sasken

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

19th January, 2015

National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block - G
Bandra Kurla Complex
Bandra East
Mumbai - 400 051

By Email / Web upload

Dear Sirs,

Sub: Outcome of the Board Meeting held today
Ref: Scrip Code 532663 / SASKEN

Financials

We are sending herewith the audited financial results (both consolidated and standalone) of the Company for the quarter ended 31st December 2014 as taken on record at the Board Meeting held today.

Please also find enclosed a copy each of the following:

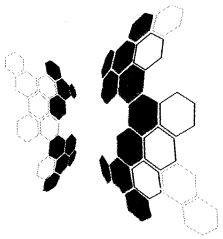
- Auditors' Report on (a) stand alone and (b) consolidated financial results as per Clause 41 of the Listing Agreement
- Press Release which is being issued on this occasion.

We will publish the consolidated financial results in the newspapers and post the stand alone financial results on the Company's website www.sasken.com.

Interim Dividend

- At its meeting held today, the Board declared payment of interim dividend of Rs.2.50 per equity share of Rs.10 each (25%).
- As intimated vide our letter of 13th January, 2015, 27th January 2015 is fixed as Record Date to ascertain the list of shareholders who will be eligible for dividend.
- The dividend will be disbursed on and from 31st January, 2015.

Sasken Communication Technologies Ltd.
139/25, Domlur Ring Road, Bangalore - 560 071, India
CIN - L72100KA1989PLC014226, E-mail - info@sasken.com
T - 91 80 6694 3000, F- 91 80 3981 3329
www.sasken.com



sasken

Change in office of director

Dr. G. Venkatesh ceased to be a Whole Time Director and will continue in the Board as a Non-Executive Director of the Company with immediate effect.

Thanking you,

Yours faithfully,
For Sasken Communication Technologies Ltd.

S. Prasad
Company Secretary & Compliance Officer

Encl.

SASKEN COMMUNICATION TECHNOLOGIES LIMITED

139/25, RING ROAD, DOMLUR, BANGALORE 560 071

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

(Rs. in lakhs)

PART I

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
1	Net Sales/Income from Operations	8,699.27	8,850.06	8,644.42	26,052.61	26,043.76	35,393.20
2	Expenditure						
	a. Cost of materials consumed	-	-	-	-	-	-
	b. Purchases of Stock-In-Trade	-	-	-	-	-	-
	c. Changes in Work-In-Progress	30.51	(57.67)	78.29	(14.58)	9.69	84.70
	d. Employee benefits expense	6,531.51	6,697.33	5,859.54	19,450.68	17,714.66	23,928.77
	e. Depreciation and amortization expense	278.32	273.56	237.55	881.54	724.04	953.32
	f. Other expenses	1,572.08	1,481.86	1,859.66	4,676.95	5,728.11	7,863.40
	Total	8,412.42	8,395.08	8,035.04	24,994.59	24,176.50	32,830.19
3	Profit/(Loss) from Operations before Other Income, finance costs and Exceptional Items (1-2)	286.85	454.98	609.38	1,058.02	1,867.26	2,563.01
4	Other Income	565.21	1,009.05	991.02	1,864.57	4,152.54	6,067.34
5	Profit before finance costs and Exceptional Items (3+4)	852.06	1,464.03	1,600.40	2,922.59	6,019.80	8,630.35
6	Finance costs	-	-	-	-	-	-
7	Profit after finance costs but before Exceptional Items (5-6)	852.06	1,464.03	1,600.40	2,922.59	6,019.80	8,630.35
8	Exceptional income/(expenses) (Refer note 6)						
	Revenue and interest from litigated items	1,354.11	25,338.80	-	26,692.91	-	-
	Employee related payments	-	(1,500.00)	-	(1,500.00)	-	-
	Diminution of investment in subsidiaries	-	(3,536.89)	(951.15)	(3,536.89)	(1,197.39)	(1,197.39)
	Total	1,354.11	20,301.91	(951.15)	21,656.02	(1,197.39)	(1,197.39)
9	Profit from Ordinary Activities before tax (7+8)	2,206.17	21,765.94	649.25	24,578.61	4,822.41	7,432.96
10	Tax expense	674.81	8,419.71	426.94	9,240.63	1,324.10	1,639.83
11	Net Profit from Ordinary Activities after tax (9-10)	1,531.36	13,346.23	222.31	15,337.98	3,498.31	5,793.13
12	Extraordinary Item (net of tax expense)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	1,531.36	13,346.23	222.31	15,337.98	3,498.31	5,793.13
14	Paid-up equity share capital (at par Value of Rs.10 each)	2,134.04	2,131.74	2,124.20	2,134.04	2,124.20	2,127.76
15	Reserves excluding revaluation reserves	42,806.06	41,968.98	31,178.88	42,806.06	31,178.88	33,138.31
16	Earnings Per Share (EPS) (not annualised) (In Rs.)						
	a) Basic and diluted EPS before Exceptional items						
	- Basic	2.99	5.39	5.53	10.54	22.27	33.09
	- Diluted	2.99	5.38	5.51	10.52	22.23	32.87
	b) Basic and diluted EPS after Exceptional items						
	- Basic	7.18	62.67	1.05	72.02	16.59	27.42
	- Diluted	7.17	62.55	1.04	71.90	16.56	27.24

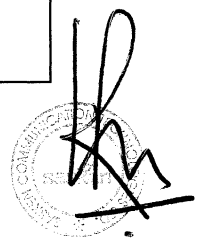
S.R Batliboi & Co. LLP Bengaluru

PART II

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- No. of shares	13,560,982	13,553,382	13,500,596	13,560,982	13,500,596	13,508,338
	- Percentage of shareholding	63.55%	63.58%	63.56%	63.55%	63.56%	63.49%
2	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of Shares	7,779,391	7,763,991	7,741,377	7,779,391	7,741,377	7,769,235
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a% of the total share capital of the Company)	36.45%	36.42%	36.44%	36.45%	36.44%	36.51%

	Particulars	Quarter Ended December 31, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	12
	Disposed during the quarter	12
	Remaining unresolved at the end of quarter	Nil





SASKEN COMMUNICATION TECHNOLOGIES LIMITED

139/25, RING ROAD, DOMLUR, BANGALORE 560 071

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

(Rs. in lakhs)

Sl. No.		Quarter ended			Nine Months ended		
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
1	Segment Revenue						
a.	Software Services	8,622.72	8,792.96	8,590.25	25,820.04	25,828.04	35,083.49
b.	Software Products	76.55	57.10	54.17	232.57	215.72	309.71
	Total	8,699.27	8,850.06	8,644.42	26,052.61	26,043.76	35,393.20
	Less Inter segment revenue	-	-	-	-	-	-
	Net Sales/Income from Operations	8,699.27	8,850.06	8,644.42	26,052.61	26,043.76	35,393.20
2	Segment Results (Profit(+)/Loss(-) before tax and interest from each segment)						
a.	Software Services	1,941.21	2,235.89	2,399.81	6,168.86	6,952.69	9,478.85
b.	Software Products	40.75	30.43	20.65	143.86	68.31	132.37
	Total	1,981.96	2,266.32	2,420.46	6,312.72	7,021.00	9,611.22
	Less: i) Finance costs	-	-	-	-	-	-
	ii) Other un-allocable expenditure net of un-allocable Income	1,263.38	895.08	729.37	3,694.57	2,041.35	1,729.04
	iii) Exchange (gain)/loss	(133.48)	(92.79)	90.69	(304.44)	(1,040.15)	(748.17)
	Add: Exceptional income/(expenses)						
	Revenue and interest from litigated items	1,354.11	25,338.80	-	26,692.91	-	-
	Employee related payments	-	(1,500.00)	-	(1,500.00)	-	-
	Diminution of investment in subsidiaries	-	(3,536.89)	(951.15)	(3,536.89)	(1,197.39)	(1,197.39)
	Total	1,354.11	20,301.91	(951.15)	21,656.02	(1,197.39)	(1,197.39)
	Total Profit before tax	2,206.17	21,765.94	649.25	24,578.61	4,822.41	7,432.96
3	Capital Employed (Segment Assets - Segment Liabilities)						
a.	Software Services	4,140.50	3,958.31	4,856.59	4,140.50	4,856.59	4,563.40
b.	Software Products	(15.09)	(30.88)	1,040.31	(15.09)	1,040.31	1,004.09
	Sub total	4,125.41	3,927.43	5,896.90	4,125.41	5,896.90	5,567.49
c.	Unallocated Corporate Assets	46,485.03	54,989.45	35,813.11	46,485.03	35,813.11	33,075.29
	Less : Corporate Liabilities	(5,670.34)	(14,816.16)	(8,046.18)	(5,670.34)	(8,046.18)	(3,015.96)
	Total Capital Employed	44,940.10	44,100.72	33,663.83	44,940.10	33,663.83	35,626.82

S.R Batliboi & Co. LLP Bengaluru

SASKEN COMMUNICATION TECHNOLOGIES LIMITED

139/25, RING ROAD, DOMLUR, BANGALORE 560 071

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

(Rs. in lakhs)

PART I

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
1	Net Sales/Income from Operations	10,727.85	10,816.35	11,314.88	32,363.56	34,171.33	45,802.93
2	Expenditure						
	a. Cost of materials consumed	4.01	1.66	2.50	9.59	47.92	49.86
	b. Purchases of Stock-In-Trade	-	-	-	-	67.51	67.51
	c. Changes in Work-In-Progress and Stock-In-Trade	40.21	(59.88)	100.49	47.04	113.97	137.88
	d. Employee benefit expense	8,098.75	8,020.90	7,645.13	23,839.26	22,739.31	30,604.38
	e. Depreciation and amortisation expense	295.81	295.11	307.82	943.04	1,008.76	1,254.22
	f. Other expenses	1,953.15	1,873.97	2,207.17	5,675.59	7,037.58	9,604.55
	Total	10,391.93	10,131.76	10,263.11	30,514.52	31,015.05	41,718.40
3	Profit/(Loss) from Operations before Other Income, Finance costs and Exceptional Items (1-2)	335.92	684.59	1,051.77	1,849.04	3,156.28	4,084.53
4	Other Income	557.14	706.26	635.29	1,503.99	2,855.55	3,152.97
5	Profit before finance costs and Exceptional Items (3+4)	893.06	1,390.85	1,687.06	3,353.03	6,011.83	7,237.50
6	Finance costs	3.27	4.05	5.79	11.44	18.85	20.25
7	Profit after finance costs but before Exceptional Items (5-6)	889.79	1,386.80	1,681.27	3,341.59	5,992.98	7,217.25
8	Exceptional income/(expenses) (Refer note 6)						
	Revenue and interest from litigated items	1,354.11	25,338.80	-	26,692.91	-	-
	Employee related payments relating to the aforesaid item	-	(1,500.00)	-	(1,500.00)	-	-
	Impairment of goodwill and other receivables	-	(7,510.64)	-	(7,510.64)	-	-
	Total	1,354.11	16,328.16	-	17,682.27	-	-
9	Profit from Ordinary Activities before tax (7+8)	2,243.90	17,714.96	1,681.27	21,023.86	5,992.98	7,217.25
10	Tax expense	630.43	8,500.79	569.06	9,360.14	1,753.13	2,070.08
11	Net Profit from Ordinary Activities after tax (9-10)	1,613.47	9,214.17	1,112.21	11,663.72	4,239.85	5,147.17
12	Extraordinary Item (net of tax expense)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	1,613.47	9,214.17	1,112.21	11,663.72	4,239.85	5,147.17
14	Paid-up equity share capital (at par Value of Rs.10 each)	2,134.04	2,131.74	2,124.20	2,134.04	2,124.20	2,127.76
15	Reserves excluding revaluation reserves	43,562.49	42,694.13	38,501.17	43,562.49	38,501.17	38,269.66
16	Earnings Per Share (EPS) (not annualised) (In Rs.)						
	a) Basic and diluted EPS before Exceptional items						
	- Basic	3.38	4.64	5.24	11.95	20.11	24.36
	- Diluted	3.37	4.63	5.22	11.93	20.07	24.20
	b) Basic and diluted EPS after Exceptional items						
	- Basic	7.57	43.27	5.24	54.76	20.11	24.36
	- Diluted	7.56	43.18	5.22	54.68	20.07	24.20

S.R Batliboi & Co. LLP Bengaluru

PART II

Sl. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- No. of shares	13,560,982	13,553,382	13,500,596	13,560,982	13,500,596	13,508,338
	- Percentage of shareholding	63.55%	63.58%	63.56%	63.55%	63.56%	63.49%
2	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
	b) Non-encumbered				-		
	- Number of Shares	7,779,391	7,763,991	7,741,377	7,779,391	7,741,377	7,769,235
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a% of the total share capital of the Company)	36.45%	36.42%	36.44%	36.45%	36.44%	36.51%

	Particulars	Quarter Ended December 31, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	12
	Disposed during the quarter	12
	Remaining unresolved at the end of quarter	Nil

S.R Batliboi & Co. LLP Bengaluru

SASKEN COMMUNICATION TECHNOLOGIES LIMITED

139/25, RING ROAD, DOMLUR, BANGALORE 560 071

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

(Rs. in lakhs)

Sl. No.		Quarter ended			Nine Months ended		
		December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
1	Segment Revenue						
a.	Software Services	10,239.82	10,267.08	10,556.51	30,748.49	31,338.28	42,327.65
b.	Software Products	288.20	351.93	439.22	881.66	1,448.69	1,922.91
c.	Automotive, Utilities and Industrial	37.17	54.50	49.05	156.82	153.63	215.10
d.	Network Engineering Services	255.90	318.72	547.43	931.31	2,091.43	2,465.15
	Total	10,821.09	10,992.23	11,592.21	32,718.28	35,032.03	46,930.81
	Less: Inter segment revenue	93.24	175.88	277.33	354.72	860.70	1,127.88
	Net Sales/Income from Operations	10,727.85	10,816.35	11,314.88	32,363.56	34,171.33	45,802.93
2	Segment Results (Profit(+)/Loss(-) before tax and interest from each segment)						
a.	Software Services	2,322.57	2,446.07	2,896.70	7,353.03	8,227.68	10,984.10
b.	Software Products	58.92	195.02	240.44	360.71	869.51	1,179.11
c.	Automotive, Utilities and Industrial	(10.21)	9.50	11.97	17.36	8.34	2.15
d.	Network Engineering Services	56.64	82.49	134.46	220.12	407.70	550.08
	Total	2,427.92	2,733.08	3,283.57	7,951.22	9,513.23	12,715.44
	Less: i) Finance costs	3.27	4.05	5.79	11.44	18.85	20.25
	ii) Other un-allocable expenditure net off un-allocable Income	1,685.21	1,641.52	1,688.80	5,117.30	5,159.39	7,211.17
	iii) Exchange loss/ (gain)	(150.35)	(299.29)	(92.29)	(519.11)	(1,657.99)	(1,733.23)
	Add: Exceptional income/(expenses)						
	Revenue and interest from litigated items	1,354.11	25,338.80	-	26,692.91	-	-
	Employee related payments related to above	-	(1,500.00)	-	(1,500.00)	-	-
	Impairment of goodwill and other receivables	-	(7,510.64)	-	(7,510.64)	-	-
	Total	1,354.11	16,328.16	-	17,682.27	-	-
	Total Profit/(Loss) before tax	2,243.90	17,714.96	1,681.27	21,023.86	5,992.98	7,217.25
3	Capital Employed - (Segment Assets - Segment Liabilities)						
a.	Software Services	6,645.48	6,391.16	17,197.89	6,645.48	17,197.89	15,162.64
b.	Software Products	(39.20)	28.03	1,094.93	(39.20)	1,094.93	1,014.92
c.	Automotive, Utilities and Industrial	176.71	202.16	231.24	176.71	231.24	211.34
d.	Network Engineering Services	862.03	907.73	846.32	862.03	846.32	922.11
	Sub total	7,645.02	7,529.08	19,370.38	7,645.02	19,370.38	17,311.01
e.	Unallocable Corporate Assets	44,013.13	52,454.70	29,978.26	44,013.13	29,978.26	26,736.50
	Less:Corporate Liabilities	(5,961.62)	(15,157.91)	(8,362.52)	(5,961.62)	(8,362.52)	(3,289.34)
	Total Capital Employed	45,696.53	44,825.87	40,986.12	45,696.53	40,986.12	40,758.17

S.R Batliboi & Co. LLP Bengaluru

NOTES:

1) The above audited results were taken on record by the Board of Directors of the Company at its meeting held on January 19, 2015.

2) The results are based on the consolidated financial statements prepared by the Company's management in accordance with the Accounting Standard 21 - Consolidated Financial Statements ("AS 21") and Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures ("AS 27") (notified by Companies (Accounts) Rules,2014). The standalone financial results are made available to the Stock Exchanges where the Company's securities are listed and will also be posted on the Company's website www.sasken.com.

3) Following are the particulars of the Company (on a standalone basis):

Amount in Rs. Lakhs

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2014	September 30, 2014	December 31, 2013	December 31, 2014	December 31, 2013	March 31, 2014
Turnover	8,699.27	8,850.06	8,644.42	26,052.61	26,043.76	35,393.20
Profit before Tax	2,206.17	21,765.94	649.25	24,578.61	4,822.41	7,432.96
Profit after Tax	1,531.36	13,346.23	222.31	15,337.98	3,498.31	5,793.13

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

Amount in Rs. Lakhs

Company	As at December 31, 2014		As at March 31, 2014	
	Loans	*Other Balances (Net)*	*Loans*	*Other Balances (Net)*
Sasken Network Engineering Ltd.	-	(51.92)	-	(270.55)
Sasken Communication Technologies Mexico S.A. de C.V.	-	(1.80)	-	(1.71)
Sasken Finland Oy	-	5.55	-	(49.19)
Sasken Communication Technologies (Shanghai) Co. Ltd.	-	(133.10)	-	(126.52)
Sasken Inc	10,573.28	191.39	4,179.57	542.20
Sasken Network Solutions Inc*	-	-	-	0.11

*Wholly owned Subsidiary of Sasken Network Engineering Ltd.

5) Employee Stock Option Plan

During the quarter ended December 31, 2014, the Company has not granted any options under Employee Stock Option Scheme. During the quarter, 11,700 options lapsed, 23,000 options were exercised and allotted and 71,100 options were outstanding as at December 31, 2014.

In view of the amendment to SEBI (Share based employee benefits) regulations effective from October 1, 2014, the Compensation expense reversed in respect of vested option lapsing on expiry of exercise period, is now credited to General Reserve. Such compensation expense was earlier credited to the Statement of Profit and Loss as per the erstwhile SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Accordingly, a sum of Rs.10.79 lakhs has been credited to General Reserve instead of the Statement of Profit and Loss.

S.R Batliboi & Co. LLP Bengaluru

6) Exceptional income/expenses

During the earlier years, the Company had recognized royalty income of USD 1.67 million (Rs. 880.52 lakhs) in respect of Software Product License granted to a non-Indian licensee, who had purportedly claimed non-usage of the licensed IPR after initial acceptance, which was being contested by the Company. On June 27, 2014, an award was passed in the Company's favour, as per which the non-India licensee was directed to pay USD 31.7 million within 30 days, towards royalties and interest on unpaid royalties and the non-India licensee was also directed to continue to provide royalty reports and pay the contracted royalties on an ongoing basis. During the previous quarter, the Company received a cumulative sum of USD 43.02 million towards royalties upto June 2014 and interest on royalties. Of the above, USD 1.67 million was adjusted towards outstanding trade receivables and the balance amount of USD 41.35 million (equivalent to Rs.25,338.80 lakhs) was recognised as exceptional revenue. Further, in relation to the above, a provision towards employee payments amounting to Rs. 1,500.00 lakhs was recorded as an exceptional item.

During the quarter ended December 31, 2014, the Company has received a sum of USD 2.19 million (equivalent to Rs.1,354.11 lakhs) towards royalty from July 2014 to September 2014 together with interest and the same has been recognised as an exceptional item.

7) Based on the Special Resolution passed by the Company on November 8, 2013, the Company allotted on preferential basis 1,200,000 convertible warrants, on November 18, 2013, to Ms. Ira Bhaduri in her capacity as Trustee of Lahiri Family Trust, of which Mr.Anjan Lahiri, former Whole-time Director and CEO of the Company, is the Managing Trustee. The allottee was entitled to one equity share of Rs.10 each of the Company for each such warrant at a price of Rs.120.25 each and 25% of the price amounting to Rs 360.75 lacs has been received as application money. The allottee exercised 1,040,000 options and paid Rs.937.95 lakhs towards the balance 75% of the application money and as the proposed allotment/conversion was not to be proceeded with, this amount of Rs.937.95 lakhs has been refunded and the stock exchanges have been informed about the non-conversion/allotment. The Company has sought informal guidance from Securities and Exchange Board of India on whether the 25% should be forfeited or can be refunded and if so, the procedural formalities in connection with that. Pending this, the initial 25% of the application money amounting to Rs.360.75 lakhs has been disclosed as "Advance received against Share Warrants" in the financial statements.

8) Mr. Deepak Harlalka, Independent Director has resigned from the Board of the Company effective January 12, 2015.

9) Dr. G. Venkatesh, ceased to be a Whole Time Director and will continue in the Board as a Non-Executive Director of the Company with immediate effect.

10) The Board has declared an interim 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 dividend will be January 27, 2015 and the same will be disbursed on and from January 31, 2015.

11) Previous period figures have been re-grouped/re-arranged, wherever necessary to conform to the current period's presentation.

For Sasken Communication Technologies Ltd.

Rajiv C. Mody
Chairman & Managing Director

Place: Bangalore
Date: January 19, 2015

S.R Batliboi & Co. LLP
Bengaluru

SASKEN COMMUNICATION TECHNOLOGIES LTD.

S.R. BATLIBOI & CO. LLP
Chartered Accountants

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Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

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 December 31, 2014 and the year-to-date results for the period April 1, 2014 to December 31, 2014, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year-to-date financial results have been prepared from 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, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) 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 clause 41 of the Listing Agreement in this regard; and

   (ii) give a true and fair view of the net profit and other financial information for the quarter ended December 31, 2014 as well as the year-to-date results for the period from April 1, 2014 to December 31, 2014.

4. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For S.R. Batliboi & Co. LLP
ICAI Firm registration number: 301003E
Chartered Accountants

per Navin Agrawal
Partner
Membership No.: 56102

S.R Batliboi & Co. LLP Bengaluru

Place: Bangalore
Date: January 19, 2015

S.R. BATLIBOI & CO. LLP
Chartered Accountants

12th & 13th Floor
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Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To,
Board of Directors of Sasken Communication Technologies Limited

1. We have audited the quarterly consolidated financial results of Sasken Communication Technologies Limited ('the Company") and its subsidiaries and joint venture (collectively called "Sasken Group") for the quarter ended December 31, 2014 and the consolidated year-to-date results for the period April 1, 2014 to December 31, 2014, attached herewith, being submitted by the Company pursuant to the requirement of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) 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. (a) We did not audit the consolidated financial statements of one subsidiary and financial statement of one joint venture included in the consolidated quarterly financial results as well as consolidated year-to -date results, whose consolidated interim financial statements reflect total assets of Rs. 2,928.66 lakhs as at December 31, 2014; as well as the total revenue (including other income) of Rs.1,265.46 lakhs for the nine month period ended December 31, 2014 and Rs. 333.69 lakhs for the quarter ended December 31, 2014.

   (b) We did not audit the financial statements of a subsidiary incorporated in Finland, included in the consolidated quarterly financial results as well as consolidated year-to-date results, whose consolidated interim financial statement prepared as per accounting principles generally accepted in Finland ('Finnish GAAP') reflect total assets of Rs. 2,338.53 lakhs as at December 31, 2014; as well as total revenue (including other income) of Rs. 3,721.16 lakhs for the nine month period ended December 31, 2014 and Rs. 1,124.99 lakhs for the quarter ended December 31, 2014. We have undertaken the audit of conversion of these financial statements from Finnish GAAP to accounting principles generally accepted in India.

   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.

S.R. Batliboi & Co. LLP Bengaluru

4. We report that quarterly and year to date 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 specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014).

5. 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 and year-to-date of the following entities:

   a) Sasken Communication Technology Limited ("Sasken" or "the Company"),
   b) Sasken Network Engineering Limited ("SNEL"), and its subsidiary,
   c) Sasken Communication Technologies (Shanghai) Co Ltd. ("Sasken China"),
   d) Sasken Communication Technologies, S.A. DE C.V ("Sasken Mexico"),
   e) Saksen Finland Oy ("Sasken Finland"),
   f) Sasken Inc, USA ("Sasken USA"), and
   g) ConnectM Technology Solutions PVt. Ltd ("Connect M")

   (ii) have been presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and

   (iii) give a true and fair view of the consolidated net profit and other financial information for the quarter ended December 31, 2014 as well as the consolidated year to date results for the period from April 1 2014 to December 31, 2014.

6. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the consolidated number of shares as well as percentage of shareholdings in respect of aggregate amount of consolidated public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For S.R. Batliboi & Co. LLP
ICAI Firm registration number: 301003E
Chartered Accountants



per Navin Agrawal
Partner
Membership No.: 56102

Place: Bangalore
Date : January 19, 2015

Media Release - FOR IMMEDIATE RELEASE

Speaking on the results Mr. Rajiv C Mody, Chairman, Managing Director and CEO said, "We have sharpened our focus on acquiring business from global innovation centers of large transnational companies. Early indication shows a promise in volume growth however, there are pricing pressures. We have put together a strategy to enhance the value we deliver to customers to mitigate margin pressures in the coming quarters." Our traditional strength in embedded systems will see continued demand due to the increasing proliferation of smart devices and the world of Internet of Things (IOT). Further, our unique combination of Embedded and IT Services offerings for the retail and insurance industries are being well received. We expect dividends from these investments in coming fiscal year." "On behalf of board of directors, I am pleased to announce an interim dividend Rs.2.50 per equity share." added Mr. Mody.

Bangalore, 19 January 2015: Sasken Communication Technologies Limited (BSE: 532663, NSE: SASKEN) today announced its consolidated results according to Indian GAAP for the third quarter ended December 31, 2014.

Performance Snapshot for the Quarter: Q3 FY 15

- Consolidated Revenues for Q3 FY 15 at ₹. 107.28 Crore
  - Down 0.8 % over the previous quarter
  - Down 5.2 % YoY from Q3 FY 14
- Consolidated EBIDTA for Q3 FY 15 at ₹. 6.32 Crore
  - Down 35.5 % sequentially over the previous quarter
  - Down 53.5 % YoY from Q3 FY 14
- Consolidated PAT for Q3 FY 15 at ₹. 16.14 Crore
  - Down 82.5 % sequentially over the previous quarter
  - Up 45.1 % YoY from Q3 FY 14
  - PAT Margins for the quarter at 15.0 %

Key Business metrics for the Quarter: Q3 FY 15

- Software services revenues for Q3 FY 15 at ₹. 104.03 Crore
  - Down 0.1 % sequentially over the previous quarter
  - Down 3.9 % YoY from Q3 FY 14
- Products group revenues for Q3 FY 15 at ₹.2.88 Crore
  - Down 18.1 % sequentially over the previous quarter
  - Down 34.4 % YoY from Q3 FY 14
- Consolidated EBIDTA margins were at 5.9 %.
  - Services EBIDTA margins were at 6.7 %
  - Products EBIDTA margins were at -14.8 %

- Revenue contribution from
  - the Top five customers stood at 49.0 % and
  - from Top 10 customers at 65.9 %
- For the quarter, Consolidated EPS before exceptional items was at ₹.3.38 and after exceptional items was at ₹.7.57
- For details on exceptional items, kindly refer notes to Clause 41 financials

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

sasken

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 vendors, operators and retail & insurance 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

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 & Head Marketing
E: pr@sasken.com
T: +91 9743979264



Sasken Communication Technologies Ltd.
Consolidated Key Metrics

	Q3 FY 15	Q2 FY 15	Q1 FY 15	Q4 FY 14	Q3 FY 14	Q2 FY 14	Q1 FY 14
Employee Metrics							
Employees, period end							
Total Employees (Consolidated)	**1,916**	**1,889**	**1,858**	**1,906**	**2,053**	**2,108**	**2,122**
Services S/W, Product S/W and technical professionals	1.704	1,687	1,658	1,701	1,827	1,868	1,892
Support Staff	212	202	200	205	226	240	230
Hiring Metrics							
Gross Adds	161	151	103	68	116	150	76
Net Adds	27	31	(48)	(147)	(55)	(15)	(169)
Attrition % Annualized (Based on Voluntary attrition only)	24.0%	21.8%	25.5%	27.5%	28.3%	28.0%	37.2%
Attrition % LTM (Based on Voluntary attrition only)	24.8%	26.7%	29.3%	30.3%	31.4%	31.5%	34.0%
Revenue by geography - Consolidated (In %)							
North America	35%	34%	38%	37%	34%	33%	28%
EMEA	36%	36%	34%	36%	38%	36%	37%
India	20%	20%	20%	18%	20%	23%	23%
APAC	9%	10%	8%	9%	8%	8%	12%
Client Concentration (In %)							
Top 5 client contribution to revenues	49.0%	46.4%	40.8%	41.4%	40.5%	42.0%	42.0%
Top 10 client contribution to revenues	65.9%	64.7%	56.1%	62.7%	59.8%	60.0%	64.0%
Relationships with Tier 1 Customers - Services+Products							
< 1 Million dollar customers - Trailing 12 months	10	9	12	9	13	11	11
1 < >3 Million dollar customers - Trailing 12 months	7	7	7	8	8	7	8
3 < >10 Million dollar customers - Trailing 12 months	6	7	7	9	7	10	9
10 < >20 Million dollar customers - Trailing 12 months							
> 20 Million dollar customers - Trailing 12 months							
Utilization, including trainees (Services Only - In %)**	74.2%	72.1%	70.3%	73.3%	71.6%	72.2%	72.3%
Revenue Split (Products Only) (In ₹ Million)							
License fees	-	-	1	2	4	5	10
Royalties	16	13	17	19	12	13	21
Customization	12	22	6	27	29	28	25
Revenue Split (Services Only) (In ₹ Million)							
Onsite	465	473	514	490	492	423	421
Offshore	575	568	537	620	590	657	674
Revenue by Project Type (Services Only) (In ₹ Million)							
Time and Material (including compensation)	936	928	930	892	890	865	854
Fixed Price	104	113	121	218	192	215	241

