidated Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. (a) We did not audit the financial statements of the subsidiaries and joint ventures included herein, whose financial statements together reflect total assets of Rs.623,434,459 as at March 31, 2010, total revenues (including other income) of Rs.723,699,952 and cash outflows, net amounting to Rs.43,111,429 for the year then ended.

   (b) We did not audit the consolidated financial statements of a subsidiary incorporated in Finland, included herein, whose consolidated financial statements [prepared as per accounting principles generally accepted in Finland ('Finnish GAAP')], reflect total assets of Rs.2,436,501,794 as at March 31, 2010 and total revenues (including other income) of Rs.1,165,745,306 and cash outflow, net amounting to Rs.154,114,926 for the year then ended. We have undertaken the audit of conversion of such financial statements from Finnish GAAP to accounting principles generally accepted in India.

   These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the reports of the other auditors.

   (c) We also did not audit the financial statements of TACO Sasken Automotive Electronics Limited ("TSAE") for the year ended March 31, 2010. The financial statements of TSAE included in the consolidated financial statements, are based on unaudited financial statements, which reflect total assets of Rs.1,685,723 as at March 31, 2010 and total revenues (including other income) of Rs.1,024,100 and cash outflows, net amounting to Rs.3,392,480 for the year then ended.

4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures notified pursuant to the Companies (Accounting Standards) Rules, 2006.

5. Based on our audit and on consideration of the reports, as available, of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, and to the best of our information and according to the explanations given to us, we are of the opinion that, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

   (a) in the case of the consolidated Balance Sheet, of the state of affairs of Sasken Group as at March 31, 2010;
   (b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
   (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No: 057828

Bangalore
April 22, 2010

Consolidated Balance Sheet

Amount in Rs. lakhs

	Schedule No.	As at March 31, 2010	As at March 31, 2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	2,711.11	2,711.11
Share Application Money (Refer Note 4(k) in Notes to Consolidated Accounts)		132.00	-
Employee Stock Options Outstanding (Net of deferred compensation cost) (Refer Note 7 in the Notes to Consolidated Accounts)		393.62	273.64
Reserves and Surplus	2	49,121.39	45,305.56
Loan Funds			
Secured Loans	3	3,405.52	6,345.63
Unsecured Loans	4	-	26.38
Total Sources		**55,763.64**	**54,662.32**
APPLICATION OF FUNDS			
Fixed Assets	5		
Gross Block		48,353.55	49,910.27
Less : Accumulated Depreciation		19,576.21	18,270.20
Net Block		28,777.34	31,640.07
Capital Work in Progress including capital advances		152.93	337.96
Total		**28,930.27**	**31,978.03**
Investments	6	15,906.60	2,019.98
Deferred Tax Asset (Refer Note 6 in Notes to Consolidated Accounts)		404.51	216.66
Current Assets, Loans and Advances			
Inventories	7	284.68	99.92
Sundry Debtors	8	9,779.22	13,896.79
Cash and Bank Balances	9	3,730.46	11,715.34
Other Current Assets	10	2,761.06	3,671.32
Loans and Advances	11	5,679.08	4,818.71
Gross Current Assets	(A)	**22,234.50**	**34,202.08**
Less: Current Liabilities and Provisions	12		
Current Liabilities		7,786.00	9,453.12
Provisions		3,926.24	4,301.31
Total	(B)	**11,712.24**	**13,754.43**
Net Current Assets	(A-B)	10,522.26	20,447.65
Total Applications		**55,763.64**	**54,662.32**
Notes to Consolidated Accounts	19		

The Schedules referred to above and notes to consolidated accounts form an integral part of the Consolidated Balance Sheet.
As per our report of even date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.057828

Place : Bangalore
Date : April 22, 2010

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

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Consolidated Profit and Loss Account

Amount in Rs. lakhs

	Schedule No.	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
Revenues		57,419.31	69,781.33
Cost of Revenues	13	42,919.14	47,228.54
Gross Profit		**14,500.17**	**22,552.79**
Research and Development Expenses	14	-	397.64
Gross Profit after Research and Development Expenses		**14,500.17**	**22,155.15**
Selling and Marketing Expenses	15	1,404.59	2,902.34
Administrative and General Expenses	16	5,953.96	6,842.12
Employee Stock Option Compensation Cost / (reversal) (net)		119.97	(251.22)
Profit from Operations		**7,021.65**	**12,661.91**
Less: Amortization of Non Compete Fees		-	20.54
Add: Other Income	17	767.37	721.97
Add: Exchange Gain / (Loss) (net)		1,679.21	(4,261.48)
Less: Provision for / (reversal of) diminution in value of investments		(85.35)	117.71
Profit Before Interest, Exceptional Item and Income Taxes		**9,553.58**	**8,984.15**
Less: Interest Expense	18	261.35	381.77
Less: Exceptional Item [Refer Note 4(j) in Notes to Consolidated Accounts]		-	1,519.70
Profit Before Taxes		**9,292.23**	**7,082.68**
Income Tax Expense / (Credit), net (Refer Note 6 in Notes to Consolidated Accounts)			
- Current		1,932.72	2,827.73
- Deferred		(192.22)	(100.05)
- Fringe Benefit Tax		-	124.59
- Minimum Alternate Tax Credit		-	-
Profit After Tax		**7,551.73**	**4,230.41**
Add: Balance brought forward		13,377.82	10,673.60
Add: Reversal of restructuring expenses charged off in earlier years (Refer Note 4(a) in Notes to Consolidated Accounts)		1,519.70	-
Profit Available for Appropriation		**22,449.25**	**14,904.01**
Proposed Dividend (Refer Note 4(m) in Notes to Consolidated Accounts)		1,084.44	1,084.44
Interim dividend		542.22	-
Tax on dividend		276.45	184.30
Transfer to General Reserve		760.26	257.45
Balance carried to Consolidated Balance Sheet		19,785.88	13,377.82

Consolidated Profit and Loss Account *(Contd.)*

Amount in Rs. lakhs

	Schedule No.	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
Earnings Per Share (Equity Share par value Rs.10 each)			
Basic		27.85	15.17
Diluted		26.62	15.17
Weighted Average Number of Equity Shares used in computation of			
Basic EPS		27,111,051	27,888,609
Diluted EPS		28,364,875	27,888,609
(Refer Note 10 in Notes to Consolidated Accounts)			
Notes to Consolidated Accounts	19		

The Schedules referred to above and notes to consolidated accounts form an integral part of the Consolidated Profit and Loss Account.

As per our report of even date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.057828

Place : Bangalore
Date : April 22, 2010

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

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Consolidated Cash Flow Statement

Amount in Rs. lakhs

	For the Year ended March 31, 2010	For the Year ended March 31, 2009
A. Cash flows from Operating Activities:		
Net Profit Before Tax	**9,292.23**	**7,082.68**
Adjustments for:		
Depreciation and Amortization of Technical Knowhow	2,952.95	3,057.36
Amortization of Non Compete Fees and Contract Rights	213.06	77.74
Amortization of Capitalized Software Costs	-	603.92
Other Non-Cash (Writeback) / Charges	28.26	483.14
Impairment of Capitalized Software Product Cost	-	1,519.70
Foreign Exchange Adjustments	(3,081.66)	2,041.76
Interest Expense	261.35	381.77
Other Income	(617.31)	(367.69)
Operating Profit before Working Capital Changes	9,048.88	14,880.38
Adjustments for:		
(Increase) / Decrease in Sundry Debtors	3,672.23	(810.07)
(Increase) / Decrease in Work in Progress	(184.76)	231.68
(Increase) / Decrease in Other Current Assets	893.05	298.62
(Increase) / Decrease in Loans & Advances	(332.74)	(58.21)
Increase / (Decrease) in Current Liabilities and Provisions	951.77	1,472.45
Cash Generated from Operations	14,048.43	16,014.85
Taxes (Paid) / Received, Net	(2,438.91)	(2,726.30)
Net Cash from Operations	**11,609.52**	**13,288.55**
B. Cash Flows from Investing Activities:		
Purchase of Fixed Assets and Intangible Assets	(1,061.33)	(2,881.56)
Acquisition of Business Unit	(1,075.28)	-
Sale of Fixed Assets	58.97	89.24
Interest Received	265.93	198.91
Sale / (Purchase) of Investments, Net	(12,984.05)	625.39
Investment in limited partnerships	(360.46)	-
Redemption of / (Investments in) Deposits	35.74	(19.03)
Net Cash used in Investing Activities	**(15,120.48)**	**(1,987.05)**

Consolidated Cash Flow Statement *(Contd.)*

Amount in Rs. lakhs

	For the Year ended March 31, 2010	For the Year ended March 31, 2009
C. Cash Flows from Financing Activities:		
Share Application Money	132.00	-
Buy Back of Shares	-	(1,548.37)
Repayment of Short-Term Loan and Borrowing	(2,303.54)	(2,688.41)
Payment of Dividend Tax	(276.45)	(194.16)
Dividend Paid during the year	(1,626.66)	(1,142.43)
Interest Paid	(131.85)	(381.77)
Net Cash used in Financing Activities	**(4,206.50)**	**(5,955.14)**
Net Increase / (Decrease) in Cash and Bank Balances (A+B+C)	(7,717.46)	5,346.36
Effect of Translation on Bank Balances	(231.69)	656.61
Cash and Bank Balances at the beginning of the year	11,649.55	5,646.58
Cash and Bank Balances at the end of the year	**3,700.40**	**11,649.55**
Cash on Hand and Remittance in Transit	3.06	241.35
Balances with Bank:		
- in Current Accounts	2,602.51	4,025.23
- in Deposit Accounts	1,124.89	7,448.76
Total	**3,730.46**	**11,715.34**
Less: Margin money for Bank Guarantees	(30.06)	(65.79)
Cash and Bank Balances at the end of the year	**3,700.40**	**11,649.55**
Supplementary Non-Cashflow Information		
Dividends received and Re-invested in units of Mutual Funds	392.51	125.82

As per our report of even date.

For S. R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.057828

Place : Bangalore
Date : April 22, 2010

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

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Schedules Forming Part of the Consolidated Balance Sheet

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Schedule 1		
Share Capital		
Authorised Capital		
50,000,000 Equity Shares of Rs.10 each	5,000.00	5,000.00
(At March 31, 2009, 50,000,000 Equity Shares of Rs.10 each)		
Total	**5,000.00**	**5,000.00**
Issued, Subscribed and Paid Up Capital		
27,111,051 Equity Shares of Rs.10 each fully paid up (As at March 31, 2009, 28,560,793 Equity Shares of Rs.10 each fully paid up)* [Refer Note 7 in Notes to Consolidated Accounts]	2,711.11	2,856.08
Less: 1,449,742 Equity Shares of Rs.10 each fully paid up extinguished pursuant to buy back scheme as at March 31, 2009	-	(144.97)
*[Including prior to Buy Back, 5,675,000 Equity Shares of Rs.10 each allotted as fully paid up Bonus Shares by capitalization of balance in Profit and Loss Account of Rs.502.83 lakhs and General Reserve of Rs.64.67 lakhs] [As at March 31, 2009 5,675,000 Bonus Shares of Rs.10 each]		
Total	**2,711.11**	**2,711.11**
Schedule 2		
Reserves and Surplus		
Securities Premium		
Opening Balance	29,156.16	29,156.16
Less: Transferred to Business Restructuring Reserve (Refer Note 4(a) in Notes to Consolidated Accounts)	(14,578.08)	-
Total	**14,578.08**	**29,156.16**
General Reserve		
Opening Balance	470.00	1,760.92
Less: Transferred to Capital Redemption Reserve	-	(144.97)
Less: Premium on Equity Shares Bought Back	-	(1,403.40)
Add: Transferred from Profit and Loss Account	760.26	257.45
Total	**1,230.26**	**470.00**
Capital Redemption Reserve		
Opening Balance	144.97	-
Add: Transfer from General Reserve	-	144.97
Total	**144.97**	**144.97**
Business Restructuring Reserve (Refer Note 4(a) in Notes to Consolidated Accounts)		
Opening Balance	-	-
Add: Transferred from Securities Premium	14,578.08	-
Less: Utilized for restructuring expense charged off in earlier years	(1,519.70)	-
Total	**13,058.38**	**-**

Schedules Forming Part of the Consolidated Balance Sheet *(Contd.)*

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Profit and Loss Account Balance	19,785.88	13,377.82
Foreign Exchange Translation Reserve		
Opening Balance	2,156.61	912.19
Add: Transfer during the year	(1,832.79)	1,244.42
Total	**323.82**	**2,156.61**
Total	**49,121.39**	**45,305.56**
Schedule 3		
Secured Loans		
Loan from Nordea Bank	2,963.42	5,524.79
(Secured against shares of Sasken Finland Oy and corporate guarantee given by the Company)		
Loan from OKO Bank	442.10	820.84
(Secured against assets of Sasken Finland Oy)		
Total	**3,405.52**	**6,345.63**
Schedule 4		
Unsecured Loans		
Loan - Others	-	26.38
Total	**-**	**26.38**

Schedule 5 - Fixed Assets

Amount in Rs. lakhs

Particulars	GROSS BLOCK					DEPRECIATION / AMORTIZATION					NET BLOCK	
	Balance as at April 1, 2009	Additions during the Year	Deletions during the Year	Adjust-ments	Balance as at March 31, 2010 *	Balance as at April 1, 2009	For the Year	Deletions during the Year	Adjust-ments	Balance as at March 31, 2010	As at March 31, 2010	As at March 31, 2009
Freehold Land	2,287.67	-	-	-	2,287.67	-	-	-	-	-	2,287.67	2,287.67
Building	3,310.98	-	-	-	3,310.98	1,295.05	167.88	-	-	1,462.93	1,848.05	2,015.93
Leasehold Improvements	1,085.71	48.70	91.90	6.99	1,049.50	570.63	173.86	83.03	4.64	666.10	383.40	515.08
Computers	6,219.96	270.17	818.32	(20.24)	5,651.57	4,744.31	704.77	814.06	(7.81)	4,627.21	1,024.36	1,475.65
Electrical Fittings	426.90	31.46	36.08	(12.95)	409.33	230.82	63.04	34.09	(1.57)	258.20	151.13	196.08
Furniture and Fittings	2,494.22	186.04	121.06	(34.68)	2,524.52	1,608.39	204.14	92.06	(7.22)	1,713.25	811.27	885.83
Plant & Machinery including Office Equipment	7,344.29	511.87	113.04	(151.24)	7,591.88	5,551.64	868.51	98.19	(165.61)	6,156.35	1,435.53	1,792.65
Vehicles	0.08	-	-	-	0.08	0.08	-	-	-	0.08	-	-
Intangible Assets:												
- Computer Software	4,369.14	428.64	-	(69.90)	4,727.88	3,480.38	770.75	-	(67.92)	4,183.21	544.67	888.76
- Goodwill on Consolidation*	21,547.70	-	-	(2,108.65)	19,439.05	-	-	-	-	-	19,439.05	21,547.70
- Acquired Goodwill	-	367.34	-	-	367.34	-	-	-	-	-	367.34	-
- Technical Knowhow	182.50	-	-	-	182.50	147.79	34.71	-	-	182.50	-	34.71
- Contract Rights	148.04	663.21	-	-	811.25	148.03	178.35	-	-	326.38	484.87	0.01
- Non Compete Fees	493.08	-	493.08	-	-	493.08	-	493.08	-	-	-	-
Total	**49,910.27**	**2,507.43**	**1,673.48**	**(2,390.67)**	**48,353.55**	**18,270.20**	**3,166.01**	**1,614.51**	**(245.49)**	**19,576.21**	**28,777.34**	**31,640.07**
Balance as at March 31, 2009	45,910.80	2,795.27	324.09	1,528.29	49,910.27	15,258.44	3,135.10	228.72	105.38	18,270.20	31,640.07	-

*Net of impairment loss of Rs.21.29 lakhs on assets held by a joint venture (Refer Note 3(d) in the Notes to Consolidated Accounts).

Schedules Forming Part of the Consolidated Balance Sheet *(Contd.)*

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Schedule 6		
Investments		
A. Long term, Unquoted, Non Trade, at cost		
Investment in Omni Capital Fund L.P. a Limited Liability Partnership in USA	1,014.42	590.70
Less: Provision for Diminution of Investments	-	(85.35)
14,584 fully paid Common Stock of 2Wire Inc, a company incorporated in USA (As on March 31, 2009: 14,584 fully paid common stock)	83.00	83.00
Less: Provision for diminution in value of investment	(83.00)	(83.00)
392,285 fully paid equity shares of Rs.10 each of Prime Telesystems Ltd. (As on March 31, 2009: 392,285 fully paid equity shares of Rs.10 each)	240.00	240.00
Less: Provision for diminution in value of investment	(240.00)	(240.00)
203,500 common shares of Extandon Inc, a company incorporated in USA (As on March 31, 2009: 203,500 fully paid up shares)(Held by third party as collateral)	0.23	0.23
Less: Provision for diminution in value of investment	(0.23)	(0.23)
B. Current - Non Trade, Unquoted at lower of cost and net realisable value		
[also refer Note 2(g) in the Notes to Consolidated Accounts]		
- Kotak Flexi Debt Fund - IP - Daily Dividend [As at March 31, 2010 - 15,144,754.59 Units of Rs.10.0475 each]; [Market Value - Rs.1,521.67 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	1,521.67	-
- Birla Sun Life Short Term Fund - Institutional - Daily Dividend [As at March 31, 2010 - Nil Units]; [Market Value - Rs. Nil] [As at March 31, 2009 - 10,086,055.291 Units of Rs.10.0055 each]; [Market Value - Rs.1,009.16 lakhs]	-	1,009.16
- UTI Treasury Advantage Fund - Institutional Plan (Daily Dividend Option) - Reinvest [As at March 31, 2010 - 71,440.628 Units of Rs.1,000.2141 each]; [Market Value - Rs.714.56 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	714.56	-
- DWS Ultra Short-Term Fund - Institutional - Daily Dividend [As at March 31, 2010 - 2,411,846.67 Units of Rs.10.0179 each]; [Market Value - Rs.241.62 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	241.62	-
- Kotak Floater Long Term - Daily Dividend [As at March 31, 2010 1,074,359.60 Units of Rs.10.0798 each]; [Market value - Rs.108.29 lakhs] [As at March 31, 2009 - Nil Units]; [Market value - Rs. Nil]	108.29	-
- Fortis Money Plus Institutional Plan Daily Dividend [As at March 31, 2010 - 16,477,107.23 Units of Rs.10.0031 each]; [Market Value - Rs.1,648.22 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	1,648.22	-
- JP Morgan India Treasury Fund - Super Institutional Daily Dividend Plan - Reinvest [As at March 31, 2010 - 10,021,617.3590 Units of Rs.10.0089 each]; [Market Value - Rs.1,003.05 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	1,003.05	-

Schedules Forming Part of the Consolidated Balance Sheet *(Contd.)*

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
- Reliance Money Manager Fund -Short Term - Daily Dividend Plan [As at March 31, 2010 - 133,268.77 Units of Rs.1,001.3389 each]; [Market Value - Rs.1,334.47 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	1,334.47	-
- IDFC Money Manager Fund -TP - Super Institutional Plan C - Daily Dividend [As at March 31, 2010 - 10,526,029.524 Units of Rs.10.015 each]; [Market Value - Rs.1,054.18 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	1,054.18	-
- HDFC High Interest Fund - Short Term Plan - Dividend [As at March 31, 2010 - 8,064,745.245 Units of Rs.10.5916 each]; [Market Value - Rs.855.12 lakhs] [As at March 31, 2009 - Nil Units]; [Market value - Rs. Nil]	854.18	-
-Templeton Ultra Short Bond Fund SIP Daily Dividend [As at March 31, 2010 - 11,145,336.782 Units of Rs.10.0116 each]; [Market Value - Rs.1,115.83 lakhs] [As at March 31, 2009 - Nil Units]; [Market value - Rs. Nil]	1,115.83	-
- LIC MF Floating Rate Fund - Short Term - Daily Dividend Plan [As at March 31, 2010 - 32,561,995.8610 Units of Rs.10 each]; [Market Value - Rs.3,256.20 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	3,256.20	-
- ICICI Prudential Flexible Income Plan Premium Daily Dividend Reinvest [As at March 31, 2010 - 1,012,146.250 Units of Rs.105.735 each]; [Market Value - Rs.1,070.19 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	1,070.19	-
- Tata Floater Fund - Daily Dividend [As at March 31, 2010 - Nil Units]; [Market Value - Rs. Nil] [As at March 31, 2009 - 5,036,809.158 Units of Rs.10.0356 each]; [Market Value - Rs.505.47 lakhs]	-	505.47
- Birla Sun Life Cashplus Liquid Fund [As at March 31, 2010 - 115,518 Units of Rs.17.34 each]; [Market Value - Rs.10.09 lakhs] [As at March 31, 2009 - Nil Units]; [Market Value - Rs. Nil]	10.01	-
- HDFC Cash Management Fund Treasury Adv Plan [As at March 31, 2010 - 9,566,976.784 Units of Rs.10.0315 each]; [Market Value - Rs.959.71 lakhs] [As at March 31, 2009 - Nil Units]; [Market value - Rs. Nil]	959.71	-
Total	**15,906.60**	**2,019.98**
Aggregate amount of Quoted Investments	14,892.18	1,514.63
Aggregate amount of Unquoted Investments	1,014.42	505.35
Aggregate market value of Quoted Investments	14,893.20	1,514.63

Schedules Forming Part of the Consolidated Balance Sheet *(Contd.)*

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Schedule 7		
Inventories		
Stores and Components	44.21	40.39
Work in Progress	240.47	59.53
Total	**284.68**	**99.92**
Schedule 8		
Sundry Debtors		
(a) **Debts outstanding for a period exceeding six months**		
- Unsecured, Considered Good	269.71	250.89
- Unsecured, Considered Doubtful	194.96	539.98
(b) **Other Debts**		
- Unsecured, Considered Good	9,509.51	13,645.90
- Unsecured, Considered Doubtful	-	297.29
Less: Provisions for Doubtful Debts	(194.96)	(837.27)
Total	**9,779.22**	**13,896.79**
Schedule 9		
Cash and Bank Balances		
Cash on Hand	3.06	14.10
Remittance in Transit	-	227.25
Balances with Banks:		
- in Current Accounts	2,602.51	4,025.23
- in Deposit Accounts	1,124.89	7,448.76
(held as margin money for bank guarantees / letters of credit as on March 31, 2010 - Rs.30.05 lakhs; on March 31, 2009 - Rs.65.79 lakhs)		
Total	**3,730.46**	**11,715.34**
Schedule 10		
Other Current Assets		
Interest Income Accrued	4.37	48.28
Unbilled Revenues	2,756.69	3,623.04
Total	**2,761.06**	**3,671.32**
Schedule 11		
Loans and Advances		
(Unsecured, considered good except otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	3,551.65	2,773.96
Deposits with Government Departments and others [Considered doubtful Rs.59.88 lakhs]; [March 31, 2009 - Rs.64.65 lakhs]	1,230.71	1,404.06
Advance Income Tax	956.60	705.34
Less: Provision for doubtful deposits	(59.88)	(64.65)
Total	**5,679.08**	**4,818.71**

Schedules Forming Part of the Consolidated Balance Sheet *(Contd.)*

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Schedule 12		
Current Liabilities and Provisions		
Current Liabilities		
Sundry Creditors for Goods, Expenses and Services		
- Dues to Micro and Small Enterprises	-	-
- Dues to Other Creditors	5,990.33	4,180.60
Liability for Forward Cover Contracts / Instruments	-	2,870.50
Other Liabilities	1,344.05	1,731.05
Deferred Revenues	373.04	293.26
Advance Received from Customers	78.58	377.71
Total (A)	**7,786.00**	**9,453.12**
Provisions		
Provision for Income Tax	36.47	291.40
Proposed Equity Dividend (Refer Note 4(m) in Notes to Consolidated Accounts)	1,084.44	1,084.44
Tax on Proposed Equity Dividend	184.30	184.30
Provision for Warranty	237.39	37.53
Provision for Gratuity and Pension (net)	90.21	217.48
Provision for Employee Compensated Absences	1,833.79	1,823.11
Provision for Provident Fund Obligations	390.25	413.73
Provision for Other Employee Benefits	69.39	249.32
Total (B)	**3,926.24**	**4,301.31**
Total (A) + (B)	**11,712.24**	**13,754.43**

Schedules Forming Part of the Consolidated Profit and Loss Account

Amount in Rs. lakhs

	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
Schedule 13		
Cost of Revenues		
Salaries & Bonus	28,449.27	31,100.62
Contribution to Provident and Other Funds	2,035.34	3,056.66
Staff Welfare	290.10	393.40
Recruitment and Relocation	74.17	215.37
Rent	2,447.73	2,530.46
Repairs and Maintenance:		
- Plant & Machinery	373.14	532.97
- Building	269.77	330.73
- Others	144.51	108.39
Communication Expenses	693.68	692.90
Travel Expenses	1,238.94	1,291.93
Electricity and Water Charges	633.78	690.46
Professional & Consultancy Charges	882.16	764.39
Depreciation	2,773.91	2,725.37
Contract Staff Cost	1,709.97	974.78
Software Expenses	234.10	311.15
Training and Conference Expenses	31.44	227.85
Warranty Expenses [Net of reversal]	198.90	(60.45)
Miscellaneous	239.91	373.23
Commission	106.32	89.91
Doubtful Deposits / Advances Written off	36.00	-
Provision for Diminution in Inventory	-	16.22
Provision for Doubtful Deposits / Advances	23.88	36.00
Sub Total	**42,887.02**	**46,402.34**
Amortization of Capitalized Software Product Costs	-	603.92
Amortization of Technical Knowhow / Contract Rights	213.06	57.20
Add: Opening Balance of Work in Progress	59.53	224.61
Less: Closing Balance of Work in Progress	(240.47)	(59.53)
Total	**42,919.14**	**47,228.54**

Schedules Forming Part of the Consolidated Profit and Loss Account *(Contd.)*

Amount in Rs. lakhs

	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
Schedule 14		
Research and Development Expenses		
Salaries & Bonus	-	229.63
Contribution to Provident and Other Funds	-	11.34
Staff Welfare	-	2.35
Recruitment and Relocation	-	(0.27)
Rent	-	25.13
Repairs and Maintenance:		
- Plant & Machinery	-	2.55
- Building	-	(1.89)
- Others	-	0.22
Communication Expenses	-	5.43
Travel Expenses	-	10.46
Electricity and Water Charges	-	4.73
Professional & Consultancy Charges	-	21.81
Depreciation	-	62.49
Software Expenses	-	4.05
Training and Conference Expenses	-	19.61
Total	**-**	**397.64**
Schedule 15		
Selling and Marketing Expenses		
Salaries & Bonus	926.16	1,498.86
Contribution to Provident and Other Funds	53.62	88.23
Staff Welfare	10.72	37.64
Recruitment and Relocation	0.59	3.92
Rent	26.89	85.46
Repairs and Maintenance:		
- Plant & Machinery	3.17	7.96
- Building	3.85	(18.18)
- Others	4.94	4.99
Communication Expenses	35.78	96.42
Travel Expenses	194.34	257.64
Electricity and Water Charges	5.33	7.40
Professional, Legal & Consultancy Charges	30.79	143.40
Selling Expenses – others	48.73	105.68
Depreciation	30.75	33.27
Training and Conference Expenses	15.28	6.05
Bad Debts written off	629.95	0.22
Doubtful Debts Provided / (Reversed), Net	(616.30)	542.99
Software Expenses	-	0.39
Total	**1,404.59**	**2,902.34**

Schedules Forming Part of the Consolidated Profit and Loss Account *(Contd.)*

Amount in Rs. lakhs

	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
Schedule 16		
Administrative and General Expenses		
Salaries & Bonus	2,589.31	2,911.58
Contribution to Provident and Other Funds	170.69	355.04
Staff Welfare	165.81	118.73
Recruitment and Relocation	59.17	42.07
Rent	344.58	331.64
Rates and Taxes	210.55	249.42
Repairs and Maintenance:		
- Plant & Machinery	112.76	83.55
- Building	77.57	220.07
- Others	47.03	124.06
Communication Expenses	110.10	142.00
Travel Expenses	191.71	324.62
Electricity and Water Charges	69.94	99.58
Depreciation	148.29	236.23
Professional, Legal & Consultancy Charges	936.86	653.62
Membership & Subscriptions	88.06	148.48
Software Expenses	14.72	23.23
Auditors' Remuneration:		
- Audit Fees	14.30	14.30
- Others	7.50	7.55
- Out of Pocket Expenses (including Service Tax)	0.65	3.04
Training and Conference Expenses	51.40	53.70
Directors' Sitting Fees	6.18	2.30
Donations	58.99	36.78
Insurance	168.78	184.83
Loss on Sale of Fixed Assets / Discarded Assets	1.80	14.28
Miscellaneous	307.21	527.92
Impairment of Assets	-	21.29
Loss on sale of Investments	-	26.79
Bad Debts	-	28.65
Less: Capitalization of ERP Cost	-	(143.23)
Total	**5,953.96**	**6,842.12**

Schedules Forming Part Consolidated Profit and Loss Account *(Contd.)*

Amount in Rs. lakhs

	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009
Schedule 17		
Other Income		
Miscellaneous Income	61.07	11.52
Dividend Received on Current Investments (Non Trade)	392.51	125.82
Net Gain on Sale of Current Investments (Non Trade)	0.98	-
Interest Income on Bank Deposits (Gross)	143.27	212.94
Interest on Income Tax Refund	78.68	-
Other Interest Income	0.07	28.93
Write Back of Unclaimed Balances / Provisions	45.70	7.70
Profit on Sale of Fixed Assets	1.80	8.15
Asset Recovery Charge	43.29	53.77
Other Income – Government Subsidy	-	273.14
Total	**767.37**	**721.97**
Schedule 18		
Interest Expense		
Term Loans from Banks and Others	261.24	381.77
Other Interest Charges	0.11	-
Total	**261.35**	**381.77**

Notes Forming Part of Consolidated Accounts

Schedule 19

1. Description of Business

Sasken Communication Technologies Limited (“Sasken” or “the Company”) and its subsidiaries and joint ventures (hereinafter collectively referred to as “the Group”) is a provider of telecommunication software services and solutions to network equipment manufacturers, mobile terminal vendors and semiconductor companies around the world. Sasken delivers end-to-end solutions that enable richer content delivery on next generation networks.

Sasken has its headquarters in Bangalore, India with offices in Pune, Chennai, Hyderabad, China, Germany, Japan, Sweden, United Kingdom (UK) , United States of America (USA) and South Korea.

2. Significant Accounting Policies

(a) Basis for preparation of financial statements

The accompanying consolidated financial statements include the accounts of Sasken and its subsidiaries and joint ventures as follows:-

Name of Subsidiary	Country of Incorporation	% Holding
Sasken Network Engineering Limited (SNEL)	India	100.00%
Sasken Network Solutions Inc. (SNSI)*	USA	100.00%
Sasken Communication Technologies S.A. de C.V (Sasken Mexico)	Mexico	100.00%
Sasken Communication Technologies (Shanghai) Co. Ltd. (Sasken China)	China	100.00%
Sasken Communication Technologies Oy (Sasken Oy)	Finland	100.00%
Sasken Finland Oy (Sasken Finland)**	Finland	100.00%
Sasken Japan KK (Sasken Japan)	Japan	100.00%
Sasken Inc. (Sasken USA)	USA	100.00%
Name of Joint Venture	**Country of Incorporation**	**% Holding**
TACO Sasken Automotive Electronics Limited	India	50.00%
ConnectM Technology Solutions Pvt. Ltd.	India	49.87%

* Fully held by Sasken Network Engineering Limited

**Fully held by Sasken Oy

The consolidated financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies Accounting Standards Rules, 2006 as amended and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis, except in case of assets for which impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Group and are consistent with those used during the previous year, other than those disclosed.

The consolidated financial statements have been prepared based on a line-by-line consolidation of the financial statements of Sasken and its subsidiary companies and proportionate consolidation of the assets, liabilities, income and expenses of the joint ventures, in accordance with Accounting Standard (AS) 21 'Consolidated Financial Statements' and AS 27, Financial Reporting of Interests in Joint Ventures. All material inter-company transactions and balances between the entities included in the consolidated financial statements have been eliminated. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The excess of the cost to the Company of its investments in subsidiaries and joint ventures, over its proportionate share in equity of the investee company as at the date of acquisition, is recognized in the financial statements as Goodwill. In case the cost of investment in subsidiary companies and joint ventures is less than the proportionate share in equity of the investee company as on the date of investment, the difference is treated as capital reserve and shown under Reserves and Surplus.

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

(b) Revenue Recognition

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

Licensing revenue is recognized when the product or technology is delivered and accepted.

Revenue from time and material service contracts is recognized as the services are provided. Revenue from fixed price service contracts and customized products or technology developments is recognized based on the proportionate completion method, determined based on the achievement and acceptance of the milestone, provided collection is probable. Revenue from maintenance contracts is recognized ratably over the term of the maintenance arrangement.

Revenue from royalty is recognized on an accrual basis based on customer confirmation, provided collection is probable.

In all cases revenue is recognized only when no further vendor obligations remain, up to the stage of revenue recognized and collection is probable. Revenue related to post contract customer support is recognized over the support period.

Dividend income is recognized when the right to receive dividend is established.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(c) Inventories and Work in Progress

Costs related to milestones that have not been met are reported as work in progress. Work in progress is carried at cost or net realizable value whichever is lower. Cost includes all expenses directly identifiable to a project and other costs directly attributable to the project. Net Realizable value is the estimated revenue expected in the ordinary course of business on completion of the milestone less expected costs of completion of milestone.

Other inventory items are valued at lower of cost or net realizable value on FIFO basis. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

(d) Fixed Assets (including intangible assets)

Fixed assets including intangible assets are stated at cost, less accumulated depreciation less impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets, which necessarily take substantial period of time to get ready for intended use, are also included to the extent they relate to the period till such assets are ready to be put to use.

(e) Depreciation

Depreciation is provided on Straight Line Method (SLM), over the estimated useful life of the asset, at the rates mentioned below, which are greater than or equal to the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956:

Type of asset	Rates (SLM)(%)	Schedule XIV rates (SLM)(%)
Building	5	1.63
Computers	$25 - 33\frac{1}{3}$	16.21
Electrical Fittings	20	4.75
Furniture & Fittings	10 – 20	6.33
Plant & Machinery including Office Equipment	20 – 25	4.75
Vehicles	20	9.50

Leasehold improvements at leased premises are depreciated on SLM, over the estimated useful life (5 to 10 years) or the lease period, whichever is lower.

Assets with unit value of Rs.5,000 or less are depreciated entirely in the period of acquisition, except in case of Sasken Finland and its subsidiaries where the assets with unit value of Euro 5,000 or less are depreciated entirely in the period of acquisition.

Intangible assets comprise of the following and except otherwise mentioned, are amortized over the estimated useful life, on a straight line basis, as given below:

1. Goodwill arising on consolidation is not amortized but is tested for impairment in accordance with Accounting Standard 21 on Consolidated Financial Statements.

2. Goodwill on acquisition represents the excess of the purchase price over the value of the net assets of the acquired business, and is not amortized but is tested for impairment on a periodic basis.

3. Computer Software -

   (a) Computer Software used for development of software / rendering software services – Over the life of the project/ product – 12 months to 60 months.

   (b) Generic Computer Software – over 12 months.

   (c) Product Software for administration purposes – 36 months.

4. Contract Rights – over a period of 12 months.

5. Non-compete fee – over the contract period of 24 months.

6. Technical knowhow – over a period of 36 months.

7. In case of Sasken Finland and its subsidiaries -

   Software licenses

   (a) Over Euro 3,000 – 36 months.

   (b) Development – 60 months.

   (c) Business value (Mechanical) – 36 months.

(f) Capitalization and Amortization of Software Products

Costs incurred during the research phase are expensed off as period costs. Costs incurred towards development of computer software products meant for sale, lease or otherwise marketed, are capitalized subsequent to establishing the technological feasibility. The costs are expensed as period costs, if the technological feasibility is not established. Capitalization ceases when the product is available for general release to customers. Capitalized software product costs are amortized on a straight line method over the remaining estimated economic life of the product. The unamortized cost of capitalized software products is carried at cost, less accumulated amortization less impairment, if any.

(g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and net realizable value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

(h) Foreign Currency Transactions

(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 approximately at the date of the transaction.

(ii) Conversion – Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences – Exchange differences arising on the settlement or conversion of monetary items, are recognized as income or as expenses in the period in which they arise.

(iv) Forward Exchange Contracts – The Group uses forward exchange contracts to hedge its exposure to movements in foreign exchange rates. The Group does not use the forward exchange contracts 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, to the extent of the underlying assets recognized as at the Balance Sheet date, are recognized in the statement of Profit and Loss of the relevant year. Any Profit or Loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

(v) Translation of Integral & Non-integral Foreign Operations – The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Group itself. In translating financial statements of non-integral operation for incorporation in financial statements, income and expenditure items are translated at the average exchange rates for the year and the assets and liabilities both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate. Exchange differences arising from such translations are accumulated in foreign currency translation reserve until the disposal of the net investment.

On disposal of a non-integral foreign operation, the cumulative amount of the exchange difference which have been deferred and which relate to that operation are recognized as income or expense in the same period in which the gain or loss on disposal is recognized. Where there is a change in the classification of a foreign operation, the translation procedure applicable to the revised classification are applied from the date of the change in the classification.

(i) Employee Benefits

(i) Gratuity

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

The Group contributes to gratuity funds maintained by insurance companies. The amount of contribution is determined based upon actuarial valuations as at the period end. Such contributions are charged off to the Profit and Loss Account. Provision is made for the shortfall between the actuarial valuation as per the projected unit credit method and the funded balance with the insurance companies as at the Balance Sheet date.

(ii) Provident Fund

Employees other than the employees at foreign branches and subsidiaries are also 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 as on the date of Balance Sheet. Contributions towards Provident Fund and Pension Fund are charged to the Profit and Loss Account on an accrual basis.

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

For other overseas branches and foreign subsidiary companies, contributions are made as per the respective country laws and regulations. The same is charged to the Profit and Loss Account on an accrual basis. There are no obligations beyond the respective entity's contributions.

(iii) 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 cost method, as at Balance Sheet date.

(iv) Superannuation

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

(v) Actuarial gains / losses

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

(j) Impairment of Assets

(i) The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

(ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

(iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(k) Warranty

The Group provides for the estimated costs, based on trend of past analysis and nature of services rendered, which may be incurred under free warranties, as provided in licensing and service contracts.

(l) Research and Development

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

(m) Income Taxes

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax are measured at the amount expected to be paid to the tax authorities in accordance with tax laws applicable to the respective jurisdictions. Deferred income taxes reflect the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities across various countries of operation are not set off against each other as the Group does not have a legal right to do so. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has carry forward of unabsorbed depreciation and tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

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

(n) Stock Compensation Expense

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Group accounts for stock compensation expense based on the fair value of the options granted on the date of grant. Compensation expense is amortized over the vesting period of the option on a straight-line basis. The accounting value of the options net of the Deferred Compensation Expense is reflected as Employee Stock Options Outstanding.

(o) Earnings Per Share

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

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

(p) 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 estimates.

(q) Segment Policy

Identification of segments:

The Group is focused in the telecommunication space. The risks and returns of the Group are predominantly determined by the nature of the solutions offered to its customers, which may be in the form of products or services. The primary reporting segments are Software Services, Software Products, Network Engineering Services and Automotive, Utilities & Industrial.

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

Allocation of common costs:

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

Unallocated items:

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

(r) Operating Leases

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

(s) Derivatives

As per the ICAI announcement, the Group provides for net losses in respect of all outstanding derivative contracts as at the Balance Sheet date by marking them to market to the extent the losses are not offset by the fair value gain on the underlying hedge items, on a portfolio basis. Net gains are ignored.

(t) Government Subsidy

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

Sasken Mexico is participating in the program called CONACYT offered and managed by Federal Government of Mexico. The program offers non cash tax incentive for the companies carrying out Research and Development work which is to be utilized for discharging the tax liability within a span of 10 years. Sasken Mexico was sanctioned with a funding of MXN 12,313,185 for the year 2007. The Company has utilized MXN 7,948,200 (INR 27,314,970) during the year ended March 31, 2009 (MXN 4,364,985, INR 15,801,246 for the year ended March 31, 2008).

Sasken Mexico has also participated in a program called FONCYT offered and managed by Federal Government of Mexico. The program offers cash incentive for the companies having tax liabilities under Flat Tax (IETU) during 2008 as an offshoot effect of claiming the CONACYT incentive. The Company has received MXN 1,089,140 (INR 3,972,645) for the calendar year 2009. CONACYT Incentive is treated as Income Tax refund and credited to Income Tax expenditure during the year ended March 31, 2010.

Notes Forming Part of Consolidated Accounts *(Contd.)*

(u) Cash and Cash Equivalents

Cash and cash equivalents in the Cash Flow Statement comprise of cash at bank and in hand and short term investments with an original maturity value of three months or less.

The Cash Flow Statement has been prepared under the indirect method.

3. Joint Ventures

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

In June 2007, Sasken and IDG Ventures formed a joint venture company called ConnectM Technology Solutions Pvt. Ltd. ("ConnectM") in Bangalore. ConnectM intends to explore and focus on end-to-end cycle development & sustenance to the Transportation, Industrial, Utilities and Enterprise markets enabled by Machine-to-Machine (M2M) communications. As at March 31, 2010, the Company and IDG Ventures each hold 49.87% of the equity in ConnectM. In accordance with Accounting Standard 27 on "Financial Reporting of Interest in Joint Venture", the group has consolidated the results of ConnectM in proportion to its interest in the Joint Venture.

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

In January 2007, Sasken and Tata AutoComp Systems Limited ("TACO") formed a joint venture company called TACO Sasken Automotive Electronics Limited (formerly known as TACO Sasken Automotive Electronics Private Limited) ("TSAE") in Pune. The Board of Directors of TSAE has, at the meeting held on January 09, 2009, decided to close down the operations of the company and operations of the company are being discontinued.

Accordingly the financial statements of TSAE have not been prepared under the going concern assumption and all assets have been stated at realizable values and all liabilities have been considered at their estimated settlement value.

As at March 31, 2010, the Company and TACO each hold 50% of the equity in TSAE. In accordance with Accounting Standard 27 on "Financial Reporting of Interest in Joint Venture", the Group has consolidated the results of TSAE in proportion to its interest in the Joint Venture. The results of TSAE are included in the Automotive, Utilities & Industrial segment.

The proportionate share of net cash flows attributable to TSAE is as follows

Amount in Rs. lakhs

	March 31, 2010	March 31, 2009
Operating	(52.55)	(339.30)
Investing	-	(3.31)
Financing	18.63	-
Net cash inflows / (outflows)	(33.92)	(342.61)

(c) **The proportionate share of assets and liabilities as at March 31, 2010 and income and expenditure for the year, in respect of the jointly controlled entities, are given below:**

Amount in Rs. lakhs

	TSAE*		ConnectM	
	March 31, 2010	March 31, 2009	March 31, 2010	March 31, 2009
Reserves and Surplus	(760.13)	(713.67)	(800.35)	(495.99)
Secured Loans	-	-	-	50.00
Fixed Assets, net	12.14	29.62	23.35	28.08
Inventories	-	-	27.59	4.13
Investments	-	-	10.01	-
Sundry Debtors	1.09	-	52.98	21.07
Cash and Bank	2.27	36.19	13.47	392.17
Loans and Advances	1.36	6.34	47.77	46.03
Current Liabilities and Provisions	16.14	43.60	70.15	33.18
Contingent Liabilities and Capital Commitment	-	-	-	-

Amount in Rs. lahks

	TSAE*		ConnectM	
	Year Ended March 31, 2010	Year Ended March 31, 2009	Year Ended March 31, 2010	Year Ended March 31, 2009
Revenue	-	39.33	81.78	32.29
Cost of Revenue	13.55	33.26	230.92	207.67
Research and Development Expenses	-	169.59	-	-
Selling and Marketing Expenses	0.06	17.10	89.94	102.93
Administrative and General Expenses	43.09	225.26	87.05	75.70
Employee Stock Option Cost	-	-	1.23	1.30
Other Income including Exchange Gain or Loss	10.24	4.57	23.09	28.04
Interest	-	-	(0.09)	(0.54)
Profit / (Loss) Before Tax	(46.46)	(401.31)	(304.36)	(327.81)
Provision for Tax	-	(1.31)	-	(1.21)
Profit / (Loss) After Tax	(46.46)	(402.62)	(304.36)	(329.02)

*The operations of TSAE are discontinued as disclosed above in Note 3(b).

(d) **The proportionate share of impairment loss for each class of asset, is provided below:**

Amount in Rs. lakhs

	For the Year 2009-10	For the Year 2008-09	As at March 31, 2010	As at March 31, 2009
Leasehold Equipment	-	5.66	5.66	5.66
Tools & Dyes	-	0.25	0.25	0.25
Computer & Accessories	-	2.26	2.26	2.26
Intangible Assets – Software	-	8.39	8.39	8.39
Office Equipment	-	4.73	4.73	4.73
Total	**-**	**21.29**	**21.29**	**21.29**

Notes Forming Part of Consolidated Accounts *(Contd.)*

4. Other Notes

(a) The Company had approached the High Court of Karnataka, Bangalore to create a Business Restructuring Reserve to be carved out from Securities Premium Account in terms of a Scheme under Section 391 / 394 of the Companies Act, 1956 whereby the Business Restructuring Expenses will be adjusted against the said Reserve. Pursuant to the Scheme and as approved by the High Court of Karnataka, Bangalore vide its order dated March 31, 2010, a sum of Rs.14,578.08 lakhs, has been transferred from the Securities Premium Account and credited to Business Restructuring Reserve Account. Further, impairment loss on capitalized software amounting to Rs.1,519.70 lakhs, which was charged to Profit and Loss Account in the previous year as exceptional item, being considered as a Restructuring Expense incurred after the Appointed Date, i.e., April 1, 2008, has been adjusted against the Business Restructuring Reserve Account, with corresponding credit in the Profit and Loss Account balance.

Had the Scheme not prescribed the aforesaid treatment, the balances would be as under:

(i) In the Profit and Loss Account:

Amount in Rs. lakhs

Item	For the year ended March 31, 2010
Profit after Tax	7,551.73
Add: Balance Brought Forward	13,377.82
Profit Available for Appropriation	20,929.55

(ii) In the Balance Sheet:

Amount in Rs. lakhs

Item	As at March 31, 2010
Reserves & Surplus:	
Securities Premium Account	29,156.16
Business Restructuring Reserve	-

(b) Estimated amount of contracts remaining to be executed on capital account (net of advances) amounted to Rs.72.08 lakhs (As at March 31, 2009 Rs.129.64 lakhs).

(c) Contingent Liabilities:

Contingent liabilities towards income taxes and indirect taxes not provided for amount to Rs.1,552.70 lakhs (As at March 31, 2009 Rs.974.60 lakhs) and Rs.1,188.93 lakhs (As at March 31, 2009 Rs.833.57 lakhs) respectively.

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

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Bank Guarantees	312.33	289.69
Corporate Guarantees	10,333.98	12,474.70

(d) Gain on account of unamortized premium for forward contracts for sale of foreign exchange entered into by the Company to be recognized in the future financial periods amount to Rs.397.51 lakhs as at March 31, 2010 (Rs.234.21 lakhs as at March 31, 2009).

(e) The Group enters into foreign exchange forward contracts and option contracts to hedge its net foreign currency receivables position including its future receivables. As at March 31, 2010, the Group had foreign exchange forward contracts amounting to USD 437.50 lakhs at an average forward exchange rate of Rs.48.73 and Euro 30.50 lakhs at an average forward exchange rate of Rs.63.46. [March 31, 2009 USD 516 lakhs at an average forward rate of Rs.46.04 and Euro 5 lakhs at an average forward exchange rate of Rs.66.28]. The Group has also taken European style option contracts whereby it has the option to sell USD 10 lakhs (as at March 31, 2009, Nil) at a strike price of Rs.45 with maturity dates upto October, 2010. As per the current policy of the Group, the Group takes foreign exchange forward contracts for currencies primarily denominated in the US Dollar and Euro.

(f) The Group has following foreign currency exposures which are not hedged.

Amount in Foreign Currency lakhs

Currency	As at March 31, 2010			As at March 31, 2009		
	Receivables	Payables	Net Receivable/ (Payable)	Receivables	Payables	Net Receivable/ (Payable)
AUD	-	0.04	(0.04)	-	-	-
CHF	0.02	-	0.02	-	-	-
EUR	10.41	10.36	0.05	0.03	3.34	(3.31)
HKD	0.03	-	0.03	-	-	-
GBP	0.89	0.38	0.51	0.11	0.14	(0.03)
JPY	-	-	-	-	2.53	(2.53)
USD	12.71	9.65	3.06	2.00	16.86	(14.86)
CNY	-	0.26	(0.26)	-	0.26	(0.26)
SGD	-	0.08	(0.08)	-	-	-
CAD	1.89	0.60	1.29	0.96	0.13	0.83

(g) Revised Accounting Standard 15:

(i) During the year ended March 31, 2010 and 2009, the Group contributed the following amounts to the defined contribution plans:

Amount in Rs. lakhs

	Year Ended March 31, 2010	Year Ended March 31, 2009
Superannuation Fund	26.07	42.84
Provident Fund & Pension Fund	59.92	44.79

(ii) Defined Benefit Plan: Gratuity and Pension

Amount in Rs. lakhs

	Gratuity As at March 31, 2010	Pension As at March 31, 2010	Gratuity As at March 31, 2009	Pension As at March 31, 2009
1. Change in benefit obligations				
Defined benefit obligations at beginning of the year	1,046.60	459.95	886.79	391.25
Current Service Cost	234.81	42.09	286.97	34.90
Interest Cost	78.19	24.66	45.40	18.79
Benefits Paid	(135.00)	-	(259.95)	-
Actuarial (Gain) / Loss	(261.55)	31.38	87.39	15.01
Defined benefit obligations (DBO) at the end of the year	963.05	558.08	1,046.60	459.95
2. Change in Plan Assets				
Plan assets at the beginning of the year at fair value	854.26	434.81	768.24	317.77
Contributions	-	76.17	325.00	-
Expected Return on Plan Assets	73.10	25.01	56.88	16.37
Actuarial Gain / (Loss)	181.12	(78.55)	(35.91)	100.67
Benefits Paid	(135.00)	-	(259.95)	-
Plan Assets at the end of the year at fair value	973.48	457.44	854.26	434.81
3. Present Value of the defined benefit obligation	963.05	558.08	1,046.60	459.95
Plan Assets at the end of the year at fair value	973.48	457.44	854.26	434.81
Liability / (Asset) recognized in the Balance Sheet	(10.43)	100.64	192.34	25.14
4. Cost for the year:	Year Ended March 31, 2010	Year Ended March 31, 2010	Year Ended March 31, 2009	Year Ended March 31, 2009
Current Service Cost	234.81	42.09	286.97	34.90
Interest Cost	78.19	24.66	45.40	18.79
Expected Return on Plan Assets	(73.10)	(25.01)	(56.88)	(16.37)
Actuarial (Gain) / Loss	(442.67)	109.93	123.30	(85.66)
Expense recognized in the statement of Profit & Loss (net)	(202.77)	151.67	398.79	(48.34)
5. Actual Return on Plan Assets	194.57	(53.54)	20.87	117.04
6. Assumptions Gratuity				
Interest Rate for Discount	8.00% P.A.	4.90% P.A.	6.00% P.A.	5.00% P.A.
Estimated Rate of Return on Plan Assets	8.00% P.A.	5.90% P.A.	7.00% P.A.	5.90% P.A.

Gratuity-Actuary experience adjustment	2010	2009	2008
Defined Benefit Obligation	963.05	1,046.60	886.79
Plan Assets	973.48	854.26	768.24
(Surplus) / Deficit	(10.43)	192.34	118.55
Experience (Gain) / Loss adjustments on Plan Liabilities	(118.91)	(81.59)	-
Experience Gain / (Loss) adjustments on Plan Assets	213.55	(49.38)	-

Pension-Actuary experience adjustment	2010	2009	2008
Defined Benefit Obligation	558.08	459.95	-
Plan Assets	457.44	434.81	-
(Surplus) / Deficit	(100.64)	(25.14)	-
Experience (Gain) / Loss adjustments on Plan Liabilities	81.58	15.01	-
Experience Gain / (Loss) adjustments on Plan Assets	(26.48)	100.67	-

The Guidance Note on implementing AS 15, Employee Benefits (revised 2005) states that provident funds set up by employers, which require interest shortfall to be met by employer, needs to be treated as a defined benefit plan. Pending the issuance of the Guidance Note from the Actuarial Society of India, the actuary has expressed inability to reliably measure the provident fund obligations and the fair valuation of plan assets and accordingly, disclosures have not been made in this respect. However, the Company has fully provided for the cumulative actuarial liability, on interest shortfall, amounting to Rs.390.25 lakhs (March 31, 2009 Rs.413.73 lakhs) on projected unit credit method.

Assumptions relating to future salary increases, attrition, etc. have been considered based on relevant economic factors such as inflation, market growth, etc.

The Group expects to contribute Rs.79.70 lakhs (Rs.225.00 lakhs in 2009-10) and Rs.73.50 lakhs (Rs.80.00 lakhs in 2009-10) to gratuity and pension plan, respectively, in 2010-11.

The major categories of plan assets as a percentage of the total plan assets are as follows:

	March 31, 2010	March 31, 2009
Investment with insurers	100%	100%

The overall return on assets is determined based on prevailing market price.

(h) Buy-Back of Equity Shares

In terms of decision of the Board of Directors dated April 18, 2008 and in accordance with the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, the Company offered to buy-back its equity shares of face value of Rs.10 each, upto a maximum amount of Rs.4,000 lakhs at a maximum price of Rs.260 per share from open market. The Company commenced the buy-back on September 15, 2008. During the previous year, the Company has bought back 1,449,742 equity shares at an average price of Rs.106.80 per share, utilizing a sum of Rs.1,548.37 lakhs. The amount paid towards buy-back of shares, in excess of the face value, has been appropriated out of General Reserve.

In terms of the provisions of Section 77A of the Companies Act, 1956 and SEBI (Buy Back of Securities) Regulations 1998, the Company has extinguished the above mentioned 1,449,742 shares as on March 31, 2009 and has created Capital Redemption Reserve of Rs.144.97 lakhs towards the face value of 1,449,742 shares of Rs.10 each by way of appropriation against General Reserve, in previous year.

(i) Accounting for Derivatives

Pursuant to The Institute of Chartered Accountants of India's (ICAI) Announcement dated March 29, 2008 on "Accounting for Derivatives", the Company has, based on the principles of prudence enunciated in Accounting Standard-1 on "Disclosure of Accounting Policies", recognized mark to market losses on derivative contracts outstanding, (including forward contracts for highly probable collections), to the extent the losses are not offset by the fair value gain on the underlying hedge items. For the purpose of arriving at the net losses on foreign currency derivative contracts, the Company considers foreign currency derivative contracts as one portfolio. During the year ended March 31, 2010 there was a mark to market gain of Rs.799.23 lakhs, which has not been recognized in line with the ICAI announcement. In the previous year there was a mark to market loss of Rs.1,239.30 lakhs which was recognized in the Profit and Loss Account.

Sasken Oy has taken a variable interest term loan from a bank. With a view to hedge its interest outflows on the loan, Sasken Oy has entered into a variable-to-fixed interest rate swap (to receive EURIBOR linked interest on the notional amount of outstanding term loan and to pay fixed rate of 3.87% on the notional amount of outstanding term loan) with a bank. The critical terms of the interest rate swap matches with that of the interest terms. The hedge, cash flow in nature, is considered to be highly effective since the gains / losses on the fair value of the hedging instrument are offset by the corresponding fair value losses / gains on the hedged item.

(j) Capitalized Software Amortization

Amount in Rs. lakhs

	Year Ended	
	March 31, 2010	March 31, 2009
Gross Block	3,634.66	3,634.66
Less: Accumulated Amortization	2,114.96	2,114.96
Less: Accumulated Impairment Loss	1,519.70	-
Less: Impairment Loss (shown as exceptional item in the Profit and Loss Account)	-	1,519.70
Net Block	-	-

(k) On March 29, 2010, the Company allotted 300,000 convertible warrants to Mr. Rajiv C. Mody, Chaiman and Managing Director and one of the Promoters of the Company, on a preferential basis on such terms and conditions as contained in the Special Resolution passed by the Company through Postal Ballot on March 15, 2010. The warrant expires at the end of 18 months from the date of issue. The allottee shall be entitled for one equity share of Rs.10 each of the Company for each such warrant at a price of Rs.176 each. As per the terms of allotment, 25% of the application money has been paid, which has been recorded as share application and on payment of the remaining 75% of consideration, proportionate number of shares will be allotted.

(l) The following investments were purchased and sold during the year:

S. No.	Name of the Fund	Number of Units	NAV (in Rs.)	Cost (in Rs.)
1.	DWS Insta Cash Plus Fund - Institutional - Daily Dividend	9,948,665	10.0516	100,000,000
2.	DWS Ultra Short-Term Fund - Institutional - Daily Dividend	7,786,063	10.0179	78,000,000
3.	Fortis Overnight Fund Institutional - Daily Dividend	14,995,501	10.0030	150,000,000
4.	HDFC Cash Management Fund Saving Plan Daily Dividend	13,632,432	10.6364	145,000,000
5.	HDFC Liquid Dividend Daily	3,431,978	10.1982	35,000,000
6.	HSBC Cash Fund - Institutional Plus - Daily Dividend	11,993,284	10.0056	120,000,000
7.	HSBC Floating Rate Fund - Long Term Plan - Institutional Option - Weekly Dividend	10,679,418	11.2372	120,006,484
8.	ICICI Prudential Institutional Liquid Plan Super Institutional Daily Dividend	8,698,086	10.0022	87,000,000
9.	IDFC Cash Fund - Super Institutional Plan C - Daily Dividend	15,496,126	10.0025	155,000,000
10.	IDFC Money Manager Fund - T P - Super Inst Plan C - Daily Dividend	4,999,702	10.0015	50,004,522
11.	JPMorgan India Liquid Fund - Super Inst - Daily Dividend Plan	8,992,896	10.0079	90,000,000
12.	JPMorgan India Treasury Fund - Super Inst - Daily Dividend Plan	4,995,554	10.0089	50,000,000
13.	Kotak Floater Long Term - Daily Dividend	14,186,789	10.0798	143,000,000
14.	Kotak Liquid (Institutional Premium Plan) - Daily Dividend	9,404,568	12.2281	115,000,000
15.	LIC MF Floating Rate Fund - Short Term Plan - Daily Dividend Plan	12,500,000	10.0000	125,000,000
16.	LIC MF Liquid Fund Dividend Plan	40,710,012	10.9801	447,000,000
17.	Reliance Medium Term Fund - Daily Dividend Plan	5,849,761	17.0955	100,004,588
18.	Reliance Liquid Fund - Treasury Plan - Institutional Option - Daily Dividend Option	5,233,136	15.2872	80,000,000
19.	SBNPP Money Fund - Super Inst P - Daily Dividend	9,905,600	10.0953	100,000,000
20.	SBNPP Ultra ST Fund - Super Inst Dividend. Reinvestment Daily	14,945,573	10.0370	150,008,717
21.	Tata Liquid Super High Investment Fund - Daily Dividend	80,752	1114.5200	90,000,000
22.	Templeton India Treasury Management Account - Super Institutional Plan - Daily Dividend Reinvestment	319,785	1000.6730	320,000,000
23.	Templeton India Ultra-short Bond Fund - Super Institutional Plan - Daily Dividend	21,080,114	10.0116	211,045,669
24.	TFLD Tata Floater Fund - Daily Dividend	8,971,133	10.0356	90,030,700
25.	UTI liquid Cash Plan Institutional - Daily Income Option	68,665	1019.4457	70,000,000

Notes Forming Part of Consolidated Accounts *(Contd.)*

The following investments were purchased and sold during the previous year:

Sl. No.	Name of the Fund	Number of Units	NAV (in Rs.)	Cost (in Rs.)
1.	Prudential ICICI Liquid Fund	5,201,683	10.5735	55,000,000
2.	JM Money Manager Fund	7,496,926	10.0041	75,000,000
3.	ABN AMRO Money Plus Fund Institutional Plan – Daily Dividend	5,999,760	10.0004	60,000,000
4.	Tata Liquid Super High Investment	17,945	1,114.5200	20,000,000
5.	Templeton India Ultra Short Bond Fund Super Institutional Plan	4,990,618	10.0188	50,000,000
6.	Mirae Asset Liquid Plus Fund - Institutional - Dividend Plan - daily	99,894	1,001.0564	100,000,000
7.	Sundaram BNP Paribas Liquid Plus Super Inst. Daily Rein. Div	3,990,025	10.0250	40,000,000
8.	JP Morgan India Liquid Plus Fund	3,996,842	10.0079	40,000,000
9.	Principal-Floating Rate Fund FMP - Inst. Option - Dividend Reinvestment – Daily - IP388	4,993,858	10.0123	50,000,000

(m) The Board of Directors has recommended a final dividend of Rs.4 per share which is subject to the approval of the members at the forthcoming Annual General Meeting. While making provision for the proposed dividend, regard has been had to Regulatory Practices requiring payment of full dividend on all shares that exist on the Record Date; and, with a view to ensuring the foregoing de-facto position to fall in line with the Company's Articles of Association, Article 162 of the Articles of Association is proposed to be amended, so that the pro-ration rule will have to yield to any regulatory requirement precluding pro-ration.

5. Managerial Remuneration

Managerial remuneration paid / payable to Directors:

Amount in Rs. lakhs

	Year Ended March 31, 2010	Year Ended March 31, 2009
Whole Time Directors		
Salaries and Bonus	235.43	145.67
Contribution to Provident Fund and Other Funds #	10.67	9.60
Total (A)	**246.10**	**155.27**
Non Whole Time Directors		
Commission	40.00	33.70
Sitting Fees	6.18	2.30
Total (B)	**46.18**	**36.00**
Total Remuneration (A)+(B)	**292.28**	**191.27**

The above does not include provisions for gratuity and compensated absences determined on an actuarial basis.

Stock compensation cost in respect of options issued to the directors of Rs.61.50 lakhs for the year ended March 31, 2010 (Rs.11.70 lakhs for the year ended March 31, 2009) has not been considered as managerial remuneration.

6. Provision for Taxation

The Company is registered under the Software Technology Park Scheme and Special Economic Zone Scheme and is claiming tax benefits under Section 10A and Section 10AA of the Income Tax Act, 1961. Pending clarity on extension of the tax holiday period beyond March 31, 2011 the Company is not able to reliably estimate the future income against which deferred tax assets will be realized. Accordingly, as a matter of prudence, deferred tax asset has not been recognized in respect of the Company.

Income tax charge for the year includes Rs. NIL (Rs.88.84 lakhs for the year ended March 31, 2009) pertaining to earlier years.

The operations of other Group companies are taxable under the respective tax laws. Deferred Tax Asset (DTA) is recognized only where it is reasonably / virtually certain, as the case may be such DTA would be realized. The following are the components of the Deferred Tax Asset (DTA) and Deferred Tax Liability (DTL):

Amount in Rs. lakhs

Deferred Tax Asset	As at March 31, 2010	As at March 31, 2009
Depreciation		
- SNEL	90.57	60.06
- Sasken Mexico	109.11	81.04
Other timing differences		
- SNEL	97.15	56.96
- Sasken Mexico	45.92	18.60
- Sasken Finland	61.76	-
Total	**404.51**	**216.66**

7. Employee Stock Option Plan (Equity Settled)

Sasken ESOP 2000

On September 22, 2000, the shareholders of the Company approved Stock Option Plan [ESOP-2000] in accordance with the Guidelines issued by the Securities and Exchange Board of India (SEBI) for Employees Stock Option Plans. The Plan covered all employees of the Company including foreign branches, employees of the subsidiaries including its part time / full time Directors other than the promoter directors / employees. The Plan provided for the issue of 30 lakh shares (including the shares issued under the SAS Stock Option plan, 1997) of Rs.10 each duly adjusted for any bonus, splits, etc. A Compensation Committee of the Board administers the Scheme. The options vest subject to continuation of employment.

On April 2, 2004 and June 1, 2004, the Company issued 378,925 options to 1,372 employees and 971,533 options to 347 employees, respectively convertible into equity shares of Rs.10 each. These options carry a vesting period ranging one to four years at an exercise price ranging from Rs.160 to Rs.256 per share of Rs.10 each depending upon the vesting period being the fair value of the Company's share as determined by the Company as at the date of grant.

On February 23, 2005, the Company issued 42,530 options to 41 employees of Sasken Network Systems Ltd. (SNS, since amalgamated with the Company) and 2,735 options to 3 employees of the Company. These options carry a vesting period ranging one to four years at an exercise price ranging from Rs.184 to Rs.256 per share depending upon the vesting period, being the fair value of the Company's share as determined by the Company as at the date of grant.

On April 19, 2005, the Company issued 304,050 options to 1,212 employees including 25,350 options to 80 employees of SNS and 21,100 options to 113 employees of SNEL. These options carry a vesting period ranging one to four years at an exercise price ranging from Rs.225 to Rs.321 per share depending upon the vesting period, being the fair value of the Company's share as determined by the Company as at the date of grant.

All the options granted have an exercise period of two years from the date of vesting. During the year, the exercise period of 25,213 options issued on June 1, 2004 have been further extended by 2 years.

Sasken ESOP 2006

On February 25, 2006, the shareholders of the Company approved Stock Option Plan [ESOP-2006] in accordance with the Guidelines issued by the Securities and Exchange Board of India (SEBI) for Employees Stock Option Plans. The Plan covers all employees of the Company including foreign branches, employees of the subsidiaries and Directors other than the promoter directors / employees. The Plan provides for the issue of 3,575,000 shares of Rs.10 each duly adjusted for any bonus, splits, etc. A Compensation Committee of the Board administers the Scheme. The terms of each issuance would be determined by the Compensation Committee. The Option vests subject to continuation of employment.

On June 17, 2006 and October 18, 2006, the Company issued 138,750 options to 5 employees and 4 non-executive directors, and 150,000 options to 1 employee, respectively, convertible into equity shares of Rs.10 each. These options carry a vesting period ranging one to four years at an exercise price ranging from Rs.234 to Rs.394 per share of Rs.10 each depending upon the vesting period.

On January 1,2007, the Company issued 5,000 options to 1 employee, convertible into equity shares of Rs.10 each. These options carry a vesting period ranging one to four years at an exercise price ranging from Rs.367 to Rs.559 per share of Rs.10 each depending upon the vesting period.

On April 1, 2007, the Company issued 2,35,000 options to 5 employees, convertible into equity shares of Rs.10 each. These options carry a vesting period ranging one to four years at an exercise price ranging from Rs.475 to Rs.667 per share of Rs.10 each depending upon the vesting period.

On July 1, 2007, the Company issued 90,000 options to 4 employees, convertible into equity shares of Rs.10 each. These options carry a vesting period ranging one to four years at an exercise price ranging from Rs.554 to Rs.746 per share of Rs.10 each depending upon the vesting period.

On October 1, 2007, the Company issued 10,000 options to 2 employees, convertible into equity shares of Rs.10 each. These options carry a vesting period ranging one to four years at an exercise price ranging from Rs.410 to Rs.602 per share of Rs.10 each depending upon the vesting period.

All the options granted have an exercise period of two years from the date of vesting.

On April 21, 2008, the Company issued 87,000 options to 4 employees, convertible into equity shares of Rs.10 each. These options carry a vesting period of one year at an exercise price of Rs.120 per share of Rs.10 each. The above options granted have an exercise period of three months from the date of vesting.

On April 6, 2009 and June 15, 2009, the Company issued 18,60,000 options to 58 employees and 10,000 options to 1 employee, respectively, convertible into equity share of Rs.10 each. These options carry a vesting period ranging one to three years at an exercise price of Rs.52 per share and Rs.76 per share respectively, of Rs.10 each. The above options granted have an exercise period of two years from the date of vesting.

On July 17, 2009, and September 19, 2009 the Company issued 80,000 options to 4 Non Executive Directors and 80,000 options to 2 employees, respectively, convertible into equity shares of Rs.10 each. These options carry a vesting period ranging one to three years at an exercise price of Rs.52 per share and Rs.108 per share respectively, of Rs.10 each. The above options granted have an exercise period of two years from the date of vesting.

On October 1, 2009, the Company issued 60,000 options to 1 employee, convertible into equity shares of Rs.10 each. These options carry a vesting period ranging one to three years at an exercise price of Rs.155 per share, of Rs.10 each. The above options granted have an exercise period of two years from the date of vesting.

On January 21, 2010, the Company issued 60,000 options to 3 non-executive directors at an exercise price of Rs.52 per share and 30,000 options to 1 non-executive director at an exercise price of Rs.155 per share, of Rs.10 each. These options carry a vesting period ranging one to three years. The above options granted have an exercise period of two years from the date of vesting.

Employee Stock Options outstanding (Net of deferred compensation cost) is as follows:

Amount in Rs. lakhs

	March 31, 2010	March 31, 2009
Total Accounting Value of Options Outstanding (A)	720.91	339.14
Deferred Compensation Cost	720.91	339.14
Less: Amortized	393.62	273.64
Net Deferred Compensation Cost (B)	327.29	65.50
(A)-(B)	**393.62**	**273.64**

The following table summarizes the Company's stock options activity for Sasken ESOP 2000 and Sasken ESOP 2006:

Shares Underlying Options Outstanding

	March 31, 2010		March 31, 2009	
	No. of Shares	Weighted average Exercise Price (Rs.)	No. of Shares	Weighted average Exercise Price (Rs.)
Outstanding at the beginning of the year	421,923	330.86	816,766	376.09
Granted during the year	2,180,000	58.42	87,000	120.00
Forfeited during the year	448,227	296.13	481,843	369.45
Exercised during the year	-	-	-	-
Outstanding at the end of the year	2,153,696	62.32	421,923	330.86
Exercisable at the end of the year	30,696	268.53	281,823	262.43
Weighted average remaining contractual life (in years)	2.61	-	1.25	-
Weighted average fair value of options granted during the year	-	32.76	-	51.41

The weighted average market price of the Company's shares during the year ended March 31, 2010 was Rs.143.24 per share (March 31, 2009 Rs.99.06 per share).

The fair value of the options granted during the year was calculated by applying the Black – Scholes – Merton formula with the following assumptions:

	April 2009	June 2009	July 2009	September 2009	October 2009	January 2010	January 2010
Average risk free interest rate	7.39%	7.39%	7.39%	7.39%	7.41%	7.69%	7.69%
Weighted average expected life of options granted (in years)	2.63	2.63	2.63	2.48	2.63	2.63	2.63
Expected dividend yield	6.84%	3.73%	3.21%	2.46%	2.48%	1.98%	1.98%
Volatility (annualized)*	67.62%	70.26%	70.25%	70.33%	70.14%	69.00%	69.00%
Weighted average market price (Rs.)	58.50	107.10	124.65	162.65	161.35	202.12	202.15
Weighted average fair value of the options	22.03	53.53	79.32	87.28	71.69	153.05	103.52
Exercise Price (Rs.)	52.00	76.00	52.00	108.00	155.00	52.00	155.00

*Based on historical market price of the Company's shares for the year since listing.

The estimated weighted average fair value of options granted during the previous year is Rs.51.41.

The details of exercise price of outstanding options are as follows:

As at March 31, 2010

Range of exercise price (Rs.)	Number of options outstanding	Weighted average remaining life of options (in years)	Weighted average exercise price (Rs.)
50-199	2,030,000	2.69	54.40
120-225	90,000	3.22	103.33
226-321	28,696	1.92	256.44
322-474	2,000	1.00	442.00
475-746	3,000	3.17	580.67

As at March 31, 2009

Range of exercise price (Rs.)	Number of options outstanding	Weighted average remaining life of options (in years)	Weighted average exercise price (Rs.)
120-225	91,190	0.20	182.69
226-321	210,733	0.81	253.58
322-474	6,000	1.75	427.67
475-746	114,000	2.89	588.32

8. Related Party Disclosures

Remuneration paid to Key Managerial Personnel

Amount in Rs. lakhs

Name of the related party	Relationship	Year Ended March 31, 2010	Year Ended March 31, 2009
Rajiv C. Mody	Managing Director	147.09	70.25
Krishna J. Jhaveri	Whole Time Director	30.54	30.02
G. Venkatesh	Whole Time Director	68.47	55.00
Total		**246.10**	**155.27**

The above does not include provision for gratuity and compensated absences determined on actuarial basis.

9. Segment reporting

The business segmental information is given based on the following segments - Software Services, Software Products, Network Engineering Services and Automotive, Utilities & Industrial. Software Services that are related with Intellectual Property based product offerings are considered part of the Software Products segment. Network Engineering Services segment provides network planning, deployment, commissioning, integration and network operations support to network equipment vendors and operators. Automotive, Utilities & Industrial segment provides services to customers in the area of telematics and infotainment.

(a) Business Segment Information

Segment Balance Sheet

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Segment Assets		
Software Services	33,157.52	41,597.62
Software Products	1,555.21	1,382.04
Network Engineering Services	2,666.16	2,638.79
Automotive, Utilities & Industrial	169.12	553.29
Unallocated Corporate Assets	29,927.87	22,245.01
Total	**67,475.88**	**68,416.75**
Segment Liabilities		
Software Services	4,824.24	4,170.62
Software Products	649.94	146.56
Network Engineering Services	801.20	613.83
Automotive, Utilities & Industrial	86.18	75.59
Unallocated Corporate Liabilities	8,756.20	15,119.84
Total	**15,117.76**	**20,126.44**
Capital Expenditure		
Software Services	443.12	1,095.45
Software Products	1,093.70	117.42
Network Engineering Services	204.20	216.35
Automotive, Utilities & Industrial	5.72	25.49
Corporate and Others	575.66	1,607.58
Total	**2,322.40**	**3,062.29**

Segment Results

Amount in Rs. lakhs

	Year Ended March 31, 2010	Year Ended March 31, 2009
Revenues	**57,419.31**	**69,781.33**
Software Services	50,760.01	59,561.06
Software Products	2,560.71	6,146.43
Automotive, Utilities and Industrial	81.58	60.39
Network Engineering Services	4,017.01	4,013.45
Segmental Profit	**14,500.17**	**20,635.45**
Software Services	12,330.45	19,027.62
Software Products	840.99	746.89
Automotive, Utilities and Industrial	(151.09)	(338.53)
Network Engineering Services	1,479.82	1,199.47
Less:		
Corporate Expenses	7,478.52	9,493.24
Profit from Operations	**7,021.65**	**11,142.21**
Less: Amortization	-	20.54
Less: Interest	261.35	381.77
Add: Other Income including Exchange gain / (loss), net	2,446.58	(3,539.51)
Less: Provision for diminution in value of investments / (Reversals)	(85.35)	117.71
Profit Before Taxes	9,292.23	7,082.68
Income Taxes including Fringe Benefit Tax	1,740.50	2,852.27
Profit After Taxes	**7,551.73**	**4,230.41**
Depreciation / Amortization	**3,166.01**	**3,739.02**
Software Services	2,521.81	2,378.92
Software Products	348.02	920.34
Network Engineering Services	174.89	90.45
Automotive, Utilities and Industrial	20.47	25.48
Unallocated Depreciation	100.82	323.83

Note: Unallocated corporate assets and liabilities comprise of assets and liabilities not identifiable with reportable segments, as these assets and liabilities are used interchangeably between the segments. However, depreciation on such assets has been allocated to the segments to the extent of the related utilization by the respective segments, as used by management for its internal reporting purposes.

(b) Geographic Segment Information:

Revenues: Amount in Rs. lakhs

Region	Year Ended March 31, 2010	Year Ended March 31, 2009
North America (including Canada)	11,760.31	14,110.30
Europe (including Middle East)	27,197.86	35,965.61
Asia Pacific (other than India)	2,886.58	3,495.73
India	15,574.56	16,209.69
Total	**57,419.31**	**69,781.33**

Assets: Amount in Rs. lakhs

Region	As at March 31, 2010	As at March 31, 2009
North America (including Canada)	5,952.47	4,854.07
Europe (including Middle East)	34,741.91	33,257.26
Asia Pacific (other than India)	663.14	2,045.99
India	26,118.36	28,259.43
Total	**67,475.88**	**68,416.75**

Additions: Tangible and Intangible Assets Amount in Rs. lakhs

Region	As at March 31, 2010	As at March 31, 2009
North America (including Canada)	1,079.42	173.87
Europe (including Middle East)	192.71	208.48
Asia Pacific (other than India)	-	436.14
India	1,050.27	2,243.80
Total	**2,322.40**	**3,062.29**

10. Earnings Per Share (EPS)

Reconciliation of the net income and number of shares considered in the computation of basic and diluted EPS is given below:

	Year Ended March 31, 2010	Year Ended March 31, 2009
Profit for computation of basic and diluted EPS (Amount in Rs. lakhs)	7,551.73	4,230.41
Weighted average number of shares considered for basic EPS	27,111,051	27,888,609
Add: Effect of stock options	1,253,824	-
Weighted average number of shares considered for diluted EPS	28,364,875	27,888,609

Notes Forming Part of Consolidated Accounts *(Contd.)*

11. Operating Lease

The Group has operating leases for office premises that are (a) renewable on a periodic basis and are cancellable by giving a notice period ranging from 1 month to 6 months and (b) renewable on a periodic basis and are non cancellable for specified periods under arrangements. Rent escalation clauses vary from contract to contract ranging from 0% to 15%. There are no restrictions imposed on operating leases. There are no sub leases.

Amount in Rs. lakhs

	Year Ended March 31, 2010	Year Ended March 31, 2009
Rent expenses included in Profit and Loss Account towards operating leases	2,819.20	2,972.69

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

Amount in Rs. lakhs

	As at March 31, 2010	As at March 31, 2009
Due within one year of the Balance Sheet date	655.71	1,284.67
Due between one to five years	688.09	1,127.36
Due after five years	-	-

12. Provisions

The following table provides disclosures in accordance with Accounting Standard 29 on “Provisions, Contingent Liabilities & Contingent Assets”:

Amount in Rs. lakhs

Particulars	Provision for Warranty	
	As at March 31, 2010	As at March 31, 2009
Opening Balance	37.53	97.98
Additions during the year	223.57	118.96
Less: Amounts used during the year	23.71	179.41
Closing Balance	237.39	37.53

13. Comparatives

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

Signature to Schedules 1 to 19

For S. R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

per Kaustav Ghose
Partner
Membership No.057828

Place : Bangalore
Date : April 22, 2010

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

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Amount in Rs.

Name of the Subsidiary	Sasken Network Engineering Limited	Sasken Communication Technologies Mexico S.A de C.V.	Sasken Communication Technologies (Shanghai) Co. Ltd.	Sasken Communication Technologies Oy	Sasken Finland Oy	Sasken Inc.	Sasken Japan KK	Sasken Network Solutions Inc.
Financial year/period of the Subsidiary ended on	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010
1. Holding Company's interest	100%	100%	100%	100%	100%	100%	100%	100%
Equity Share Capital	3,050,000 equity shares of Rs.10 each fully paid up	9,600 equity shares of 500 Mexican Peso each fully paid up	–	24,908,000 equity shares of 1 Euro each fully paid up	20,197 equity shares of 1 Euro each fully paid up	2,250,000 equity shares of US 1 cent each fully paid up	176,100 equity shares of Yen 100 each fully paid up	20,000 equity shares of USD 1 each
2. Net aggregate amounts of the profits/(losses) of the subsidiary so far as it concerns the members of the holding company and is not dealt with in accounts of holding company								
- For the financial year of the subsidiary	63,904,120	58,987,731	(14,931,188)	89,892,891	11,198,967	(94,025,970)	1,861,308	2,694,459
- For the previous financial year of the subsidiary since it became its subsidiary	12,211,459	34,411,306	(22,964,893)	–	131,292,816	(8,744,517)	2,490,035	7,883,495
3. Net aggregate amounts of the profits/(losses) of the subsidiary so far as it concerns the members of the holding company and is dealt with in accounts of holding company								
- For the financial year of the subsidiary	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- For the previous financial year of the subsidiary since it became its subsidiary	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4. Capital	30,500,000	17,674,619	54,286,460	1,489,782,420	1,208,924	951,154	7,575,869	911,400
5. Reserves	121,368,517	148,460,442	(51,067,283)	130,756,778	569,661,560	902,170	2,935,658	9,928,681

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies

Amount in Rs.

Name of the Subsidiary	Sasken Network Engineering Limited	Sasken Communication Technologies Mexico S.A de C.V.	Sasken Communication Technologies (Shanghai) Co. Ltd.	Sasken Communication Technologies Oy	Sasken Finland Oy	Sasken Inc.	Sasken Japan KK	Sasken Network Solutions Inc.
Financial year/period of the Subsidiary ended on	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010	March 31, 2010
6. Total Assets	339,650,334	240,782,014	50,458,389	2,096,786,060	873,004,079	239,933,551	25,600,751	29,277,112
7. Total Liabilities	187,781,817	74,646,953	47,239,212	476,246,862	302,133,595	238,080,227	15,089,224	18,437,031
8. Details of Investments (except Investment in Subsidiary)	Nil	Nil	Nil	Nil	Nil	101,441,250	Nil	Nil
9. Turnover	339,944,395	328,832,600	49,761,700	Nil	893,617,691	51,881,610	55,267,262	43,490,850
10. Profit Before Taxation	70,303,739	75,922,633	(16,781,221)	84,676,572	19,472,561	(91,015,259)	2,946,496	3,519,266
11. Provision for Taxation	6,399,619	16,934,902	(1,850,032)	(5,216,319)	8,273,594	3,010,712	1,085,189	824,807
12. Profit After Taxation	63,904,120	58,987,731	(14,931,188)	89,892,891	11,198,967	(94,025,970)	1,861,308	2,694,459
13. Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The information for all the subsidiaries have been provided in Indian Rupees (INR). The local currency, in the country of operation, and the exchange rate in comparison to INR as at March 31, 2010 is provided below:-

Local currency	INR	Pesos	CNY	Eur	Eur	USD	JPY	USD
Exchange rate as at March 31, 2010 to INR	1	3.648	6.605	60.788	60.788	45.085	0.483	45.085

Rajiv C. Mody
Managing Director

G. Venkatesh
Whole Time Director

Neeta S. Revankar
Chief Financial Officer and
Global Head HR, IT and Administration

R. Vittal
Company Secretary

Place : Bangalore
Date : April 22, 2010

Management Discussion and Analysis Report

IN ADDITION TO HISTORICAL INFORMATION, THIS ANNUAL REPORT CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS. THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN ARE SUBJECT TO CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE REFLECTED IN THE FORWARD-LOOKING STATEMENTS. FACTORS THAT MIGHT CAUSE SUCH A DIFFERENCE INCLUDE, BUT ARE NOT LIMITED TO, THOSE DISCUSSED IN THE MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL PERFORMANCE AND ELSEWHERE IN THIS REPORT. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH REFLECT MANAGEMENT'S ANALYSIS ONLY AS OF THE DATE HEREOF.

Management's Discussion and Analysis of Financial Performance

The consolidated financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and Generally Accepted Accounting Principles (GAAP) in India. The management accepts responsibility for the integrity and objectivity of these consolidated financial statements, as well as for various estimates and judgements used in preparing the financial statements. The management's discussion and analysis is based on the consolidated financial statements.

Company Brief

Sasken Communication Technologies Limited (Sasken), established in 1989 and headquartered in Bangalore, India is an embedded communications solutions company, that helps businesses across the communications value chain accelerate product development life cycles. Sasken offers a unique combination of research and development consultancy, wireless software products and software services, and works with Network OEMs, Semiconductor Vendors, Terminal Device OEMs and Operators across the world. Global Fortune 500 and Tier 1 companies in these segments are part of Sasken's customer profile. Sasken employs 3,153 people, operating from state-of-the-art research and development centers in Bangalore, Pune, Chennai and Hyderabad in India, Kaustinen, Tampere and Oulu in Finland and Monterrey in Mexico. Sasken is also present in Beijing (China), Bochum (Germany), Kanagawa (Japan), Guildford (UK), Chicago, Dallas & Santa Clara (USA) and Seoul (South Korea).

Committed to innovation, Sasken works with customers to help them get to market ahead of the competition, and stay focused on new product development and manufacturing. With deep understanding of the communications industry, access to current and emerging technologies, mature development processes, global resources and a proven track record, Sasken creates complete solutions to help clients succeed. Clients choose Sasken for the comprehensive range of application solutions and services, backed by a proven reputation for expert support and high quality. Our growth strategy is offering compelling value propositions to our customers by spotting and exploiting opportunities to help them grow.

In addition to being directly involved in the development of a variety of technologies, Sasken is a member of premier technology bodies including ITU, 3GPP, GCF, MPEG-ISO, WiMAX, NFC, DLNA and ATM, DSL & SDR forums. Sasken is SEI CMM Level 5 certified and its' solutions are backed by ISO 9001:2000, ISO 27001 and TL 9000 certifications. Sasken's proprietary quality management systems strengthen our business offerings and ensuring customer satisfaction. Sasken's commitment to environment is highlighted by its ISO 14001 certification.

Outlook

We began the year with a lot of apprehension and uncertainty, not knowing how long we would face the effects of the recession. Over the course of the year, we took a few firm steps towards being a disciplined and efficient organization. Though we saw a revenue decline of 17.7% in FY 2010, we still managed to show higher profits largely due to certain measures taken during the year. Going by the current demand, we expect that the trend of revenue will decline very soon and return to growth levels that we saw earlier.

R&D outsourcing by handset OEMs and semiconductor vendors continues to increase due to the need to reduce R&D costs and Sasken is well placed to take advantage of these increased R&D outsourcing spends as we have preferred vendor status with all the leading handset players. We expect the forthcoming year to be a very exciting one. Outsourcing of applications, user interface solutions and testing of different elements at unit, system and field testing level will continue to grow, as OEMs and operators look to move activities to third parties located in low cost locations such as India and China.

The convergence of computing and communications continues and is bringing about in its wake exciting prospects for enhanced personal and professional communication. Netbooks and Smartphones are increasingly becoming essential tools to keep pace with the demands of life and work. Open system alliances like OHA and Symbian Forum are advancing these technologies rapidly making them accessible to a large audience by continuously improving the price/performance ratios. Smartphones with their ease of use make possible a rich communication experience that embraces social networking, access to the internet, rich media as well as

Mobile office communication requirements like e-mail and corporate applications. As multiple companies in the communication and semiconductor space seize these opportunities they are under pressure to get it right the first time. In the near term, we see the blurring of boundaries between traditional communications and computing, opening up newer vistas in the white spaces. Sasken through its global operations and expertise in R&D services is able to provide unparalleled value to key players helping them develop platforms that enable them to rapidly introduce new convergent devices and stay competitive in the market-place.

Sasken is a member of the Symbian Foundation and has been actively working with Symbian platforms for the past few years. In the last year, Sasken also became a member of the Open Handset Alliance Forum, championed by Google. Open Handset Alliance, OHA, is a group of technology and mobile companies who have come together to accelerate innovation in mobile and offer consumers a richer, less expensive, and better mobile experience. The OHA consortium comprises Google, T-Mobile, HTC, Qualcomm, Motorola and others who are collaborating on the development of Android, an open and comprehensive platform for mobile devices.

The Networks business continues to remain a challenge but we are gaining some traction with leading satellite communication companies for providing network infrastructure solutions. We continue to make investments in 4G technologies like LTE which we believe is the growth area in the network space.

We are continuously exploring opportunities to extend our competencies to tap adjacent markets and expand our customer base and offerings. In line with this strategy, we have identified market adjacencies like consumer/automotive electronics, where we see good fit and opportunity for Sasken. We plan to acquire new customers in these adjacencies so that revenue from these accounts should contribute to about 10% of FY 2011 revenues. In line with this strategy, we entered into an agreement in the second half of FY 2010 with Chicago based Ingenient Technologies Inc. that transfers customers, contracts and certain other key assets including products and IP. Ingenient's multimedia software offerings will provide an excellent fit to that of Sasken. Sasken's strength in the area of professional services enables it to extend the product offerings of Ingenient leading to greater share of wallet with their existing marquee customers. The ability to provide multimedia solutions to the consumer lifestyle which leads the personal communication market will put Sasken in a position of advantage to exploit imminent convergence ahead of competition.

Over the last few years, Machine-to-Machine (M2M) as a technology domain flourished with the successful application of wireless technologies like GSM/GPRS/GPS to the monitoring and management of mobile and immobile assets from a remote location. Analysts point out that the shipment of M2M module shipments will grow 10x in the next 4 years to 22 million, and number of remotely monitored assets will grow more than 3x to 34 million.

Sasken's foray into M2M communication technologies is strengthen by ConnectM, a Sasken and IDG Ventures company. ConnectM provides end-to-end solutions, analytics, and business intelligence to the transportation, industrial, utilities and enterprise markets. These offerings are enabled by applications powered with cutting-edge M2M communication technology. ConnectM also works with players across the M2M value chain and provides them consulting, application development, and product life cycle development & sustenance services.

Sasken continues to differentiate itself by continuing to pursue the path of developing intellectual property in the communication space, with a healthy pipeline of patents. We have been granted 36 patents and 21 are pending grant. Sasken has demonstrated the ability to monetize its patent portfolio with a sale of 4 patents providing revenues of approximately 445,000 USD in FY 2010.

Sasken has believed in striking the right balance to the commitments made to all stakeholders, viz., customers, employees and investors. In the coming year, we face new challenges. Our employees are looking forward to revision in their compensation levels. Our customers continue to consolidate their vendor base and are watchful of cost and quality of the solutions that they receive. Billing rates are therefore under pressure. We are working to move a lot of projects to the fixed price model to ensure better employee satisfaction and financial results. With effective project management and control, we will be able to place and move employees based on their strengths and aspirations and also achieve higher profitability. We are working on improving our training and staffing engine to bring in efficiencies which will help compensate for the increased compensation expenses.

Financial Highlights for the year ended March 31, 2010

- Consolidated revenues decreased by 17.7%, from Rs.69,781.33 lakhs in FY 2009 to Rs.57,419.31 lakhs in FY 2010.
- Software Services, Network Engineering Services, Software Product revenues and Automotive, Utilities and Industrial revenues were Rs.50,760.01 lakhs, Rs.4,017.01 lakhs, Rs.2,560.71 lakhs and Rs.81.58 lakhs respectively, for FY 2010.

- The revenue mix amongst Software Services, Network Engineering Services and Software Products changed from 85:6:9 in FY 2009 to 88:7:5 in FY 2010.
- Gross profit after research and development expenses, was Rs.14,500.17 lakhs, at 25.3% of revenues.
- Selling, General and administration costs have reduced from 13.6% in FY 2009 to 13.0% in FY 2010.
- Consolidated EBITDA margins were Rs.10,187.66 lakhs in FY 2010, a reduction of Rs.6,192.73 lakhs as compared to Rs.16,380.39 lakhs in FY 2009. EBITDA margins were at 17.7% for the full year 2010.
- Exchange gains of Rs.1,679.21 lakhs was accounted in FY 2010, as compared to a loss of Rs.4,261.48 lakhs in FY 2009.
- Profit Before Tax (PBT) saw a growth of 31.2%, from Rs.7,082.68 lakhs in FY 2009 to Rs.9,292.23 lakhs in FY 2010. In absolute amount, the PBT increased by Rs.2,209.55 lakhs in FY 2010.
- Consolidated Profit After Tax (PAT) increased by 78.5% in FY 2010, from Rs.4,230.41 lakhs in FY 2009 to Rs.7,551.73 lakhs in FY 2010. In absolute amount, PAT increased by Rs.3,321.32 lakhs in FY 2010. The PAT margins for FY 2010 were 13.2%.
- Consolidated basic Earnings Per Share (EPS) for FY 2010 was Rs.27.85 (Rs.15.17 in FY 2009) and diluted earnings per share was Rs.26.62 (Rs.15.17 in FY 2009). EPS from services business (including Network Engineering Services), increased by Rs.8.49 in FY 2010 to Rs.28.07 from Rs.19.58 in FY 2009.
- Cash and cash equivalents (including investments in mutual funds) increased by Rs.5,392.67 lakhs in FY 2010 and stood at Rs.18,622.64 lakhs as at March 31, 2010 as compared to Rs.13,229.97 lakhs, as at March 31, 2009.
- DSO days (excluding unbilled revenues) reduced by 11 days in FY 2010, from 73 days as at March 31, 2009 to 62 days as at March 31, 2010.
- Headcount of the group stood at 3,153 as at March 31, 2010.
- The Board of Directors recommended a final dividend of 40% and declared an interim dividend of 20%.

Results of Operations

Particulars	Year ended March 31, 2010		Year ended March 31, 2009		
	(Rs. in lakhs)	%	(Rs. in lakhs)	%	Increase/ Decrease (%)
Revenues	**57,419.31**	**100.0**	**69,781.33**	**100.0**	**(17.7)**
Cost of Revenues	42,919.14	74.7	47,228.54	67.7	(9.1)
Gross Profit	14,500.17	25.3	22,552.79	32.3	(35.7)
Research and Development	-	-	397.64	0.6	(100.0)
Gross Profit after Research and Development	14,500.17	25.3	22,155.15	31.7	(34.6)
Selling and Marketing Expenses	1,404.59	2.4	2,902.34	4.2	(51.6)
Administrative and General Expenses	5,953.96	10.4	6,842.12	9.8	(13.0)
Employee Stock Option Compensation Cost/(Reversal)	119.97	0.2	(251.22)	(0.4)	(147.8)
Profit from Operations	**7,021.65**	**12.2**	**12,661.91**	**18.1**	**(44.5)**
Amortization of Non-compete Fees	-	-	20.54	0.0	(100.0)
Other Income	767.37	1.3	721.97	1.0	6.3
Exchange Gain (Net)	1,679.21	2.9	(4,261.48)	(6.1)	(139.4)

Provision for Diminution in Value of Investments/(Reversal)	(85.35)	(0.1)	117.71	0.2	(172.5)
Profit Before Interest and Income Taxes	9,553.58	16.6	8,984.15	12.9	6.3
Interest	261.35	0.5	381.77	0.5	(31.5)
Exceptional Item	-	-	1,519.70	2.2	(100.0)
Profit Before Income Taxes	9,292.23	16.2	7,082.68	10.1	31.2
Income Taxes including FBT, Net	1,740.50	3.0	2,852.27	4.1	(39.0)
Profit After Income Taxes	**7,551.73**	**13.2**	**4,230.41**	**6.1**	**78.5**

Segmental Revenue and EBITDA

Amount in Rs. lakhs

	Year ended March 31, 2010	Year ended March 31, 2009
Total Revenue	**57,419.31**	**69,781.33**
Software Services	50,760.01	59,561.03
Network Engineering Services	4,017.01	4,013.47
Software Products	2,560.71	6,146.44
Automotive, Utilities and Industrial	81.58	60.39
EBITDA Margins	**10,187.66**	**16,380.39**
Software Services	8,961.34	13,725.95
Network Engineering Services	993.72	768.22
Software Products	595.98	2,615.74
Automotive, Utilities and Industrial	(363.38)	(729.52)
EBITDA Margins in %	**17.7%**	**23.5%**
Software Services	17.7%	23.0%
Network Engineering Services	24.7%	19.1%
Software Products	23.3%	42.6%
Automotive, Utilities and Industrial	(445.4%)	(1,208.0%)

The consolidated revenues in USD terms were at 121.75 million in FY 2010, a decrease of 19% from 150.47 million in FY 2009. The revenue in INR terms decreased by 17.7% year on year. Though the revenue in US Dollar decreased by 19%, the revenue in Indian Rupee decreased only by 17.7% – this is due to depreciation of the Rupee against the US Dollar. The rupee depreciated to an average rate of Rs.46.38 in FY 2009 to Rs.47.16 in FY 2010.

In FY 2010, in USD terms, Services revenue (including Network Engineering segment) contributed to 95.3% of the overall revenues, while Product revenues contributed to 4.5% of overall revenues. Though there has been decline in services revenues, the Company has seen growth emerging in the last two quarters of the financial year. The onsite services revenue has declined in FY 2010, which has led to the reduction in revenues. The Products Segment has witnessed a decline in licensing and customization revenues, year on year, as one of the tier 1 customers decided to exit the symbian programme towards the end of FY 2009. The sale of new phone models in Asian market, containing Sasken IP, has declined in FY 2010, due to which there is a decline in royalty revenues.

EBITDA margins from Software Services business, in the current year has decreased to 17.7% from 23.0% in FY 2009. This was due to reduction in revenues in higher margin onsite business, marginally offset by increase in utilization, bill rates and rupee depreciation.

EBITDA margins from Network Engineering Services, in the current year increased to 24.7% from 19.1% in FY 2009. This segment seen strong growth in US operations, leading to better margins.

EBITDA margins from Software Products, in the current year reduced to 23.3% from 42.6% in FY 2009. The costs have increased due to acquisition of a business in the US, in Q3 of FY 2010.

Cost of Revenues

Cost of revenues comprise of costs incurred by the business units, towards revenue generation activities, and operating costs allocated to the business units. Cost of revenues decreased to Rs.42,919.14 lakhs for the year ended March 31, 2010 from Rs.47,228.54 lakhs for the year ended March 31, 2009, a decrease of 9.10% and by Rs.4,309.40 lakhs in absolute terms. There have been significant reductions in employment costs in FY 2010. The employment costs have reduced by Rs.3,917.17 lakhs, due to lower headcount in India and European operations. There has been an increase in professional and consultancy charges and contract staff cost in US operations, in FY 2010, which has offset the reduction in employment costs. There has been an increase in warranty costs due to increase in execution of fixed price projects. As the unamortized portion of capitalized software cost amounting to Rs.1,519.70 lakhs was written off as exceptional item in March 2009, there is no charge in FY 2010 towards the same.There was a charge for six months in FY 2009 towards amortization of capitalized software. The increase in amortization of contract rights relates to contracts that the company acquired, due to the agreement with Ingenient Inc. The consolidated results also include cost of revenues incurred by the joint venture – ConnectM Technology Solutions Pvt. Ltd.

Research and Development Expenses

Research and Development (R&D) expenses include the costs of product development and modifications and enhancements to products. During the current year, there has been no expenditure towards research and development and there have been no new investments in existing product lines. All the R&D projects have moved in to maintenance mode and these costs are included in cost of revenues. The Joint Venture with Tata AutoComp Systems Limited, Taco Sasken Electronics Limited, has been discontinued since Q4 of FY 2009. In earlier years, the JV also invested in R&D expenditure.

Selling and Marketing Expenses

Selling and Marketing (S&M) expenses primarily include costs related to employment and travel expenses of the marketing and sales staff, rent for foreign offices, provision for doubtful debts and bad debts. The selling and marketing expenses were Rs.1,404.59 lakhs for FY 2010, as compared to Rs.2,902.34 lakhs for FY 2009, amounting to a decrease of Rs.1,497.75 lakhs year on year. The decrease has been primarily on account of rationalization of the onsite sales team in the current year, which has led to reduction in overseas salaries and travel costs. During FY 2009, provisions were created against certain receivables, the significant portion relating to one of our customers who had filed for bankruptcy protection and hence the S&M costs were higher in FY 2009. Since the Company received settlement from a credit insurance company in FY 2010 and no further material collections are expected on this account, the provision has been reversed and charged off as Bad Debts in FY 2010, due to which bad debts are higher in FY 2010.

On a net basis, there has been an impact of Rs.13.66 lakhs on account of provision for doubtful debts/bad debts in FY 2010.

Administrative and General Expenses

Administrative and general expenses primarily include costs related to employment expenses of the leadership team, corporate functions, rent, professional, legal and consultancy fees, training expenses and other unallocable costs to business units. Administrative and general expenses were at Rs.5,953.96 lakhs for FY 2010, as compared to Rs.6,842.12 lakhs in FY 2009. Costs have reduced primarily due to, reduction in employment costs and travel costs by Rs.442.44 lakhs and Rs.132.91 lakhs respectively.

Employee Stock Compensation Cost

The Company records compensation costs based on the fair value of the options granted during the year, over the vesting period of the options. During FY 2010, the Company issued 2,180,000 options, which have a vesting period of ranging from one year to three years, at an average exercise price of Rs.58.42 per share. The costs of these options and certain options issued in earlier periods, amounting to Rs.119.97 lakhs, net of reversals, have been recorded as employee stock compensation cost. There was a reversal of Rs.251.22 lakhs in previous year due to (a) Non-exercise of options granted (b) non-fulfillment of vesting conditions.

Amortization of Non-Compete Fees

During the year ended March 31, 2006, the Company paid non-compete fees of Rs.493.08 lakhs to some of its senior employees under a non-compete and non-solicitation agreement entered into with these employees. The non-compete fee has been fully amortized as at the end of FY 2009. Hence there is no charge in the current year.

Other Income and Exchange Gain

Other Income comprises of Interest earned on Fixed Deposits, Dividend on Mutual Funds and other miscellaneous receipts. Other income amounted to Rs.767.37 lakhs in FY 2010, an increase of Rs.45.40 lakhs over FY 2009 amounting to Rs.721.97 lakhs. There is an increase in dividends received in FY 2010, due to higher investments in Mutual Funds in current year. The Company also received interest on certain income tax refunds.

The Company manages its foreign exchange exposures in line with its hedging policy. The exchange gain/loss is primarily on account of movements in receivables and corresponding forward contracts/option contracts. The rupee has been volatile throughout FY 2010, ending at Rs.45.085 per USD towards the end of the year. The exchange gain of Rs.1,679.21 lakhs has been primarily due to higher rupee rate on forward contracts, settled and outstanding in FY 2010, in comparison to prevailing rates.

Provision for Diminution in Value of Investments

Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Certain provisions on unquoted investments, not considered necessary, have been reversed in FY 2010.

Exceptional Item

During FY 2009, the Company had provided for impairment loss of Rs.1,519.70 lakhs in respect of capitalized software products, as exceptional item, in respect of capitalized software products, included in Software Product Segment.

Interest

The interest expense is predominantly due to the long term loan used for acquisition of Sasken Finland Oy (erstwhile Botnia Hightech Oy). The outstanding amount payable to Nordea Bank, has reduced to Rs.2,963.42 lakhs as at March 31, 2010, compared to Rs.5,524.79 lakhs, as at March 31, 2009. The interest charges are lower by Rs.120.42 lakhs, year on year, due to reduction in outstanding principal.

Income Taxes

The tax charges vary depending on the mix of onsite revenues, offshore revenues, country of operations, nature of the transaction and revenues generated from units which enjoy a tax holiday. The group incurs taxation of 26% and 29% in the subsidiaries in Finland and Mexico respectively. The income tax expense was 3.0% of revenues for FY 2010, while the income tax for FY 2009 was 4.1% of revenues. The tax charges are lower in the current year, due to reductions in royalty revenues, change in profits in overseas operations partially offset by increase in domestic taxes. The effective tax rate for the year for the group is 18.7%.

Profit After Taxation

Consolidated profit after taxation increased from 6.1% in FY 2009 to 13.2% in FY 2010. The profit after taxation for FY 2010 increased by Rs.3,321.32 lakhs, from FY 2009 and was Rs.7,551.73 lakhs for FY 2010.

Financial Position

	As at March 31, 2010		As at March 31, 2009	
	Rs. in lakhs	%	Rs. in lakhs	%
Liabilities				
Share Capital (including Share Application)	2,843.11	5.1	2,711.11	5.0
ESOP Outstanding	393.62	0.7	273.64	0.5
Reserves & Surplus	49,121.39	88.1	45,305.56	82.9
Secured Loans	3,405.52	6.1	6,345.63	11.6
Unsecured Loans	–	–	26.38	0.0
Total Liabilities	**55,763.64**	**100.0**	**54,662.32**	**100.0**
Assets				
Net Fixed Assets	28,930.27	51.9	31,978.03	58.5
Investments	15,906.60	28.5	2,019.98	3.7
Deferred Tax Asset	404.51	0.7	216.66	0.4
Current Assets				
Inventories	284.68	0.5	99.92	0.2
Sundry Debtors	9,779.22	17.5	13,896.79	25.4
Cash and Cash Equivalents	3,730.46	6.7	11,715.34	21.4
Other Current Assets	2,761.06	5.0	3,671.32	6.7
Loans and Advances	5,679.08	10.2	4,818.71	8.8
Total Current Assets	22,234.50	39.9	34,202.08	62.6
Less: Current Liabilities and Provisions	11,712.24	21.0	13,754.43	25.2
Net Current Assets	10,522.26	18.9	20,447.65	37.4
Total Assets	**55,763.64**	**100.0**	**54,662.32**	**100.0**

Share Capital

The number of outstanding shares was 27,111,051, fully paid up, as at March 31, 2010. The increase of Rs.132.00 lakhs is on account of share application money paid towards preferential allotment of 300,000 convertible warrants, each convertible at Rs.176.00, to Mr. Rajiv C. Mody, Chairman and Managing Director and one of the Promoters of the Company. As at the year end, 25% of the application money, amounting to Rs.132.00 lakhs, has been paid.

Employee Stock Options (net of deferred compensation cost)

The employee stock option outstanding (net of deferred compensation cost) has stood at Rs.393.62 lakhs. During FY 2010, the Company issued 2,180,000 options, which have a vesting period of ranging from one year to three years, at an average exercise price of Rs.58.42 per share. The issue of new options has been the primary reason for increase of ESOP outstanding.

Reserves and Surplus

Reserves and surplus as at March 31, 2010 was Rs.49,121.39 lakhs, as against Rs.45,305.56 lakhs as at March 31, 2009, an increase of Rs.3,815.83 lakhs.

The movement in reserves and surplus is due to a mix of:-

i) Increase in General Reserve, due to transfer of Profit and Loss balance for the year.

ii) Reduction of Translation Reserve on non-integral operations in Finland, Mexico and US.

iii) Reduction in securities premium by Rs.14,578.08 lakhs, by creation of a Business Restructuring Reserve, in accordance with a Scheme approved by the High Court of Karnataka.

iv) Reduction in Business Restructuring Reserve by Rs.1,519.70 lakhs, due to an adjustment of impairment loss on capitalized software charged off in the previous year as exceptional item.

Secured Loans

Secured loans have reduced to Rs.3,405.52 lakhs as at March 31, 2010, as against Rs.6,345.63 lakhs as at March 31, 2009, due to (a) repayment of loan instalments, which was taken in earlier years, for acquisition of Sasken Finland Oy and (b) repayment of a secured loan in Finland operations.

Unsecured Loans

Unsecured loans are Nil as at March 31, 2010, from Rs.26.38 lakhs as at March 31, 2009. The unsecured loan in Sasken Finland Oy has been completely settled in the current year.

Fixed Assets

The Net Fixed Assets, including capital work-in-progress, represents 51.90% of the total assets. The fixed assets, as at March 31, 2010, were at Rs.28,930.27 lakhs as against Rs.31,978.03 lakhs as at March 31, 2009. During the year, the Company invested Rs.2,507.43 lakhs on Fixed assets. The increase in fixed assets is primarily attributable to:-

i) Creation of a new facility in Finland.

ii) Investment in computers and related software.

iii) Acquisition of a business in US.

Investments

The investments, representing 28.50% of the total assets, as at March 31, 2010 were Rs.15,906.60 lakhs, as against Rs.2,019.98 lakhs, as at March 31, 2009.

The Company invests surplus amounts in highly rated Mutual Fund papers, considering the safety and liquidity as the key determinants for the investment in a fund. With a view to increase the returns, the Company has invested significant amount of the surplus amounts in highly rated mutual funds in FY 2010. There has also been an additional investment in Omnicapital in FY 2010.

Deferred Tax Asset

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets and deferred tax liabilities across various countries of operation are not set off against each other as the Company does not have a legal right to do so. The Deferred tax assets have been recognized on Mexico, Finland and Network Engineering Services operations, since there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Inventories

Inventories represent (a) Work-in-progress – costs related to project milestones that have not been met. The Work-in-progress, as at March 31, 2010 was at Rs.240.47 lakhs, as against Rs.59.53 lakhs as at March 31, 2009 (b) Stock-in-trade – costs related to

stock of software/hardware and other components held for sale or included as a part of project costs. The Stock-in-trade, as at March 31, 2010 was at Rs.44.21 lakhs, as against Rs.40.39 lakhs as at March 31, 2009.

Sundry Debtors

Sundry debtors, representing 17.5% of the total assets, as at March 31, 2010 were at Rs.9,779.22 lakhs, as against Rs.13,896.79 lakhs as at March 31, 2009. The reduction in debtors is a reflection of improvement in collections. The DSO for the group, have reduced by 11 days from 73 days to 62 days in FY 2010. The decline in revenues has also led to the reduction in debtors. The management periodically reviews the quality of receivables and makes provision where necessary.

Cash and Bank Balances

Cash and Bank balances, representing 6.7% of the total assets, as at March 31, 2010 were at Rs.3,730.46 lakhs, as against Rs.11,715.34 lakhs as at March 31, 2009. The Company maintains sufficient cash balance for operational requirements and invests surplus funds in highly rated Mutual Fund papers and fixed deposits. In FY 2010, with a view to increasing returns on surplus funds, the Company switched investments to mutual funds, upon maturity of certain fixed deposits.

Other Current Assets

Other Current Assests, representing 5.0% of the total assets, as at March 31, 2010 were at Rs.2,761.06 lakhs, as against Rs.3,671.32 lakhs as at March 31, 2009. The decrease is primarily due to decrease in unbilled revenue for March 2010. Unbilled revenue represents amounts recognized based on services performed in accordance with contract terms and where invoices have not been raised.

Loans and Advances

Loans and advances, representing 10.2% of the total assets, as at March 31, 2010 were at Rs.5,679.08 lakhs, as against Rs.4,818.71 lakhs as at March 31, 2009. The increase is primarily due to amounts paid for towards income taxes and other amounts paid in response to demands raised by taxation authorities in connection with disputed taxes.

Current Liabilities and Provision

Current liabilities and provisions, representing 21.0% of the total assets, as at March 31, 2010 were at Rs.11,712.24 lakhs, as against Rs.13,754.43 lakhs as at March 31, 2009. The decrease is significantly due to reduction in liability for forward contracts, statutory liabilities and provision for employee benefits and provident fund obligations.

Cash Flow

The net cash from operating activities was Rs.11,609.52 lakhs during the year ended March 31, 2010 as against Rs.13,288.55 lakhs during the year ended March 31, 2009.

The cash from operations of Rs.11,609.52 lakhs, for the year ended March 31, 2010, was generated due to improved collections on debtors, increase in current liabilities, higher profits before taxes, depreciation and amortization. However, this has been offset by a non-cash increase, in exchange, gain amounting to Rs.3,081.66 lakhs.

The net cash used in investing activities was Rs.15,120.48 lakhs during the year ended March 31, 2010 as against Rs.1,987.05 lakhs net cash used during the year ended March 31, 2009. In the current year, the surplus funds were used for investment in mutual funds. There were also investment in limited partnerships and purchase of fixed assets/business units.

The net cash used in financing activities was Rs.4,206.50 lakhs during the year ended March 31, 2010 and as against net cash used of Rs.5,955.14 lakhs during the year ended March 31, 2009. The outflow was on account of repayment of the long term loan, which the Company had borrowed for Sasken Finland acquisition, payment of interim dividend and related dividend tax.

Opportunities and Threats

As more and more wireless devices and newer players come in to the market place, the cycle time for getting the device out are shrinking and the cost at which R&D needs to be done is under pressure. Sasken is well positioning to address these pain points which our customers face. Our current focus is to growth the top tier accounts and we have aligned ourselves accordingly.

Tier 1 companies are now beginning to look at R&D outsourcing like they used to look at IT outsourcing in the past and one of the consequences of this is that they are beginning to look at consolidating their R&D suppliers to a smaller number and in the last year, one of the good things that has happened is that we have been chosen as the preferred supplier to most of these customers. We believe that the momentum of this consolidation process will continue over the next two to three years because as they start looking to reduce the R&D costs by moving to locations like India and China and look for global delivery method to bring overall efficiency in their R&D process and bring down their number of suppliers we stand to gain as we have been chosen in their consolidated supplier list and this consolidation process is what we see as the biggest driver of growth for us going forward in the next two to three years.

Material developments in HR

Our total employee headcount, excluding contractors, stood at 3,153 employees as of March 31, 2010. Our attrition rate for the full year was around 24% and this continues to be an area of concern for us. Employee Retention & Engagement continues to be primary focus for all the HR goals and plans that we have finalized for FY 2011. We continue to invest in HR system and practices which would help improve Employee Engagement levels and help establish stronger alignment between rewards and growth with individual and team performance. We strongly believe in the power of appreciation and recognition and its co-relation to High Performance. We are fairly confident of reaping the benefits of all the People Practices and Systems that we have put in place in the last year towards building a culture of winning squarely on the strength of Global Operational Excellence and High Performance.

Risk and Concerns:

The management of Sasken actively takes steps to manage the various risks that the Company is exposed to. The major activities to this end are as follows:

Business Risks

One of the key aspects of our strategy has been to remain focused on the telecom vertical. This exposes us to the risks associated with operating in a single industry vertical, as compared to our peers in the industry, who are more diversified. To mitigate this risk, we have started addressing customer requirements in adjacent verticals such as consumer electronics, satellite, government, defense and auto. We expect 10 to 15% of our revenues in FY 2011 to come from these initiatives.

However, our customers operate in a limited set of industries and factors that adversely affect these industries or product spend by companies within these industries may affect our business. Any decrease in R&D spending or outsourcing by these companies may reduce the demand for our services. We derive a significant portion of our revenue from our top 10 customers. Reduction in revenues we receive from one or more of these customers may affect our business.

Protection of Intellectual Property

It is the prime and foremost responsibility of any company in the knowledge industry to safeguard its own intellectual property. The management has taken the following measures to protect its IP:

Infosec Actions

Sasken ISMS (Information Security Management System) is defined on the best practices derived out of ISO 27001. We are compliant and certified with ISO 27001 for our information security practices. This framework requires us to comply with 133 controls and ensures adherence to international requirements in information security. Additionally, customer security standards are met by restriction of physical and logical access, to the customer's Intellectual Property.

Filing of Patents

The Company actively encourages employees to file patents to protect its intellectual property. Apart from serving the purpose of protection, these patents, as and when granted, could lead to revenues from their license, or to other benefits, by cross licensing of these patents, in exchange for others that we may want to use.

Filing of Trademarks

Trademarks have acquired much importance to Sasken with the software market focusing on branding of software products and services. We have also applied for registration of certain trademarks in USA, EU, Russia, Japan, China and India.

Protection of Confidentiality

Sasken assigns much importance to the confidentiality of its software, trade secrets, internal data, systems and processes. Sasken ensures that the employees, clients, prospects, subcontractors, advisors, consultants, vendors, prospective investors who are exposed to any of the confidential information of Sasken, are contractually bound to keep it confidential.

Contracting Process for Limitation of Liability

Each and every contract entered into by Sasken, including both customer and vendor contracts, undergoes a well-settled legal and commercial contract review process. The process ensures that, the clauses, which may be imposed by the customer/vendors that expose Sasken to risks, are proportionate with the benefits accruing from the contract. Sasken is also protected by insurance coverage.

Financial Risks:

Foreign Exchange Fluctuation Risk

Most of Sasken's revenues are in US Dollars and Euros, while its expenses are in Indian Rupees. Operating profits are therefore subject to fluctuations in exchange rates. The exchange rate between the Rupee and the US Dollar has changed substantially in the recent year. In FY 2010, the rupee continued to be choppy. The rupee depreciated by 1.7% against USD, from March 31, 2009 till March 31, 2010. The rupee closed at Rs.45.085 to a dollar for FY 2010.

The following are the de-risking measures we adopt to minimize the impact of exchange fluctuations.

The Company periodically reviews its foreign exchange exposures and takes appropriate hedges through forward contracts and option contracts, regularly. The policy of the Company is to take hedges for risk mitigation and not for profit maximization. The Company has pre set loss limits and unhedged exposures are subject to these loss limits for the purpose of deciding the hedge.

Liquidity Risk

The Board reviews the liquidity position periodically and determines the need for infusion of equity and debt capital into the business. The group has met its working capital requirements through internal cash accruals during the current year. The Company has fund based and non fund based lines of credit available, to satisfy any working capital requirements, if required.

Internal Control Systems

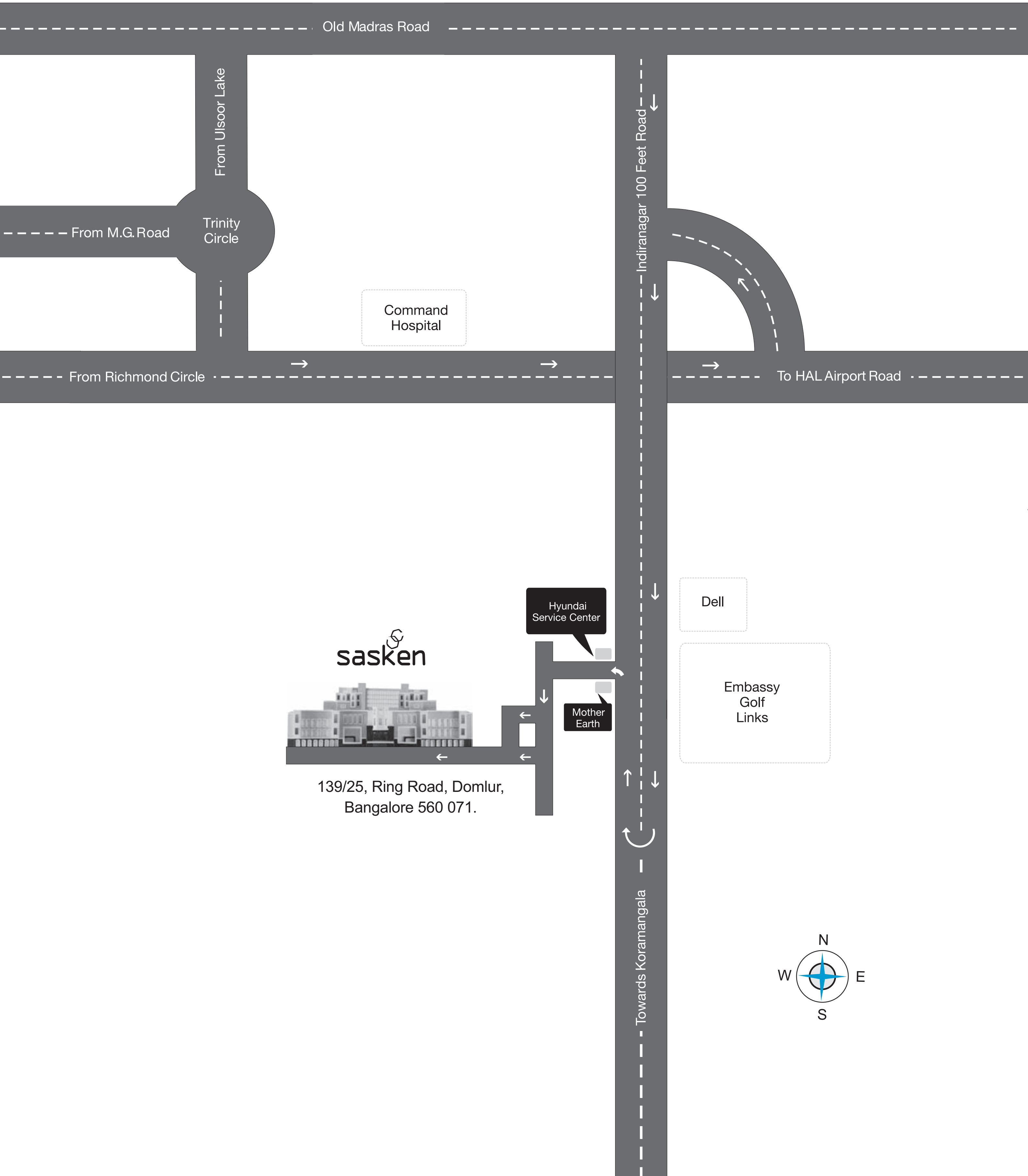
The Company continues to comply with the requirements of Enterprise Risk Management (ERM), which is mandated by Clause 49 of the listing agreement. Apart from identifying and documenting 'Entity level' risks and controls, the exercise involves identifying all significant (a) locations and (b) business processes, followed by (c) documenting each of the process flows (d) creation of risk registers and (e) an assessment of controls by way of testing. The risk register captures all areas of potential financial risks and operational risks and, the associated internal controls that are already in place or have been identified. Annual certification is an important procedure which ends with the CEO and CFO certification. It starts from the 'control' owner and then on to the 'process' owner and upwards, leading to the CXO's.

As part of the assessment exercise conducted, certain proposed controls identified in previous periods have been implemented and tested for their effectiveness, and other proposed controls are being implemented. Additionally, certain new controls have been identified for matters of significant importance or relevance, for implementation in the coming periods.

The Company continues to 'capture and track', risks and controls. The Company continues to do a regular assessment of the risks and controls for the existing and new process flows. The processes followed by other Subsidiary companies would also be brought under the purview of ERM.

Further, as a good corporate governance measure, all matters of significant importance or relevance has been reported to the Audit Committee and the Company's Statutory Auditors.

Route Map to Sasken Corporate Office



Sasken Communication Technologies Limited

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

Attendance Slip

I hereby certify that I am a shareholder/proxy for the shareholder of the Company. I hereby record my presence at the Twenty Second Annual General Meeting of Sasken Communication Technologies Limited held at the Registered Office at No.139/25, Ring Road, Domlur, Bangalore 560 071 on Friday, July 9, 2010 at 4.00 p.m.

Name of the attending shareholder (In block letters) : ______________________________

Name of the proxy (To be flled in if the proxy attends instead of the shareholder) : ______________________________

Signature of the shareholder : ______________________________

Signature of the proxy : ______________________________

Member's Folio Number/DP ID & Client Id : ______________________________

No. of Shares held : ______________________________

Note: Shareholders/proxy holders are requested to bring the Attendance Slip with them duly completed and signed when they come to the meeting and hand it over at the Reception.

Sasken Communication Technologies Limited

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

Annual General Meeting to be held on Friday, July 9, 2010 at 4.00 p.m. at the Registered Office.

Proxy Form

I/We ____________________ of ____________________ in the district of __________ being a member/members of Sasken Communication Technologies Limited hereby appoint ________________ of ________________ in the district of ___________ or failing him __________________ of ____________ in the district of _______________ as my/our proxy to attend and vote for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company to be held on Friday, July 9, 2010 at 4.00 p.m. at the Registered Office of the Company at 139/25, Ring Road, Domlur, Bangalore 560 071 and at any adjournment thereof.

Signed this ______________________ day of ________________ 2010.

Member's Folio Number/DP ID & Client Id ______________________________

No. of Shares held ______________________________

Signature of the Member _________________ Signature of Proxy _____________________

Affix
Re.1
Revenue
stamp

Note: The proxy must be deposited at the Registered Office of the Company at 139/25, Ring Road, Domlur, Bangalore 560 071, not later than 48 hours before the time for holding the meeting.

Our Contact Details

Address	Telephone	Fax
Sasken Communication Technologies Ltd. 139/25, Ring Road, Domlur, Bangalore 560 071, India	+91 80 3981 1122	+91 80 3981 3329
Adarsh Prime Projects. SEZ Deverabisanahalli Outer Ring Road - Sarjapur Road, Bangalore 560 103	+91 80 6699 4005	+91 80 6699 4008
Bagmane Parin Building, Bagmane Tech Park Sy. No.65/2, Byrasandra Village, C. V. Raman Nagar, Bangalore -560 093, India	+91 80 3981 1122	+91 80 3981 3329
NSG IT Park, Unit No.201, 2nd Flr. S.No.127/2 B, Aundh, Pune – 411 007, India	+91 20 2588 1300	+91 20 2588 1333
Suite# 8, Vatika Business Centre, Plot No. 1-4, 3rd Floor, NSL - ICON [Reliance Digital Bldg.], Road No. 12, Banjara Hills, Hyderabad – 500 034, India	+91 40 4431 1111	+91 40 4431 1100
Unit No 702, 7th Floor, Campus 3B, RMZ Millenia Business Park, 143 Dr M G R Road, Kandanchavady, Chennai 600 096, India	+91 44 3981 8000	+91 44 3981 8029
3rd floor, PCS building, Rensingstraße 15, D-44807 Bochum, Germany	+49 234 9014 9911	
3000, Cathedral Hill, Guildford, Surrey , GU2 7YB, UK	+44 1483 243 572	+44 1483 245 184
1700 Alma Dr, Suite # 350, Plano, TX 75075–6932, USA	+1 972 943 1040	+1 972 943 1047
2900 Gordon Avenue, Suite 105, Santa Clara, CA 95051, USA	+1 408 730 0114	+1 408 774 1007

Subsidiary Companies:

Address	Telephone	Fax
Sasken Network Engineering Ltd. 139/25, Ring Road, Domlur, Bangalore 560 071, India	+91 80 3981 1122	+91 80 3981 3329
Sasken Network Engineering Ltd. Embassy Golf Link Business Park Office 'B', Pine Valley, 4th Floor Off Intermediate Ring Road, Domlur, Bengaluru 560 071	+91 80 3075 7200	+91 80 3075 7201
Sasken Communication Technologies (Shanghai) Co. Ltd. 6F, Tower B, Haoli Building, No. 18 Longqing Street, BDA Beijing, China - 100 176	+86 10 6788 6717 +86 10 6788 6821	+86 10 6788 6855
Sasken Finland Oy P.O. Box 29 FI-69601 Kaustinen, Finland	+358 10 408 1111	+358 6 861 2370
Sasken Finland Oy Hiilikatu 3, FI-00180 Helsinki, Finland	+358 10 408 1111	
Sasken Finland Oy Insinöörinkatu 41, FI-33720 Tampere, Finland	+358 10 408 1111	+358 3 318 6100
Sasken Finland Oy Elektroniikkatie 8, FI-90590 Oulu, Finland	+358 10 408 1111	+358 46 787 03229
Sasken Japan KK Shinkawaya Center Bldg. 3F, 4-24-5 Kuji, Takatsu-ku, Kawasaki-Shi Kanagawa Pref., 213-0032, Japan	+81 44 850 9860	+81 44 850 9861
Sasken Communication Technologies Mexico S.A. de C.V. Carretera Miguel Aleman, KM 14.5, Monterrey Business Park Apodaca 66633, Nuevo Leon, Mexico	+52 81 8625 7400	+52 81 8625 7447
Sasken Inc. 1701 Golf Rd., Tower 1 Suite 1200, Rolling Meadows, IL 60008	+1 847-357-1980	+1 847-357-1981

sasken

CHINA | FINLAND | GERMANY | INDIA | JAPAN | KOREA | MEXICO | UK | USA

marketing@sasken.com | www.sasken.com

Design Concept: Chinmay > chinmay99@gmail.com | Models: Parvez, Chinmay, Kamal | Copy: Tina | Photography: Prashanth | Printed at : Repro India Ltd.