



Sasken Communication Technologies Limited

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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2008

(Rs. in Lakhs except share data)

Sl. No.		For the Year ended March 31, 2008	For the Year ended March 31, 2007
1	Revenue from Telecom Software Services & Telecom Software Products	38,925.12	36,630.72
2	Cost of Revenue	25,242.60	22,555.23
3	Research & Development Expenses (including Product Engineering Expenses)	1,942.08	1,955.27
4	Gross Profit	11,740.44	12,120.22
5	Selling and Marketing Expenses	2,259.45	2,197.73
6	Administrative and General Expenses	4,298.12	4,284.66
7	Profit from operations before Interest, Depreciation and Amortisation	5,182.87	5,637.83
8	Amortisation	1,436.86	543.28
9	Interest	-	64.59
10	Depreciation	1,949.59	1,592.96
11	Other Income	2,123.59	979.88
12	Provision for diminution in value of investments	144.89	-
13	Profit Before Tax	3,775.12	4,416.88
14	Provision for Income Tax (Current & Deferred)	1,146.47	514.52
15	Fringe Benefit Tax	135.12	89.26
16	Profit after Taxes	2,493.53	3,813.10
17	Paid-up equity share capital (at par value of Rs.10 each)	2,856.08	2,850.01
18	Reserves excluding revaluation reserves	39,956.22	38,990.11
19	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	8.74	13.57
	- Diluted EPS	8.73	13.36
20	Dividend	1,142.43	1,140.01
21	Aggregate of Public Shareholding*		
	Number of shares	21,008,818	20,981,232
	Percentage of shareholding	73.56%	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 Year ended March 31, 2008	For the Year ended March 31, 2007
Staff Cost	25,298.63	22,858.35
Items exceeding 10% of aggregate expenditure	-	-
Details of Other Income:		
Miscellaneous Income	44.62	1.87
Dividend received on current investments (non trade)	178.35	463.36
Net gain on sale of current investments (non trade)	49.91	168.27
Interest income on Bank Deposits (Gross)	2.03	6.36
Write back of advance from customer	29.45	61.00
Profit on Sale of Fixed Assets	6.86	-
Other interest income	0.75	8.90
Exchange gain/(loss), Net	1,782.23	235.16
Interest on Loan to subsidiary companies	29.39	34.96
Total	2,123.59	979.88

Sl. No.		For the Year ended March 31, 2008	For the Year ended March 31, 2007
1	Segment Revenue		
a.	Telecom Software Services	33,580.07	34,357.31
b.	Telecom Software Products	4,597.19	2,273.41
c.	Others	747.86	-
	Total	38,925.12	36,630.72
	Less: Inter Segment Revenue	-	-
	Net Sales / Income from Operations	38,925.12	36,630.72
2	Segment Results (Profit(+)/ Loss(-) before tax and interest from each segment)		
a.	Telecom Software Services	9,615.07	12,390.46
b.	Telecom Software Products	(919.48)	(2,046.01)
c.	Others	(6.24)	-
	Total	8,689.35	10,344.45
	Less: i) Interest	-	64.59
	ii) Other un-allocable expenditure net off un-allocable Income	4,769.34	5,862.98
	Total Profit Before Tax and Exceptional Items	3,920.01	4,416.88
3	Provision for diminution in value of investments (long term)	144.89	-
	Total Profit before tax	3,775.12	4,416.88
4	Capital Employed (Segment Assets - Segment Liabilities)		
a.	Telecom Software Services	9,397.74	7,712.89
b.	Telecom Software Products	4,337.14	4,858.19
c.	Others	329.60	-
	Sub total	14,064.48	12,571.08
d.	Unallocable Corporate Assets	33,541.01	33,235.56
	Less: Corporate Liabilities	(4,793.19)	(3,966.52)
	Total Capital Employed	42,812.30	41,840.12

NOTES: (1) The above audited results were taken on record by the Board of Directors of the Company at its meeting held on April 18, 2008. There are no qualifications in the Auditors' Reports for the year. (2) The year to date consolidated results are based on the consolidated financial statements which 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 issued by the Institute of Chartered Accountants of India. (3) The Directors have recommended a dividend of Rs. 4/- per equity share of Rs. 10 each for the financial year ended March 31, 2008 amounting to Rs. 1,142.43 lakhs. This is subject to the approval of the shareholders. (4) The Board of Directors has decided on buy-back of Company's fully paid up equity shares of Rs. 10/- each from the existing owners of shares from open market through stock exchanges in accordance with the provisions of Section 77A, 77AA and 77B of the Companies Act 1956 and the SEBI (Buy-back of Securities) Regulations 1998 at a price not exceeding Rs. 260/- per share payable in cash for an aggregate amount not exceeding Rs. 4,000 Lakhs. The offer size represents 9.45% of the aggregate of the Company's paid up equity capital and free reserves as on March 31, 2008. **Regarding Subsidiaries and Joint-Venture Companies** (5) The results of the following companies are consolidated in the above results: Sasken Network Engineering Limited (SNEL) and its subsidiary Sasken Network Solutions Inc (SNSI), Sasken Communication Technologies Mexico S.A. De C.V. (Sasken Mexico), Sasken Communication Technologies (Shanghai) Limited (Sasken China), Sasken Japan KK (Sasken Japan), Sasken Communication Technologies Oy (Sasken Finland) and its subsidiary Sasken Finland Oy (Sasken Oy), Sasken Inc. - all wholly owned subsidiaries; TACO Sasken Automotive Electronics Private Limited (TSAE) and ConnectM Technology Solutions Pvt. Ltd. (ConnectM) - Joint-Venture companies. (6) Sasken Japan, Sasken Inc, Sasken China and SNSI are yet to commence operations. (7) The financial results of Sasken China, Sasken Inc, SNSI and Sasken Japan for the year ended March 31, 2008 are unaudited.

8) During the year, the Company had made the following investments in its subsidiaries and Joint Ventures

(Rs. In Lakhs)

Investee Company	Details	Amount
Sasken Communication Technologies Mexico S.A. De C.V.	Conversion of loan to equity	174.72
Sasken Communication Technologies Oy	Investment in Equity shares	780.20
Sasken Communication Technologies Oy	Investment in unrestricted equity	379.54
Sasken Japan KK	Investment in shares	40.33
Sasken Communication Technologies (Shanghai) Limited	Investment in Equity shares	30.03
Sasken Inc.	Investment in shares	590.70
ConnectM Technology Solutions Pvt. Ltd.	Investment in Equity shares	408.00
ConnectM Technology Solutions Pvt. Ltd.	Share application	8.24
TACO Sasken Automotive Electronics Pvt. Ltd.	Investment in Equity shares	355.00

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2008

(Rs. in Lakhs except share data)

Sl. No.		For the Year ended March 31, 2008	For the Year ended March 31, 2007
1	Revenue from Telecom Software Services, Telecom Software Products & Network Engineering Services	57,017.71	47,712.90
2	Cost of Revenue	37,392.93	29,755.84
3	Research & Development Expenses (including Product Engineering Expenses)	2,163.32	1,955.27
4	Gross Profit	17,461.46	16,001.79
5	Selling and Marketing Expenses	2,994.12	2,472.51
6	Administrative and General Expenses	6,547.97	5,953.31
7	Profit from operations before Interest, Depreciation and Amortisation	7,919.37	7,575.97
8	Amortisation	1,436.86	543.28
9	Interest	402.58	447.22
10	Depreciation	2,741.64	2,126.68
11	Other Income	2,342.66	974.68
12	Profit before Tax	5,680.95	5,433.47
13	Provision for Income Tax (Current & Deferred)	1,557.98	865.27
14	Fringe Benefit Tax	184.54	141.26
15	Profit After Taxes	3,938.43	4,426.94
16	Paid-up equity share capital (at par value of Rs.10 each)	2,856.08	2,850.01
17	Reserves excluding revaluation reserves	43,027.73	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	13.80	15.75
	- Diluted EPS	13.80	15.52
19	Dividend	1,142.43	1,140.01
20	Aggregate of Public Shareholding*		
	Number of shares	21,008,818	20,981,232
	Percentage of shareholding	73.56%	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 Year ended March 31, 2008	For the Year ended March 31, 2007
Staff Cost	36,762.91	29,049.64
Items exceeding 10% of aggregate expenditure	-	-
Details of Other Income:		
Miscellaneous Income	47.70	75.04
Dividend received on current investments (non trade)	183.15	463.36
Net gain on sale of current investments (non trade)	49.91	168.27
Interest income on Bank Deposits (Gross)	64.85	25.25
Write back of advance from customer	30.36	-
Research and Technology tax incentive	158.01	-
Profit on sale of Fixed Assets	7.55	0.01
Other interest income	1.20	8.90
Exchange gain / (loss), Net	1,799.93	233.85
Total	2,342.66	974.68

Sl. No.		For the Year ended March 31, 2008	For the Year ended March 31, 2007
1	Segment Revenue		
a.	Telecom Software Services	48,958.06	42,551.05
b.	Telecom Software Products	4,597.19	2,273.41
c.	Automotive, Utilities and Industrial	23.74	-
d.	Network Engineering Services	3,438.72	2,888.44
	Total	57,017.71	47,712.90
	Less: Inter Segment Revenue	-	-
	Net Sales / Income from Operations	57,017.71	47,712.90
2	Segment Results (Profit(+)/ Loss(-) before tax and interest from each segment)		
a.	Telecom Software Services	14,104.80	14,924.50
b.	Telecom Software Products	(917.69)	(2,046.00)
c.	Automotive, Utilities and Industrial	(251.59)	-
d.	Network Engineering Services	804.33	950.52
	Total	13,739.85	13,829.02
	Less: i) Interest	402.58	447.22
	ii) Other un-allocable expenditure net off un-allocable Income	7,656.32	7,948.33
	Total Profit before tax	5,680.95	5,433.47
3	Capital Employed (Segment Assets - Segment Liabilities)		
a.	Telecom Software Services	28,322.33	22,108.87
b.	Telecom Software Products	4,337.14	4,858.19
c.	Automotive, Utilities and Industrial	303.87	-
d.	Network Engineering Services	2,283.66	1,721.42
	Sub total	35,247.00	28,688.48
e.	Unallocable Corporate Assets	15,359.18	17,453.19
	Less: Corporate Liabilities	(4,722.37)	(3,966.52)
	Total Capital Employed	45,883.81	42,175.15

(9) Provision for diminution in value of investment in the books of the Company pertains to Sasken China.

(10) As at the end of the year, the following amounts are due from the subsidiaries:

(Rs. in Lakhs)

Company	Advances(Net)	Loans	Company	Advances(Net)	Loans
Sasken Network Engineering Limited	627.81	305.00	Sasken Finland Oy	(46.88)	-
Sasken Communication Technologies Mexico S.A. De C.V.	336.77	272.21	Sasken Communication Technologies (Shanghai) Limited	4.67	-
Sasken Communication Technologies Oy	103.86	-	Sasken Inc	6.50	-

Other Notes: (11) Effective April 1, 2007, the Group adopted the revised AS 15 - Employee Benefits. In accordance with the transitional provisions of Revised AS 15, the Group Company has adjusted the balance in Profit and Loss Account as at April 1, 2007 for a sum of Rs.669.36 lakhs in the consolidated results and Rs.657.30 lakhs on a standalone basis, being the liability assessed under the said Revised AS 15. Accordingly, staff costs for the year ended March 31, 2008 are higher by Rs.266.04 lakhs in the consolidated results and by Rs.258.01 lakhs respectively on a standalone basis, and the profit after taxes for the year ended March 31, 2008 are lower to that extent. (12) 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 actuarial liability on account of interest shortfall amounting to Rs.327.82 lakhs. (13) 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", recognised mark to market losses on derivative contracts outstanding (forward contracts for highly probable collections), as on March 31, 2008 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, the Company has considered foreign currency derivative contracts as one portfolio and accordingly, loss amounting to Rs.102.36 lakhs has been recognised in profit and loss account during the year ended March 31, 2008. (14) No stock options have been granted to eligible employees under the ESOP Scheme 2006 during the quarter. 5,507 shares and 2,000 shares have been allotted during the quarter under ESOP Scheme 2000 and 2006 respectively. The increase in equity share capital of the Company is on account of the above allotment. Fringe Benefit Tax on exercise of stock options has been recovered from the employees, as applicable. Consequently there is no impact on the Profit & Loss Account. (15) Revenue for the year ended March 31, 2008, includes a sum of Rs. 1,038.10 lakhs towards a charge for cancellation by a customer of its commitment for a minimum order in a given time period. (16) Previous year figures have been re-grouped/re-arranged, wherever necessary to conform to the current year presentation. (17) Information on Investor Complaints for the quarter:

Nature of complaints received	Opening Balance	Additions	Disposal	Closing Balance
Non receipt of refund orders in IPO/Dividend	Nil	3	3	Nil

For Sasken Communication Technologies Limited

Rajiv C Mody
Chairman & Managing Director

Place : Bangalore
Date : April 18, 2008