

B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date results of Sasken Technologies Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors of Sasken Technologies Limited

We have audited the quarterly consolidated financial results of Sasken Technologies Limited ('the Company') and its subsidiaries (collectively referred to as 'the Group') for the quarter ended 30 September 2018 and the year-to-date results for the period from 1 April 2018 to 30 September 2018 ('consolidated financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

These consolidated financial results have been prepared on the basis of the consolidated interim Ind AS financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim Ind AS financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') for Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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

Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date results of Sasken Technologies Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)

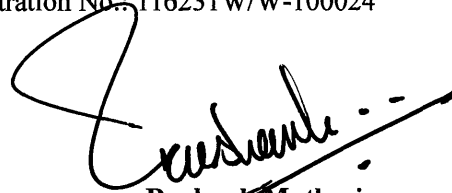
Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:

- (i) include the consolidated financial results of the following entities:
 - (a) Sasken Technologies Limited;
 - (b) Sasken Communication Technologies (Shanghai) Co. Ltd. ('Sasken China');
 - (c) Sasken Communication Technologies Mexico S.A. de C.V ('Sasken Mexico');
 - (d) Sasken Finland Oy. ('Sasken Finland');
 - (e) Sasken Inc. ('Sasken USA');
 - (f) Sasken Foundation; and
 - (g) Sasken Employees Welfare Trust
- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (iii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended 30 September 2018 as well as the consolidated year-to-date results for the period from 1 April 2018 to 30 September 2018.

for B S R & Associates LLP

Chartered Accountants

Firm's Registration No.: 116231 W/W-100024



Rushank Muthreja

Partner

Membership No.: 211386

Bengaluru
23 October 2018

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018

(Rs. in lakhs)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
I	Revenue from operations	11,308.53	13,427.16	12,483.85	24,735.69	24,241.83	50,302.47
II	Other income	849.89	1,763.64	795.53	2,613.53	1,738.53	3,642.59
III	Total income (I+II)	12,158.42	15,190.80	13,279.38	27,349.22	25,980.36	53,945.06
IV	EXPENSES						
	Employee benefits expense	7,901.14	9,068.66	8,750.79	16,969.80	17,153.26	35,053.69
	Depreciation and amortization expense	159.18	157.16	160.45	316.34	310.98	622.25
	Other expenses	2,075.45	2,286.88	1,860.41	4,362.33	3,934.05	8,303.42
	Total expenses (IV)	10,135.77	11,512.70	10,771.65	21,648.47	21,398.29	43,979.36
V	Profit before exceptional items and tax (III- IV)	2,022.65	3,678.10	2,507.73	5,700.75	4,582.07	9,965.70
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before tax (V+VI)	2,022.65	3,678.10	2,507.73	5,700.75	4,582.07	9,965.70
VIII	Tax expense:	333.08	877.89	630.64	1,210.97	975.13	1,723.39
	(1) Current tax	353.36	978.03	482.24	1,331.39	894.88	1,744.22
	(2) Deferred tax	(20.28)	(100.14)	148.40	(120.42)	80.25	(20.83)
IX	Profit after tax (VII-VIII)	1,689.57	2,800.21	1,877.09	4,489.78	3,606.94	8,242.31
X	Other comprehensive income	(419.30)	(56.59)	(239.92)	(475.88)	(426.17)	(466.22)
	A (i) Items that will not be reclassified to profit or loss- remeasurement gain/(loss) on defined benefit plans	(148.95)	117.82	(103.45)	(31.13)	(78.10)	14.32
	(ii) Income tax relating to items that will not be reclassified to profit or loss	52.05	(41.17)	35.80	10.88	27.03	(4.85)
	B (i) Items that will be reclassified to profit or loss- Net change in fair value of forward contracts designated as cash flows hedges	(822.70)	(273.55)	(434.16)	(1,096.25)	(865.81)	(1,231.50)
	Exchange differences in translating financial statements of foreign operations	211.55	44.39	110.19	255.94	192.47	331.29
	(ii) Income tax relating to items that will be reclassified to profit or loss	288.76	95.92	151.70	384.68	298.24	424.52
XI	Total comprehensive income for the period (IX+X) (comprising profit and other comprehensive income for the period)	1,270.27	2,743.62	1,637.17	4,013.90	3,180.77	7,776.09
XII	Paid up equity share capital (face value: Rs 10 per share)	1,711.01	1,711.01	1,711.01	1,711.01	1,711.01	1,711.01
XIII	Other equity						60,391.12
XIV	Earnings per equity share						
	(1) Basic	9.87	16.37	10.97	26.24	21.08	48.17
	(2) Diluted	9.87	16.37	10.97	26.24	21.08	48.17

AUDITED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2018

(Rs. in lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018
ASSETS		
(1) Non-current assets		
Property, plant and equipment	3,678.21	3,689.21
Capital work-in-progress	135.76	2.41
Intangible assets	17.80	35.60
Financial assets		
(i) Investments	48,564.87	44,944.09
(ii) Other financial assets	343.08	300.81
Deferred tax assets	1,249.62	733.64
Other tax assets	5,537.91	5,823.45
Other non-current assets	-	97.75
Total non-current assets	59,527.25	55,626.96
(2) Current assets		
Financial assets		
(i) Current investments	1,759.18	979.01
(ii) Trade receivables	6,833.93	7,869.18
(iii) Cash and cash equivalents	2,161.98	4,023.40
(iv) Other bank balances	367.53	319.82
(v) Unbilled revenue	2,091.41	3,282.52
(vi) Derivative assets	-	1.50
(vii) Other financial assets	1,369.76	470.34
Contract assets	1,300.19	-
Other current assets	674.99	806.59
Total current assets	16,558.97	17,752.36
Total assets	76,086.22	73,379.32
EQUITY AND LIABILITIES		
Equity		
Share capital	1,711.01	1,711.01
Other equity	63,644.38	60,391.12
Total equity	65,355.39	62,102.13
LIABILITIES		
(1) Non-current liabilities		
Provisions	889.95	811.77
Total non-current liabilities	889.95	811.77
(2) Current liabilities		
Financial liabilities		
(i) Trade payables	1,645.34	1,730.04
(ii) Other financial liabilities	1,505.29	2,249.06
(iii) Derivative liabilities	1,221.67	126.01
Deferred revenue	657.02	1,403.14
Other current liabilities	953.29	1,266.69
Provisions	1,564.62	1,821.95
Other tax liabilities	2,293.65	1,868.53
Total current liabilities	9,840.88	10,465.42
Total equity and liabilities	76,086.22	73,379.32

NOTES:

1. These audited consolidated financial results, prepared in accordance with Indian Accounting Standards ('Ind AS') for the quarter and half year ended September 30, 2018 have been approved by the Board of Directors of the Company at its meeting held on October 23, 2018. The statutory auditors have expressed an unqualified opinion on these consolidated financial results.

2. Segment Reporting

The Chairman and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". The Company operates in one segment only i.e. "Software Services". The CODM evaluates performance of the Company based on revenue and operating income from "Software Services". Accordingly, segment information has not been separately disclosed.

3. Effective April 1, 2018, the Company has adopted Ind AS 115, "Revenue from Contracts with Customers" using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the condensed interim statement of profit and loss. The adoption of the standard did not have any material impact on the condensed consolidated interim Ind AS financial statements of the Company.

4. The Sasken Employees' Share Based Incentives Plan 2016 (Plan) was duly approved and instituted in December, 2016. The Plan authorizes the Board of Directors of the Company to offer share based incentive to eligible employees of the Company and its subsidiaries. The maximum number of shares to be issued under the Plan will be 8,85,900 equity shares. The Plan is administered by the Sasken Employees Welfare Trust.

During the quarter ended September 30, 2018, 65,526 stock options have been granted under the Plan. These stock options will vest after a period of 4 years from the grant date and are subject to the achievement of certain performance conditions. The charge to the income statement on account of stock compensation cost for the quarter and year to date period ended September 30, 2018, is Rs.16.22 lakhs.

5. The Board of Directors have declared an interim dividend of Rs. 5.00 per equity share at the board meeting held on October 23, 2018.

For Sasken Technologies Ltd.
(formerly Sasken Communication Technologies Limited)

Rajiv C Mody
Chairman and Managing Director
DIN: 0092037

Place: Bengaluru
Date: October 23, 2018