

BSE Ltd.  
Dept of Corporate Services - CRD  
PJ Towers, Dalal Street,  
Mumbai - 400 001

October 27, 2016

National Stock Exchange of India Ltd.  
'Exchange Plaza', C-1, Block - G,  
Bandra - Kurla Complex,  
Bandra (E),  
Mumbai - 400 051

By Web upload

Dear Sirs,

Sub: Outcome of the Board Meeting held today from 4.30 p.m. to 8.30 p.m.  
Ref: Scrip Code 532663 / SASKEN

Please find below the outcome of the Board Meeting held today from 4.30 p.m. to 8.30 p.m.

#### 1. Financials

We are sending herewith the audited financial results (both consolidated and standalone) of the Company for the quarter and half year ended September 30, 2016 as taken on record.

Please also find enclosed a copy each of the following:

- Auditors' Report on (a) stand alone and (b) consolidated financial results as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').
- Media Release being issued on this occasion.
- Communication to Analysts on Sasken's Business Performance for the quarter and half year ended September 30, 2016.

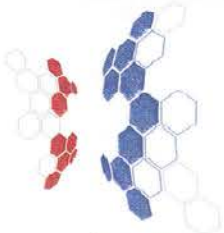
As provided under Regulation 47(1)(b) of SEBI Listing Regulations, we will be publishing the extract of the audited consolidated financial results in the newspapers. The full format of the Quarterly Financial Results will be made available on the Company's website at [www.sasken.com](http://www.sasken.com). We will be uploading the Financial Results on the Stock Exchanges websites: BSE Limited ([www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

#### 2. Buy-back of Shares

The Board has unanimously approved the Buy-back of fully paid up Equity Shares by the Company having face value of Rs.10 each ("Equity Share") up to 28,24,544 Equity Shares (representing 15.94% of the total paid-up equity share capital of the Company) at a maximum price of Rs.425 (Rupees Four Hundred and Twenty Five only) ("Maximum Buy-back Price") per Equity Share payable in cash for a total consideration not exceeding Rs.12,004.31 Lakhs (Rupees Twelve Thousand and Four Lakhs and Thirty One Thousand), excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., ("Transaction Costs") (hereinafter referred to as "Maximum Buy-back Size"), which is within the limit of 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the audited accounts of the Company for the financial year ended March 31, 2016, (standalone basis) from all the equity shareholders / beneficial owners of Equity Shares of the Company, as on the record date, on a proportionate basis

Sasken Communication Technologies Ltd.

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through the "Tender Offer" route using stock exchange mechanism as prescribed under Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 as amended ("**Buy-back Regulations**") and the Companies Act, 2013 ("**Act**") and rules made thereunder ("**Buy-back**"), subject to the approval of the shareholders of the Company by way of a special resolution through Postal Ballot and all other applicable statutory approvals. The approval of the members will be sought to authorise the Board of Directors to fix the final Buy-back Price at which the Buy-back will be made at the time of making Public Announcement.

The Public Announcement setting out the process, timelines and other requisite details will be released in due course in accordance with the Buy-back Regulations.

### 3. Interim Dividend

The Board declared an interim dividend of Rs.2.50 per equity share of Rs.10 each (25%).

As intimated vide our letter of October 24, 2016, November 5, 2016 is fixed as the Record Date to ascertain the list of shareholders who will be eligible for dividend. The dividend will be disbursed on and from November 9, 2016.

### 4. Change of Name of the Company

The Board has approved the proposal for changing the name of the Company to "Sasken Technologies Limited" / "Sasken Limited" subject to approval of the members of the Company and other regulatory authorities.

### 5. Approval for creating Sasken Employees' Share Based Incentive Plan 2016

The Board has approved the proposal for creating Sasken Employees' Share Based Incentive Plan 2016 not exceeding 5% of the paid-up capital of the Company as of March 31, 2016, subject to approval of the members of the Company and other regulatory authorities.

### 6. Exit from M/s. ConnectM Technology Solutions Pvt. Ltd., the joint venture company

The Board has decided to exit from M/s. ConnectM Technology Solutions Pvt. Ltd., the joint venture company by disinvesting its holding of 46.29%.

We request you to take the above on records and disseminate this information to the public.

Thanking you,

Yours faithfully  
For Sasken Communication Technologies Ltd.

S. Prasad  
Associate Vice President & Company Secretary

Encl.



PART I		Quarter ended			Half Year ended		Year ended
Sl. No.	Particulars	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
1	Net Sales/Income from Operations	11,839.72	12,177.51	12,781.44	24,017.23	23,709.25	48,316.74
2	Expenditure						
	a. Cost of materials consumed	22.23	2.86	3.29	25.09	9.82	18.84
	b. Purchases of Stock-In-Trade	-	-	-	-	-	-
	c. Changes in Work-In-Progress and Stock-In-Trade	(93.31)	25.37	(58.08)	(67.94)	(78.53)	(203.16)
	d. Employee benefit expense	8,488.94	8,426.72	8,894.97	16,915.66	16,869.77	34,275.58
	e. Depreciation and amortisation expense	166.94	176.71	157.68	343.65	330.90	660.08
	f. Other expenses	2,615.92	1,826.15	2,704.07	4,442.07	4,642.90	9,508.50
	Total	11,200.72	10,457.81	11,701.93	21,658.53	21,774.86	44,259.84
3	Profit/(Loss) from Operations before Other Income, Finance costs and Exceptional Items (1-2)	639.00	1,719.70	1,079.51	2,358.70	1,934.39	4,056.90
4	Other Income	665.04	485.75	369.94	1,150.79	1,017.80	1,620.29
5	Profit before finance costs and Exceptional Items (3+4)	1,304.04	2,205.45	1,449.45	3,509.49	2,952.19	5,677.19
6	Finance costs	3.46	3.46	6.58	6.92	7.43	18.89
7	Profit after finance costs but before Exceptional Items (5-6)	1,300.58	2,201.99	1,442.87	3,502.57	2,944.76	5,658.30
8	Exceptional income/(expenses)						
	Consideration for Assignment of IP Rights	-	-	-	-	-	29,812.50
	Employee related payments (includes managerial remuneration of Rs 784.38 lakhs)	-	-	-	-	-	(2,884.38)
	Impairment of investment/ goodwill and other receivables	-	-	-	-	-	(3,633.85)
	Total	-	-	-	-	-	23,294.27
9	Profit from Ordinary Activities before tax (7+8)	1,300.58	2,201.99	1,442.87	3,502.57	2,944.76	28,952.57
10	Tax expense	343.01	641.23	387.95	984.24	904.43	8,323.32
11	Net Profit from Ordinary Activities after tax (9-10)	957.57	1,560.76	1,054.92	2,518.33	2,040.33	20,629.25
12	Extraordinary Item (net of tax expense)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	957.57	1,560.76	1,054.92	2,518.33	2,040.33	20,629.25
14	Paid-up equity share capital (at par Value of Rs.10 each)	1,771.98	1,771.98	1,770.18	1,771.98	1,770.18	1,771.98
15	Reserves excluding revaluation reserves	50,912.47	49,596.14	35,067.00	50,912.47	35,067.00	48,129.05
16	Earnings Per Share (EPS) (not annualised) (In Rs.)						
	a) Basic and diluted EPS before Exceptional items						
	- Basic	5.40	8.81	5.20	14.21	9.80	18.46
	- Diluted	5.40	8.81	5.20	14.21	9.80	18.46
	b) Basic and diluted EPS after Exceptional items						
	- Basic	5.40	8.81	5.20	14.21	9.80	107.14
	- Diluted	5.40	8.81	5.20	14.21	9.80	107.14



SASKEN COMMUNICATION TECHNOLOGIES LIMITED  
139/25, RING ROAD, DOMLUR, BANGALORE 560 071

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

(Rs. in lakhs)

Sl. No.	Quarter ended	Half year ended	Year ended
	September 30, 2016	September 30, 2016	March 31, 2016
1	Segment Revenue		
a.	Software Services	11,998.50	23,160.54
b.	Software Products	370.55	669.45
c.	Others	71.85	143.18
	<b>Total</b>	<b>12,040.90</b>	<b>23,973.17</b>
	Less: Inter segment revenue	192.52	357.52
		175.00	735.83
	<b>Net Sales/ income from Operations</b>	<b>11,839.72</b>	<b>23,709.25</b>
2	Segment Results		
	(Profit)/(Loss) before tax and interest from each segment		
a.	Software Services	3,023.25	6,281.24
b.	Software Products	211.29	709.32
c.	Others	6.02	43.71
	<b>Total</b>	<b>3,240.56</b>	<b>7,034.27</b>
	Less: i) Finance costs	3.46	7.43
	ii) Other un-allocable expenditure net of un-allocable income	1,894.37	3,299.01
	iii) Exchange loss / (gain)	42.15	(83.73)
	<b>Add: Exceptional income/(expenses)</b>	<b>(64.19)</b>	<b>19.65</b>
	Consideration for Assignment of IP Rights	-	-
	Employee related payments ( includes managerial remuneration of Rs 784.38 lakhs)	-	-
	Impairment of investment/ goodwill and other receivables	-	-
	<b>Total</b>	<b>1,300.58</b>	<b>2,944.76</b>
3	Total Profit/(Loss) before tax	1,442.87	2,944.76
	Capital Employed -		
	Segment Assets		
a.	Software Services	13,068.49	12,959.17
b.	Software Products	271.73	818.08
c.	Others	95.81	174.33
d.	Unallocable Corporate Assets	51,162.24	33,301.72
	<b>Sub total</b>	<b>64,598.27</b>	<b>47,253.30</b>
	Segment Liabilities		
a.	Software Services	6,599.38	6,599.38
b.	Software Products	76.24	76.24
c.	Others	118.79	130.97
d.	Unallocable Corporate Liabilities	5,119.41	5,113.19
	<b>Sub total</b>	<b>11,913.82</b>	<b>11,913.82</b>
	<b>Capital Employed (Segment Assets-Segment Liabilities)</b>	<b>52,684.45</b>	<b>36,842.54</b>
a.	Software Services	6,469.11	8,047.13
b.	Software Products	195.49	563.52
c.	Others	(32.98)	43.36
d.	Unallocable	46,042.83	28,188.53
	<b>Total Capital Employed</b>	<b>52,684.45</b>	<b>36,842.54</b>





SASKEN COMMUNICATION TECHNOLOGIES LIMITED  
 139/25, RING ROAD, DOMLUR, BANGALORE 560 071  
 AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2016

Amount in Rs. Lakhs

Particulars	As at September 30, 2016	As at March 31, 2016
<b>A. EQUITY AND LIABILITIES</b>		
1. Shareholders' Funds		
a) Share Capital	1,771.98	1,771.98
b) Reserves and surplus	50,912.47	48,129.05
Sub-total - Shareholders' funds	52,684.45	49,901.03
2. Non-current liabilities		
a) Long term provisions	544.23	566.78
Sub-total - Non-current liabilities	544.23	566.78
3. Current liabilities		
a) Trade payables	4,782.45	6,316.40
b) Other current liabilities	1,393.68	1,730.42
c) Short term provisions	5,193.46	5,253.05
Sub-total - Current liabilities	11,369.59	13,299.87
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>64,598.27</b>	<b>63,767.68</b>
<b>B. ASSETS</b>		
1. Non current assets		
a) Property, plant and equipment (net)	3,840.54	4,031.57
b) Non current investments	19,134.04	18,319.04
c) Deferred tax assets (net)	1,081.35	1,139.61
d) Long-term loans and advances	7,281.41	6,945.90
e) Other non current assets	0.80	0.80
Sub-total - Non-current assets	31,338.14	30,436.92
2. Current assets		
a) Current investments	17,607.69	16,826.79
b) Inventories	294.35	246.83
c) Trade receivables	8,558.79	9,627.84
d) Cash and bank balances	2,315.21	2,338.26
e) Short-term loans and advances	1,652.62	1,559.35
f) Other current assets	2,831.47	2,731.69
Sub-total - Current assets	33,260.13	33,330.76
<b>TOTAL ASSETS</b>	<b>64,598.27</b>	<b>63,767.68</b>



**NOTES:**

- 1) The above audited results were taken on record by the Board of Directors of the Company at its meeting held on October 27, 2016.
- 2) The results are based on the consolidated financial statements prepared by the Company's management in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act 2013. The standalone financial results are made available to the Stock Exchanges where the Company's securities are listed and are posted on the Company's website [www.sasken.com](http://www.sasken.com).
- 3) Following are the particulars of the Company (on a standalone basis):

Particulars	Amount in Rs. Lakhs					
	Quarter ended		Half Year ended		Year ended	
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
Turnover	10,073.47	10,014.68	10,616.29	20,088.15	19,628.30	40,192.40
Profit before Tax	1,666.03	1,959.97	1,929.51	3,626.00	3,206.84	28,949.61
Profit after Tax	1,290.71	1,406.70	1,620.53	2,697.41	2,412.37	20,894.39

- 4) The following amounts are due from/ (payable to) subsidiaries:

Company	Amount in Rs. Lakhs	
	As at September 30, 2016	As at March 31, 2016
	<i>Other Balances (Net)</i>	
Sasken Network Engineering Ltd.	(77.90)	(69.55)
Sasken Communication Technologies Mexico S.A. de C.V.	(1.91)	(1.90)
Sasken Communication Technologies (Shanghai) Co. Ltd.	(140.66)	(139.90)
Sasken Finland OY	77.67	-
Sasken Inc	(253.45)	(67.31)

- 5) Exceptional income/expenses

During the previous year ended March 31, 2016, an arbitration proceeding was initiated by one of the customers of the Company and both parties had preferred certain claims. In March 2016, the two parties entered into a settlement agreement whereby both parties mutually agreed to stop the arbitration proceedings and the Company received a consideration of USD 45 million (equivalent to Rs. 29,812.50 lakhs) for assignment of its rights in the independently owned IPR and foreground information, which had been recognized as an exceptional item. Further, in relation to the above, a provision towards employee payments amounting to Rs. 2,100.00 lakhs and managerial remuneration amounting to Rs. 784.38 lakhs had also been recorded as an exceptional item.

In the previous year, the Company had evaluated certain long term investments for the purpose of determination of potential diminution in value of investments and based on such evaluation and determination, a provision for diminution in the value of investment as at March 31, 2016 amounting to Rs. 3,594.85 lakhs/Rs.3,633.85 lakhs, respectively, had been recorded as an exceptional item in the standalone and consolidated financial statements.

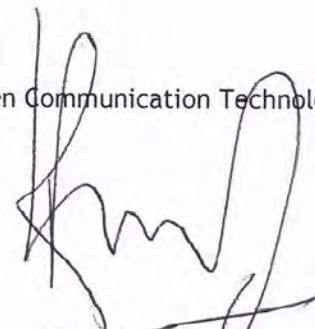




Sasken Inc., a wholly owned subsidiary, had evaluated its long term investment for the purpose of determination of potential diminution in value of investment and based on such evaluation and determination, a provision for diminution in the value of investment as at March 31, 2016 amounting to USD 5.064 million (Rs.3,393.98 lakhs) had been recorded as an exceptional item.

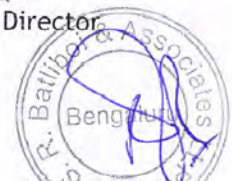
- 6) An application for the merger of Sasken Network Engineering Limited (SNEL), a wholly owned subsidiary of Sasken Communication Technologies Limited (SCTL), with the holding company was filed in the Hon'ble High Court of Karnataka on March 30, 2016. The Hon'ble High Court of Karnataka on April 01, 2016 passed orders dispensing with the meetings of the equity shareholders and unsecured creditors of SNEL for approving the Scheme of Amalgamation. SNEL has filed a petition before the Hon'ble High Court of Karnataka and the said petition is pending before the Court.
- 7) The Board of Directors have declared a dividend of Rs.2.50 per equity share of Rs.10 each. The record date to ascertain the list of shareholders who will be eligible for interim dividend will be November 5, 2016 and the same will be disbursed on and from November 9, 2016.
- 8) The Board of Directors have approved the proposal for buy back, through Tender Offer method on a proportionate basis, subject to the approval of shareholders, of approximately 28.25 lakhs fully paid Equity Shares of Rs. 10/- from the existing shareholders in accordance with the provisions of Section 68 of the Companies Act, 2013 read with SEBI (Buyback) Regulations, 1998 as amended, at a maximum price of Rs.425/- per share payable in cash upto an aggregate amount of Rs.12,004.31 lakhs.
- 9) The Board of Directors have recommended, subject to the approval of the shareholders and other regulatory authorities, changing the name of the Company to "Sasken Technologies Limited" or "Sasken Limited", in accordance with the applicable provisions of laws.
- 10) The Board of Directors have approved the proposal of disinvestment of its holding of 1,44,73,846 fully paid-up equity shares of Rs.10/- each in the capital of joint venture company, ConnectM Technology Solutions Private Ltd., Bengaluru. The definitive agreement for the same is in the process of being finalized.
- 11) The Board has approved the proposal for creating Sasken Employees' Share Based Incentive Plan 2016 not exceeding 5% of the paid-up capital of the Company as of March 31, 2016, subject to approval of the members of the Company and other regulatory authorities.
- 12) Previous period/year figures have been re-grouped/re-arranged, wherever necessary to conform to the current period's/year's presentation.

For Sasken Communication Technologies Ltd.



Rajiv C Mody

Chairman and Managing Director  
DIN: 00092037



Place: Chennai  
Date: October 27, 2016



PART I							
Sl. No.	Particulars	Quarter ended			Half Year Ended		Year ended
		September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
1	Net Sales/Income from Operations	10,073.47	10,014.68	10,616.29	20,088.15	19,628.30	40,192.40
2	Expenditure						
	a. Cost of materials consumed	-	-	-	-	-	-
	b. Purchases of Stock-In-Trade	-	-	-	-	-	-
	c. Changes in Work-In-Progress	(93.31)	25.37	(58.08)	(67.94)	(78.53)	(203.16)
	d. Employee benefits expense	7,293.02	7,061.44	7,653.91	14,354.46	14,310.32	29,058.35
	e. Depreciation and amortization expense	152.72	159.37	139.36	312.09	292.29	586.04
	f. Other expenses	1,945.53	1,590.05	2,299.60	3,535.58	3,896.87	8,267.82
	Total	9,297.96	8,836.23	10,034.79	18,134.19	18,420.95	37,709.05
3	Profit/(Loss) from Operations before Other Income, finance costs and Exceptional Items (1-2)	775.51	1,178.45	581.50	1,953.96	1,207.35	2,483.35
4	Other Income	890.52	781.52	1,348.01	1,672.04	1,999.49	3,132.99
5	Profit before finance costs and Exceptional Items (3+4)	1,666.03	1,959.97	1,929.51	3,626.00	3,206.84	5,616.34
6	Finance costs	-	-	-	-	-	-
7	Profit after finance costs but before Exceptional Items (5-6)	1,666.03	1,959.97	1,929.51	3,626.00	3,206.84	5,616.34
8	Exceptional income/(expenses)						
	Consideration for Assignment of IP Rights	-	-	-	-	-	29,812.50
	Employee related payments ( includes managerial remuneration of Rs 784.38 lakhs)	-	-	-	-	-	(2,884.38)
	Diminution in value of Investments in Subsidiaries/others	-	-	-	-	-	(3,594.85)
	Total	-	-	-	-	-	23,333.27
9	Profit from Ordinary Activities before tax (7+8)	1,666.03	1,959.97	1,929.51	3,626.00	3,206.84	28,949.61
10	Tax expense	375.32	553.27	308.98	928.59	794.47	8,055.22
11	Net Profit from Ordinary Activities after tax (9-10)	1,290.71	1,406.70	1,620.53	2,697.41	2,412.37	20,894.39
12	Extraordinary Item (net of tax expense)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	1,290.71	1,406.70	1,620.53	2,697.41	2,412.37	20,894.39
14	Paid-up equity share capital (at par Value of Rs.10 each)	1,771.98	1,771.98	1,770.18	1,771.98	1,770.18	1,771.98
15	Reserves excluding revaluation reserves	51,112.35	49,420.99	35,130.37	51,112.35	35,130.37	48,103.29
16	Earnings Per Share (EPS) (not annualised) (In Rs.)						
	a) Basic and diluted EPS before Exceptional items						
	- Basic	7.28	7.94	7.99	15.22	11.59	19.64
	- Diluted	7.28	7.94	7.99	15.22	11.59	19.64
	b) Basic and diluted EPS after Exceptional items						
	- Basic	7.28	7.94	7.99	15.22	11.59	108.51
	- Diluted	7.28	7.94	7.99	15.22	11.59	108.51





Sl. No.		Quarter ended			Half year ended		Year ended
		September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015	March 31, 2016
1	Segment Revenue						
a.	Software Services	9,998.07	9,988.74	10,562.23	19,986.80	19,532.20	40,018.87
b.	Software Products	75.40	25.94	54.06	101.34	96.10	173.53
	Total	10,073.47	10,014.68	10,616.29	20,088.14	19,628.30	40,192.40
	Less :Inter segment revenue	-	-	-	-	-	-
	Net Sales/Income from Operations	10,073.47	10,014.68	10,616.29	20,088.14	19,628.30	40,192.40
2	Segment Results (Profit+)/Loss(-) before tax and interest from each segment)						
a.	Software Services	2,774.32	2,858.76	3,203.73	5,633.08	5,921.22	11,872.71
b.	Software Products	15.77	(12.10)	(3.58)	3.67	(23.91)	(46.41)
	Total	2,790.09	2,846.66	3,200.15	5,636.75	5,897.31	11,826.30
	Less: i) Finance costs						
	ii) Other un-allocable expenditure net of un-allocable Income	1,087.47	951.56	1,350.13	2,039.03	2,895.09	6,512.85
	iii) Exchange (gain)/loss	36.59	(64.87)	(79.49)	(28.28)	(204.62)	(302.89)
	Add: Exceptional income/(expenses)						
	Consideration for Assignment of IP Rights	-	-	-	-	-	29,812.50
	Employee related payments (includes managerial remuneration of Rs 784.38 lakhs)	-	-	-	-	-	(2,884.38)
	Diminution in value of investments in Subsidiaries/others	-	-	-	-	-	(3,594.85)
	Total	-	-	-	-	-	23,333.27
	Total Profit before tax	1,666.03	1,959.97	1,929.51	3,626.00	3,206.84	28,949.61
3	Capital Employed						
	<b>Segment Assets</b>						
a.	Software Services	10,027.64	9,673.68	10,266.86	10,027.64	10,266.86	10,672.70
b.	Software Products	32.98	27.63	11.48	32.98	11.48	6.28
c.	Other Un-allocable Assets	53,979.83	52,647.70	35,753.05	53,979.83	35,753.05	52,078.30
	Sub total	64,040.45	62,349.01	46,031.39	64,040.45	46,031.39	62,757.28
	<b>Segment Liabilities</b>						
a.	Software Services	6,097.95	6,388.27	4,112.02	6,097.95	4,112.02	6,614.61
b.	Software Products	48.04	32.04	84.03	48.04	84.03	47.31
c.	Other Un-allocable Liabilities	5,010.13	4,735.73	4,929.43	5,010.13	4,929.43	6,220.09
	Sub total	11,156.12	11,156.04	9,125.48	11,156.12	9,125.48	12,882.01
	<b>Capital Employed (Segment Assets-Segment Liabilities)</b>						
a.	Software Services	3,929.69	3,285.41	6,154.84	3,929.69	6,154.84	4,058.09
b.	Software Products	(15.06)	(4.41)	(72.55)	(15.06)	(72.55)	(41.03)
c.	Other Un-allocable	48,969.70	47,911.97	30,823.62	48,969.70	30,823.62	45,858.21
	Total Capital Applied	52,884.33	51,192.97	36,905.91	52,884.33	36,905.91	49,875.27



SASKEN COMMUNICATION TECHNOLOGIES LIMITED  
 139/25, RING ROAD, DOMLUR, BANGALORE 560 071  
 AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2016

Amount in Rs. Lakhs

Particulars	As at September 30, 2016	As at March 31, 2016
<b>A. EQUITY AND LIABILITIES</b>		
1. Shareholders' Funds		
a) Share Capital	1,771.98	1,771.98
b) Reserves and surplus	51,112.35	48,103.29
Sub-total - Shareholders' funds	52,884.33	49,875.27
2. Non-current liabilities		
a) Long term provisions	527.35	553.12
Sub-total - Non-current liabilities	527.35	553.12
3. Current liabilities		
a) Trade payables	4,500.85	6,280.13
b) Other current liabilities	1,367.60	1,444.54
c) Short term provisions	4,760.32	4,604.22
Sub-total - Current liabilities	10,628.77	12,328.89
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>64,040.45</b>	<b>62,757.28</b>
<b>B. ASSETS</b>		
1. Non current assets		
a) Property, plant and equipment (net)	3,750.61	3,924.32
b) Non current investments	22,826.21	22,011.22
c) Deferred tax assets (net)	1,005.31	1,063.57
d) Long-term loans and advances	6,619.47	6,234.47
Sub-total - Non-current assets	34,201.60	33,233.58
2. Current assets		
a) Current investments	17,426.52	16,650.35
b) Inventories	286.78	218.84
c) Trade receivables	7,401.08	8,003.68
d) Cash and bank balances	1,043.01	1,345.66
e) Short-term loans and advances	1,558.06	1,407.35
f) Other current assets	2,123.40	1,897.82
Sub-total - Current assets	29,838.85	29,523.70
<b>TOTAL - ASSETS</b>	<b>64,040.45</b>	<b>62,757.28</b>





**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

**Board of Directors of Sasken Communication Technologies Limited**

1. We have audited the quarterly financial results of Sasken Communication Technologies Limited for the quarter ended September 30, 2016 and the year to date results for the period from April 1, 2016 to September 30, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
2. 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.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as year to date results:
  - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard; and
  - ii. give a true and fair view of the net profit and other financial information for the quarter ended September 30, 2016 as well as year to date results for the period from April 1, 2016 to September 30, 2016.

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm Registration Number: 101049W/E300004

Chartered Accountants



per **Chandra Kumar Rampuria**

Partner

Membership No.: 055729

Place: Chennai

Date: October 27, 2016



**Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
**Board of Directors of Sasken Communication Technologies Limited**

1. We have audited the quarterly consolidated financial results of Sasken Communication Technologies Limited for the quarter ended September 30, 2016 and the consolidated year to date results for the period April 1, 2016 to September 30, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
2. 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.
3. We did not audit the financial statements of two subsidiaries included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated interim financial statements reflect total assets of Rs. 2,314.60 lakhs as at September 30, 2016; as well as the total revenue (including other income) of Rs. 2,435.68 lakhs for six month period ended September 30, 2016 and Rs. 1,028.88 lakhs for the quarter ended September 30, 2016. These interim financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.
4. In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:
  - (i) include the quarterly financial results of the following entities:
    - a) Sasken Communication Technologies Limited ('Sasken' or 'the Company'),
    - b) Sasken Network Engineering Limited ('SNEL'),
    - c) Sasken Communication Technologies Mexico, S.A. De C.V ('Sasken Mexico'),
    - d) Sasken Communication Technologies (Shanghai) Co. Ltd. ('Sasken China'),
    - e) Sasken Finland Oy ('Sasken Finland'),
    - f) Sasken Inc. USA (Sasken, USA), and
    - g) ConnectM Technology Solutions Pvt. Ltd ('ConnectM')
  - (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard; and





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- (iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended September 30, 2016 as well as the consolidated year to date results for the period from April 1, 2016 to September 30, 2016.

## **5. Other Matter**

The accompanying interim consolidated financial statements include total assets of Rs. 150.28 lakhs as at September 30, 2016 and total revenues of Rs. 129.17 lakhs for six month period ended September 30, 2016 and Rs. 73.20 lakhs for the quarter ended September 30, 2016 in respect of one jointly controlled entity, which has not been audited, which unaudited interim financial statements and other unaudited financial information have been furnished to us. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the jointly controlled entity, is based solely on such unaudited interim financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these interim financial statements and other financial information are not material to the Group.

**For S.R. BATLIBOI & ASSOCIATES LLP**

**ICAI Firm Registration Number: 101049W/E300004**

Chartered Accountants



**per Chandra Kumar Rampuria**

Partner

Membership No.: 055729



Place: Chennai

Date: October 27, 2016

**Media Release - FOR IMMEDIATE RELEASE**

**Bangalore, 27 October 2016:** Sasken Communication Technologies Limited (BSE: 532663, NSE: SASKEN) today announced its consolidated results according to Indian GAAP for the quarter and half year ended September 30, 2016.

Speaking on the occasion, Rajiv C Mody, Chairman, Managing Director & CEO, Sasken Communication Technologies said: We are encouraged by the half yearly performance which is a result of our single minded pursuit of revenue growth and profitability. We are marching forward and pursuing a strategy that sharpens our focus on select verticals where we are seeing good traction and growth opportunities. Our Digital IT business is expanding and our suite of enterprise transformation solutions is gaining market acceptance. We have strengthened our market facing organization by the induction of leaders who are highly reputed and have a track record of acquiring new customers and scaling existing business. Hari Haran, our new President, Business Line, Global Sales & Marketing, an industry veteran is leading the charge to add velocity to our growth trajectory.

**Performance Snapshot for the Half Year: H1 FY 17**

- Consolidated Revenues for H1 FY 17 at ` 240.17 Crore
  - Up 1.3 % YoY from H1 FY 16
- Consolidated EBIDTA for H1 FY 17 at ` 27.02 Crore
  - Up 19.3 % YoY from H1 FY 16
- Consolidated PAT for H1 FY 17 at ` 25.18 Crores
  - Up 23.4 % YoY from H1 FY 16
  - PAT Margins for the half year at 10.5 %

**Key Business metrics for the half year: H1 FY 17**

- Software services revenues for H1 FY 17 at ` 232.21 Crore
  - Up 3.6 % YoY from H1 FY 16
- Products group revenues for H1 FY 17 at ` 6.69 Crore
  - Down 42.4 % YoY from H1 FY 16
- Consolidated EBIDTA margins were at 11.3 %.
  - Services EBIDTA margins were at 10.5 %
  - Products EBIDTA margins were at 44.2 %

**Performance Snapshot for the Quarter: Q2 FY 17**

- Consolidated Revenues for Q2 FY 17 at ₹ 118.40 Crore
  - Down 2.8 % sequentially over the previous quarter
  - Down 7.4 % YoY from Q2 FY 16
- Consolidated EBIDTA for Q2 FY 17 at ₹ 8.06 Crore
  - Down 57.5 % sequentially over the previous quarter
  - Down 34.8 % YoY from Q2 FY 16
- Consolidated PAT for Q2 FY 17 at ₹ 9.58 Crore
  - Down 38.6 % sequentially over the previous quarter
  - Down 9.2 % YoY from Q2 FY 16
  - PAT Margins for the quarter at 8.1 %

**Key Business metrics for the Quarter: Q2 FY 17**

- Software services revenues for Q2 FY 17 at ₹ 113.97 Crore
  - Down 3.6 % sequentially over the previous quarter
  - Down 2.7 % YoY from Q2 FY 16
- Products group revenues for Q2 FY 17 at ₹ 3.71 Crore





- Up 24.0 % sequentially over the previous quarter
- Down 62.7 % YoY from Q2 FY 16
- Consolidated EBIDTA margins were at 6.8 %.
  - Services EBIDTA margins were at 5.7 %
  - Products EBIDTA margins were at 46.2 %
- Revenue contribution from
  - the Top five customers stood at 44.7 % and
  - from Top 10 customers at 65.5 %
- Consolidated EPS was at ₹ 5.40 for the quarter
- Added 8 new customers during the quarter taking the total number of active customers to 142

A fact sheet providing the operating metrics for the company and a presentation for analysts can be downloaded from the investor section of the corporate website [www.sasken.com](http://www.sasken.com)

#### About Sasken:

Sasken is a global leader in providing embedded R&D services, comprehensive testing services, IT infrastructure services and application development & data services to device OEMs, network OEMs, semiconductor, automotive & industrial OEMs, service provider and digital enterprises across the world. Global Fortune 500 and Tier 1 companies in these segments are part of Sasken's customer profile.

Sasken's solutions are backed by ISO 9001:2000, ISO 27001 and TL 9000 certifications. Sasken's proprietary quality management systems strengthen our business offerings and ensure client satisfaction. Sasken's commitment to environment is highlighted by its ISO 14001 certification.

For further information please visit [www.sasken.com](http://www.sasken.com)

#### Disclaimer on Forward Looking Statements:

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy and our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, changes in the laws and regulations that apply to the Indian IT services industry, including with respect to tax incentives and export benefits, adverse changes in foreign laws, including those relating to outsourcing and immigration, increasing competition in and the conditions of the Indian and global IT services industry, the prices we are able to obtain for our services, wage levels in India for IT professionals, the loss of significant customers the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the information technology/ telecommunication industries. Additional risks that could affect our future operating results are more fully described in our Red herring filing. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

#### Spokesperson:

**Swami Krishnan**

VP Corporate Communication & EE

E: [pr@sasken.com](mailto:pr@sasken.com)

T: +91 9743979264



	Q2 FY 17	Q1 FY 17	Q4 FY 16	Q3 FY 16	Q2 FY 16	Q1 FY 16	Q4 FY 15	Q3 FY 15	Q2 FY 15
<b>Employee Metrics</b>									
Employees, period end									
Total Employees (Consolidated)	1,983	2,057	2,118	2,084	1,968	1,925	1,919	1,916	1,889
Services S/W, Product S/W and technical professionals	1,743	1,821	1,887	1,833	1,714	1,675	1,706	1,704	1,687
Corporate	240	236	231	251	254	250	213	212	202
<b>Hiring Metrics</b>									
Gross Adds	107	124	192	259	199	151	150	161	151
Net Adds	(74)	(61)	34	116	43	6	3	27	31
Attrition % Annualized (Based on Voluntary attrition only)	24.0%	21.3%	20.6%	20.9%	25.1%	25.0%	25.0%	24.0%	21.8%
Attrition % LTM (Based on Voluntary attrition only)	22.9%	22.2%	20.3%	22.9%	24.4%	23.7%	23.8%	24.8%	26.7%
<b>Revenue by geography - Consolidated (In %)</b>									
North America	36%	33%	32%	33%	30%	31%	34%	35%	34%
EMEA	31%	32%	30%	29%	35%	35%	32%	36%	36%
India	26%	28%	28%	26%	26%	24%	22%	20%	20%
APAC	7%	7%	10%	13%	9%	10%	12%	9%	10%
<b>Client Concentration (In %)</b>									
Top 5 client contribution to revenues	44.7%	46.2%	47.3%	45.7%	49.0%	50.2%	50.6%	49.0%	46.4%
Top 10 client contribution to revenues	65.5%	67.0%	66.2%	63.7%	69.0%	67.1%	67.2%	65.9%	64.7%
<b>Relationships with Tier 1 Customers - Services+Products</b>									
< 1 Million dollar customers - Trailing 12 months	12	13	12	12	12	12	13	10	9
1 < >3 Million dollar customers - Trailing 12 months	4	4	5	5	6	6	5	7	7
3 < >10 Million dollar customers - Trailing 12 months	5	5	5	6	5	5	6	6	7
10 < >20 Million dollar customers - Trailing 12 months	1	1	1	1	1	1	1	1	1
> 20 Million dollar customers - Trailing 12 months									
Utilization, including trainees (Services Only - In %)*	79.6%	79.7%	79.2%	83.2%	82.0%	78.1%	74.9%	74.2%	72.1%
<b>Revenue Split (Products Only) ( In ₹ Million)</b>									
License fees	-	-	-	-	-	-	2	-	-
Royalties	15	11	16	13	14	17	15	16	13
Customization	22	19	16	40	86	-	13	12	22
<b>Revenue Split (Services Only) ( In ₹ Million)</b>									
Onsite	416	481	450	459	468	432	422	465	473
Offshore	724	701	725	743	711	637	585	575	568
<b>Revenue by Project Type (Services Only) ( In ₹ Million)</b>									
Time and Material (including compensation)	883	938	968	996	997	918	881	936	928
Fixed Price	257	244	206	206	182	151	126	104	113

\*Note: Services Utilization reshaped including Management numbers for Utilization calculations retrospectively; excludes exceptional item unless explicitly stated





Dear Analyst,

It is my pleasure to highlight the business performance of the Sasken Group for the second quarter ended 30th September, 2016.

We must point out that certain statements made here or those we make subsequently in response to your queries concerning our future growth prospects are forward-looking statements. Please read the Safe Harbor clause in the second slide of **our presentation** for full details.

Let me begin by presenting our financials for the Second Quarter Fiscal 2017. In the Second Quarter of Fiscal '17 the consolidated revenues for Sasken Group decreased by 2.8% over the previous quarter to Rs. 118.40 crores. Consolidated Earnings before Interest, Depreciation, Taxes and Amortization cost for the second quarter fiscal '17 were Rs. 8.06 crores, a decrease of 57.5 % sequentially. Overall EBITDA in percentage for the quarter stood at 6.8%. Consolidated PAT for Q2 fiscal '17 was at Rs. 9.58 crores, down by 38.6% over the previous quarter. PAT margins for the quarter were 8.1%. Consolidated earnings per share for the 2nd quarter were approximately Rs. 5.40. Cash and cash equivalents including treasury investments were approximately Rs. 383.56 crores as of September 30, 2016.

I will now provide key highlights related to our services business. Software Services revenue for the quarter were at Rs. 113.97 crores, down by 3.6% over the previous quarter. Services EBITDA margin for the quarter was 5.70%.

### **Business operations**

We continue to strengthen our leadership position in the Product Engineering Service space. The technology churn and changing industry landscape bring with it both challenges and opportunities. We see a strong demand for product engineering services but sales cycles are somewhat protracted.

In the Semiconductor segment, we have expanded our footprint and engage with our longstanding customers in newer areas. The automotive electronics segment has emerged as a key focus area for many silicon players. We continue to win business from silicon vendors for building products based on Android and Linux




platforms. We provide development and testing services for silicon platforms addressing mobile devices.

In the automotive electronics arena, we are executing pioneering work in helping our customers build next generation infotainment platforms based on Auto Grade Linux and Android. We have expanded our range of offerings to include V2X solutions. V2X is one of the core components that will enable autonomous driving. We have achieved a breakthrough in this area and are engaged with a Tier 1 OEM and provide services for their V2X platform. Spurred by the market traction and growth opportunities, we have pro-actively begun work on building solutions for ADAS and have invested to deepen our expertise in QNX.

Our Smart Devices business is mature and addresses both the consumer, industrial and ruggedized device spaces. In this space, we profit from the demand from OEMs to support them in launching new products and upgrading their existing platforms built on Android. We have completed several projects that have helped OEMs upgrade existing product lines to the latest Android version "Nougat". Often these projects have to be executed on platforms for which support is unavailable or limited. Our ability to execute these programs is a testimony to our ability to solve complex engineering problems. We have won business from one of the largest provider of solutions in the industrial automation segment and expect that this will turn into a scalable business in the near term.

We are building on the success that we have seen in the IoT market and are engaged with a Tier 1 semiconductor vendor. We are building solutions that will address the growing market for Smart Home solutions. This market is at the interstice of our product engineering and digital practice. We are one of the few companies with expertise in both areas.

In the Physical to Digital (P2D) domain, we are building a cloud-based Internet of Things platform. This platform among other things, offers a toolkit that will catalyze the development of end-to-end IoT based solutions. Our conviction is that IoT will continue to transform processes and drive operational efficiencies across industry verticals and boundaries. IoT will also help brands create novel models to engage with customer and create more stickiness by enhancing the touch points.





We have continued to enable newer functionality in the Intelligent Transportation space as part of our strategic engagement with a large European conglomerate. Our suite of mobility apps targeting the commuter has generated a high level of interest at a flagship global transportation conference in Berlin this quarter.

Our cloud-based Actionable Insights Platform has been deployed by a leading European virtual operator (MVNO) and is now live in five countries. The set of insights provided by this platform has enabled key stakeholders across enterprise functions such as Finance and Marketing with data driven decision making.

We are continuing to make steady progress in the Digital Transformation space and strongly believe we will scale business in this area in the near term.

On the people front, the headcount for the Sasken Group stood at 1,983 as of September 30, 2016. We continue to attract talent both lateral and freshmen to cater to our business growth. We are investing in deepening our employee engagement through a repertoire of well-orchestrated programs. We have a number of on-going initiatives to increase the technology and leadership quotient of our employees by providing a spectrum of technical and behavioral training. We have strengthened our leadership team especially in our customer facing organization. Attrition for the Sasken group it stood at 22.9% for trailing twelve months. We believe that our recently strengthened HR strategies and policies will help stem attrition and attract new talent. We are monitoring these initiatives intensely and are committed to ensuring that we continue to have a talent pool that is amongst the best in the industry.

Utilization for the services business for the quarter averaged 79.6% and is expected to move in a narrow range around the same percentage in the coming quarters.

We have successfully added 8 new customers during the quarter taking the total number of active customers to 142.



## Buyback

We are proposing to make an offer for buy back of shares through the 'Tender Offer' route, at a maximum price of Rs 425/- per share (Rupees Four Hundred and Twenty five Only) per Equity Share for an aggregate amount of 12,004.31 lakhs.

## Name Change

The Board has approved the proposal for changing the name of the Company to "Sasken Technologies Limited" or "Sasken Limited" subject to the approval of the members of the Company and other regulatory authorities.

## Incentive plan 2016

The Board has approved the proposal for creating Sasken Employees' Share Based Incentive Plan 2016 not exceeding 5% of the paid-up capital of the Company as of March 31, 2016, subject to approval of the members of the Company and other regulatory authorities.

## ConnectM

The board has decided to exit from M/s. ConnectM Technology Solutions Private Limited, the joint venture company by disinvesting its holding of 46.29%.

On behalf of my management team, I wish to thank you for your continued interest in Sasken.



**Rajiv C Mody**  
Chairman, Managing Director and CEO  
Sasken Communication Technologies Limited