



Sasken Communication Technologies Limited

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PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES

This Public Announcement (“PA”) is being made pursuant to the provisions of Regulation 8(1) of Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 as amended thereto (“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 41,57,000 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF RS.10 EACH AT A PRICE OF RS.260 PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH TENDER OFFER PROCESS.

1. DETAILS OF BUY-BACK OFFER AND OFFER PRICE

1.1 Pursuant to the resolution passed by the Board of Directors of Sasken Communication Technologies Limited (“SCTL” or “the Company”) on April 23, 2015, the Directors have recommended the proposal for buy-back of equity shares of face value of Rs.10 each (“Shares” or “Equity Shares”) of the Company and sought approval of the equity shareholders by a special resolution, through postal ballot notice dated April 23, 2015 (“Postal Ballot Notice”), the result of which was announced on June 25, 2015. By way of the said special resolution passed through postal ballot, equity shareholders have approved the buy-back of up to 41,57,000 (Forty one lakhs fifty seven thousand) fully paid-up Equity Shares from the existing shareholders / beneficial owners of Equity Shares of the Company, on a proportionate basis, through the tender offer process, in accordance with the provisions contained in Article 172 of the Articles of Association of the Company, Section 68 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the provisions contained in the **Buy back Regulations** subject to approval(s) as may be necessary from statutory authorities including but not limited to Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (hereinafter BSE and NSE are referred to as “**Stock Exchanges**”), Reserve Bank of India, etc. at a price of Rs.260 (Rupees Two hundred and sixty) per Equity Share (“**Buy-back Price**”) payable in cash, for an aggregate maximum amount of up to Rs.10,809.38 lakhs (Rupees Ten thousand eight hundred nine lakhs and thirty eight thousand) and the amount proposed to be expended for the Buy-back is Rs.10,808.20 lakhs (Rupees Ten thousand eight hundred eight lakhs and twenty thousand) (“**Buy-back Size**”). The Buy-back Size represents less than 25% of the total paid-up equity capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2015 which stands at Rs.43,237.50 lakhs.

1.2 The amount required by the Company for the said buy-back aggregating to **Rs.10,808.20** lakhs will be met out of current surplus and / or cash and cash equivalents and / or internal accruals of the Company. The maximum amount utilized for the Buy-back will not exceed 25% of the paid-up Equity Share capital and Free Reserves of the Company as on March 31, 2015. The Company proposes to buy-back up to **41,57,000** (Forty one lakhs fifty seven thousand) fully paid-up Equity Shares of face value Rs.10 each, in the proposed buy-back through tender offer. Further, under the Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity share capital of the company in that financial year. The Company proposes to buy-back up to 41,57,000 Equity Shares representing 19.48% of the total paid up equity share capital of the Company as on March 31, 2015.

1.3 The buy-back price of **Rs.260** per Equity Share has been arrived at after considering various factors such as volume weighted average prices of equity shares of the Company on BSE and NSE where the equity shares of the Company are listed.

1.4 The buy-back price of Rs.260 per equity share represents a premium of 12.72% and 13.16% over the average of the weekly high and low of the volume weighted average price of the Company's equity shares on NSE and BSE respectively for 26 weeks preceding the date of intimation to the Stock Exchanges regarding the Board Meeting to consider the proposal of the buy-back and 7.86% (NSE) and 7.85%(BSE) over the average of the weekly high and low of the volume weighted average prices of the Company's equity shares for 2 weeks preceding the date of intimation to the Stock Exchanges regarding the Board Meeting to consider the proposal of the buy-back.

2. NECESSITY FOR THE BUY-BACK

2.1 The Board of Directors is of the view that the proposed buy-back will help the Company in achieving the following objectives:-

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.

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:-

- 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; and
- The buy-back, which is being implemented through the Tender Offer route 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).

3. DETAILS OF PROMOTER'S SHAREHOLDING AND INTENTION TO PARTICIPATE IN THE BUY-BACK

3.1 The particulars of the Equity Shares of the Company held by the Promoters, Promoter Group and Persons Acting in Concert, as on the date of the Postal Ballot Notice, i.e. April 23, 2015 is given below:-

Category of Member	No. of Equity Shares Held	% of Existing Equity Share Capital
Promoters	11,32,307	5.30
Promoter Group	67,31,463	31.54
Persons Acting in Concert*	9,13,987	4.28
Total	87,77,757	41.12

*includes the shareholding of Whole-time Directors of the Company and their relatives 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.

3.2 Details of transactions – purchase / sale / transfer / gift – undertaken by the Promoters and / or Promoter Group, and / or persons who are Acting in Concert of the Company from a period of six months preceding the date of Board Meeting i.e., April 23, 2015 at which the Board recommended the proposal for Buy-back till the date of Postal Ballot Notice:-

Name	Aggregate no. of shares purchased / sold	Nature of transaction	Maximum price (Rs.)	Date of maximum price	Minimum price (Rs.)	Date of minimum price
Nilima Doshi	25,779	Market Purchase	240.00	Dec. 10, 2014 Dec. 11, 2014 Dec. 12, 2014	217.10	Feb. 6, 2015
Mahendra Jhaveri	(16,000)	Market Sale	253.59	Jan. 19, 2015	213.82	Feb. 6, 2015
Arti Mody	90,000	Received as gift	N.A.	N.A.	N.A.	N.A.

In terms of the Buy-back Regulations, under the tender offer route, the Promoter and Promoter Group have the option to participate in the Buy-back. In this regard, the promoter and promoter group have expressed their intention vide their letter dated June 26, 2015 to participate in the buy-back and offer upto an aggregate maximum of 6,88,147 equity shares or such lower number of shares as required in compliance with the Buy-back Regulations (earlier the promoter and promoter group have expressed their intention to participate in the Buy-back offer to the extent of 7,57,220 equity shares vide their letter dated April 23, 2015).

The details of date and price of acquisition of the Equity Shares that the Promoter and Promoter Group intend to tender are stated below:

Sl. No.	Date of Acquisition	No. of Shares	Cost of Acquisition per Equity Share (in Rs.)	Mode of Acquisition	Maximum no. of Equity Shares intended to be tendered
Naina M. Jhaveri					
1	April 11, 1999	14,500	N.A.	Gift	14,500
Total		14,500			
Pramila Yashvant Chokshi					
1	April 11, 1999	2,000	N.A.	Gift	2,000
Total		2,000			
Brinda Madhukar Jhaveri					
1	April 11, 1999	10,000	N.A.	Gift	10,000
Total		10,000			
Jigna M. Jhaveri					
1	April 11, 1999	15,000	N.A.	Gift	16,928
2	April 11, 2003	1,927	30.00	Rights Issue	
3	July 16, 2004	1	30.00	Issued for Consolidation	
Total		16,928			
Vrajraj Madhukar Jhaveri					
1	April 11, 1999	99,900	N.A.	Gift	99,900
Total		99,900			
Madhukar J. Jhaveri					
1	April 11, 1999	87,250	N.A.	Gift	98,625
2	January 6, 2009	3,047	66.12	Market Purchase	
3	January 14, 2009	1,953	53.69	Market Purchase	
4	January 14, 2009	25	53.00	Market Purchase	
5	June 26, 2009	6,350	0.00	Gift	
Total		98,625			
Malti M. Jhaveri					
1	August 12, 1991	5,000	10.00	Preferential Issue	62,166
2	January 16, 1996	11,000	10.00	Preferential Issue	
3	March 26, 1996	16,000	N.A.	Bonus Issue	
4	February 20, 1997	16,000	N.A.	Bonus Issue	
5	September 30, 1997	6,501	N.A.	Bonus Issue	
6	August 18, 1998	440	N.A.	Bonus Issue	
7	January 1, 2000	200	850.00	Off market purchase	
8	March 24, 2008	2,000	87.59	Market Purchase	
9	August 24, 2008	25	88.00	Market Purchase	
10	January 27, 2014	5,000	177.12	Market Purchase	
Total		62,166			
Mahendra J. Jhaveri					
1	January 16, 1996	54,115	10.00	Preferential Issue	66,179
2	October 8, 1999	286	300.00	Rights Issue	
3	March 12, 2001	100	650.00	Off market Purchase	
4	April 11, 2003	2,677	30.00	Rights Issue	
5	July 16, 2004	1	30.00	Issued for Consolidation	
6	March 24, 2008	2,000	91.05	Market Purchase	
7	July 17, 2009	2,000	N.A.	Gift	
8	November 25, 2013	500	148.94	Market Purchase	
9	November 26, 2013	500	147.46	Market Purchase	
10	November 27, 2013	1,000	146.63	Market Purchase	
11	November 28, 2013	418	146.39	Market Purchase	
12	November 29, 2013	602	146.24	Market Purchase	
13	December 2, 2013	580	147.16	Market Purchase	
14	December 4, 2013	1,400	156.59	Market Purchase	
Total		66,179			
Dhruv Mahendra Jhaveri					
1	April 11, 1999	1,90,000	N.A.	Gift	197,166
2	April 11, 2003	3,164	30.00	Rights Issue	
3	July 16, 2004	2	30.00	Issued for Consolidation	
4	March 24, 2008	2,000	91.12	Market Purchase	
5	December 2, 2013	1,000	147.18	Market Purchase	
6	December 4, 2013	1,000	158.46	Market Purchase	
Total		1,97,166			
Abhishek Madhukar Jhaveri					
1	April 11, 1999	94,903	N.A.	Gift	105,000
3	June 21, 2006	1,000	297.79	Market Purchase	
4	July 19, 2006	1,000	282.00	Market Purchase	
5	September 27, 2006	47	386.32	Market Purchase	
6	September 27, 2006	50	386.27	Market Purchase	
7	August 31, 2007	2,500	344.00	Market Purchase	
8	January 22, 2008	1,000	146.45	Market Purchase	
9	February 11, 2008	500	127.52	Market Purchase	
10	February 15, 2008	500	131.22	Market Purchase	
11	February 20, 2008	500	127.80	Market Purchase	
12	January 30, 2009	3,000	54.48	Market Purchase	
Total		1,05,000			
Nila M. Jhaveri					
1	March 24, 2008	5,846	145.00	Market Purchase	15,683
2	January 16, 2009	1,837	53.33	Market Purchase	
3	December 6, 2013	1,000	147.23	Market Purchase	
4	December 13, 2013	2,000	157.60	Market Purchase	
5	January 27, 2014	5,000	179.45	Market Purchase	
Total		15,683			

4. The Board of Directors have confirmed that there are no defaults 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 institutions or banks.

5. 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 will 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 will be able to meet its liabilities as and when they fall due and will 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.

d) That the debt equity ratio of the Company after the buy-back will be within the limit of 2:1 as prescribed under the Act.

6. The text of the report dated April 23, 2015 received from M/s. S.R. Battiboi & Co. LLP, Statutory Auditors addressed to the Board of Directors is reproduced below:-

To,

The Board of Directors
Sasken Communication Technologies Limited
139/25, Ring Road Domlur,
Bangalore - 560 071.

Dear Sirs,

Subject: Report in terms of the Companies Act, 2013 and SEBI (Buy-back of Securities) Regulations, 1998 (as amended)

1. In connection with the proposal of Sasken Communication Technologies Limited (‘the Company’), and as approved by its Board of Directors at its meeting held on April 23, 2015, to buy-back its shares and in pursuance to the provisions of Section 68, Section 69 and Section 70 of the Companies Act, 2013 (“the Act”) and SEBI (Buy-back of Securities) Regulations, 1998 (as amended) (“the Regulations”), and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report as follows:

i) We have inquired into the Company's State of Affairs in relation to its audited financial statements as at March 31, 2015.

ii) The Board of Directors has proposed to Buy-back the Company's equity to the extent of approximately 41.57 lacs equity shares of Rs.10 each at a premium of Rs.250 per share aggregating to Rs.10,809 lacs. The amount of permissible capital payments towards Buy-back of equity shares has been properly determined in accordance with Section 68(2)(c) of the Act:

Particulars	Amount (Rs. in lacs)
Paid-up capital as at March 31, 2015* 21,344,873 equity shares of Rs. 10 each fully paid-up	2,134.49
Free Reserves as on March 31, 2015*	
Securities Premium Account	6,524.09
General Reserve	4,312.50
Surplus in Profit and Loss Statement	30,266.42
Total	43,237.50
Maximum amount permissible for the buy-back i.e. 25% of total paid-up equity capital and free reserves	10,809.38

*Calculation in respect to buy-back is done on basis of audited financial statements of the Company for the year ended March 31, 2015 which is not more than six months old from the date of offer document.

iii. a) The Board of Directors in their meeting held on April 23, 2015, have formed the opinion as specified in the Act and the 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 that date and;

b) 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.

2. Compliance with the provisions of the Act and the Regulations is the responsibility of the Company's management. Our responsibility is to verify the factual accuracy based on the procedures we performed.

3. We performed our procedures, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (“ICAI”). These procedures include examining evidence supporting the particulars above on a test basis.

4. This report has been prepared for and only for the Company and is in reference to proposed buy-back of Equity Shares in pursuance of the provisions of the Act and the Regulations and for no other purpose. We do not accept or assume any liability or duty of care for any other purpose, save where expressly agreed by our prior consent in writing.

For **S.R. Battiboi & Co. LLP**

ICAI Firm Registration No. 301003E
Chartered Accountants

per Navin Agrawal
Partner
Membership No. 56102

Date: April 23, 2015
Place: Bangalore

7. The buy-back is open to all Equity Shareholders / beneficial owners of the Company holding shares either in physical and / or electronic form.

8. The buy-back shall be implemented in the manner and following the procedure prescribed in the Act and the Buy back Regulations and as may be determined by the Board of Directors (including the Committee, if any, authorized to complete the formalities of the buy-back) and on such terms and conditions as may be permitted by law from time to time.

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Sasken Communication Technologies Limited

9. RECORD DATE AND SHAREHOLDER'S ENTITLEMENT

9.1 The Company has fixed July 07, 2015 as the record date (“Record Date”) for the purpose of determining the entitlement and the names of shareholders, who are eligible to participate in the buy-back offer.

9.2 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.

9.3 The Equity Shares to be bought back as part of the buy-back is divided in two categories: (a). Reserved category for Small Shareholders (defined earlier), and (b). General category for all other shareholders.

9.4 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.

9.5 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.

9.6 The participation of the Equity Shareholders of the Company in the buy-back will be voluntary. Equity shareholders may also accept 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.

9.7 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.

9.8 Detailed instructions for participation in the buy-back (tendering of Equity Shares 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 Equity Shareholders as on the Record Date.

10. COMPLIANCE OFFICER

Mr. S. Prasad,
Associate Vice President & Company Secretary,
Sasken Communication Technologies Limited,
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Domlur,
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Investors may contact the Compliance Officer for any clarification 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.

11. INVESTOR SERVICE CENTRE

In case of any query, the shareholders / beneficial owners of shares of the Company may contact the Registrar & Share Transfer Agent of the Company, on all working days (except Saturdays, Sundays and Public Holidays) between 10.00 a.m. and 5.00 p.m., at the following address:-



Karvy Computershare Private Limited,
(Unit: Sasken Communication Technologies Limited)
Karvy Selenium Tower B,
Plot No.31-32,
Gachibowli,
Financial District,
Nanakramguda,
Hyderabad - 500 032.
Tel: +91 40 6716 1591
Toll Free No.: 1-800-3454-001
Fax: +91 40 2300 1153
Contact Person: Mr. K. Anandan
E-mail: anandan.k@karvy.com

12. MANAGER TO THE BUY-BACK



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Banjara Hills, Hyderabad - 500 034.
Tel.: +91 40 2342 8774 / 2331 2454;
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