

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2010

(Rs. in Lakhs except share data)

Sl. No.	Description	For the Year ended March 31, 2010	For the Year ended March 31, 2009
1	Revenue from Software Services, Software Products & Network Engineering Services	57,419.31	69,781.33
2	Cost of Revenue	39,932.17	43,842.05
3	Research & Development Expenses	—	335.15
4	Gross Profit	17,487.14	25,604.13
5	Selling and Marketing Expenses	1,373.84	2,869.07
6	Administrative and General Expenses	5,925.64	6,354.67
7	Profit from operations before Interest, Depreciation and Amortisation	10,187.66	16,380.39
8	Amortisation	213.06	681.66
9	Interest	261.35	381.77
10	Depreciation	2,952.95	3,057.36
11	Other Income	767.37	721.97
12	Exchange gain/(loss), Net**	1,679.21	(4,261.48)
13	Provision for diminution in value of investments/(reversals)	(85.35)	117.71
14	Profit before Tax and Exceptional item	9,292.23	8,602.38
15	Exceptional Item***	—	1,519.70
16	Profit before Tax	9,292.23	7,082.68
17	Provision for Income Tax (Current & Deferred)	1,740.50	2,727.68
18	Fringe Benefit Tax	—	124.59
19	Profit After Taxes	7,551.73	4,230.41
20	Paid-up equity share capital (at par value of Rs.10 each)	2,711.11	2,711.11
21	Reserves excluding revaluation reserves	49,515.01	45,579.20
22	Basic and diluted EPS for the year and for the previous year after exceptional items (not annualised) (par value of Rs. 10 each)		
	Basic EPS	27.85	15.17
	Diluted EPS	26.62	15.17
23	Proposed / Interim Dividend	1,626.66	1,084.44
24	Aggregate of Public Shareholding* Number of shares Percentage of shareholding	19,525,027 72.02%	19,519,357 72.00%
25	Promoters and promoter group shareholdings		
a)	Pledged/Encumbered		
	– Number of shares	5,000	—
	– Percentage of shares (as a % of the total shareholding of promoters and promoter group)	0.07%	—
	– Percentage of shares (as a % of the total share capital of the company)	0.02%	—
b)	Non-encumbered		
	– Number of shares	7,581,024	7,591,694
	– Percentage of shares (as a % of the total shareholding of promoters and promoter group)	99.93%	100.00%
	– Percentage of shares (as a % of the total share capital of the company)	27.96%	28.00%

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

** Please refer to Note 5 in the notes appended. *** Please refer to Note 6 in the notes appended.

Other Information :

(Rs. in Lakhs)

Description	For the Year ended March 31, 2010	For the Year ended March 31, 2009
Staff Cost	34,824.95	40,065.17
Items exceeding 10% of aggregate expenditure	—	—
Details of Other Income:		
Miscellaneous income	61.07	11.52
Dividend received on current investments (non trade)	392.51	125.82
Net gain on sale of current investments (non trade)	0.98	—
Interest income on bank deposits (gross)	143.27	212.94
Interest income on Income tax Refund	78.68	—
Write back of unclaimed balances/ provisions	45.70	7.70
Other Income - Government Subsidy	—	273.14
Profit on sale of Fixed Assets	1.80	8.15
Other interest income	0.07	28.93
Asset recovery charges	43.29	53.77
Total	767.37	721.97

NOTES:

- The above audited results were taken on record by the Board of Directors of the Company at its meeting held on April 22, 2010.
- The 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.
- The Company believes that presenting consolidated financial results has greater value, since it depicts the total financial position and results of operations of the parent company and its subsidiaries and joint ventures as if they were one economic unit. Clause 41 of the Listing Agreement requires companies to publish only consolidated financial results in the newspapers and this choice has been exercised during the first quarter of the financial year. The Company, in compliance with this provision, has opted to publish the consolidated financial results. The standalone financial results will, however, be 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. The Company has given effect to such provisions of the Circular No. CIR/CFD/DIL/1/2010 dated April 5, 2010 which have to be given effect to immediately.

The following are the particulars of the Company (on a standalone basis):

Turnover	Rs. 40,150.89 lakhs
Profit before Tax	Rs. 9,045.53 lakhs
Profit after tax	Rs. 7,602.57 lakhs

- Regarding Subsidiaries and Joint Venture Companies:

- The results of the following companies are consolidated in the above results:
Sasken Network Engineering Ltd. and its subsidiary Sasken Network Solutions Inc, USA, Sasken Communication Technologies Mexico S.A. de C.V., Sasken Communication Technologies (Shanghai) Co. Ltd., Sasken Japan KK, Sasken Communication Technologies Oy, Finland and its subsidiary Sasken Finland Oy, Sasken Inc, USA - all wholly owned subsidiaries; TACO Sasken Automotive Electronics Ltd. (TSAE) and ConnectM Technology Solutions Pvt. Ltd. – Joint Venture companies.
- The Board of Directors of TSAE has at the meeting held on January 9, 2009 decided to close down the operations of the company. Accordingly the financial statements of TSAE have not been prepared under the going concern assumption and all assets and liabilities have been stated at realizable values. The financial results of TSAE for the year ended March 31, 2010 is unaudited.
- During the Quarter, the Company made the following investments in its Subsidiaries:

Investee Company	Details	Amount (Rs. In lakhs)
Sasken Communication Technologies Oy	Unrestricted Equity	564.84

- As at the end of the period, the following amounts are due from/payable to subsidiaries:

Company	Advances (Net) (Rs. in lakhs)	Loans (Rs. in Lakhs)
Sasken Network Engineering Ltd	464.65	
Sasken Communication Technologies Mexico S. A. de C.V	(113.91)	
Sasken Communication Technologies Oy	108.78	
Sasken Finland Oy	173.09	
Sasken Communication Technologies (Shanghai) Co Ltd	50.28	
Sasken Inc	127.79	1,724.50
Sasken Network Solutions Inc	3.59	
Sasken Japan KK	54.72	

Statement of Assets and Liabilities:

(Rs. in Lakhs)

Particulars	As at 31 March	
	2010	2009
Shareholders' Funds		
a) Share Capital	2,711.11	2,711.11
b) Share Application Money	132.00	—
c) Employee Stock Options Outstanding	393.62	273.64
d) Reserves and Surplus	49,121.39	45,305.56
Loans	3,405.52	6,372.01
Total	55,763.64	54,662.32
Fixed Assets	28,930.27	31,978.03
Investments	15,906.60	2,019.98
Deferred Tax Asset	404.51	216.66
Current Assets, Loans and Advances		
a) Inventories	284.68	99.92
b) Sundry Debtors	9,779.22	13,896.79
c) Cash and Bank Balances	3,730.46	11,715.34
d) Other Current Assets	2,761.06	3,671.32
e) Loans and advances	5,679.08	4,818.71
Less: Current Liabilities and Provisions		
Current Liabilities	7,786.00	9,453.12
Provisions	3,926.24	4,301.31
Total	55,763.64	54,662.32

Segment Reporting:

(Rs. in Lakhs)

Sl. No.	Description	For the Year ended March 31, 2010	For the Year ended March 31, 2009
1	Segment Revenue		
	a. Software Services	50,760.01	59,561.06
	b. Software Products	2,560.71	6,146.43
	c. Automotive, Utilities and Industrial	81.58	60.39
	d. Network Engineering Services	4,017.01	4,013.45
	Total	57,419.31	69,781.33
	Less: Inter segment revenue	—	—
	Net Sales/Income from Operations	57,419.31	69,781.33
2	Segment Results		
	(Profit +) / Loss (-) before tax and interest from each segment)		
	a. Software Services	12,330.45	19,027.62
	b. Software Products	840.99	746.89
	c. Automotive, Utilities and Industrial	(151.09)	(338.53)
	d. Network Engineering Services	1,479.82	1,199.47
	Total	14,500.17	20,635.45
	Less: i) Interest	261.35	381.77
	ii) Other un-allocable expenditure net of un-allocable Income	6,711.15	8,791.81
	iii) Exchange gain/(loss)	1,679.21	(4,261.48)
	iv) Provision for/ (reversal of) diminution in value of investments	(85.35)	117.71
	Total Profit before tax	9,292.23	7,082.68
3	Capital Employed (Segment Assets - Segment Liabilities)		
	a. Software Services	28,333.28	37,427.00
	b. Software Products	905.27	1,235.48
	c. Automotive, Utilities and Industrial	82.94	477.70
	d. Network Engineering Services	1,864.96	2,024.96
	Sub total	31,186.45	41,165.14
	e. Unallocable Corporate Assets	29,927.87	22,245.01
	Less: Corporate Liabilities	(8,756.20)	(15,119.84)
	Total Capital Employed	52,358.12	48,290.31

OTHER NOTES:

- Accounting for derivatives: Pursuant to The Institute of Chartered Accountants of India's (ICAI) Announcement dated March 29, 2008 on "Accounting for Derivatives", the Company, based on the principles of prudence enunciated in Accounting Standard-1 on "Disclosure of Accounting Policies", recognizes mark to market losses on derivative contracts outstanding, (including forward contracts for highly probable collections), 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, on foreign currency derivative contracts, the Company considers foreign currency derivative contracts as one portfolio. During the year ended March 31, 2010 there was a mark to market gain of Rs. 799.23 lakhs, which has not been recognized.
- Scheme of Arrangement:
The Company had approached the High Court of Karnataka, Bangalore to create a Business Restructuring Reserve to be carved out from Securities Premium account in terms of a Scheme under Section 391 / 394 of the Companies Act, whereby the Business Restructuring Expenses will be adjusted against the said Reserve. Pursuant to the Scheme and as approved by the High Court of Karnataka, Bangalore vide its order dated March 31, 2010, a sum of Rs. 14,578.08 lakhs, has been transferred from the Securities Premium Account and credited to Business Restructuring Reserve Account. Further, impairment loss on capitalized software amounting to Rs. 1,519.70 lakhs, which was charged to Profit and Loss Account in the previous year as exceptional item, being considered as a Restructuring Expense incurred after the Appointed Date, i.e., April 1, 2008, has been adjusted against the Business Restructuring Reserve Account, with corresponding credit in the Profit and Loss Account Balance.
Had the Scheme not prescribed the aforesaid treatment, the balance in Profit and Loss Account would have been lower by Rs. 1,519.70 lakhs and Business Restructuring Reserve higher by Rs. 1,519.70 lakhs, with no impact on overall reserves of the Company.
- During the quarter ended March 31, 2010, 90,000 options have been granted to eligible directors under the ESOP 2006 Scheme.
- On March 29, 2010, the Company allotted 300,000 convertible warrants to Mr. Rajiv C Mody, Chairman and Managing Director and one of the Promoters of the Company, on a preferential basis on such terms and conditions as contained in the Special Resolution passed by the Company through Postal Ballot on March 15, 2010. The warrant expires at the end of 18 months from the date of issue. The allottee shall be entitled for one equity share of Rs. 10 each of the Company for each such warrant at a price of Rs.176 each. As per the terms of allotment, 25% of the application money has been paid, which has been recorded as share application and on payment of the remaining 75% of consideration, proportionate number of shares will be allotted.
- The Board of Directors has recommended a final dividend of Rs.4 per equity share of Rs.10 each for the financial year ended March 31, 2010 amounting to Rs. 1,084.44 lakhs. This is subject to approval of the Shareholders.
- Ms. Neeta S Revankar, Chief Financial Officer has been elevated and co-opted as an Additional Director of the Company effective today and designated as Whole-time Director & CFO.
- Previous period figures have been re-grouped/re-arranged, wherever necessary to conform to the current period presentation.
- Information on investor complaints for the quarter:

Nature of complaints received	Opening Balance	Additions	Disposal	Closing Balance
Non receipt of Dividend / Share Certificate	Nil	24	24	Nil

For Sasken Communication Technologies Ltd.

Place : Bangalore
Date : April 22, 2010

Rajiv C. Mody
Chairman & Managing Director