



# SASKEN

BSE Limited,  
Dept. of Corporate Services - CRD  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai - 400 001

October 18, 2019

National Stock Exchange of India Limited,  
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 10.00 a.m. to 3.25 p.m.  
Ref: Scrip Code 532663/ SASKEN

Please find below the outcome of the Board Meeting held today.

## Financials

We are enclosing herewith the audited financial results (both consolidated and standalone) of the Company for the quarter and half year ended September 30, 2019 as taken on record at the Board Meeting held today.

Please also find enclosed a copy of each of the following documents:

- Auditors' Report on (a) standalone and (b) consolidated financial results as per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("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, 2019.

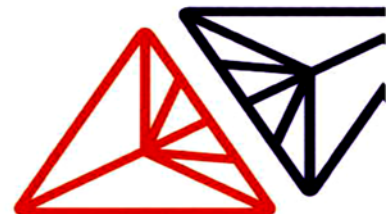
As provided under Regulation 47(1) (b) of the Regulations, we will be publishing the extract of the audited consolidated financial results in the newspapers. The full format of the quarterly Financial Results will be made available on the Company's website ([www.sasken.com](http://www.sasken.com)). We 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)).

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

Thanking you,

Yours faithfully  
For Sasken Technologies Limited

S. Masad  
Associate Vice President & Company Secretary



# B S R & Associates LLP

Chartered Accountants

Embassy Golf Links Business Park  
Pebble Beach, B Block, 3rd Floor  
Off Intermediate Ring Road  
Bengaluru 560 071 India

Telephone +91 80 4682 3000  
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## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF SASKEN TECHNOLOGIES LIMITED

#### Report on the audit of the Consolidated Financial Results

#### Opinion

We have audited the accompanying Statement of Consolidated Financial Results of Sasken Technologies Limited ("Holding company") and its subsidiaries (holding company and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019 ("the Statement"), being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. includes the results of the following entities:
  - i. Sasken Technologies Limited;
  - ii. Sasken Communication Technologies (Shanghai) Co. Ltd. ('Sasken China');
  - iii. Sasken Communication Technologies Mexico S.A. de C.V ('Sasken Mexico');
  - iv. Sasken Finland Oy. ('Sasken Finland');
  - v. Sasken Inc. ('Sasken USA');
  - vi. Sasken Foundation; and
  - vii. Sasken Employees Welfare Trust.
- b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit and other comprehensive income) and other financial information of the Group for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial results.



### **Management's and Board of Directors' Responsibilities for the Consolidated Financial Results**

These quarterly consolidated financial results as well as the year to date consolidated financial results have been prepared on the basis of the consolidated interim financial statements.

The Management and the Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- \* Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



B S R & Associates LLP

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of entities included in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Our opinion is not modified in respect of this matter.

*for B S R and Associates LLP*

Chartered Accountants

Firm's Registration No. 116231W/W-100024



Ashish Chadha

*Partner*

Membership Number: 500160

UDIN: 19500160AAAADT2792

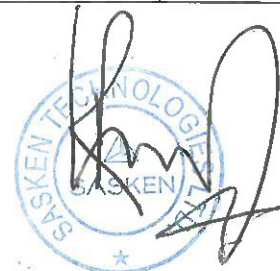
Bengaluru

18 October 2019

AUDITED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2019

(Rs. in lakhs)

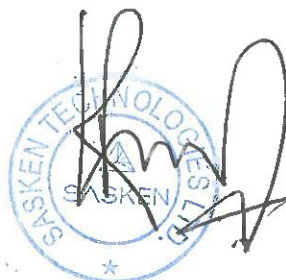
Particulars	As at September 30, 2019	As at March 31, 2019
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
Property, plant and equipment	4,671.03	3,947.12
Capital work-in-progress	49.16	86.20
Intangible assets	21.60	17.86
Financial assets		
(i) Investments	41,899.52	42,897.43
(ii) Other financial assets	318.28	339.82
Deferred tax assets	548.70	269.22
Other tax assets	5,086.05	5,403.12
Other non-current assets	10.69	17.22
<b>Total non-current assets</b>	<b>52,605.03</b>	<b>52,977.99</b>
<b>(2) Current assets</b>		
Financial assets		
(i) Current investments	10,756.33	8,107.87
(ii) Trade receivables	9,325.24	8,228.36
(iii) Cash and cash equivalents	3,471.03	1,472.73
(iv) Other bank balances	863.13	275.43
(v) Unbilled revenue	2,352.93	1,955.37
(vi) Derivative assets	534.58	940.86
(vii) Other financial assets	1,365.09	1,148.69
Contract assets	2,153.02	3,145.30
Other current assets	823.15	1,134.91
<b>Total current assets</b>	<b>31,644.50</b>	<b>26,409.52</b>
<b>Total assets</b>	<b>84,249.53</b>	<b>79,387.51</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,711.01	1,711.01
Other equity	70,600.94	68,087.10
<b>Total equity</b>	<b>72,311.95</b>	<b>69,798.11</b>
<b>LIABILITIES</b>		
<b>(1) Non-current liabilities</b>		
Lease liabilities	506.45	-
Provisions	916.87	711.37
<b>Total non-current liabilities</b>	<b>1,423.32</b>	<b>711.37</b>
<b>(2) Current liabilities</b>		
<b>Financial liabilities</b>		
(i) Trade payables		
Outstanding dues to micro and small enterprises	34.71	32.27
Outstanding dues to creditors other than micro and small enterprises	1,813.04	1,802.24
(ii) Other financial liabilities	2,172.73	1,506.88
(iii) Derivative liabilities	134.10	-
Deferred revenue	169.90	380.22
Other current liabilities	1,207.66	1,365.99
Provisions	1,509.62	1,780.48
Other tax liabilities	3,472.50	2,009.95
<b>Total current liabilities</b>	<b>10,514.26</b>	<b>8,878.03</b>
<b>Total equity and liabilities</b>	<b>84,249.53</b>	<b>79,387.51</b>



AUDITED INTERIM CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

(Rs. in lakhs)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
I	Revenue from operations	12,570.25	13,465.72	11,308.53	26,035.97	24,735.69	50,431.12
II	Other income	1,444.27	1,147.65	849.89	2,591.92	2,613.53	4,602.34
III	Total income (I+II)	14,014.52	14,613.37	12,158.42	28,627.89	27,349.22	55,033.46
IV	EXPENSES						
	Employee benefits expense	8,737.78	8,758.85	7,901.14	17,496.63	16,969.80	33,861.88
	Finance costs	15.80	15.78	-	31.58	-	-
	Depreciation and amortization expense	277.24	251.99	159.18	529.23	316.34	660.52
	Other expenses	2,111.28	2,242.81	2,075.45	4,354.09	4,362.33	9,456.16
	Total expenses (IV)	11,142.10	11,269.43	10,135.77	22,411.53	21,648.47	43,978.56
V	Profit before tax (III-IV)	2,872.42	3,343.94	2,022.65	6,216.36	5,700.75	11,054.90
VI	Tax expense:						
	(1) Current tax	598.07	1,025.73	333.08	1,623.80	1,210.97	2,012.61
	(2) Deferred tax	814.20	980.77	353.36	1,794.97	1,331.39	1,948.67
		(216.13)	44.96	(20.28)	(171.17)	(120.42)	63.94
VII	Profit after tax (V-VI)	2,274.35	2,318.21	1,689.57	4,592.56	4,489.78	9,042.29
VIII	Other comprehensive income	(700.12)	71.84	(419.30)	(628.28)	(475.88)	835.27
	A (i) Items that will not be reclassified to profit or loss- remeasurement gain on defined benefit plans	(181.92)	36.11	(148.95)	(145.81)	(31.13)	81.27
	(ii) Income tax relating to items that will not be reclassified to profit or loss	63.57	(12.62)	52.05	50.95	10.88	(28.20)
	B (i) Items that will be reclassified to profit or loss- Net change in fair value of forward contracts designated as cash flows hedges	(652.81)	111.32	(822.70)	(541.49)	(1,096.25)	1,066.57
	Exchange differences in translating financial statements of foreign operations	(156.96)	(23.80)	211.55	(180.76)	255.94	87.91
	(ii) Income tax relating to items that will be reclassified to profit or loss	228.00	(39.17)	288.76	188.83	384.68	(372.29)
IX	Total comprehensive income for the period (VII+VIII) (comprising profit and other comprehensive income for the period)	1,574.23	2,390.05	1,270.27	3,964.28	4,013.90	9,877.56
X	Paid up equity share capital (face value: Rs 10 per share)	1,711.01	1,711.01	1,711.01	1,711.01	1,711.01	1,711.01
XI	Other equity						68,087.10
XII	Earnings per equity share						
	(1) Basic	13.34	13.60	9.87	26.94	26.24	52.92
	(2) Diluted	13.34	13.60	9.87	26.94	26.24	52.92



Sasken Technologies Limited  
Audited Consolidated statement of cash flows for the half year ended September 30, 2019  
(Amount in lakhs, except share and per share data, unless otherwise stated)

	Half year ended September 30, 2019	Half year ended September 30, 2018
<b>Cash flows from operating activities</b>		
Profit before tax	6,216.36	5,700.75
<b>Adjustments for:</b>		
Depreciation and amortization expense	529.23	316.34
Dividend income	(621.84)	(419.42)
Interest income	(632.03)	(1,218.17)
Gain on sale of investments	(77.12)	(18.46)
Change in fair value of investments	(742.11)	(420.26)
Profit on sale of property, plant and equipment	(4.26)	(38.50)
ESOP compensation cost	39.54	16.22
Exchange differences on translation of assets and liabilities	(34.00)	59.41
Reversal of allowances for credit losses on financial assets	-	(14.63)
Write back of unclaimed balances	-	(32.40)
Cash flow hedges - in-effective portion of changes in fair value	(1.10)	0.91
<b>Operating profit before working capital changes</b>	<b>4,672.67</b>	<b>3,931.79</b>
<b>Changes in assets and liabilities:</b>		
Trade receivables, unbilled revenue & contract assets	(502.16)	926.18
Other financial assets and other assets	(610.04)	152.11
Trade payables and deferred revenue	(197.08)	(798.42)
Provisions, other financial liabilities and other liabilities	823.70	(1,237.13)
<b>Cash generated from operating activities</b>	<b>4,187.09</b>	<b>2,974.54</b>
Income taxes paid	1,020.49	(620.74)
<b>Net cash generated from operating activities (A)</b>	<b>5,207.58</b>	<b>2,353.80</b>
<b>Cash flows from investing activities</b>		
Interest received	84.81	255.97
Dividends received	567.31	343.59
Proceeds from sale of property, plant and equipment	4.26	38.50
Acquisition of property, plant and equipment	(1,234.01)	(335.78)
Payments to acquire financial assets (mutual funds)	(17,909.05)	(18,612.33)
Payments to acquire financial assets (series- A stock) / promissory notes	-	(1,572.07)
Proceeds from sale of financial assets (mutual funds)	17,132.27	16,298.00
Investment of bank deposits	(587.70)	(47.72)
<b>Net cash used in investing activities (B)</b>	<b>(1,942.11)</b>	<b>(3,631.83)</b>
<b>Cash flows from financing activities</b>		
Dividend paid during the year (including dividend distribution tax)	(1,489.98)	(775.92)
<b>Net cash used in financing activities (C)</b>	<b>(1,489.98)</b>	<b>(775.92)</b>
<b>Net increase /(decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,775.49</b>	<b>(2,053.95)</b>
Cash and cash equivalents at the beginning of the period	1,472.73	4,023.40
Effect of exchange rate changes on cash and cash equivalents	222.81	192.53
<b>Cash and cash equivalents at the end of the period</b>	<b>3,471.03</b>	<b>2,161.98</b>

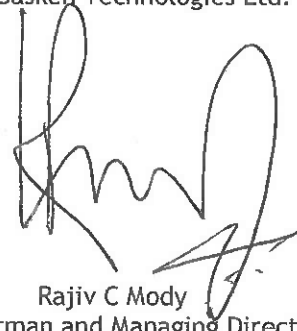




**NOTES:**

1. These audited consolidated financial results, prepared in accordance with Indian Accounting Standards ('Ind AS') for the quarter and half year ended September 30, 2019 have been approved by the Board of Directors of the Company at its meeting held on October 18, 2019. The statutory auditors have expressed an unqualified opinion on these consolidated financial results.
2. **Segment Reporting**  
  
The Chairman and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". The Company operates in one segment only i.e. "Software Services". The CODM evaluates performance of the Company based on revenue and operating income from "Software Services". Accordingly, segment information has not been separately disclosed.
3. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", and has applied the same to its leases contracts existing on April 1, 2019 using the modified retrospective method. The Company has not restated comparative information. The adoption of the standard has resulted in recognition of Right-of-Use asset of Rs. 634.30 lacs and net lease liability, classified as borrowings of Rs. 634.30 lacs on transition. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.
4. The Board of Directors of the Company at their meeting held on April 23, 2019 and Shareholders by way of Special Resolution passed through Postal Ballot / e-voting dated June 19, 2019 approved the proposal for buy-back of up to 19,98,678 fully paid up Equity Shares at a price not exceeding Rs.850 per share for a total consideration not exceeding Rs.16,988.76 lakhs. The Buy-Back Committee of the Board on June 20, 2019, had fixed the buy-back price of Rs.825 per equity share and accordingly to buy-back up to 20,59,243 Equity Shares. The Company had made a Public Announcement in national and local newspapers on June 24, 2019 and also filed the Draft Letter of Offer with SEBI on June 26, 2019 for their comments. Upon receipt of comments from SEBI on September 26, 2019, the company despatched the Letter of Offer to shareholders. The buy-back opened on October 11, 2019 and is set to close by October 25, 2019.

For Sasken Technologies Ltd.



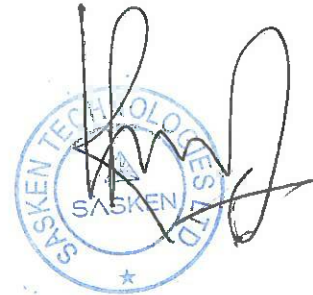
Rajiv C Mody  
Chairman and Managing Director  
DIN: 0092037

Place: Bengaluru  
Date: October 18, 2019





	Q2 FY 20	Q1 FY 20	Q4 FY 19	Q3 FY 19	Q2 FY 19	Q1 FY 19	Q4 FY 18	Q3 FY 18	Q2 FY 18	Q1 FY 18	Q4 FY 17
<b>Employee Metrics</b>											
Employees, period end											
Total Employees (Consolidated)	1,734	1,802	1,833	1,780	1,781	1,812	1,867	1,913	2,018	1,959	1,963
	1,495	1,572	1,600	1,552	1,552	1,580	1,637	1,685	1,785	1,729	1,728
	239	230	233	228	229	232	230	228	233	230	235
<b>Hiring Metrics</b>											
Gross Adds	96	137	213	148	137	96	124	130	170	154	131
Net Adds	(68)	(31)	53	(1)	(31)	(55)	(46)	(105)	59	(4)	(13)
<b>Attrition % Annualized (Based on Voluntary attrition only)</b>											
Attrition % LTM (Based on Voluntary attrition only)	22.0%	24.0%	30.3%	29.4%	30.7%	25.2%	22.7%	21.6%	15.7%	21.3%	17.7%
	27.0%	29.0%	28.2%	26.6%	24.6%	21.6%	21.0%	19.5%	18.7%	21.2%	21.0%
<b>Revenue by geography - Consolidated (In %)</b>											
North America	40%	40%	43%	39%	36%	39%	39%	40%	38%	37%	32%
EMEA	22%	20%	21%	23%	24%	23%	25%	23%	25%	28%	34%
India	22%	27%	24%	27%	31%	30%	28%	30%	30%	28%	26%
APAC	16%	13%	12%	11%	9%	8%	8%	7%	7%	7%	8%
<b>Client Concentration (In %)</b>											
Top 5 client contribution to revenues	41.0%	49.8%	56.3%	52.2%	55.4%	52.1%	52.5%	43.3%	42.7%	43.5%	44.1%
Top 10 client contribution to revenues	59.0%	65.9%	70.1%	68.8%	71.3%	70.4%	72.0%	64.0%	64.5%	64.4%	63.1%
<b>Relationships with Customers (TTM)</b>											
\$1M + clients	13	10	11	11	10	10	12	12	10	11	7
\$3M + clients	3	4	5	5	5	6	6	6	6	6	6
\$10M + clients	1	1	1	1	1	1	1	1	1	1	1
<b>Utilization, including trainees (In %)*</b>											
Utilization, including trainees (In %)*	71.0%	76.4%	75.7%	76.4%	77.5%	81.4%	80.4%	80.0%	77.2%	79.6%	78.6%
<b>Revenue Split (in ₹ Million)</b>											
Onsite	331	423	495	400	309	494	465	467	403	411	401
Offshore	926	923	860	814	821	849	823	852	845	765	776
<b>Revenue by Project Type (in ₹ Million)</b>											
Time and Material (including compensation)	812	793	743	743	764	785	811	880	874	844	826
Fixed Price	446	554	612	471	367	558	476	439	374	332	351



# B S R & Associates LLP

Chartered Accountants

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## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF THE SASKEN TECHNOLOGIES LIMITED

#### Report on the audit of the Standalone Financial Results

#### Opinion

We have audited the accompanying standalone quarterly financial results of Sasken Technologies Limited ("the company") for the quarter ended 30 September 2019 and the year to date results for the period from 1 April 2019 to 30 September 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 30 September 2019 as well as the year to date results for the period from 1 April 2019 to 30 September 2019.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's and Board of Directors' Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Management and Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility

also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results by the Management and Board of Directors.

*PO*

- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Our opinion is not modified in respect of this matter.

for **B S R and Associates LLP**  
Chartered Accountants  
Firm's Registration No. 116231W/W-100024



Ashish Chadha  
*Partner*  
Membership Number: 500160  
UDIN: 19500160AAAADS2873  
Bengaluru  
18 October 2019

Sasken Technologies Limited  
CIN: L72100KA1989PLC014226  
139/25, Ring Road, Domlur, Bengaluru - 560 071

AUDITED STANDALONE BALANCE SHEET AS AT SEPTEMBER 30, 2019

(Rs. in lakhs)

Particulars	As at September 30, 2019	As at March 31, 2019
<b>ASSETS</b>		
(1) Non-current assets		
Property, plant and equipment	4,410.73	3,713.14
Capital work-in-progress	45.79	85.92
Intangible assets	21.60	17.86
Financial assets		
(i) Investments	43,839.00	45,264.89
(ii) Other financial assets	264.46	287.61
Deferred tax assets	585.33	339.78
Long term loan	460.80	460.80
Other tax assets	5,068.54	5,374.55
Other non-current assets	10.69	17.22
<b>Total non-current assets</b>	<b>54,706.94</b>	<b>55,561.77</b>
(2) Current assets		
Financial assets		
(i) Current investments	10,756.33	8,107.87
(ii) Trade receivables	8,152.01	7,330.31
(iii) Cash and cash equivalents	3,138.47	423.36
(iv) Other bank balances	650.50	0.45
(v) Unbilled revenue	1,950.11	1,450.09
(vi) Derivative assets	534.58	940.86
(vii) Other financial assets	1,422.67	1,199.08
Contract assets	800.70	1,318.79
Other current assets	1,605.45	1,929.30
<b>Total current assets</b>	<b>29,010.82</b>	<b>22,700.11</b>
<b>Total assets</b>	<b>83,717.76</b>	<b>78,261.88</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share capital	1,711.01	1,711.01
Other equity	71,366.58	68,466.54
<b>Total equity</b>	<b>73,077.59</b>	<b>70,177.55</b>
<b>LIABILITIES</b>		
(1) Non-current liabilities		
Lease liabilities	440.49	-
Provisions	916.87	711.37
<b>Total non-current liabilities</b>	<b>1,357.36</b>	<b>711.37</b>
(2) Current liabilities		
Financial liabilities		
(i) Trade payables		
Outstanding dues to micro and small enterprises	34.71	32.27
Outstanding dues to creditors other than micro and small enterprises	1,590.36	1,539.36
(ii) Other financial liabilities	2,172.73	1,506.88
(iii) Derivative liabilities	134.10	-
Deferred revenue	91.04	354.86
Other current liabilities	892.45	1,032.36
Provisions	922.87	911.13
Other tax liabilities	3,444.55	1,996.10
<b>Total current liabilities</b>	<b>9,282.81</b>	<b>7,372.96</b>
<b>Total equity and liabilities</b>	<b>83,717.76</b>	<b>78,261.88</b>



AUDITED INTERIM STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

(Rs. in lakhs)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
I	Revenue from operations	10,947.80	11,060.31	10,165.08	22,008.11	21,006.41	41,467.02
II	Other income	1,642.65	1,093.06	747.19	2,735.71	3,163.94	5,265.85
III	Total income (I+II)	12,590.45	12,153.37	10,912.27	24,743.82	24,170.35	46,732.87
IV	<b>EXPENSES</b>						
	Employee benefits expense	7,321.80	7,190.10	6,540.18	14,511.90	14,128.55	27,790.08
	Finance costs	13.82	13.82	-	27.64	-	-
	Depreciation and amortization expense	247.65	221.84	136.83	469.49	274.69	579.22
	Other expenses	1,630.72	1,657.44	1,648.27	3,288.16	3,205.65	6,834.56
	Total expenses (IV)	9,213.99	9,083.20	8,325.28	18,297.19	17,608.89	35,203.86
V	Profit before tax (III-IV)	3,376.46	3,070.17	2,586.99	6,446.63	6,561.46	11,529.01
VI	Tax expense:	675.01	968.68	386.45	1,643.69	1,313.87	2,124.07
	(1) Current tax	829.25	951.68	394.08	1,780.93	1,303.01	1,924.13
	(2) Deferred tax	(154.24)	17.00	(7.63)	(137.24)	10.86	199.94
VII	Profit after tax (V-VI)	2,701.45	2,101.49	2,200.54	4,802.94	5,247.59	9,404.94
VIII	Other comprehensive income	(543.16)	95.64	(630.84)	(447.52)	(731.82)	747.35
	A (i) Items that will not be reclassified to profit or loss- remeasurement gain on defined benefit plans	(181.92)	36.11	(148.95)	(145.81)	(31.13)	81.27
	(ii) Income tax relating to items that will not be reclassified to profit or loss	63.57	(12.62)	52.05	50.95	10.88	(28.20)
	B (i) Items that will be reclassified to profit or loss- Net change in fair value of forward contracts designated as cash flows hedges	(652.81)	111.32	(822.70)	(541.49)	(1,096.25)	1,066.57
	(ii) Income tax relating to items that will be reclassified to profit or loss	228.00	(39.17)	288.76	188.83	384.68	(372.29)
IX	Total comprehensive income for the period (VII-VIII) (comprising profit and other comprehensive income for the period)	2,158.29	2,197.13	1,569.70	4,355.42	4,515.77	10,152.29
X	Paid up equity share capital (face value: Rs 10 per share)	1,711.01	1,711.01	1,711.01	1,711.01	1,711.01	1,711.01
XI	Other equity						68,466.55
XII	Earnings per equity share						
	(1) Basic	15.79	12.28	12.86	28.07	30.67	54.97
	(2) Diluted	15.79	12.28	12.86	28.07	30.67	54.97

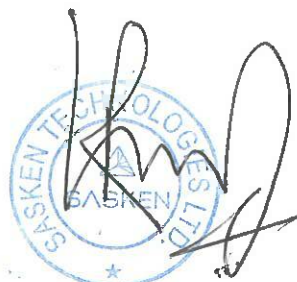


Sasken Technologies Limited

Audited Standalone statement of cash flows for the half year ended September 30, 2019

(Amount in lakhs, except share and per share data, unless otherwise stated)

Particulars	For the half year ended September 30, 2019	For the half year ended September 30, 2018
<b>Cash flows from operating activities:</b>		
Profit before tax	6,446.63	6,561.46
<b>Adjustments to reconcile net profit to net cash provided by operating activities</b>		
Depreciation and amortization expense	469.49	274.69
Interest income	(654.66)	(1,176.73)
Dividend income	(875.42)	(1,236.18)
Gain on sale of investments	(77.12)	(18.46)
Gain on fair valuation of investments	(742.11)	(420.26)
Profit on sale of property, plant and equipment	(4.26)	(38.50)
Write back of provisions	-	(32.40)
ESOP compensation cost	39.54	16.22
Exchange differences on translation of assets and liabilities	1.26	59.42
Reversal of allowance for expected credit losses on financial assets	-	(14.63)
In-effective portion of changes in fair value of cash flow hedges	(1.11)	4.57
<b>Changes in assets and liabilities:</b>		
Trade receivables, contract assets and unbilled revenue	(803.63)	694.01
Loans, other financial assets and other assets	(233.81)	(117.47)
Trade payables and deferred revenue	(210.38)	(681.00)
Provisions, other financial liabilities (current) and other current liabilities	1,058.77	(1,115.14)
<b>Cash generated from operating activities</b>	<b>4,413.19</b>	<b>2,759.61</b>
Income taxes paid	1,011.30	(452.87)
<b>Net cash generated from operating activities (A)</b>	<b>5,424.49</b>	<b>2,306.74</b>
<b>Cash flows from investing activities:</b>		
Interest received	105.58	219.90
Dividends received	820.89	1,084.52
Proceeds from sale of property, plant and equipment	4.26	38.50
Purchase of property, plant and equipment	(1,152.04)	(294.05)
Investment in / repatriation from subsidiaries	377.00	(1,039.70)
Payments to acquire financial assets (mutual funds)	17,140.31	(18,510.76)
Other bank balances	(650.05)	
Proceeds from sale of investments (mutual funds)	(17,862.39)	16,298.00
<b>Net cash used in investing activities (B)</b>	<b>(1,216.44)</b>	<b>(2,203.59)</b>
<b>Cash flows from financing activities</b>		
Dividend paid during the period (including dividend distribution tax)	(1,494.91)	(775.92)
<b>Net cash used in financing activities (C)</b>	<b>(1,494.91)</b>	<b>(775.92)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>2,713.14</b>	<b>(672.77)</b>
Cash and cash equivalents at the beginning of the period	423.36	1,442.48
Effect of exchange differences on translation of foreign currency cash and cash equivalents	1.97	0.17
<b>Cash and cash equivalents at the end of the period (Refer note 11)</b>	<b>3,138.47</b>	<b>769.88</b>

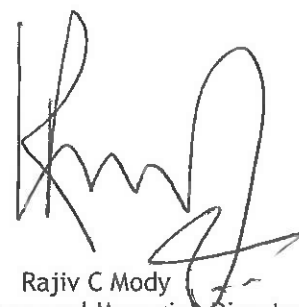




**NOTES:**

1. These audited standalone financial results, prepared in accordance with Indian Accounting Standards ('Ind AS') for the quarter and half year ended September 30, 2019 have been approved by the Board of Directors of the Company at its meeting held on October 18, 2019. The statutory auditors have expressed an unqualified opinion on these standalone financial results.
2. Segment Reporting  
The Chairman and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". The Company operates in one segment only i.e. "Software Services". The CODM evaluates performance of the Company based on revenue and operating income from "Software Services". Accordingly, segment information has not been separately disclosed.
3. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", and has applied the same to its leases contracts existing on April 1, 2019 using the modified retrospective method. The Company has not restated comparative information. The adoption of the standard has resulted in recognition of Right-of-Use asset of Rs. 556 lacs and net lease liability, classified as borrowings of Rs. 556 lacs on transition. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.
4. The Board of Directors of the Company at their meeting held on April 23, 2019 and Shareholders by way of Special Resolution passed through Postal Ballot / e-voting dated June 19, 2019 approved the proposal for buy-back of up to 19,98,678 fully paid up Equity Shares at a price not exceeding Rs.850 per share for a total consideration not exceeding Rs.16,988.76 lakhs. The Buy-Back Committee of the Board on June 20, 2019, had fixed the buy-back price of Rs.825 per equity share and accordingly to buy-back up to 20,59,243 Equity Shares. The Company had made a Public Announcement in national and local newspapers on June 24, 2019 and also filed the Draft Letter of Offer with SEBI on June 26, 2019 for their comments. Upon receipt of comments from SEBI on September 26, 2019, the company despatched the Letter of Offer to shareholders. The buy-back opened on October 11, 2019 and is set to close by October 25, 2019.

For Sasken Technologies Ltd.



Rajiv C Mody  
Chairman and Managing Director  
DIN: 0092037

Place: Bengaluru  
Date: October 18, 2019



**Media Release – FOR IMMEDIATE RELEASE**

**Bengaluru, October 18, 2019:** Sasken Technologies Limited (formerly Sasken Communication Technologies Limited) (BSE: 532663, NSE: SASKEN) today announced its consolidated results as per Ind AS for the quarter and half year ended September 30, 2019.

Rajiv C Mody, Chairman, Managing Director & CEO, Sasken Technologies Limited remarked: As signaled in the previous quarter we are making steady progress in improving the quality of our customer engagements. We continue to make prudent investments to strengthen our existing offerings and build newer ones. We participate in global events to showcase our new solutions built in the form of demonstrable and immerse experiences. We remain hopeful that these initiatives will pay dividends in the coming quarters. We are steadfast in our commitment to diligently manage our costs whilst continuing to focus on scaling our business.

**Performance Snapshot for the Half Year: H1 FY 20**

- Consolidated Revenues for H1 FY 20 at ₹. 260.36 Crore
  - Up 5.3 % YoY from H1 FY 19
- Consolidated EBIT for H1 FY 20 at ₹. 36.56 Crore
  - Up 18.4 % YoY from H1 FY 19
- Consolidated PAT for H1 FY 20 at ₹. 45.92 Crores
  - Up 2.3 % YoY from H1 FY 19
  - PAT Margins for the half year at 17.7 %

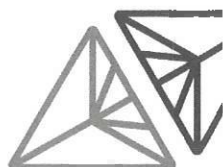
**Performance Snapshot for the Quarter: Q2 FY 20**

- Consolidated Revenues for Q2 FY 20 at ₹ 125.70 Crore
  - Down 6.6 % sequentially over the previous quarter
  - Up 11.2 % YoY from Q2 FY 19
- Consolidated EBIT for Q2 FY 20 at ₹ 14.44 Crore
  - Down 34.7 % sequentially over the previous quarter
  - Up 23.1 % YoY from Q2 FY 19
- Consolidated PAT for Q2FY 20 at ₹ 22.74 Crore
  - Down 1.9 % sequentially over the previous quarter
  - Up 34.6 % YoY from Q2 FY 19
  - PAT Margins for the quarter at 18.1 %

**Key Business metrics for the Quarter: Q2 FY 20**

- Revenue contribution from
  - The Top five customers stood at 41.0 % and
  - From Top 10 customers at 59.0 %
- Consolidated EPS was at ₹ 13.34 for the quarter
- Added 4 new customers during the quarter taking the total number of active customers to 91

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 specialist in Product Engineering and Digital Transformation providing concept-to-market, chip-to-cognition R&D services to global leaders in Semiconductor, Automotive, Industrials, Smart Devices & Wearables, Enterprise Grade Devices, SatCom, and Transportation industries. For over 30 years and with multiple patents, Sasken has transformed the businesses of 100+ Fortune 500 companies, powering more than a billion devices through its services and IP.

**Disclaimer on Forward Looking Statements:**

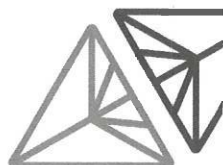

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements due to risks or uncertainties associated with 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 &amp; EE

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

T: +91 9743979264



Dear Analyst,

It is my pleasure to highlight the business performance of the SASKEN Group for the second quarter of FY 2019 - 20, ending September 30, 2019.

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

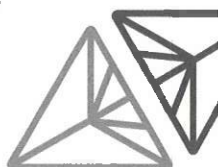
Let me begin by walking you through our financials for Q2 Fiscal 2020. In Q2 FY 2019-20, the consolidated revenues for the SASKEN Group were down over the previous quarter to ₹ 125.70 crores. However on a comparable quarter basis the revenue was up by 11.2%. Consolidated Earnings before Interest and tax for Q2 fiscal '20 were ₹ 14.44 crores, a decrease of 34.7% sequentially and was up by 23.1% on comparable quarter in the previous fiscal. Consolidated PAT for Q2 fiscal '20 was at ₹ 22.74 crores, down by 1.9% over the previous quarter and up by 34.6% when compared to Q2 FY 19. PAT margin for Q2 fiscal '20 was 18.10%. Consolidated earnings per share, was ₹ 13.34 for the quarter. Cash and cash equivalents were approximately ₹ 550.94 crores as of September 30, 2019.

On the people front, the headcount for the SASKEN Group stood at 1,734 as of September 30, 2019. The annualized attrition rate stands at 21.9%, which is a drop of 2% over the previous quarter.

The utilization (including trainees) during Q2 FY 20 across the SASKEN group was 71.00%. SASKEN continues with its strategy to invest in the training of fresh engineers to meet its niche skillset.

We have successfully added 4 new customers during the quarter, taking the total number of active customers to 91.

In the Product Engineering Space, we have worked to strengthen our offerings forged partnerships to widen our market reach. We are reinforcing our existing engagements by investing in the development of both our current and new offerings. We continue to showcase our unique Point of View/Proof of Concepts in global events to increase customer traction.



In the Digital landscape, we are investing to further develop our capabilities in IoT and DevOps, having recently announced an alliance with Siemens Mindsphere. This alliance will help us address opportunities in Connected Intelligent Products and Operations. DevOps is an essential set of technologies that renders speed and agility to our customers for executing on their digital transformation agenda, and we see excellent opportunities for us in this segment.

### Buyback

The Board of Directors of the Company at their meeting held on April 23, 2019 and Shareholders by way of Special Resolution passed through Postal Ballot / e-voting dated June 19, 2019 approved the proposal for buy-back of up to 19,98,678 fully paid up Equity Shares at a price not exceeding ₹ 850 per share for a total consideration not exceeding ₹ 16,988.76 lakhs. The Buy-Back Committee of the Board on June 20, 2019, had fixed the buy-back price of ₹ 825 per equity share and accordingly to buy-back up to 20,59,243 Equity Shares. The Company had made a Public Announcement in national and local newspapers on June 24, 2019 and also filed the Draft Letter of Offer with SEBI on June 26, 2019 for their comments. Upon receipt of comments from SEBI on September 26, 2019, the company dispatched the Letter of Offer to shareholders. The buy-back opened on October 11, 2019 and is set to close by October 25, 2019.

My team and I are grateful for the trust reposed in us and wish to assure you of our commitment to do our best for all stakeholders.



**Rajiv C Mody**

Chairman, Managing Director, and CEO

Sasken Technologies Limited

