



sasken

December 26, 2016

BSE Limited
Pheeroze Jeejeebhoy Towers,
Dalal Street,
Fort
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

Sub: Filing of Special Resolution and Public Announcement pursuant to the provisions of Regulation 5 and 8(2) respectively of SEBI (Buy-Back of Securities) Regulation, 1998

Stock Code: BSE- 532663
NSE - SASKEN

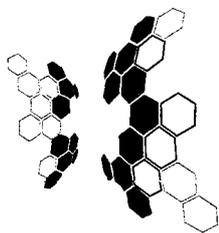
Dear Sir/Madam,

We are pleased to inform you that pursuant to approval of the shareholders of the Company through the postal ballot / e-voting, the Share Buy-back Committee at its meeting held on December 23, 2016 have approved the Buy-back of up to 29,27,879 (Twenty nine lakhs twenty seven thousand eight hundred seventy nine) Equity Shares of the Company having face value of Rs.10/- each (representing 16.52% of the total outstanding Equity Shares of our Company) at a price of Rs.410/- (Rupees Four hundred ten only) per Equity Share payable in cash for a total consideration not exceeding Rs.12004.31 Lakhs (Rupees Twelve thousand four lakhs and thirty one thousand only) from the equity shareholders / beneficial owners as on Record Date on proportionate basis through the tender offer route using stock exchange mechanism in accordance with the article 172 of Articles of Association of the Company, sections 68, 69 and 70 of the Companies Act, 2013 and SEBI (Buy-Back of Securities) Regulations 1998 as amended.

With reference to the same, the Public Announcement has been published in pursuance of the provisions of Regulation 8(1) of the Buyback Regulations. Financial Express - English Daily (All Editions), Jansatta - Hindi Daily (All Editions) and Kannada Prabha (Kannada Edition) on December 26, 2016.

Sasken Communication Technologies Ltd.

139/25, Domlur Ring Road, Bengaluru - 560 071, India.
CIN - L72100KA1989PLC014226, E-mail - info@sasken.com
T - 91 80 6694 3000, F - 91 80 2535 1133
www.sasken.com



Please find enclosed herewith newspaper clipping of Public Announcement published and a certified true copy of Shareholders' Resolution passed by the shareholders of the Company through the postal ballot / e-voting. The results of which were declared on December 23, 2016.

Kindly take the same on records.

Thanking you,

Yours faithfully,
For Sasken Communication Technologies Limited

S. Prasad
Associate Vice President & Company Secretary

Encl: As above.



Sasken Communication Technologies Limited

Registered Office: 139/25, Ring Road, Domlur, Bengaluru - 560 071, Karnataka, India.

Tel: + 91-80-6694 3000; Fax: + 91-80-2535 1309; E-mail: investor@sasken.com; Website: www.sasken.com

Corporate Identity Number: L72100KA1989PLC014226

Contact Person: Mr. S. Prasad, Associate Vice President & Company Secretary

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF SASKEN COMMUNICATION TECHNOLOGIES LIMITED FOR BUY-BACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 1998, AS AMENDED (THE "BUY-BACK REGULATIONS").

This public announcement (the "Public Announcement") is being made in accordance with the provisions of Regulation 8(1) of the Buy-back Regulations and contains disclosures as specified in Part A of Schedule II to the Buy-back Regulations.

OFFER FOR BUY-BACK OF UP TO 29,27,879 (TWENTY NINE LAKHS TWENTY SEVEN THOUSAND EIGHT HUNDRED AND SEVENTY NINE) FULLY PAID UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹10/- (RUPEES TEN ONLY) EACH AT A PRICE OF ₹410/- (RUPEES FOUR HUNDRED AND TEN) PER EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH TENDER OFFER PROCESS USING STOCK EXCHANGE MECHANISM.

1. DETAILS OF THE BUY-BACK OFFER AND OFFER PRICE

1.1 In accordance with Article 172 of the Articles of Association of the Company and provisions of section 68, 69, 70 and other applicable provisions of the Companies Act, 2013 (the "Act"), rules made thereunder and in compliance with the Buy-back Regulations and subject to such other approvals, permissions and sanctions as may be necessary, the Board of Directors (the "Board") of Sasken Communication Technologies Limited (the "Company") at its meeting held on October 27, 2016 have approved the Buy-back of up to 29,27,879 (Rupees Four hundred and twenty five) per Equity Share (the "Maximum Buy-back Price") payable in cash for a total consideration not exceeding ₹12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. ("Transaction Costs") (hereinafter referred to as "Maximum Buy-back Size"), which is within 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the standalone audited Financial Statements of the Company for the financial year ended March 31, 2016 through the "Tender Offer" route as prescribed under the Buy-back Regulations (the process being referred hereinafter as "Buy-back"), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the record date (the "Eligible Shareholders"). The shareholders approved the Buy-back, by way of special resolution, through postal ballot / e-voting by way of a postal ballot notice dated November 18, 2016 (the "Notice"), the results of which were announced on December 23, 2016. The shareholders have authorized the Board (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised "Committee" or persons nominated by the Board to exercise its powers in relation to the Buy-back thereof) to determine the total amount to be deployed in the Buy-back, final Buy-back price, number of equity shares to be bought back within the aforesaid limits and such other terms of Buy-back. The Buy-back is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Securities and Exchange Board of India ("SEBI"), and the stock exchanges on which the Equity Shares of the Company are currently listed, namely, the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (hereinafter BSE and NSE are referred to as the "Stock Exchanges").

1.2 Pursuant to the shareholders' approval, the Share Buy-back Committee at its meeting held on December 23, 2016 have determined the final Buy-back Price of ₹ 410 (Rupees Four hundred and ten) per Equity Share (the "Buy-back Price") and the total amount for Buy-back is ₹12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) (the "Buy-back Size"), excluding the Transaction Costs which is 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the standalone audited Financial Statements of the Company for the financial year ended March 31, 2016. With the Buy-back price of ₹410/- and Buy-back Size of ₹12,004.31 lakhs, the total number of shares to be bought back in the Buy-back shall be 29,27,879 Equity Shares (the "Maximum Buy-back Shares"), representing 16.52% of the total issued and paid-up equity capital of the Company.

1.3 The Buy-back shall be undertaken on a proportionate basis from the Eligible Shareholders as on January 6, 2017 (the "Record Date") through the tender offer route prescribed under Regulation 4(1)(a) of the Buy-back Regulations. Additionally, the Buy-back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Eligible Shareholders and settlement of the same, through the Stock Exchange Mechanism as specified by SEBI in Circular Number CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 (the "SEBI Circular").

1.4 In terms of Buy-back Regulations, under the Tender Offer route, promoters and promoter group of the Company (the "Promoters") have option to participate in the Buy-back. However, none of the Promoters and Persons Acting in Concert will participate in the Buy-back.

1.5 The Buy-back Price of ₹ 410/- per Equity Share represents (i) premium of 12.29% on BSE and 12.13% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE respectively for 3 months preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges; (ii) premium of 6.12% on BSE and 6.12% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE respectively for 2 weeks preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges; (iii) premium of 1.22% on BSE and 1.17% on NSE over the closing market price of the Equity Shares on Stock Exchanges as on the date of the intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges.

1.6 The aggregate paid-up equity share capital and free reserves (including securities premium account) as at March 31, 2016 is ₹ 48,017.24 lakhs. In accordance with section 68(2)(c) of the Act, the funds deployed for the Buy-back shall not exceed 25% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company under shareholder approval route. Accordingly, the maximum amount that can be utilized in the present Buy-back is ₹12,004.31 lakhs. The Company has proposed to utilise an aggregate amount not exceeding ₹12,004.31 lakhs excluding the Transaction Costs for the Buy-back which is within the maximum amount as aforesaid and which represents 25% of the paid-up equity capital and free reserves (including securities premium account) of the Company as per standalone audited Financial Statements of the Company for the financial year ended March 31, 2016.

1.7 Further, under the Act, the number of Equity Shares that can be bought back during the financial year shall not exceed 25% of the paid-up Equity Shares of the Company. Accordingly, the number of Equity Shares that can be bought back during the financial year cannot exceed 44,29,953 Equity Shares being 25% of the paid up equity capital of the Company, viz. 1,77,19,813 Equity Shares as per the standalone audited balance sheet as on March 31, 2016. Since the Company proposes to Buy-back up to 29,27,879 Equity Shares, the same is within the aforesaid limit.

1.8 Pursuant to the proposed Buy-back and depending on the response to the Buy-back, the voting rights of the Promoters in the Company may increase from the existing Shareholding of the total equity capital and voting rights of the Company. The Promoters of the Company are already in control over the Company and therefore such further increase in voting rights of the Promoters will not result in any change in control over the Company. Assuming the Buy-back of Maximum Buy-back Shares pursuant to the Buy-back Offer, the percentage holding of the Promoters may increase from the existing level of 43.69% to 52.33%.

The shareholding percentage of the Promoters as a result of the Buy-back shall increase. Such an increase in shareholding percentage may attract Regulation 3(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations"). However, the same is exempt in terms of the clause (ii) to the proviso to Regulation 10(4)(c) of the Takeover Regulations, subject to compliance with the proviso of the aforesaid clause of the Takeover Regulations. The Promoter Directors of the Company being interested in the resolution approving the Buy-back in their capacity as Directors of the Company, have abstained themselves from voting in resolution approving the Buy-back passed by the Board at its meeting held on October 27, 2016 and the Resolution passed by the equity shareholders of the Company pursuant to the Postal Ballot Notice dated November 18, 2016.

1.9 The Buy-back of Equity Shares may be subject to taxation in India and in the country of residence of the Eligible Shareholder(s). In due course, Eligible Shareholder(s) will receive a Letter of Offer, which will contain a note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are required to consult their tax advisors for the applicable tax provisions including the treatment that may be given by their respective tax officers in their case, and the appropriate course of action that they should take.

1.10 A copy of this Public Announcement will be available on SEBI's website (www.sebi.gov.in) as well as on Company's website.

2. NECESSITY FOR THE BUY-BACK

2.1 The Buy-back is being undertaken by the Company to enhance overall shareholders' value and to return surplus funds to the equity shareholders of the Company. The Buy-back would lead to reduction in outstanding number of Equity Shares and may consequently increase earnings per Equity Share over a period of time. This would in turn lead to improvement in return on net worth and other financial ratios and contribute to maximization of overall shareholders' value. Additionally, the Buy-back is being undertaken for the following reasons:

- i. The Buy-back gives an option to the equity shareholders to either participate in the Buy-back and receive cash in lieu of Equity Shares accepted under the Buy-back or not participate in the Buy-back and enjoy a resultant increase in their percentage shareholding in the Company post the Buy-back;
- ii. The Buy-back would help in improving certain key financial ratios of the Company;
- iii. The Buy-back, which is being implemented through the Tender Offer route as prescribed under the Buy-back Regulations, would involve a reservation for small shareholders. As defined in the Buy-back Regulations, a "small shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price on the recognized stock exchange in which highest trading volume in respect of such Equity Shares, as on the Record Date, of not more than ₹ 2,00,000 (Rupees two lakhs).

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID UP CAPITAL AND FREE RESERVES

The aggregate paid-up equity share capital and free reserves (including securities premium account) as at March 31, 2016 is ₹ 48,017.24 lakhs. Under section 68 (2) (c) of the Act, the funds deployed for the Buy-back shall not exceed 25% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company under shareholder approval route. Accordingly, the Company has proposed to utilise the maximum amount not exceeding ₹ 12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) excluding the Transaction Costs for the Buy-back which is within the maximum amount as aforesaid and which represents 25% of the total paid-up equity capital and free reserves (including securities premium account) of the Company as per audited standalone financial statements of the Company for the financial year ended March 31, 2016.

The Buy-back would be financed out of current surplus and / or cash and cash equivalents and / or internal accruals of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares proposed to be bought back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

4. PRICE AT WHICH SHARES ARE PROPOSED TO BE BOUGHT BACK AND THE BASIS OF ARRIVING AT THE BUY-BACK PRICE

The Equity Shares are proposed to be bought back at a price of ₹410/- per Equity Share. The Buy-back Price has been arrived at after considering various factors including, but not limited to, the volume weighted average market price of the Equity Shares on BSE and NSE respectively for 3 (three) months and 2 (two) weeks preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges, closing market price on the date of Board Meeting, price earnings ratio and the impact on the Net worth of the Company.

5. MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to Buy-back up to 29,27,879 Equity Shares, representing 16.52 % of the total issued and paid-up Equity Share capital of the Company.

6. METHOD TO BE ADOPTED FOR THE BUY-BACK

6.1 As required under the Buy-back Regulations, Equity Shares to be bought back under Tender Offer are divided into two categories: (i) Reserved category for Small Shareholders; and (ii) general category for all other shareholders. Please refer Clause 11 of this Public Announcement for further details.

6.2 The Buy-back will be undertaken on a proportionate basis from the Equity shareholders of the Company as on the Record Date through the tender offer process prescribed under Regulation 4(1)(a) of the Buy-back Regulations. Additionally, the Buy-back shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified in SEBI Circular in terms of Regulation 9(3A) of the Buy-back Regulations.

7. DETAILS OF SHAREHOLDING OF PROMOTERS AND PERSONS IN CONTROL

7.1 The aggregate shareholding of the Promoters, the directors of the Promoter companies holding shares in the Company and of Persons who are in control of the Company ("Promoters and Persons in Control") as on the date of the Postal Ballot Notice i.e. November 18, 2016 is given below:

Category of Member	No. of Equity Shares Held	% of Existing Equity Share Capital
Promoters & Promoters Group	72,05,416	40.66
Persons Acting in Concert*	5,35,257	3.03
Total of Promoters, Promoter Group and Persons Acting in Concert	77,40,673	43.69

* Includes shareholding of Whole-time Director of the Company who is not a promoter. The same is included as a matter of abundant caution.

7.2 The aggregate number of Equity Shares purchased or sold by persons mentioned in Clause 7.1 above from a period of six months preceding the date of the Board Meeting till the date of the Postal Ballot Notice i.e. November 18, 2016 is given below:

Name	Date of Transaction	Mode	No. of Equity Shares	Minimum Price/Date of Minimum Price	Maximum Price/Date of Maximum Price
Ms. Nilma Doshi	May 19, 2016	Market Purchase	₹12,500	₹ 330.00 May 19, 2016	₹ 339.50 May 19, 2016

Except as disclosed above, the Promoter and Persons in Control have not purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last six months prior to the date of the Board Meeting and up to the date of Postal Ballot Notice.

7.3 Intention of the Promoters and Persons in Control of the Company to tender Equity Shares for Buy-back

In terms of the Buy-back Regulations under Tender Offer route, the Promoters and Persons in Control of the Company have the option to participate in the Buy-back. However, none of the Promoters and Persons in Control have expressed their intention to participate in the Buy-back.

8. The Company confirms that there are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banks.

9. The Board of Directors have made full enquiry into the affairs and prospects of the Company and formed the opinion that:

- a) Immediately following the date of convening of the Board Meeting at which the Buy-back of the Company's Equity Shares is approved and the date on which the results of the Postal Ballot will be declared, there shall be no grounds on which the Company can be found unable to pay its debts.
- b) As regards the Company's prospects for the year immediately following the date of the Board Meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared approving the Buy-back, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company shall be able to meet its liabilities as and when they fall due and shall not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buy-back or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be.
- c) In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act.

10. The text of the report dated October 27, 2016 received from S. R. Batliboi & Associates LLP, the Statutory Auditors of the Company on permissible capital payment addressed to the Board of Directors of the Company and the Statement of determination of permissible capital payment towards Buy-back of Equity Shares is reproduced below:

Quote

"Independent Auditor's Report on Buy-back of Equity Shares pursuant to the requirement of Schedule II to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended:

To, The Board of Directors, Sasken Communication Technologies Limited, No. 139/25, Domlur Layout, Ring Road, Domlur P.O., Bengaluru 560 071.

1. This Report is issued in accordance with the terms of our service scope letter dated October 26, 2016 and master engagement agreement dated October 24, 2016 with Sasken Communication Technologies Limited.
2. In connection with the proposal of Sasken Communication Technologies Limited ("the Company") to buy back its Equity Shares in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 (the "Act") and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended ("the Buy-back Regulations"), and in terms of the resolution passed by the Board of Directors of the Company in their meeting held on October 27, 2016, which is subject to the approval of the shareholders of the Company, we have been engaged by the Company to perform a reasonable assurance engagement on the reporting criteria, specified in paragraph 5 of this report.

Board of Directors Responsibility

3. The preparation of the Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement"), as set out in Annexure A hereto, initiated by us for identification purpose only, is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the postal ballot for Buy-back of its Equity Shares will be declared.

Auditor's Responsibility

5. Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance on the following ("the Reporting Criteria")
 - (i) Whether the amount of capital payment for the Buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;
 - (ii) Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Part A of Schedule II to the Buy-back Regulations, on a reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date on which the results of postal ballot for Buy-back of its Equity Shares will be declared.
 - (iii) Whether we are aware of any information to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
6. The financial statements for the year ended March 31, 2016 had been audited by us, on which we had issued an unmodified audit opinion, vide our audit report dated April 22, 2016. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:
 - i) We have inquired into the state of affairs of the Company in relation to its audited financial statements for year ended March 31, 2016;
 - ii) Examined authorization for Buy-back from the Articles of Association of the Company;
 - iii) Examined that the amount of capital payment for the Buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68 of the Act;
 - iv) Examined that the ratio of debt owned by the Company, if any, is not more than twice the capital and its free reserve after such Buy-back;
 - v) Examined that all Equity Shares for Buy-back are fully paid-up;
 - vi) Examined resolutions passed in the meetings of the Board of Directors;
 - vii) Examined Directors' declarations for the purpose of Buy-back and solvency of the Company;
 - viii) Obtained necessary representations from the management of the Company.

Opinion

10. Based on our examination and procedures performed by us as mentioned above and the information and explanations given to us, in our opinion, the permissible capital payment towards Buy-back of Equity Shares, as stated in Annexure A, is properly determined in accordance with Section 68 of the Act; and the Board of Directors, in their meeting held on October 27, 2016, have formed the opinion, as specified in clause (x) of Part A of Schedule II of the Buy-back Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date on which the results of postal ballot for Buy-back of its Equity Shares will be declared; and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the Shareholders, (b) in the Public Announcement to be made to the Shareholders of the Company, (c) in the Draft Letter of Offer and Letter of Offer to be filed with the Securities and Exchange Board of India, the Stock Exchanges, the Registrar of Companies as required by the Buy-back Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S.R. Batliboi & Associates LLP, Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chandra Kumar Rampuria, Partner
Membership Number: 055729
Place of Signature: Chennai
Date: October 27, 2016

Annexure A

Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013

Particulars	March 31, 2016 (₹ in lakhs)
Paid-up Equity Share Capital as at March 31, 2016*	
[17,719,813 equity shares of ₹ 10 each fully paid-up]	1,771.98
Free Reserves as at March 31, 2016*	
Securities premium account	29.16
General reserve	3,438.66
Surplus in the statement of profit & loss	42,777.44
Total	48,017.24
Permissible capital payment towards Buy-back of Equity Shares in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013 (25% of paid up equity capital and free reserves)	12,004.31

* Calculation in respect to the Buy-back is done on basis of audited financial statements of the Company as of, and for the year ended March 31, 2016.

For Sasken Communication Technologies Limited
Authorised Signatory
Place: Chennai
Date: October 27, 2016

Unquote

11. RECORD DATE AND SHAREHOLDERS' ENTITLEMENT

- 11.1 As required under the Buy-back Regulations, the Board has fixed January 6, 2017 as the Record Date for the purpose of determining the entitlement and the names of the equity shareholders who are eligible to participate in the Buy-back.
- 11.2 In due course, Eligible Shareholders will receive a Letter of Offer along with a Tender/Offer Form indicating the entitlement of the equity shareholder for participating in the Buy-back.
- 11.3 The Equity Shares to be bought back as part of the Buy-back are divided into two categories:
 - a. Reserved category for Small Shareholders and
 - b. General category for all other shareholders.
- 11.4 In accordance with Regulation 6 of the Buy-back Regulations, 15% of the number of Equity Shares which the Company proposes to Buy-back or number of Equity Shares entitled as per the shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buy-back.

11.5 On the basis of the shareholding on the Record Date, the Company will determine the entitlement of each shareholder, including Small Shareholders, to tender their Equity Shares in the Buy-back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholders on the Record Date and the ratio of the Buy-back applicable in the category to which such shareholder belongs. The final number of Equity Shares that the Company will purchase from each Eligible Shareholder will be based on the total number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by Eligible Shareholders.

11.6 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back if any in any one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the Buy-back by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.

11.7 The participation of the Eligible Shareholders in the Buy-back is voluntary. Eligible Shareholders may also tender a part of their entitlement. Eligible Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. If the Buy-back entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of Buy-back entitlement to tender Equity Shares in the Buy-back.

11.8 The maximum number of Equity Shares that can be tendered under the Buy-back by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Equity Shareholders as on the Record Date.

11.9 The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buy-back Regulations.

11.10 Detailed instructions for participation in the Buy-back as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders.

12. PROCESS AND METHODOLOGY FOR THE BUY-BACK

12.1 The Buy-back is open to all Eligible Shareholders / beneficial owners of the Company, holding Equity Shares either in physical and / or demat form as on the Record Date.

12.2 The Buy-back will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified in SEBI Circular and following the procedure prescribed in the Act and the Buy-back Regulations, and as may be determined by the Board (including any person authorized by the Board to complete the formalities of the Buy-back) and on such terms and conditions as may be permitted by law from time to time. BSE will be the Designated Stock Exchange for this purpose.

12.3 For implementation of the Buy-back, the Company has appointed Kisan Rattilal Choksey Shares and Securities Private Limited as the registered broker to the Company (the "Company's Broker") who will facilitate the process of tendering Equity Shares through Stock Exchange Mechanism as described in para 12.6 in tendering process. The contact details of the Company's Broker are as follows:

Name: Kisan Rattilal Choksey Shares and Securities Private Limited
Address: 5th Floor, Abhishek Building, Near Monginis Cake Factory, Dalia Industrial Estate, New Anchor Link Road, Mumbai - 400 053. **Contact Person:** Mr. Shailesh Joshi; **Tel:** +91-22-6696 5555
E-mail: shailesh.joshi@krchoksey.com; **Website:** www.krchoksey.com
SEBI Registration Number: BSE-IND010976324
Corporate Identity Number: U67120MH11997PTC108958

12.4 The Buy-back offer will be implemented by a separate Acquisition Window provided by BSE to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buy-back. The details of the platform will be as specified by the BSE from time to time.

12.5 During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Company's Broker may also process the orders received from the Eligible Shareholders. The Shareholder Broker can enter orders for demat as well as physical shares.

12.6 Procedure to be followed by Eligible Shareholders holding Equity Shares in dematerialised form:

12.6.1 Eligible Shareholders who desire to tender their Equity Shares in the dematerialised form under Buy-back would have to do so through their respective Shareholder Broker by giving details of Equity Shares they intend to tender under the Buy-back offer.

12.6.2 The Shareholder Broker would be required to transfer the tendered Equity Shares to a special account of the Clearing Corporation of India Limited ("Clearing Corporation") specifically created for the purpose of Buy-back ("Special Account") before placing the bids / orders and the same shall be validated at the time of order entry. The details of the Special Account shall be informed in the issue opening circular that will be issued by BSE or Clearing Corporation.

12.6.3 For Custodian Participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodian shall either confirm or reject the orders not later than the close of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the Custodian confirmation and the revised order shall be sent to the Custodian again for confirmation.

12.6.4 Upon placing the order, the Shareholder Broker shall provide Transaction Registration Slip ("TRS") generated by the Exchange Bidding System to the Eligible Shareholders. TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.

12.7 Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form:

12.7.1 Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buy-back will be required to approach the Shareholder Broker along with the complete set of documents for verification procedures to be carried out including the (i) original share certificate(s), (ii) valid Form SH 4 (share transfer form) duly filled and signed by the Eligible Shareholders (in same place and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of the Eligible Shareholders' PAN Card, (iv) tender / offer form duly signed (by all the Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares; and (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution / specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of the Eligible Shareholders has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents, viz. valid Aadhar Card, Voter Identity Card or Passport.



Sasken Communication Technologies Limited

Registered Office: 139/25, Ring Road, Domlur, Bengaluru - 560 071, Karnataka, India.

Tel: + 91-80-6694 3000; Fax: + 91-80-2535 1309; E-mail: investor@sasken.com; Website: www.sasken.com

Corporate Identity Number: L72100KA1989PLC014226

Contact Person: Mr. S. Prasad, Associate Vice President & Company Secretary

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF SASKEN COMMUNICATION TECHNOLOGIES LIMITED FOR BUY-BACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY BACK OF SECURITIES) REGULATIONS, 1998, AS AMENDED (THE "BUY-BACK REGULATIONS").

This public announcement (the "Public Announcement") is being made in accordance with the provisions of Regulation 8(1) of the Buy-back Regulations and contains disclosures as specified in Part A of Schedule II to the Buy-back Regulations.

BUY-BACK OF BUY-UP OF UP TO 29,27,879 (TWENTY NINE LAKHS TWENTY SEVEN THOUSAND EIGHT HUNDRED AND SEVENTY NINE) FULLY PAID UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹10/- (RUPEES TEN ONLY) EACH AT A PRICE OF ₹410/- (RUPEES FOUR HUNDRED AND TEN) PER EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH TENDER OFFER PROCESS USING STOCK EXCHANGE MECHANISM.

1. DETAILS OF THE BUY-BACK OFFER AND OFFER PRICE

1.1 In accordance with Article 172 of the Articles of Association of the Company and provisions of section 68, 69, 70 and other applicable provisions of the Companies Act, 2013 (the "Act"), rules made thereunder and in compliance with the Buy-back Regulations and subject to such other approvals, permissions and sanctions as may be necessary, the Board of Directors (the "Board") of Sasken Communication Technologies Limited (the "Company") at its meeting held on October 27, 2016 have approved the Buy-back of up to 29,27,879 fully paid up Equity Shares of the Company having face value of ₹10 each ("Equity Share(s)"), representing 15.94% of the total paid-up equity share capital of the Company at a price not exceeding ₹425/- (Rupees Four hundred and twenty five) per Equity Share (the "Maximum Buy-back Price") payable in cash for a total consideration not exceeding ₹12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. ("Transaction Costs") (hereinafter referred to as "Maximum Buy-back Size"), which is within 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the standalone audited Financial Statements of the Company for the financial year ended March 31, 2016 through the "Tender Offer" route as prescribed under the Buy-back Regulations (the process being referred hereinafter as "Buy-back"), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the record date (the "Eligible Shareholders"). The shareholders approved the Buy-back by way of special resolution, through postal ballot / e-voting by way of a postal ballot notice dated November 18, 2016 (the "Notice"), the results of which were announced on December 23, 2016. The shareholders have authorized the Board (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised "Committee" or persons nominated by the Board to exercise its powers in relation to the Buy-back thereof) to determine the total amount to be deployed in the Buy-back, final Buy-back price, number of equity shares to be bought back within the aforesaid limits and such other terms of Buy-back. The Buy-back is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Securities and Exchange Board of India ("SEBI"), and the stock exchanges on which the Equity Shares of the Company are currently listed, namely, the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (hereinafter BSE and NSE are referred to as the "Stock Exchanges").

1.2 Pursuant to the aforesaid approval, the Share Buy-back Committee at its meeting held on December 23, 2016 have determined the final Buy-back Price of ₹ 410 (Rupees Four hundred and ten) per Equity Share (the "Buy-back Price") and the total amount for Buy-back is ₹12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) (the "Buy-back Size") excluding the Transaction Costs which is 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the standalone audited Financial Statements of the Company for the financial year ended March 31, 2016. With the Buy-back price of ₹410/- and Buy-back size of ₹12,004.31 lakhs, the total number of shares to be bought back in the Buy-back shall be 29,27,879 Equity Shares (the "Maximum Buy-back Shares"), representing 16.52% of the total issued and paid-up equity capital of the Company.

1.3 The Buy-back shall be undertaken on a proportionate basis from the Eligible Shareholders as on January 6, 2017 (the "Record Date") through the tender offer route prescribed under Regulation 4(i)(a) of the Buy-back Regulations. Additionally, the Buy-back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Eligible Shareholders and settlement of the same, through the Stock Exchange Mechanism as specified by SEBI in Circular Number CIR/CFD/POLICY CELL/1/2015 dated April 13, 2015 (the "SEBI Circular").

1.4 In terms of Buy-back Regulations, under the Tender Offer route, promoters and promoter group of the Company (the "Promoters") have option to participate in the Buy-back. However, none of the Promoters and Persons Acting in Concert will participate in the Buy-back.

1.5 The Buy-back Price of ₹ 410/- per Equity Share represents (i) premium of 12.29% on BSE and 12.13% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE respectively for 3 months preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges; (ii) premium of 6.12% on BSE and 6.12% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE respectively for 2 weeks preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges; (iii) premium of 1.22% on BSE and 1.17% on NSE over the closing market price of the Equity Shares on Stock Exchanges as on the date of the intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges.

1.6 The aggregate paid-up equity share capital and free reserves (including securities premium account) as at March 31, 2016 is ₹ 48,017.24 lakhs. In accordance with section 68(2)(c) of the Act, the funds deployed for the Buy-back shall not exceed 25% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company under shareholders' approval route. Accordingly, the maximum amount that can be utilized in the present Buy-back is ₹12,004.31 lakhs. The Company has proposed to utilise an aggregate amount not exceeding ₹12,004.31 lakhs excluding the Transaction Costs for the Buy-back which is within the maximum amount as aforesaid and which represents 25% of the paid-up equity capital and free reserves (including securities premium account) of the Company as per standalone audited Financial Statements of the Company for the financial year ended March 31, 2016.

1.7 Further, under the Act, the number of Equity Shares that can be bought back during the financial year shall not exceed 25% of the paid-up Equity Shares of the Company. Accordingly, the number of Equity Shares that can be bought back during the financial year cannot exceed 44,29,953 Equity Shares being 25% of the paid up equity capital of the Company, viz., 1,77,19,813 Equity Shares as per the standalone audited balance sheet as on March 31, 2016. Since the Company proposes to Buy-back up to 29,27,879 Equity Shares, the same is within the aforesaid limit.

1.8 Pursuant to the proposed Buy-back and depending on the response to the Buy-back, the voting rights of the Promoters in the Company may increase from the existing Shareholding of the total equity capital and voting rights of the Company. The Promoters of the Company are already in control over the Company and therefore such further increase in voting rights of the Promoters will not result in any change in control over the Company. Assuming the Buy-back of Maximum Buy-back Shares pursuant to the Buy-back Offer, the percentage holding of the Promoters may increase from the existing level of 43.69% to 52.33%.

The shareholding percentage of the Promoters as a result of the Buy-back shall increase. Such an increase in shareholding percentage may attract Regulation 3(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations"). However, the same is exempt in terms of clause (ii) to the proviso to Regulation 10(4)(c) of the Takeover Regulations, subject to compliance with the proviso of the aforesaid clause of the Takeover Regulations. The Promoter Directors of the Company being interested in the resolution approving the Buy-back in their capacity as Directors of the Company, have abstained themselves from voting in resolution approving the Buy-back passed by the Board at its meeting held on October 27, 2016 and the Resolution passed by the equity shareholders of the Company pursuant to the Postal Ballot Notice dated November 18, 2016.

1.9 The Buy-back of Equity Shares may be subject to taxation in India and in the country of residence of the Eligible Shareholders. In due course, Eligible Shareholders will receive a Letter of Offer, which will contain a note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are required to consult their tax advisors for the applicable tax provisions including the treatment that may be given by their respective tax officers in their case, and the appropriate course of action that they should take.

1.10 A copy of this Public Announcement will be available on SEBI's website (www.sebi.gov.in) as well as on Company's website.

2. NECESSITY FOR THE BUY-BACK

2.1 The Buy-back is being undertaken by the Company to enhance overall shareholders' value and to return surplus funds to the equity shareholders of the Company. The Buy-back would lead to reduction in outstanding number of Equity Shares and may consequently increase earnings per Equity Share over a period of time. This would in turn lead to improvement in return on net worth and other financial ratios and contribute to maximization of overall shareholders' value. Additionally, the Buy-back is being undertaken for the following reasons:

- The Buy-back gives an option to the equity shareholders to either participate in the Buy-back and receive cash in lieu of Equity Shares accepted under the Buy-back or not participate in the Buy-back and enjoy a resultant increase in their percentage shareholding in the Company post the Buy-back;
- The Buy-back would help in improving certain key financial ratios of the Company;
- The Buy-back, which is being implemented through the Tender Offer route as prescribed under the Buy-back Regulations, would involve a reservation for small shareholders. As defined in the Buy-back Regulations, a "small shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price on the recognized stock exchange in which highest trading volume in respect of such Equity Shares, as on the Record Date, of not more than ₹ 2,00,000 (Rupees two lakhs).

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID UP CAPITAL AND FREE RESERVES

The aggregate paid-up equity share capital and free reserves (including securities premium account) as at March 31, 2016 is ₹ 48,017.24 lakhs. Under section 68(2)(c) of the Act, the funds deployed for the Buy-back shall not exceed 25% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company under shareholder approval route. Accordingly, the Company has proposed to utilise the maximum amount not exceeding ₹12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) excluding the Transaction Costs for the Buy-back which is within the maximum amount as aforesaid and which represents 25% of the total paid-up equity capital and free reserves (including securities premium account) of the Company as per audited standalone financial statements of the Company for the financial year ended March 31, 2016.

The Buy-back would be financed out of current surplus and / or cash and cash equivalents and / or internal accruals of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares proposed to be bought back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

4. PRICE AT WHICH SHARES ARE PROPOSED TO BE BOUGHT BACK AND THE BASIS OF ARRIVING AT THE BUY-BACK PRICE

The Equity Shares are proposed to be bought back at a price of ₹410/- per Equity Share. The Buy-back Price has been arrived at after considering various factors including, but not limited to, the volume weighted average market price of the Equity Shares on BSE and NSE respectively for 3 (three) months and 2 (two) weeks preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges, closing market price on the date of Board Meeting, price earnings ratio and the impact on the Net worth of the Company.

5. MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to Buy-back up to 29,27,879 Equity Shares, representing 16.52% of the total issued and paid-up Equity Share capital of the Company.

6. METHOD TO BE ADOPTED FOR THE BUY-BACK

6.1 As required under the Buy-back Regulations, Equity Shares to be bought back under Tender Offer are divided into two categories: (i) Reserved category for Small Shareholders; and (ii) general category for all other shareholders. Please refer Clause 11 of this Public Announcement for further details.

6.2 The Buy-back will be undertaken on a proportionate basis from the Equity shareholders of the Company as on the Record Date through the tender offer process prescribed under Regulation 4(i)(a) of the Buy-back Regulations. Additionally, the Buy-back shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified in SEBI Circular in terms of Regulation 9(3A) of the Buy-back Regulations.

7. DETAILS OF SHAREHOLDING OF PROMOTERS AND PERSONS IN CONTROL

7.1 The aggregate shareholding of the Promoters, the directors of the Promoter companies holding shares in the Company and of Persons who are in control of the Company ("Promoters and Persons in Control") as on the date of the Postal Ballot Notice i.e. November 18, 2016 is given below:

Category of Member	No. of Equity Shares Held	% of Existing Equity Share Capital
Promoters & Promoters Group	72,05,416	40.66
Persons Acting in Concert*	5,35,257	3.03
Total of Promoters, Promoter Group and Persons Acting in Concert	77,40,673	43.69

* Includes shareholding of Whole-time Director of the Company who is not a promoter. The same is included as a matter of abundant caution.

7.2 The aggregate number of Equity Shares purchased or sold by persons mentioned in Clause 7.1 above from a period of six months preceding the date of the Board Meeting till the date of the Postal Ballot Notice i.e. November 18, 2016 is given below:

Name	Date of Transaction	Mode	No. of Equity Shares	Minimum Price/Date of Minimum Price	Maximum Price/Date of Maximum Price
Ms. Nilma Doshi	May 19, 2016	Market Purchase	₹12,500	₹ 330.00 May 19, 2016	₹ 339.50 May 19, 2016

Except as disclosed above, the Promoter and Persons in Control have not purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last six months prior to the date of the Board Meeting and up to the date of Postal Ballot Notice.

7.3 Intention of the Promoters and Persons in Control of the Company to tender Equity Shares for Buy-back

In terms of the Buy-back Regulations under Tender Offer route, the Promoters and Persons in Control of the Company have the option to participate in the Buy-back. However, none of the Promoters and Persons in Control have expressed their intention to participate in the Buy-back.

8. The Company confirms that there are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banks.

9. The Board of Directors have made full enquiry into the affairs and prospects of the Company and formed the opinion that:

a) Immediately following the date of convening of the Board Meeting at which the Buy-back of the Company's Equity Shares is approved and the date on which the results of the Postal Ballot will be declared, there shall be no grounds on which the Company can be found unable to pay its debts.

b) As regards the Company's prospects for the year immediately following the date of the Board Meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared approving the Buy-back, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company shall be able to meet its liabilities as and when they fall due and shall not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buy-back or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be.

c) In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act.

10. The text of the report dated October 27, 2016 received from S. R. Batliboi & Associates LLP, the Statutory Auditors of the Company on permissible capital payment addressed to the Board of Directors of the Company and the Statement of determination of permissible capital payment towards Buy-back of Equity Shares is reproduced below:

Quote

"Independent Auditor's Report on Buy-back of Equity Shares pursuant to the requirement of Schedule II to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended:

To, The Board of Directors, Sasken Communication Technologies Limited, No. 139/25, Domlur Layout, Ring Road, Domlur P.O., Bangalore 560 071.

- This Report is issued in accordance with the terms of our service scope letter dated October 26, 2016 and master engagement agreement dated October 24, 2016 with Sasken Communication Technologies Limited.
- In connection with the proposal of Sasken Communication Technologies Limited ("the Company") to buy back its Equity Shares in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended ("the Buy-back Regulations"), and in terms of the resolution passed by the Board of Directors of the Company in their meeting held on October 27, 2016, which is subject to the approval of the shareholders of the Company, we have been engaged by the Company to perform a reasonable assurance engagement on the reporting criteria, specified in paragraph 5 of this report.

Board of Directors Responsibility

- The preparation of the Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement"), as set out in Annexure A hereto, initiated by us for identification purpose only, is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
- The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the postal ballot for Buy-back of its Equity Shares will be declared.

Auditor's Responsibility

- Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance on the following ("the Reporting Criteria")
 - Whether the amount of capital payment for the Buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;
 - Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Part A of Schedule II to the Buy-back Regulations, on a reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date on which the results of postal ballot for Buy-back of its Equity Shares will be declared.
 - Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
- The financial statements for the year ended March 31, 2016 had been audited by us, on which we had issued an unmodified audit opinion, vide our audit report dated April 22, 2016. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
- We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:
 - We have inquired into the state of affairs of the Company in relation to its audited financial statements for year ended March 31, 2016;
 - Examined authorization for Buy-back from the Articles of Association of the Company;
 - Examined that the amount of capital payment for the Buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68 of the Act;
 - Examined that the ratio of debt obtained by the Company, if any, is not more than twice the capital and its free reserve after such Buy-back;
 - Examined that all Equity Shares for Buy-back are fully paid-up;
 - Examined resolutions passed in the meetings of the Board of Directors;
 - Examined Directors' declarations for the purpose of Buy-back and solvency of the Company;
 - Obtained necessary representations from the management of the Company.

Opinion

- Based on our examination and procedures performed by us as mentioned above and the information and explanations given to us, in our opinion, the permissible capital payment towards Buy-back of Equity Shares, as stated in Annexure A, is properly determined in accordance with Section 68 of the Act, and the Board of Directors, in their meeting held on October 27, 2016, have formed the opinion, as specified in clause (x) of Part A of Schedule II of the Buy-back Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date on which the results of postal ballot for Buy-back of its Equity Shares will be declared; and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

- This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the Shareholders, (b) in the Public Announcement to be made to the Shareholders of the Company, (c) in the Draft Letter of Offer and Letter of Offer to be filed with the Securities and Exchange Board of India, the Stock Exchanges, the Registrar of Companies as required by the Buy-back Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom the report is shown or to whose hands it may come without our prior consent in writing.

For S.R. Batliboi & Associates LLP, Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Chandra Kumar Rampuria, Partner

Membership Number: 055729

Place of Signature: Chennai

Date: October 27, 2016

Annexure A

Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013

Particulars	March 31, 2016 (₹ in lakhs)
Paid-up Equity Share Capital as at March 31, 2016*	
[17,719,813 equity shares of ₹ 10 each fully paid-up]	1,771.98
Free Reserves as at March 31, 2016*	
Securities premium account	29.16
General reserve	3,438.66
Surplus in the statement of profit & loss	42,777.44
Total	48,017.24
Permissible capital payment towards Buy-back of Equity Shares in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013 (25% of paid up equity capital and free reserves)	12,004.31

* Calculation in respect to the Buy-back is done on basis of audited financial statements of the Company as of, and for the year ended March 31, 2016.

For Sasken Communication Technologies Limited

Authorised Signatory

Place: Chennai

Date: October 27, 2016

Unquote

11. RECORD DATE AND SHAREHOLDERS' ENTITLEMENT

11.1 As required under the Buy-back Regulations, the Board has fixed January 6, 2017 as the Record Date for the purpose of determining the entitlement and the names of the equity shareholders who are eligible to participate in the Buy-back.

11.2 In due course, Eligible Shareholders will receive a Letter of Offer along with a Tender/Offer Form indicating the entitlement of the equity shareholder for participating in the Buy-back.

11.3 The Equity Shares to be bought back as part of the Buy-back are divided in two categories:

- Reserved category for Small Shareholders and
- General category for all other shareholders.

11.4 In accordance with Regulation 6 of the Buy-back Regulations, 15% of the number of Equity Shares which the Company proposes to Buy-back or number of Equity Shares entitled as per the shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buy-back.

11.5 On the basis of the shareholding on the Record Date, the Company will determine the entitlement of each shareholder, including Small Shareholders, to tender their Equity Shares in the Buy-back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder on the Record Date and the ratio of the Buy-back applicable in the category to which such shareholder belongs. The final number of Equity Shares that the Company will purchase from each Eligible Shareholder will be based on the total number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by Eligible Shareholders.

11.6 After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back if any in any category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the Buy-back by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.

11.7 The participation of the Eligible Shareholders in the Buy-back is voluntary. Eligible Shareholders may also tender a part of their entitlement. Eligible Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. If the Buy-back entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of Buy-back entitlement to tender Equity Shares in the Buy-back.

11.8 The maximum number of Equity Shares that can be tendered under the Buy-back by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Equity Shareholders as on the Record Date.

11.9 The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buy-back Regulations.

11.10 Detailed instructions for participation in the Buy-back as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders.

12. PROCESS AND METHODOLOGY FOR THE BUY-BACK

12.1 The Buy-back is open to all Eligible Shareholders / beneficial owners of the Company, holding Equity Shares either in physical and / or demat form as on the Record Date.

12.2 The Buy-back will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified in SEBI Circular and following the procedure prescribed in the Act and the Buy-back Regulations, and as may be determined by the Board (including any person authorized by the Board to complete the formalities of the Buy-back) and on such terms and conditions as may be permitted by law from time to time. BSE will be the Designated Stock Exchange for this purpose.

12.3 For implementation of the Buy-back, the Company has appointed Kisan Ratilal Chokeye Shares and Securities Private Limited as the registered broker to the Company (the "Company Broker") who will facilitate the process of tendering Equity Shares through Stock Exchange Mechanism as described in para 12.6 in tendering process. The contact details of the Company's Broker are as follows:

Name: Kisan Ratilal Chokeye Shares and Securities Private Limited

Address: 6th Floor, Abhishek Building, Near Manginika Canteen, Dalia Industrial Estate, New Andheri Link Road, Mumbai - 400 053. **Contact Person:** Mr. Shailesh Joshi; **Tel:** +91-22-6696 5555

E-mail: shailesh.joshi@krchokeye.com; **Website:** www.krchokeye.com

SEBI Registration Number: BSE-INB010975834

Corporate Identity Number: U67120MH1997PTC108958

12.4 The Buy-back will be implemented by a separate Acquisition Window provided by BSE to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buy-back. The details of the platform will be as specified by the BSE from time to time.

12.5 During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Company's Broker may also process the orders received from the Eligible Shareholders. The Shareholder Broker can enter orders for demat as well as physical shares.

12.6 Procedure to be followed by Eligible Shareholders holding Equity Shares in dematerialised form:

12.6.1 Eligible Shareholders who desire to tender their Equity Shares in the dematerialised form under Buy-back would have to do so through their respective Shareholder Broker by giving details of Equity Shares they intend to tender under the Buy-back offer.

12.6.2 The Shareholder Broker would be required to transfer the tendered Equity Shares to a special account of the Clearing Corporation of India Limited ("Clearing Corporation") specifically created for the purpose of Buy-back ("Special Account") before placing the bids / orders and the same shall be validated at the time of order entry. The details of the Special Account shall be informed in the issue opening circular that will be issued by BSE or Clearing Corporation.

12.6.3 For Custodian Participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodian shall either confirm or reject the orders not later than the close of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the Custodian confirmation and the revised order shall be sent to the Custodian again for confirmation.

12.6.4 Upon placing the order, the Shareholder Broker shall provide Transaction Registration Slip ("TRS") generated by the Exchange Bidding System to the Eligible Shareholders. TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.

12.7 Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form:



Sasken Communication Technologies Limited

Registered Office: 139/25, Ring Road, Domlur, Bengaluru - 560 071, Karnataka, India.

Tel: + 91-80-6694 3000; Fax: + 91-80-2535 1309; E-mail: investor@sasken.com; Website: www.sasken.com

Corporate Identity Number: L72100KA1989PLC014226

Contact Person: Mr. S. Prasad, Associate Vice President & Company Secretary

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF SASKEN COMMUNICATION TECHNOLOGIES LIMITED FOR BUY-BACK OF EQUITY SHARES THROUGH TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY BACK OF SECURITIES) REGULATIONS, 1998, AS AMENDED (THE "BUY-BACK REGULATIONS").

This public announcement (the "Public Announcement") is being made in accordance with the provisions of Regulation 8(1) of the Buy-back Regulations and contains disclosures as specified in Part A of Schedule II to the Buy-back Regulations.

OFFER FOR BUY-BACK OF UP TO 29,27,879 (TWENTY NINE LAKHS TWENTY SEVEN THOUSAND EIGHT HUNDRED AND SEVENTY NINE) FULLY PAID UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹10/- (RUPEES TEN ONLY) EACH AT A PRICE OF ₹410 /- (RUPEES FOUR HUNDRED AND TEN) PER EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH TENDER OFFER PROCESS USING STOCK EXCHANGE MECHANISM.

1. DETAILS OF THE BUY-BACK OFFER AND OFFER PRICE

- In accordance with Article 172 of the Articles of Association of the Company and provisions of section 68, 69, 70 and other applicable provisions of the Companies Act, 2013 (the "Act"), rules made thereunder and in compliance with the Buy-back Regulations and subject to such other approvals, permissions and sanctions as may be necessary, the Board of Directors (the "Board") of Sasken Communication Technologies Limited (the "Company") at its meeting held on October 27, 2016 have approved the Buy-back of up to 28,24,544 fully paid up Equity Shares of the Company having face value of ₹10 each ("Equity Share(s)"), representing 15.94% of the total paid-up equity share capital of the Company at a price not exceeding ₹425/- (Rupees Four hundred and twenty five) per Equity Share (the "Maximum Buy-back Price") payable in cash for a total consideration not exceeding ₹12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. ("Transaction Costs") (hereinafter referred to as "Maximum Buy-back Size"), which is within 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the standalone audited Financial Statements of the Company for the financial year ended March 31, 2016 through the "Tender Offer" route as prescribed under the Buy-back Regulations (the process being referred hereinafter as "Buy-back"), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the record date (the "Eligible Shareholders"). The shareholders approved the Buy-back, by way of special resolution, through postal ballot / e-voting by way of a postal ballot notice dated November 18, 2016 (the "Notice"), the results of which were announced on December 23, 2016. The shareholders have authorized the Board (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised "Committee" or persons nominated by the Board to exercise its powers in relation to the Buy-back thereof) to determine the total amount to be deployed in the Buy-back, final Buy-back price, number of equity shares to be bought back within the aforesaid limits and such other terms of Buy-back. The Buy-back is subject to receipt of any approvals, permissions and sanctions of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Securities and Exchange Board of India ("SEBI"), and the stock exchanges on which the Equity Shares of the Company are currently listed, namely, the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (hereinafter BSE and NSE are referred to as the "Stock Exchanges").
- Pursuant to the shareholders' approval, the Share Buy-back Committee at its meeting held on December 23, 2016 have determined the final Buy-back Price of ₹ 410 (Rupees Four hundred and ten) per Equity Share (the "Buy-back Price") and the total amount for Buy-back is ₹12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) (the "Buy-back Size") excluding the Transaction Costs which is 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the standalone audited Financial Statements of the Company for the financial year ended March 31, 2016. With the Buy-back price of ₹410/- and Buy-back Size of ₹12,004.31 lakhs, the total number of shares to be bought back in the Buy-back shall be 29,27,879 Equity Shares (the "Maximum Buy-back Shares"), representing 16.52% of the total issued and paid-up equity capital of the Company.
- The Buy-back shall be undertaken on a proportionate basis from the Eligible Shareholders as on January 6, 2017 (the "Record Date") through the tender offer route prescribed under Regulation 4(1)(a) of the Buy-back Regulations. Additionally, the Buy-back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Eligible Shareholders and settlement of the same, through the Stock Exchange Mechanism as specified by SEBI in Circular Number CIR/CFD/POLICY CELL/1/2015 dated April 13, 2015 (the "SEBI Circular").
- In terms of Buy-back Regulations, under the Tender Offer route, promoters and promoter group of the Company (the "Promoters") have option to participate in the Buy-back. However, none of the Promoters and Persons Acting in Concert will participate in the Buy-back.
- The Buy-back Price of ₹ 410/- per Equity Share represents (i) premium of 12.29% on BSE and 12.13% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE respectively for 3 months preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges; (ii) premium of 6.12% on BSE and 6.12% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE respectively for 2 weeks preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges; (iii) premium of 1.22% on BSE and 1.17% on NSE over the closing market price of the Equity Shares on Stock Exchanges as on the date of the intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges.
- The aggregate paid-up equity share capital and free reserves (including securities premium account) as at March 31, 2016 is ₹ 48,017.24 lakhs. In accordance with section 68(2)(c) of the Act, the funds deployed for the Buy-back shall not exceed 25% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company under shareholder approval route. Accordingly, the maximum amount that can be utilized in the present Buy-back is ₹12,004.31 lakhs. The Company has proposed to utilise an aggregate amount not exceeding ₹12,004.31 lakhs excluding the Transaction Costs for the Buy-back which is within the maximum amount as aforesaid and which represents 25% of the paid-up equity capital and free reserves (including securities premium account) of the Company as per standalone audited Financial Statements of the Company for the financial year ended March 31, 2016.
- Further, under the Act, the number of Equity Shares that can be bought back during the financial year shall not exceed 25% of the paid-up Equity Shares of the Company. Accordingly, the number of Equity Shares that can be bought back during the financial year cannot exceed 44,29,953 Equity Shares being 25% of the paid up equity capital of the Company, viz. 1,77,19,813 Equity Shares as per the standalone audited balance sheet.

Name	Date of Transaction	Mode	No. of Equity Shares	Minimum Price/Date of Minimum Price	Maximum Price/Date of Maximum Price
Ms. Nilima Doshi	May 19, 2016	Market Purchase	₹12,500	₹ 330.00 May 19, 2016	₹ 339.50 May 19, 2016

Except as disclosed above, the Promoter and Persons in Control have not purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings for last six months prior to the date of the Board Meeting and up to the date of Postal Ballot Notice.

7.3 Intention of the Promoters and Persons in Control of the Company to tender Equity Shares for Buy-back

In terms of the Buy-back Regulations under Tender Offer route, the Promoters and Persons in Control of the Company have the option to participate in the Buy-back. However, none of the Promoters and Persons in Control have expressed their intention to participate in the Buy-back.

- The Company confirms that there are no defaults subsisting in the repayment of deposits or interest thereon, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banks.
- The Board of Directors have made full enquiry into the affairs and prospects of the Company and formed the opinion that:
 - Immediately following the date of convening of the Board Meeting at which the Buy-back of the Company's Equity Shares is approved and the date on which the results of the Postal Ballot will be declared, there shall be no grounds on which the Company can be found unable to pay its debts.
 - As regards the Company's prospects for the year immediately following the date of the Board Meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared approving the Buy-back, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company shall be able to meet its liabilities as and when they fall due and shall not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buy-back or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be.
 - In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act.
- The text of the report dated October 27, 2016 received from S. R. Batliboi & Associates LLP, the Statutory Auditors of the Company on permissible capital payment addressed to the Board of Directors of the Company and the Statement of determination of permissible capital payment towards Buy-back of Equity Shares is reproduced below:

Quote

"Independent Auditor's Report on Buy-back of Equity Shares pursuant to the requirement of Schedule II to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended:

To, The Board of Directors, Sasken Communication Technologies Limited, No. 139/25, Domlur Layout, Ring Road, Domlur P.O., Bangalore 560 071.

- This Report is issued in accordance with the terms of our service scope letter dated October 26, 2016 and master engagement agreement dated October 24, 2016 with Sasken Communication Technologies Limited.
- In connection with the proposal of Sasken Communication Technologies Limited (the "Company") to buy back its Equity Shares in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 (the "Act") and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended (the "Buy-back Regulations"), and in terms of the resolution passed by the Board of Directors of the Company in their meeting held on October 27, 2016, which is subject to the approval of the shareholders of the Company, we have been engaged by the Company to perform a reasonable assurance engagement on the reporting criteria, specified in paragraph 5 of this report.

Board of Directors Responsibility

- The preparation of the Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement"), as set out in Annexure A hereto, initiated by us for identification purpose only, is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
- The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the postal ballot for Buy-back of its Equity Shares will be declared.

Auditor's Responsibility

- Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance on the following ("the Reporting Criteria")
 - Whether the amount of capital payment for the Buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;
 - Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Part A of Schedule II to the Buy-back Regulations, on a reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date on which the results of postal ballot for Buy-back of its Equity Shares will be declared.
 - Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
- The financial statements for the year ended March 31, 2016 had been audited by us, on which we had

- On the basis of the shareholding on the Record Date, the Company will determine the entitlement of each shareholder, including Small Shareholders, to tender their Equity Shares in the Buy-back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder on the Record Date and the ratio of the Buy-back applicable in the category to which such shareholder belongs. The final number of Equity Shares that the Company will purchase from each Eligible Shareholder will be based on the total number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by Eligible Shareholders.
 - After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back if any in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the Buy-back by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.
 - The participation of the Eligible Shareholders in the Buy-back is voluntary. Eligible Shareholders may also tender a part of their entitlement. Eligible Shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. If the Buy-back entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of Buy-back entitlement to tender Equity Shares in the Buy-back.
 - The maximum number of Equity Shares that can be tendered under the Buy-back by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Equity Shareholders as on the Record Date.
 - The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buy-back Regulations.
 - Detailed instructions for participation in the Buy-back as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible Shareholders.
- ### 12. PROCESS AND METHODOLOGY FOR THE BUY-BACK
- The Buy-back is open to all Eligible Shareholders / beneficial owners of the Company, holding Equity Shares either in physical and / or demat form as on the Record Date.
 - The Buy-back will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified in SEBI Circular and following the procedure prescribed in the Act and the Buy-back Regulations, and as may be determined by the Board (including any person authorized by the Board to complete the formalities of the Buy-back) and on such terms and conditions as may be permitted by law from time to time. BSE will be the Designated Stock Exchange for this purpose.
 - For implementation of the Buy-back, the Company has appointed Kisan Rattilal Choksey Shares and Securities Private Limited as the registered broker to the Company (the "Company's Broker") who will facilitate the process of tendering Equity Shares through Stock Exchange Mechanism as described in para 12.6 in tendering process. The contact details of the Company's Broker are as follows:
Name: Kisan Rattilal Choksey Shares and Securities Private Limited
Address: 5th Floor, Abhishek Building, Near Monginis Cake Factory, Dalia Industrial Estate, New Andheri Link Road, Mumbai - 400 053. **Contact Person:** Mr. Shailesh Joshi; **Tel.:** +91-22-6696 5555
E-mail: shailesh.joshi@krchoksey.com; **Website:** www.krchoksey.com
SEBI Registration Number: BSE-INB010975834
Corporate Identity Number: U67120MH1997PTC108968
 - The Buy-back offer will be implemented by a separate Acquisition Window provided by BSE to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buy-back. The details of the platform will be as specified by the BSE from time to time.
 - During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Company's Broker may also process the orders received from the Eligible Shareholders. The Shareholder Broker can enter orders for demat as well as physical shares.
 - Procedure to be followed by Eligible Shareholders holding Equity Shares in dematerialised form:**
 - Eligible Shareholders who desire to tender their Equity Shares in the dematerialised form under Buy-back would have to do so through their respective Shareholder Broker by giving details of Equity Shares they intend to tender under the Buy-back offer.
 - The Shareholder Broker would be required to transfer the tendered Equity Shares to a special account of the Clearing Corporation of India Limited ("Clearing Corporation") specifically created for the purpose of Buy-back ("Special Account") before placing the bids / orders and the same shall be validated at the time of order entry. The details of the Special Account shall be informed in the issue opening circular that will be issued by BSE or Clearing Corporation.
 - For Custodian Participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodian shall either confirm or reject the orders not later than the close of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the Custodian confirmation and the revised order shall be sent to the Custodian again for confirmation.
 - Upon placing the order, the Shareholder Broker shall provide Transaction Registration Slip ("TRS") generated by the Exchange Bidding System to the Eligible Shareholders. TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
 - Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form:**
 - Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buy-back will be required to approach the Shareholder Broker along with the complete set of documents for verification procedures to be carried out including the (i) original share certificate(s), (ii) valid Form SH 4 (share transfer form) duly filled and signed by the Eligible Shareholders (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of the Eligible Shareholders' PAN Card, (iv) tender / offer form duly signed (by all the Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares; and (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution / specimen signature), notarized copy of death certificate and succession certificate or

as of March 31, 2016 since the company proposes to buy-back up to 29,27,879 Equity Shares, the same is within the aforesaid limit.

- 1.8 Pursuant to the proposed Buy-back and depending on the response to the Buy-back, the voting rights of the Promoters in the Company may increase from the existing Shareholding of the total equity capital and voting rights of the Company. The Promoters of the Company are already in control over the Company and therefore such further increase in voting rights of the Promoters will not result in any change in control over the Company. Assuming the Buy-back of Maximum Buy-back Shares pursuant to the Buy-back Offer, the percentage holding of the Promoters may increase from the existing level of 43.69% to 52.33%.
- The shareholding percentage of the Promoters as a result of the Buy-back shall increase. Such an increase in shareholding percentage may attract Regulation 3(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**Takeover Regulations**"). However, the same is exempt in terms of the clause (iii) to the proviso to Regulation 10(4)(c) of the Takeover Regulations, subject to compliance with the proviso of the aforesaid clause of the Takeover Regulations. The Promoter Directors of the Company being interested in the resolution approving the Buy-back in their capacity as Directors of the Company, have abstained themselves from voting in resolution approving the Buy-back passed by the Board at its meeting held on October 27, 2016 and the Resolution passed by the equity shareholders of the Company pursuant to the Postal Ballot Notice dated November 18, 2016.
- 1.9 The Buy-back of Equity Shares may be subject to taxation in India and in the country of residence of the Eligible Shareholder(s). In due course, Eligible Shareholder(s) will receive a Letter of Offer, which will contain a note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholders are required to consult their tax advisors for the applicable tax provisions including the treatment that may be given by their respective tax officers in their case, and the appropriate course of action that they should take.
- 1.10 A copy of this Public Announcement will be available on SEBI's website (www.sebi.gov.in) as well as on Company's website.

2. NECESSITY FOR THE BUY-BACK

- 2.1 The Buy-back is being undertaken by the Company to enhance overall shareholders' value and to return surplus funds to the equity shareholders of the Company. The Buy-back would lead to reduction in outstanding number of Equity Shares and may consequently increase earnings per Equity Share over a period of time. This would in turn lead to improvement in return on net worth and other financial ratios and contribute to maximization of overall shareholders' value. Additionally, the Buy-back is being undertaken for the following reasons:
- The Buy-back gives an option to the equity shareholders to either participate in the Buy-back and receive cash in lieu of Equity Shares accepted under the Buy-back or not participate in the Buy-back and enjoy a resultant increase in their percentage shareholding in the Company post the Buy-back;
 - The Buy-back would help in improving certain key financial ratios of the Company;
 - The Buy-back, which is being implemented through the Tender Offer route as prescribed under the Buy-back Regulations, would involve a reservation for small shareholders. As defined in the Buy-back Regulations, a "small shareholder" is a shareholder who holds Equity Shares having market value, on the basis of closing price on the recognized stock exchange in which highest trading volume in respect of such Equity Shares, as on the Record Date, of not more than ₹ 2,00,000 (Rupees two lakhs).

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID UP CAPITAL AND FREE RESERVES

The aggregate paid-up equity share capital and free reserves (including securities premium account) as at March 31, 2016 is ₹ 48,017.24 lakhs. Under section 68 (2) (c) of the Act, the funds deployed for the Buy-back shall not exceed 25% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company under shareholder approval route. Accordingly, the Company has proposed to utilise the maximum amount not exceeding ₹ 12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only) excluding the Transaction Costs for the Buy-back which is within the maximum amount as aforesaid and which represents 25% of the total paid-up equity capital and free reserves (including securities premium account) of the Company as per audited standalone financial statements of the Company for the financial year ended March 31, 2016.

The Buy-back would be financed out of current surplus and / or cash and cash equivalents and / or internal accruals of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares proposed to be bought back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

4. PRICE AT WHICH SHARES ARE PROPOSED TO BE BOUGHT BACK AND THE BASIS OF ARRIVING AT THE BUY-BACK PRICE

The Equity Shares are proposed to be bought back at a price of ₹410/- per Equity Share. The Buy-back Price has been arrived at after considering various factors including, but not limited to, the volume weighted average market price of the Equity Shares on BSE and NSE respectively for 3 (three) months and 2 (two) weeks preceding the date of intimation of the Board Meeting to consider the proposal of the Buy-back to the Stock Exchanges, closing market price on the date of Board Meeting, price earnings ratio and the impact on the Net worth of the Company.

5. MAXIMUM NUMBER OF EQUITY SHARES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to Buy-back up to 29,27,879 Equity Shares, representing 16.52 % of the total issued and paid-up Equity Share capital of the Company.

6. METHOD TO BE ADOPTED FOR THE BUY-BACK

- 6.1 As required under the Buy-back Regulations, Equity Shares to be bought back under Tender Offer are divided into two categories: (i) Reserved category for Small Shareholders; and (ii) general category for all other shareholders. Please refer Clause 11 of this Public Announcement for further details.
- 6.2 The Buy-back will be undertaken on a proportionate basis from the Equity shareholders of the Company as on the Record Date through the tender offer process prescribed under Regulation 4(1)(a) of the Buy-back Regulations. Additionally, the Buy-back shall be, subject to applicable laws, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified in SEBI Circular in terms of Regulation 9(3A) of the Buy-back Regulations.

7. DETAILS OF SHAREHOLDING OF PROMOTERS AND PERSONS IN CONTROL

7.1 The aggregate shareholding of the Promoters, the directors of the Promoter companies holding shares in the Company and of Persons who are in control of the Company ("**Promoters and Persons in Control**") as on the date of the Postal Ballot Notice i.e. November 18, 2016 is given below:

Category of Member	No. of Equity Shares Held	% of Existing Equity Share Capital
Promoters & Promoters Group	72,05,416	40.66
Persons Acting in Concert*	5,35,257	3.03
Total of Promoters, Promoter Group and Persons Acting in Concert	77,40,673	43.69

* Includes shareholding of Whole-time Director of the Company who is not a promoter. The same is included as a matter of abundant caution.

7.2 The aggregate number of Equity Shares purchased or sold by persons mentioned in Clause 7.1 above from a period of six months preceding the date of the Board Meeting till the date of the Postal Ballot Notice i.e. November 18, 2016 is given below:

issued an unmodified audit opinion; vide our audit report dated April 22, 2016. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

- We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:
 - We have inquired into the state of affairs of the Company in relation to its audited financial statements for year ended March 31, 2016;
 - Examined authorization for Buy-back from the Articles of Association of the Company;
 - Examined that the amount of capital payment for the Buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68 of the Act;
 - Examined that the ratio of debt owned by the Company, if any, is not more than twice the capital and its free reserve after such Buy-back;
 - Examined that all Equity Shares for Buy-back are fully paid-up;
 - Examined resolutions passed in the meetings of the Board of Directors;
 - Examined Directors' declarations for the purpose of Buy-back and solvency of the Company;
 - Obtained necessary representations from the management of the Company.

Opinion

10. Based on our examination and procedures performed by us as mentioned above and the information and explanations given to us, in our opinion, the permissible capital payment towards Buy-back of Equity Shares, as stated in Annexure A, is properly determined in accordance with Section 68 of the Act; and the Board of Directors, in their meeting held on October 27, 2016, have formed the opinion, as specified in clause (x) of Part A of Schedule II of the Buy-back Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date on which the results of postal ballot for Buy-back of its Equity Shares will be declared; and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the Shareholders, (b) in the Public Announcement to be made to the Shareholders of the Company, (c) in the Draft Letter of Offer and Letter of Offer to be filed with the Securities and Exchange Board of India, the Stock Exchanges, the Registrar of Companies as required by the Buy-back Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **S.R. Batliboi & Associates LLP**, Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
 per **Chandra Kumar Rampuria**, Partner
 Membership Number: 055729
 Place of Signature: Chennai
 Date: October 27, 2016

Annexure A

Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013

Particulars	March 31, 2016 (₹ in lakhs)
Paid-up Equity Share Capital as at March 31, 2016*	
[17,719,813 equity shares of ₹ 10 each fully paid-up]	1,771.98
Free Reserves as at March 31, 2016*	
Securities premium account	29.16
General reserve	3,438.66
Surplus in the statement of profit & loss	42,777.44
Total	48,017.24
Permissible capital payment towards Buy-back of Equity Shares in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013 (25% of paid up equity capital and free reserves)	12,004.31

* Calculation in respect to the Buy-back is done on basis of audited financial statements of the Company as of, and for the year ended March 31, 2016.

For **Sasken Communication Technologies Limited**
 Authorised Signatory
 Place: Chennai
 Date: October 27, 2016

Unquote

11. RECORD DATE AND SHAREHOLDERS' ENTITLEMENT

- 11.1 As required under the Buy-back Regulations, the Board has fixed January 6, 2017 as the Record Date for the purpose of determining the entitlement and the names of the equity shareholders who are eligible to participate in the Buy-back.
- 11.2 In due course, Eligible Shareholders will receive a Letter of Offer along with a Tender/Offer Form indicating the entitlement of the equity shareholder for participating in the Buy-back.
- 11.3 The Equity Shares to be bought back as part of the Buy-back are divided in two categories:
 - Reserved category for Small Shareholders and
 - General category for all other shareholders.
- 11.4 In accordance with Regulation 6 of the Buy-back Regulations, 15% of the number of Equity Shares which the Company proposes to Buy-back or number of Equity Shares entitled as per the shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buy-back.

Eligible Shareholders has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents, viz. valid Aadhar Card, Voter Identity Card or Passport.

- 12.7.2 The Shareholder Broker / Eligible Shareholders has to deliver the original share certificate(s) and documents (as mentioned in Clause 12.7.1 above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post or courier or hand delivery to the Registrar to the Buy-back i.e. Karvy Computershare Private Limited ("**Registrar**") (at the address mentioned at Clause 15 below of the collection centre of the registrar details of which will be included in the Letter of Offer) within 2 (two) days of bidding by Shareholder Broker. The envelope should be super scribed as "**Sasken Buy-back Offer 2016-17**". One copy of the TRS will be retained by Registrar and they will provide an acknowledgement of the same to the Shareholder Broker / Eligible Shareholders.
- 12.7.3 Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buy-back shall be subject to verification as per the Buy-back Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time BSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.
- 12.8 Modification / cancellation of orders will be allowed during the tendering period of the Buy-back.
- 12.9 The cumulative quantity tendered shall be made available on BSE's website (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.

13. METHOD OF SETTLEMENT

- 13.1 Upon finalization of the basis of acceptance as per Buy-back Regulations:
- 13.1.1 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 13.1.2 The Company will pay the consideration to the Company's Broker on or before the pay-in date for settlement. For Equity Shares accepted under the Buy-back, the Shareholder Broker will receive funds payout in their settlement bank account.
- 13.1.3 The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buy-back (the "**Special Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- 13.1.4 The Eligible Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance.
- 13.1.5 Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to the Selling Member by Clearing Corporation in payout. Any excess physical Equity Shares pursuant to proportionate acceptance / rejection will be returned back to the shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares accepted under the Buy-back.
- 13.1.6 The Shareholder Broker would issue contract note and pay the consideration for the Equity Shares accepted under the Buy-back and return the balance unaccepted Equity Shares to their respective clients. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-back.
- 13.1.7 Eligible Shareholders who intend to participate in the Buy-back should consult their respective Shareholder Broker for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling shareholders for tendering Equity Shares in the Buy-back (secondary market transaction). The Buy-back consideration received by the Eligible Shareholders from their respective Shareholder Broker, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- 13.1.8 The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buy-back Regulations.

14. COMPLIANCE OFFICER

Investors may contact the Compliance Officer of the Company for any clarifications or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Mr. S. Prasad, Associate Vice President & Company Secretary
Sasken Communication Technologies Limited, 139/25, Ring Road, Domlur, Bengaluru - 560 071, Karnataka, India
Tel: +91-80-6694 3000; **Fax:** +91-80-2535 1309; **E-mail:** investor@sasken.com; **Website:** www.sasken.com

15. REGISTRAR TO THE BUY-BACK / INVESTOR SERVICE CENTRE

In case of any queries, the Eligible Shareholders / Beneficial Owner of shares may contact the Registrar to the Buy-back during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

KARVY  **Karvy Computershare Private Limited**, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032.
Contact person: Mr. Muralikrishna. M.; **E-mail:** einward.is@karvy.com
Website: www.karisma.karvy.com; **Tel:** +91-40-6716 2222; **Fax:** +91-40-2343 1551
SEBI Registration Number: INR00000221; **CIN:** U72400TG2003PTCO41636

16. MANAGER TO THE BUY-BACK

VIVRO  **Vivro Financial Services Private Limited**, 607, 608 Marathion Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai - 400 013. **Contact Person:** Mr. Hanish Patel / Ms. Shashi Singhvi
E-mail: investors@vivro.net; **Website:** www.vivro.net; **Tel:** +91-22-6666 8040 / 42; **Fax:** +91-22-6666 8047; **SEBI Registration Number:** INM00010122
CIN: U67120GJ1996PTCO29182

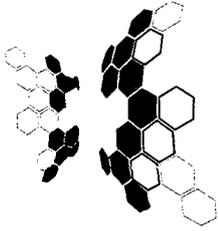
17. DIRECTORS' RESPONSIBILITY

As per Regulation 19(1)(a) of the Buy-back Regulations, the Board of Directors of the Company accepts responsibility for the information contained in this Public Announcement and confirms that such document contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of **Sasken Communication Technologies Limited**

Sd/- Rajiv C. Mody Chairman & Managing Director (DIN: 00092037)	Sd/- Neeta S. Revankar Wholetime Director & CFO (DIN: 00145580)	Sd/- S. Prasad Associate Vice President & Company Secretary
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Date: December 23, 2016 **Place:** Bengaluru



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY POSTAL BALLOT / E-VOTING BY SASKEN COMMUNICATION TECHNOLOGIES LIMITED ON FRIDAY DECEMBER 23, 2016 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 139/25, DOMLUR RING ROAD, BENGALURU-560 071

Approval for Buy-back of Equity Shares of the Company through tender offer route:

RESOLVED THAT in accordance with Article 172 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013 (**"the Act"**) and applicable Rules made thereunder and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended from time to time (**"Buy-back Regulations"**) and subject to such other approvals, permissions and sanctions as may be necessary, the consent of the equity shareholders of the Company be and is hereby accorded for the Buy-back of fully paid-up equity shares by the Company having face value of Rs.10 each (**"Equity Share(s)"**) up to 28,24,544 Equity Shares (representing 15.94% of the total paid-up equity share capital of the Company) at a price not exceeding Rs.425/- (Rupees Four hundred and twenty five only) (**"Maximum Buy-back Price"**) per Equity Share payable in cash for a total consideration not exceeding Rs.12,004.31 lakhs (Rupees Twelve thousand and four lakhs and thirty one thousand only), excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. (**"Transaction Costs"**) (hereinafter referred to as **"Maximum Buy-back Size"**), which is within 25% of the total paid-up equity capital and free reserves (including securities premium account) as per the audited accounts of the Company for the financial year ended March 31, 2016, on standalone basis through the **"Tender Offer"** route as prescribed under the Buy-back Regulations (the process being referred hereinafter as **Buy-back**), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the record date to be decided at a later stage.

FURTHER RESOLVED THAT at the Maximum Buy-back Price of Rs.425/- per Equity Share and for the Maximum Buy-back Size up to Rs.12,004.31 lakhs, the indicative number of Equity Shares that can be bought back would be 28,24,544 Equity Shares, representing 15.94% of the total issued and paid up equity capital of the Company; and in the event the final Buy-back price is lower than Rs.425/- per Equity Share (Maximum Buy-back Price), the indicative number of Equity Shares and percentage thereof shall go up accordingly.

FURTHER RESOLVED THAT 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders, as prescribed under Regulation 6 of the Buy-back Regulations.

Sasken Communication Technologies Ltd.

139/25, Domlur Ring Road, Bengaluru - 560 071, India.

CIN - L72100KA1989PLC014226, E-mail - info@sasken.com

T - 91 80 6694 3000, F - 91 80 2535 1133

www.sasken.com

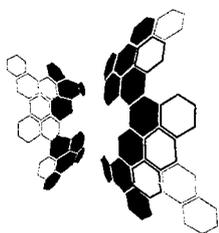


FURTHER RESOLVED THAT Buy-back will be made out of the Company's free reserves, current surplus and/or cash and cash equivalents and/or internal accruals and/or liquid resources of the Company as the Board or a duly constituted committee thereof may decide from time to time.

FURTHER RESOLVED THAT the Company shall implement the Buy-back using the "Mechanism for acquisition of shares through Stock Exchange" as notified by SEBI vide Circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and the Company shall approach the BSE Limited for facilitating the same.

FURTHER RESOLVED THAT the Buy-back of Equity Shares from Non-Resident Shareholders, Overseas Corporate Bodies, Shareholders of foreign nationality, etc. shall be subject to such approval of the Reserve Bank of India, if any, as may be required under the Foreign Exchange Management Act, 1999 and relevant rules and regulations.

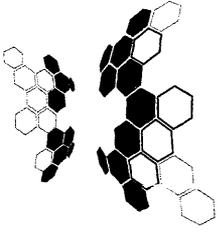
FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred as also to execute such documents, writings, etc., to any Committee of the Board or any other Director(s) or Executive(s)/ Officer(s) of the Company as may be necessary to give effect to the aforesaid resolution, to finalise the terms of the Buy-back, including the price per Equity Share, record date, entitlement ratio, the amount to be utilized towards Buyback, the number of Equity Shares to be bought back, the source and other related matter(s), and the time frame therefor, within the statutory limits prescribed by the law and to do all such acts, deeds, matters and things, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto including but not limited to appointment of all intermediaries and agencies including Merchant Bankers, Brokers, Bankers, Solicitors, Registrars, Depository Participants and other agencies for the implementation of the Buy-back, to make applications seeking approval of appropriate authorities and to initiate all necessary action for opening of accounts (including but not limited to escrow account, special payment account, demat escrow account, etc.), preparation, signing and issuance of various documents, including Public Announcement, Declaration of Solvency and Certificate of Extinguishment of shares / share certificates required to be filed in connection with the Buy-back and such other undertakings, agreements, papers, documents and correspondence as may be necessary in this regard, to the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Registrar of Companies under Ministry of Corporate Affairs, Depositories and/or other authorities and extinguishment of dematerialised shares and physical destruction of share certificates in respect of Equity Shares bought back by the Company as per the Buy-back Regulations.



FURTHER RESOLVED THAT the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buy-back, in accordance with the statutory requirements, as well as to give such directions, delegation of authority hereunder, as may be necessary or desirable, and to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buy-back, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the Members shall be deemed to have given their approval expressly by the authority of this resolution.

Certified To Be True
For Sasken Communication Technologies Limited

S. Prasad
Associate Vice President & Company Secretary



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES
ACT, 2013**

Item No. I

With the intent of distribution of surplus cash to the equity shareholders, the Board in its meeting held on October 27, 2016 approved the proposal of recommending for the Buy-back of Equity Shares as contained in the resolution(s) in the Notice.

In accordance with applicable provisions of the Act and Rules made thereunder and Buy-back Regulations, the Explanatory Statement contains relevant and material information to enable the Members holding Equity Shares of the Company to consider and approve the Special Resolution on the Buyback of the Company's Equity Shares.

Requisite details relating to the Buy-back are given below:

a) Rationale of Buy-back:

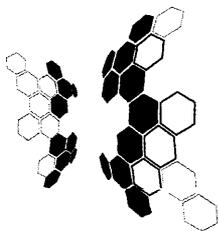
The Buy-back proposal through Tender Offer route is being implemented in keeping with the Company's desire to enhance overall shareholders' value. The Buy-back would lead to reduction in outstanding number of Equity Shares and may consequently increase earnings per Equity share over a period of time. This would in turn lead to improvement in return on net worth and other financial ratios and contribute to maximization of overall shareholders' value.

Your Company had realized large amounts of cash as a result of the settlement of the dispute with the Chinese semiconductor company during March 2016. As a result, your Company believes that it has surplus cash and wishes to return it to shareholders.

With the above objective in mind, the Board of Directors of the Company has decided to recommend Buy-back of up to 28,24,544 Equity shares of face value of Rs. 10 each (representing 15.94% of the total paid-up equity capital of the Company) at a price not exceeding Rs.425/- per Equity Share payable in cash for a total consideration not exceeding Rs. 12,004.31 lakhs. The Buy-back is a more efficient form of distributing surplus cash to the equity shareholders compared to other alternatives including interim dividend, inter-alia, for the following reasons:

- i. The Buy-back gives an option to the equity shareholders to either participate in the Buy-back and receive cash in lieu of Equity Shares accepted under the Buy-back or not participate in the Buy-back and enjoy a resultant increase in their percentage of shareholding in the Company post the Buy-back;
- ii. The Buy-back would help in improving certain key financial ratios of the Company;





iii. The Buy-back which is being implemented through the Tender Offer route as prescribed under the Buy-back Regulations, would involve a reservation for small shareholders as defined in the Buy-back Regulations. As defined in the Buy-back Regulations, a “small shareholder” is a shareholder who holds Equity Shares having market value, on the basis of closing price on the recognized stock exchange in which highest trading volume in respect of such Equity Shares, as on the Record Date, of not more than Rs. 2,00,000 (Rupees two lakhs).

b) Maximum amount required under the Buy-back & its percentage of the total paid-up capital and free reserves and the sources of funds from which the Buy-back would be financed:

The maximum amount required under the Buy-back will not exceed Rs. 12,004.31 lakhs which is within 25% of the total paid-up equity capital and free reserves (including securities premium account), as per the audited accounts of the Company for the financial year ended March 31, 2016, on standalone basis excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

The Buy-back would be financed out of current surplus and / or cash and cash equivalents and / or internal accruals of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buy-back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

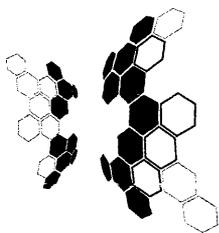
c) Maximum Buy-back Price and the basis of arriving at the Maximum Buy-back Price:

The Equity Shares are proposed to be bought back at a price not exceeding Rs. 425/- per Equity Share. The Maximum Buy-back Price has been arrived at after considering various factors such as volume weighted average prices of the Equity Shares of the Company on BSE and NSE where the Equity Shares of the Company are listed.

The Maximum Buy-back Price of Rs. 425/- per Equity Share represents (i) premium of 16.43% on BSE and 16.23% on NSE over the volume weighted average price of the equity shares on BSE and NSE respectively for 3 months preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback; (ii) premium of 9.59% on BSE and 10.01% on NSE over the volume weighted average price of the equity shares on BSE and NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback; (iii) premium of 4.93% on BSE and 4.87% on NSE over the closing market price of the equity shares on BSE and NSE as on the date of the intimation to BSE and NSE for the Board Meeting to consider the proposal of the Buyback.

d) Maximum Number of shares that the Company proposes to Buy-back and the time limit for completing the Buy-back:





The Board of Directors shall decide the final Buy-back price, but at the Maximum Buy-back Price of Rs.425/- per Equity Share and for Maximum Buy-back Size not exceeding Rs.12,004.31 lakhs, the indicative maximum number of Equity Shares that can be bought back would be up to 28,24,544 Equity Shares (representing 15.94% of the total paid-up Equity Share capital of the Company). In the event the final Buy-back price is lower than Rs.425/- per Equity Share (Maximum Buy-back Price), the indicative number of shares and percentage thereof shall go up accordingly.

e) Method to be adopted for the Buy-back:

The Buy-back shall be on a proportionate basis from the equity shareholders / beneficial owners of the Equity Shares of the Company through the "Tender Offer" route, as prescribed under the Buy-back Regulations.

As required under the Buy-back Regulations, the Company will announce a Record Date for determining the names of the equity shareholders who will be eligible to participate in the Buy-back.

In due course, the equity shareholder as on the Record Date will receive a Letter of Offer along with a Tender / Offer Form indicating the entitlement of the equity shareholder for participating in the Buy-back.

The Equity Shares to be bought back as part of the Buy-back is divided in two categories:

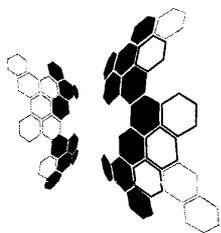
- i. Reserved category for small shareholders; and
- ii. General category for all other shareholders.

As defined in the Buy-back Regulations, a 'small shareholder' is a shareholder who holds Equity Shares of the Company having market value, on the basis of closing price of shares, on the recognised stock exchange in which highest trading volume in respect of such Equity Shares as on Record Date, of not more than Rs. 2,00,000/- (Rupees Two lakhs only).

In accordance with Regulation 6 of the Buy-back Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buy-back or number of Equity Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as part of this Buy-back.

On the basis of the holding on the Record Date, the Company will determine the entitlement of each shareholder including small shareholder to tender their shares in the Buy-back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder on the Record Date and the ratio of the Buy-back applicable in the category to which such shareholder belongs.





The participation of the equity shareholders of the Company in the Buy-back will be voluntary. Equity shareholders may also tender a part of their entitlement. Equity shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other equity shareholders, if any. If the Buy-back entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of Buy-back entitlement to tender Equity Shares in the Buy-back.

The maximum tender under the Buy-back by any equity shareholder cannot exceed the number of Equity Shares held by the equity shareholder as on the Record Date. The Equity Shares tendered as per the entitlement by Members holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buy-back Regulations. The settlement of the tenders under the Buy-back will be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and other relevant rules and regulations.

Subject to shareholders' approval hereunder, detailed instructions for participation in the Buy-back as well as the relevant Schedule of Activities will be included in the Letter of Offer which will be sent in due course to the equity shareholders as on the Record Date.

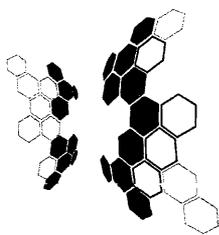
The Buy-back from non-resident members, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs), and members of foreign nationality, if any, etc. shall be subject to such approvals as are required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any.

f) Aggregate shareholding of the Promoters, the directors of the Promoter companies holding shares in the Company and of Persons who are in control of the Company as on the date of this Notice:

Category of Member	No. of Equity Shares Held	% of Existing Equity Share Capital
Promoters & Promoter Group	72,05,416	40.66
Persons Acting in Concert*	5,35,257	3.03
Total of Promoters, Promoter Group and Persons Acting in Concert	77,40,673	43.69

* Includes the shareholding of Whole-time Director of the Company and their relatives, if any who are not promoters. The same is being consolidated with the existing aggregate holding of the Promoters and Promoter group as a matter of abundant caution.





g) Aggregate number of Equity Shares purchased or sold as well as minimum and maximum price at which such purchases and sales were made along with relevant dates by persons mentioned under (f) above for a period of six months preceding the date of the Board Meeting at which the Buy-back was approved till the date of this notice:

Except for the transaction(s) disclosed below, there were no Equity Shares purchased or sold or transferred by Promoters and Promoter group of the Company, during the period of six (6) months preceding the date of the Board Meeting at which the proposal for Buy-back was approved and from the date of the Board Meeting till the date of this Notice:

Name	Date of Transaction	Mode	No. of Equity Shares	Minimum Price & Date of Minimum Price	Maximum Price & Date of Maximum Price
Ms. Nilima Doshi	May 19, 2016	Market Purchase	12,500	Rs. 330.00 May 19, 2016	Rs. 339.50 May 19, 2016

h) Intention of the Promoters and Promoter Group of the Company to tender Equity Shares for Buy-back:

In terms of the Buy-back Regulations, under the Tender Offer route, the promoters and promoter group of the Company have the option to participate in the Buy-back. However, none of the Promoters, Promoter Group members and Persons Acting in Concert will participate in the Buy-back.

i) No Defaults:

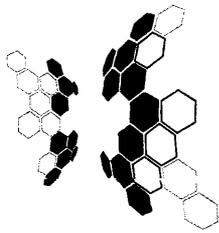
The Company confirms that there are no defaults made or subsisting in the repayment of deposits / interest thereon, redemption of debentures or preference shares, payment of dividend to any shareholder or repayment of term loans / interest thereon to any financial institution or banks.

j) Confirmation that the Board of Directors have made full enquiry into the affairs and prospects of the Company and that they have formed the opinion to the effect that the Company, after Buy-back will continue to be able to meet its liabilities and will not be rendered insolvent:

The Board of Directors of the Company have made full enquiry into the affairs and prospects of the Company and have formed the opinion that:

a) immediately following the date of convening of the Board Meeting at which the Buy-back of the Company's Equity Shares is approved and the date on which the results of the Postal





Ballot will be declared, there shall be no grounds on which the Company can be found unable to pay its debts.

b) as regards the Company's prospects for the year immediately following the date of the Board Meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared approving the Buy-back, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company shall be able to meet its liabilities as and when they fall due and shall not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buy-back or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be.

c) in forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act.

k) Independent Auditor's Report on Buy-back of Equity Shares pursuant to the requirement of Schedule II to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended:

The Board of Directors
Sasken Communication Technologies Limited
No. 139/25, Domlur Layout Ring Road, Domlur P.O.
Bengaluru 560 071.

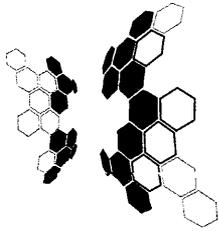
1. This Report is issued in accordance with the terms of our service scope letter dated October 26, 2016 and master engagement agreement dated October 24, 2016 with Sasken Communication Technologies Limited.

2. In connection with the proposal of Sasken Communication Technologies Limited ("the Company") to buy back its Equity Shares in pursuance of the provisions of Section 68 and 70 of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended ("the Buy-back Regulations"), and in terms of the resolution passed by the Board of Directors of the Company in their meeting held on October 27, 2016, which is subject to the approval of the shareholders of the Company, we have been engaged by the Company to perform a reasonable assurance engagement on the reporting criteria, specified in paragraph 5 of this report.

Board of Directors Responsibility

3. The preparation of the Statement of determination of permissible capital payment towards Buy-back of Equity Shares ("the Statement"), as set out in Annexure A hereto, initialed by us for identification purpose only, is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant





supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the postal ballot for Buy-back of its Equity Shares will be declared.

Auditor's Responsibility

5. Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance on the following ("the Reporting Criteria")

i. Whether the amount of capital payment for the Buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;

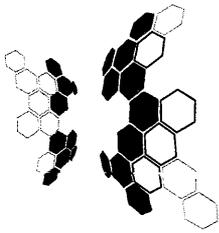
ii. Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Part A of Schedule II to the Buy-back Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date on which the results of postal ballot for Buy-back of its Equity Shares will be declared.

iii. Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

6. The financial statements for the year ended March 31, 2016 had been audited by us, on which we had issued an unmodified audit opinion, vide our audit report dated April 22, 2016. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.





8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:

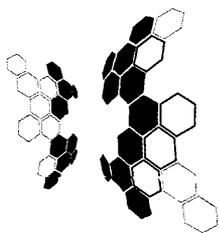
- i. We have inquired into the state of affairs of the Company in relation to its audited financial statements for year ended March 31, 2016;
- ii. Examined authorization for Buy-back from the Articles of Association of the Company;
- iii. Examined that the amount of capital payment for the Buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68 of the Act;
- iv. Examined that the ratio of debt owed by the Company, if any, is not more than twice the capital and its free reserve after such Buy-back;
- v. Examined that all Equity Shares for Buy-back are fully paid-up;
- vi. Examined resolutions passed in the meeting of the Board of Directors;
- vii. Examined Directors' declarations for the purpose of Buy-back and solvency of the Company;
- viii. Obtained necessary representations from the management of the Company.

Opinion

10. Based on our examination and procedures performed by us as mentioned above and the information and explanations given to us, in our opinion, the permissible capital payment towards Buy-back of Equity Shares, as stated in Annexure A, is properly determined in accordance with Section 68 of the Act; and the Board of Directors, in their meeting held on October 27, 2016, have formed the opinion, as specified in clause (x) of Part A of Schedule II of the Buy-back Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date on which the results of postal ballot for Buy-back of its Equity Shares will be declared; and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use





11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the Shareholders, (b) in the Public Announcement to be made to the Shareholders of the Company, (c) in the Draft Letter of Offer and Letter of Offer to be filed with the Securities and Exchange Board of India, the Stock Exchanges, the Registrar of Companies as required by the Buy-back Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Chandra Kumar Rampuria**

Partner

Membership Number: 055729

Place of Signature: Chennai

Date: October 27, 2016

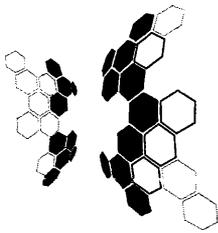
Annexure A

Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68(2)(b) and (c) of the Companies Act, 2013

Particulars	March 31, 2016 (₹ in lakhs)
Paid-up Equity Share Capital as at March 31, 2016* [17,719,813 equity shares of Rs. 10 each fully paid-up]	1,771.98
Free Reserves as at March 31, 2016*	
Securities premium account	29.16
General reserve	3,438.66
Surplus in the statement of profit & loss	42,777.44
Total	48,017.24
Permissible capital payment towards Buy-back of Equity Shares in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013 (25% of paid up equity capital and free reserves)	12,004.31

*Calculation in respect to the Buy-back is done on basis of audited financial statements of the Company as of, and for the year ended March 31, 2016.





sasken

For Sasken Communication Technologies Limited

Authorised Signatory

Place: Chennai

Date: October 27, 2016

l) Compliance of Regulation 19(2) of the Buy-back Regulations:

Sasken Network Engineering Limited, a wholly owned subsidiary of the Company has filed a petition under Section 391 and 394 of the Companies Act, 1956 on April 26, 2016 in the Hon'ble High Court of Karnataka for its amalgamation with the Company and the said petition is pending for final sanction / confirmation.

The Company shall ensure compliance of Regulation 19(2) of the Buy-back Regulations, such that the said petition for amalgamation is either approved by the Hon'ble High Court or application for withdrawal of the said petition is submitted by the Company to the Hon'ble High Court before the date of release of the Public Announcement for the proposed Buy-back.

m) Compliance with Section 68(2)(c) of the Companies Act, 2013:

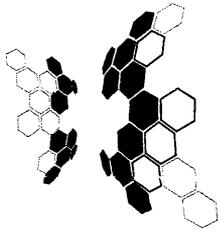
The aggregate paid-up equity share capital and free reserves as at March 31, 2016 is Rs. 48,017.24 lakhs. Under the provisions of the Companies Act, 2013, the funds deployed for the Buy-back cannot exceed 25% of the total paid-up equity share capital and free reserves of the Company i.e. Rs. 12,004.31 lakhs. The Maximum Buy-back Size i.e. Rs. 12,004.31 lakhs is within the limit of 25% of the Company's total paid-up equity capital and free reserves as per the audited Balance Sheet as at March 31, 2016.

Further, under the Act, the number of Equity Shares that can be bought back during the financial year shall not exceed 25% of the paid-up Equity Shares of the Company. Accordingly, the number of Equity Shares that can be bought back during the financial year cannot exceed 44,29,953 Equity Shares being 25% of 1,77,19,813 Equity Shares as per the standalone audited balance sheet as on March 31, 2016.

n) As per the provisions of the Buy-back Regulations and the Companies Act, 2013:

- i. The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buy-back;
- ii. The Company shall not raise further capital for a period of one year from the closure of the Buy-back, except in discharge of its subsisting obligations, or such period as may be applicable under extant regulations;
- iii. The special resolution approving the Buy-back will be valid for a maximum period of 1 year from the date of passing the said special resolution (or such extended period as may be





permitted under the Companies Act, 2013 or the Buy-back Regulations or by the appropriate authorities). The Schedule of Activities for the Buy-back shall be decided by the Board of Directors within the above time limits;

iv. The Equity Shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;

v. The Company shall not withdraw Buy-back after the Draft Letter of Offer is filed with the SEBI;

vi. The Company shall not Buy-back locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable; and

vii. The Company confirms that as required under Section 68(2)(d) of the Companies Act, 2013, the ratio of aggregate of secured and unsecured debts owed by the Company shall not be more than twice the equity share capital and free reserves after the Buy-back.

Since promoters would not be voting in the Buy-back, the Buy-back would fall under Regulation 10(4)(c) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

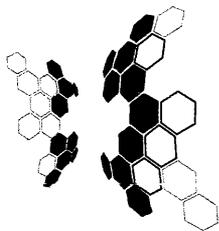
For any clarifications related to the Buy-back process, the equity shareholders may contact any one of the following:

S. Prasad Associate Vice President & Company Secretary Sasken Communication Technologies Limited 139/25, Ring Road, Domlur, Bengaluru – 560 071. Tel: +91 80 6694 3000 Fax: +91 80 2535 1309 E-mail: investor@sasken.com	K. Anandan, Manager Karvy Computershare Private Limited Karvy Selenium Tower No. B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. Tel: +91 40 6716 2222; Fax: +91 40 2300 1153 E-mail: einward.ris@karvy.com
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All the material documents referred to in the Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board Resolution for the Buy-back, the Auditors Report dated October 27, 2016 and the audited accounts for the financial year 2015-16 are available for inspection by the members of the Company at its registered office on any working day between 10 a.m. and 5 p.m. up to the last date of receipt of Postal Ballot Form specified in the accompanying notice.

In the opinion of the Board, the proposal for Buy-back is in the interest of the Company and its equity shareholders. The directors, therefore, recommend passing of the special resolution as set out in the accompanying notice for your approval.





None of the Directors or Key Managerial Personnel of the Company or their relatives is / are directly / indirectly concerned / interested in the above resolution except to the extent of their respective interest as shareholders of the Company.

