

AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2007

(Rs. in Lakhs except share data)

Sl. No.		For the Quarter ended June 30, 2007	For the Quarter ended June 30, 2006	For the Year ended March 31, 2007
1	Revenue from Telecom Software Services & Telecom Software Products	8,836.44	7,688.26	36,630.72
2	Cost of Revenue	5,871.72	5,171.60	22,555.23
3	Research & Development Expenses (including Product Engineering Expenses)	832.43	286.75	1,955.27
4	Gross Profit	2,132.29	2,229.91	12,120.22
5	Selling and Marketing Expenses	590.88	461.97	2,197.73
6	Administrative and General Expenses	1,193.50	812.20	4,284.66
7	Profit from operations before Interest, Depreciation and Amortisation	347.91	955.74	5,637.83
8	Amortisation of Non Compete Fees & Capitalised software costs	371.07	42.77	488.27
9	Interest	-	0.54	64.59
10	Depreciation	495.44	355.65	1,647.97
11	Other Income/(Expense)	1,059.15	56.90	979.88
12	Profit Before Tax and Exceptional Items	540.55	613.68	4,416.88
13	Provision for diminution in value of investments	101.86	-	-
14	Profit Before Tax	438.69	613.68	4,416.88
15	Provision for Taxation (Current & Deferred)	220.33	(22.51)	514.52
16	Fringe Benefit Tax	31.26	26.02	89.26
17	Profit After Taxes	187.10	610.17	3,813.10
18	Paid-up equity share capital (at par value of Rs.10 each)	2,850.01	2,797.68	2,850.01
19	Reserves excluding revaluation reserves	38,639.44	35,280.28	38,990.11
20	Basic and diluted EPS for the period, for the year to date and for the previous year after exceptional items(not annualised) (par value of Rs. 10 per share)			
	Basic EPS	0.66	2.18	13.57
	Diluted EPS	0.65	2.15	13.36
21	Dividend	-	-	1,140.01
22	Aggregate of Public Shareholding (Unaudited)*			
	Number of shares	20,981,232	20,379,175	20,981,232
	Percentage of shareholding	73.62%	72.84%	73.62%

* Public shareholding as classified under category B in the shareholding pattern in Clause 35/40A of the Listing Agreement.

Other Information :

	For the Quarter ended June 30, 2007	For the Quarter ended June 30, 2006	For the Year ended March 31, 2007
Staff Cost	6,341.75	4,753.95	22,858.35
Items exceeding 10% of aggregate expenditure			
Details of Other Income :			
Miscellaneous income	0.73	0.06	1.87
Dividend received on current investments (non trade)	46.58	213.16	463.36
Net gain on sale of current investments (non trade)	49.55	8.53	168.27
Interest income on Bank Deposits (Gross)	2.03	0.06	6.36
Reversal of provision for diminution in value of long term investments (non trade)	-	3.60	-
Writeback of liabilities no longer required	-	-	61.00
Profit on Sale of Fixed Asset	6.86	-	-
Other interest income	-	0.02	8.90
Exchange gain/(loss), Net	942.01	(168.53)	235.16
Interest on Loan/Optionally Convertible Debentures to subsidiary companies	11.39	-	34.96
Total	1,059.15	56.90	979.88

Sl. No.		For the Quarter ended June 30, 2007	For the Quarter ended June 30, 2006	For the Year ended March 31, 2007
1	Segment Revenue			
a.	Telecom Software Services	7,971.11	7,328.56	34,357.31
b.	Telecom Software Products	865.33	359.70	2,273.41
	Total	8,836.44	7,688.26	36,630.72
2	Less Inter segment revenue	-	-	-
	Net Sales/Income from Operations	8,836.44	7,688.26	36,630.72
	Segment Results			
	(Profit+)/(Loss-) before tax and interest from each segment)			
a.	Telecom Software Services	2,050.17	2,424.91	12,390.46
b.	Telecom Software Products	(674.96)	(511.66)	(2,046.01)
	Total	1,375.21	1,913.25	10,344.45
	Less: i) Interest	-	0.54	64.59
	ii) Other un-allocable expenditure net off un-allocable Income	834.66	1,299.04	5,862.98
	Total Profit Before Tax and Exceptional items	540.55	613.67	4,416.88
	Provision for diminution in value of investments	101.86	-	-
	Total Profit before tax	438.69	613.67	4,416.88
3	Capital Employed (Segment Assets - Segment Liabilities)			
a.	Telecom Software Services	7,972.13	7,369.28	7,712.89
b.	Telecom Software Products	4,255.14	3,440.97	4,858.19
	Sub total	12,227.27	10,810.25	12,571.08
c.	Unallocated corporate assets	33,637.87	29,296.64	33,235.56
	Less : Corporate liabilities	(4,362.74)	(2,028.93)	(3,966.52)
	Total Capital Employed	41,502.40	38,077.96	41,840.12

Notes:

- The above audited results were taken on record by the Board of Directors of the Company at its meeting held on 20th July 2007. There are no qualifications in Auditors' Reports for the period.
- (a) The Financial Statements are prepared in accordance with the principles and procedures for preparation and presentation of consolidated financial statements as set out in the Accounting Standard on Consolidated Financial Statements prescribed by the Institute of Chartered Accountants of India; (b) The Financial Statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after eliminating intra group balances and transactions and resulting unrealized gains / losses; (c) The Financial Statements of the Company and the Joint Venture company have been combined, on a line-by-line basis, proportionate to the shareholding by the Company in the Joint Venture company by adding together the book value of like items of Assets, Liabilities, Income and Expenses; (d) The Consolidated Financial Statements are prepared by applying uniform accounting policies.
- The results of the following companies are consolidated in the above results: Sasken Network Engineering Limited (SNEL), Sasken Communication Technologies Mexico S.A. De C.V. (Sasken Mexico), Sasken Communication Technologies (Shanghai) Limited (Sasken China), Sasken Communication Technologies Oy and therefore Sasken Finland Oy - all wholly owned subsidiaries and TACO Sasken Automotive Electronics Private Limited - Joint-Venture company. The financial results of Sasken China for the quarter are unaudited.
- The dividend of Rs.4/- per share (40%) for the year 2006-07 was approved by the shareholders at the Annual General Meeting held on 23rd June 2007 and was paid on 5th July 2007.
- During the quarter, the Company signed a Shareholders' Agreement with IDG Ventures India for investing in ConnectM Technology Solutions Pvt. Ltd, Bangalore (ConnectM). ConnectM, formed in June 2007, is set to focus on vertical industry segments like Transportation, Utilities, Industrial, and Enterprise. ConnectM plans to provide end-to-end solutions, consulting, application development, analytics, business intelligence and product life cycle development & sustenance to these markets enabled by Machine-to-Machine (M2M) communications. The Company has subscribed for 40,80,000 equity shares of Rs.10/- each in ConnectM.
- During the quarter, the Company invested (i) Rs.60 Lakhs in the equity capital of TACO Sasken Automotive Electronics Private Limited, thereby increasing its total investment in the said company to Rs.77.21 Lakhs (ii) Rs.26.30 Lakhs in the equity capital of Sasken China thereby increasing its total investment in the said company to Rs.140.85 Lakhs.

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2007

(Rs. in Lakhs except share data)

Sl. No.		For the Quarter ended June 30, 2007	For the Quarter ended June 30, 2006	For the Year ended March 31, 2007
1	Revenue from Telecom Software Services, Telecom Software Products & Network Engineering Services	12,837.23	9,112.33	47,712.90
2	Cost of Revenue	8,474.20	5,943.19	29,755.84
3	Research & Development Expenses (including Product Engineering Expenses)	900.10	286.75	1,955.27
4	Gross Profit	3,462.93	2,882.39	16,001.79
5	Selling and Marketing Expenses	708.00	478.64	2,472.51
6	Administrative and General Expenses	1,764.63	1,041.37	5,953.31
7	Profit from operations before Interest, Depreciation and Amortisation	990.30	1,362.38	7,575.97
8	Amortisation	371.07	42.77	488.27
9	Interest	101.18	2.63	447.22
10	Depreciation	673.41	426.11	2,181.69
11	Other Income/(Expense)	1,058.72	78.28	974.68
12	Profit Before Tax	903.36	969.15	5,433.47
13	Provision for Income Tax (Current & Deferred)	222.06	9.98	865.27
14	Fringe Benefit Tax	42.71	39.65	141.26
15	Profit After Taxes	638.59	919.52	4,426.94
16	Paid-up equity share capital (at par value of Rs.10 each)	2,850.01	2,797.68	2,850.01
17	Reserves excluding revaluation reserves	38,657.65	36,697.61	39,325.14
18	Basic and diluted EPS for the period, for the year to date and for the previous year after exceptional items (not annualised) (par value of Rs. 10 each)			
	Basic EPS	2.24	3.29	15.75
	Diluted EPS	2.21	3.24	15.52
19	Dividend	-	-	1,140.01
20	Aggregate of Public Shareholding (Unaudited) *			
	Number of shares	20,981,232	20,379,175	20,981,232
	Percentage of shareholding	73.62%	72.84%	73.62%

* Public shareholding as classified under category B in the shareholding pattern in Clause 35/40A of the Listing Agreement.

Other Information :

	For the Quarter ended June 30, 2007	For the Quarter ended June 30, 2006	For the Year ended March 31, 2007
Staff Cost	8,835.17	5,316.68	29,049.64
Items exceeding 10% of aggregate expenditure			
Details of Other Income:			
Miscellaneous income	1.33	0.06	75.04
Dividend received on current investments (non trade)	46.58	217.60	463.36
Net gain on sale of current investments (non trade)	49.55	8.53	168.27
Interest income on Bank Deposits (Gross)	8.06	0.48	25.25
Reversal of provision for diminution in value of long term investments (non trade)	-	3.60	-
Profit on sale of Fixed Assets	6.87	-	0.01
Other interest income	-	0.06	8.90
Exchange gain/(loss), Net	946.33	(152.05)	233.85
Total	1,058.72	78.28	974.68

Sl. No.		For the Quarter ended June 30, 2007	For the Quarter ended June 30, 2006	For the Year ended March 31, 2007
1	Segment Revenue			
a.	Telecom Software Services	11,337.10	8,026.17	42,551.05
b.	Telecom Software Products	865.33	359.70	2,273.41
c.	Automotive, Utilities and Industrial	-	-	-
d.	Network Engineering Services	634.80	726.46	2,888.44
	Total	12,837.23	9,112.33	47,712.90
	Less Inter segment revenue	-	-	-
	Net Sales/Income from Operations	12,837.23	9,112.33	47,712.90
2	Segment Results			
	(Profit+)/(Loss-) before tax and interest from each segment)			
a.	Telecom Software Services	3,094.37	2,753.90	14,924.50
b.	Telecom Software Products	(674.96)	(511.66)	(2,046.00)
c.	Automotive, Utilities and Industrial	(67.67)	-	-
d.	Network Engineering Services	212.11	282.53	950.52
	Total	2,563.85	2,524.77	13,829.02
	Less: i) Interest	101.18	2.63	447.22
	ii) Other un-allocable expenditure net off un-allocable Income.	1,559.31	1,552.99	7,948.33
	Total Profit before tax	903.36	969.15	5,433.47
3	Capital Employed -(Segment Assets - Segment Liabilities)			
a.	Telecom Software Services	21,943.46	9,598.57	22,108.87
b.	Telecom Software Products	4,255.14	3,440.97	4,858.19
c.	Automotive, Utilities and Industrial	(16.60)	-	-
d.	Network Engineering Services	1,814.28	1,410.40	1,721.42
	Sub total	27,996.28	14,449.93	28,688.48
e.	Unallocated Corporate Assets	17,834.15	27,045.83	17,453.19
	Less: Corporate Liabilities	(4,309.82)	(2,000.47)	(3,966.52)
	Total Capital Employed	41,520.61	39,495.29	42,175.15

- Staff costs for the quarter ended 30th June, 2007 are higher by Rs.53.35 Lakhs in the Consolidated results and by Rs.49.32 Lakhs on a standalone basis as a result of complying with the revised Accounting Standard 15 -Employee Benefits and consequently profits after taxes for the quarter ended 30th June, 2007 are lower by the same extent respectively.
- As at the end of quarter, the amounts outstanding from the subsidiaries are as follows:

Company	(Rs. Lakhs)	
	Advances	Loans
Sasken Network Engineering Limited	477.29	455.00
Sasken Communication Technologies Mexico S.A. De C.V.	222.92	609.34
Sasken Communication Technologies Oy	96.92	0.00
Sasken Communication Technologies (Shanghai) Limited	2.33	0.00

- Aggregate of public shareholding given above as at 30th June 2007 has been computed in terms of revised Clause 35/40A of the Listing Agreement.
 - The Company intends to recover Fringe Benefit tax (FBT) on options granted to employees. Consequently the Company has not accounted for any FBT.
 - A provision has been made for diminution in the value of the investment in Sasken China in the books of the Company.
 - Information on Investor Complaints pursuant to Clause 41 of the Listing Agreement for quarter ended 30th June 2007
- | Nature of complaints received | Opening Balance | Additions | Disposal | Closing Balance |
|---|-----------------|-----------|----------|-----------------|
| Non receipt of Dividend / refund order in IPO | Nil | 5 | 5 | Nil |
- During the quarter the Company has redesignated the segments.
 - Previous year / quarter figures are regrouped / reclassified as applicable. The figures of the same quarter previous year has been recast to eliminate the impact of additional provision as per revised AS 15 made then but reversed subsequently.

For SASKEN COMMUNICATION TECHNOLOGIES LIMITED

Rajiv C. Mody
Chairman & Managing Director