

SAKSOFT LIMITED

REVIEW REPORT OF QUARTER & HALF YEAR ENDED 30TH SEP' 2022

CONSOLIDATED FINANCIAL STATEMENTS

**R.G.N. Price & Co.,
Chartered Accountants**

R.G.N. Price & Co.

CHARTERED ACCOUNTANTS

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10th November 2022

Independent Auditor's Review Report on the Unaudited Consolidated Quarterly Financial results

The Board of Directors

M/s. Saksoft Limited

Global Infocity Park, 2nd Floor, Block A

No 40 Dr MGR Salai,

Kandanchavadi, Perungudi

Chennai-600096

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Saksoft Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the quarter and six months ended 30th September 2022, ('the Consolidated Statement'), in so far as it relates to the amounts and disclosures for the quarter and six months ended 30th September 2022, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement is the responsibility of the Holding Company's Management and is approved by the Board of Directors of the Holding Company, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement, insofar as it relates to the amounts and disclosures for the quarter and six months ended 30th September 2022, in accordance with the Standard of Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.



A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

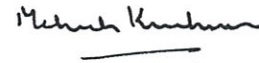
4. The Consolidated Statement includes the results of the following entities:
 - a. Saksoft Inc and its subsidiaries
 - b. Saksoft Pte Limited and its subsidiaries
 - c. Saksoft Solutions Limited (UK) and its subsidiary
 - d. Three-sixty Logica testing Services Pvt Limited
 - e. Dream Orbit Softech Private Limited and its subsidiary
 - f. Saksoft Employee Welfare Trust
5. Based on our review conducted as stated in paragraph 3 above, and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, insofar as it relates to the amounts and disclosures for the quarter and six months ended 30th September 2022, prepared in accordance with the applicable Indian Accounting Standards and other accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the unaudited consolidated financial information of three subsidiaries, included in the consolidated financial results for the quarter and six months ended 30th September 2022, whose financial statements reflect Group's share of total revenues of Rs.822.99 million, total net profit of Rs.163.73 million and total comprehensive income of Rs.156.69 million for the half year ended respectively on that date.



These quarterly financial statements and other financial information have been reviewed by other auditors and our review conclusion on the half year ended consolidated financial results is based on evidence of such reviews carried out by the other auditors in respect of the above three subsidiaries.

7. We did not review the unaudited financial information of two subsidiaries and a trust, included in the consolidated financial results for the half year ended 30th September 2022, whose financial reflect Group's share of total revenues of Rs.68.45 million, total net profit of Rs.5.79 million and total comprehensive income of Rs.5.79 million for the half year ended on that date. This financial information is not reviewed by any auditor and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities is based solely on the financial information certified by the Management. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.
8. Our conclusion on the Statement is not modified in respect of the above matters.

For R.G.N. Price & Co.,
Chartered Accountants
F R No.002785S





Mahesh Krishnan
Partner

M.No.206520

UDIN:22206520BCRPRV9498

Date: 10th November 2022
Place: Chennai

SAKSOFT LIMITED

CIN: L72200TN1999PLC054429

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Statement of Unaudited Consolidated Financial Results for the quarter and Half year Ended September 30, 2022.

(Rs. In Lakhs)

Particulars	Quarter ended 30.09.2022	Quarter ended 30.06.2022	Quarter ended 30.09.2021	Half year ended 30.09.2022	Half year ended 30.09.2021	Year ended 31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from Operations						
a. Net Sales/Income from Operations	16,384.48	14,802.18	11,472.46	31,186.66	21,686.71	48,042.98
b. Other Income	312.57	317.60	(1.55)	630.17	744.85	1,107.27
Total Income (a+b)	16,697.05	15,119.78	11,470.91	31,816.83	22,431.56	49,150.25
2. Expenses						
a. Employee benefits expense	7,320.03	6,729.44	5,081.56	14,049.47	9,962.01	20,953.54
b. Depreciation and amortisation expense	244.99	218.00	154.52	462.99	301.80	693.81
c. Support / Third party charges	5,580.11	5,086.58	3,766.52	10,666.69	7,008.75	16,394.86
d. Finance Costs	56.08	49.21	60.46	105.29	132.08	277.70
e. Other expenses	910.99	738.59	697.91	1,649.58	1,234.83	2,792.03
Total Expenses (a+b+c+d+e)	14,112.20	12,821.82	9,760.97	26,934.02	18,639.47	41,111.94
3. Profit before exceptional items and tax (1-2)	2,584.85	2,297.96	1,709.94	4,882.81	3,792.09	8,038.31
4. Exceptional Items	-	-	-	-	-	-
5. Profit from ordinary activities before tax (3-4)	2,584.85	2,297.96	1,709.94	4,882.81	3,792.09	8,038.31
6. Extraordinary Items	-	-	-	-	-	-
7. Net Profit before tax (5-6)	2,584.85	2,297.96	1,709.94	4,882.81	3,792.09	8,038.31
8. Tax Expense	652.78	517.50	400.67	1,170.28	714.06	1,712.16
9. Net Profit for the period (7-8)	1,932.07	1,780.46	1,309.27	3,712.53	3,078.03	6,326.15
10. Other Comprehensive Income, net of taxes						
a) Items that will not be reclassified to Profit or Loss	(13.89)	10.15	(15.61)	(3.74)	(20.31)	86.94
b) Items that will be reclassified to Profit or Loss	(403.64)	(393.55)	(357.93)	(797.19)	(85.40)	(56.97)
Total Other Comprehensive Income (a) + (b)	(417.53)	(383.40)	(373.54)	(800.93)	(105.71)	29.97
Total Comprehensive Income for the period (9+10)	1,514.54	1,397.06	935.73	2,911.60	2,972.32	6,356.12
11. Profit for the period attributable to:						
Shareholders of Saksoft Limited	1,932.07	1,780.46	1,309.27	3,712.53	3,078.03	6,326.15
Non-controlling interest	-	-	-	-	-	-
	1,932.07	1,780.46	1,309.27	3,712.53	3,078.03	6,326.15
12. Total Comprehensive income for the period attributable to:						
Shareholders of Saksoft Limited	1,514.54	1,397.06	935.73	2,911.60	2,972.32	6,356.12
Non-controlling interest	-	-	-	-	-	-
	1,514.54	1,397.06	935.73	2,911.60	2,972.32	6,356.12
13. Paid-up Equity Share Capital of Rs.1/- each	1,056.40	1,000.65	997.15	1,056.40	997.15	1,000.65
14.(i) Earnings Per Share (in Rs) before extraordinary items						
a) Basic	1.93	1.78	1.31	3.71	3.09	6.34
b) Diluted	1.78	1.64	1.20	3.42	2.85	5.83
	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(Annualised)
	Ref. note no.5	Ref. note no.5	Ref. note no.5	Ref. note no.5	Ref. note no.5	Ref. note no.5
(ii) Earnings Per Share (in Rs) after extraordinary items						
a) Basic	1.93	1.78	1.31	3.71	3.09	6.34
b) Diluted	1.78	1.64	1.20	3.42	2.85	5.83
	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(Annualised)
	Ref. note no.5	Ref. note no.5	Ref. note no.5	Ref. note no.5	Ref. note no.5	Ref. note no.5
Notes :						
Key Standalone financial information						
Total income	5,452.82	4,787.80	4,252.04	10,240.62	7,697.27	17,264.27
Profit / (Loss) before taxes	925.05	539.62	854.15	1,464.68	1,372.23	3,452.42
Profit / (Loss) after taxes	751.59	397.60	689.62	1,149.20	1,078.65	2,722.32



Consolidated Statement of Assets and Liabilities	(Rs. In Lakhs)	
	As at 30-09-2022	As at 31-03-2022
ASSETS	Unaudited	Audited
Non-Current Assets		
(a) Property, plant and equipment	1,096.35	1,207.64
(b) Right of Use Asset	1,758.34	1,666.48
(c) Goodwill on consolidation	15,965.74	16,650.93
(d) Other Intangible assets	59.10	33.81
(e) Financial Assets		
(i) Investments	477.59	701.48
(ii) Others	325.05	238.70
(f) Deferred Tax Assets (net)	557.50	472.47
(g) Other non-current assets	-	2.96
Sub Total Non-Current Assets	20,239.67	20,974.47
Current Assets		
(a) Financial Assets		
(i) Investments	1,594.20	1,049.33
(ii) Trade and other receivables	10,915.64	10,619.60
(iii) Cash and cash equivalents	11,053.21	7,385.67
(iv) Bank balances other than (ii) above	821.09	2,098.96
(v) Loans	18.28	7.96
(vi) Others	2,215.33	1,996.72
(b) Current Tax Assets (Net of provisions)	300.24	149.06
(c) Other Current Assets	1,228.80	1,872.23
Sub Total Current Assets	28,146.79	25,179.53
Total Assets	48,386.46	46,154.00
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share capital	1,003.16	1,000.65
(b) Other equity	33,557.66	30,849.09
Sub Total Equity	34,560.82	31,849.74
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	406.79	387.98
(ii) Lease liabilities	1,002.25	1,191.70
(iii) Other financial liabilities	497.43	488.33
(b) Provisions	952.55	624.76
Sub total Non Current Liabilities	2,859.02	2,692.77
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	16.25
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	134.44	254.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,126.00	2,696.69
(iii) Lease liabilities	531.03	472.03
(iv) Other financial liabilities	737.35	703.71
(b) Other current liabilities	6,848.67	6,786.51
(c) Provisions	589.13	681.88
Sub Total current Liabilities	10,966.62	11,611.49
Total Equity and Liabilities	48,386.46	46,154.00



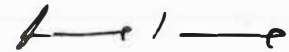
Consolidated Statement of Cash flow

Particulars	(Rs. In Lakhs)	
	For Half year ended 30.09.2022	For Half year ended 30.09.2021
	Unaudited	Unaudited
A. Cash Flow from Operating Activities:		
Profit before tax:	4,882.81	3,792.09
Adjustments for:		
Depreciation & amortisation	462.99	301.80
Expenses on employee stock based compensation	61.69	27.41
Interest and other Income	(48.72)	(29.63)
Dividend Income	(21.95)	(14.37)
Interest and Finance charges	105.29	132.08
Net actuarial gain / loss on defined benefit plan	(3.74)	(3.15)
Unrealised Derivatives	15.79	21.69
Provision for currency devaluation	-	116.35
Profit on sale of PPE	(1.35)	-
Operating Profit before Working Capital / Other Changes	5,452.81	4,344.27
(Increase) / Decrease in Trade receivables	(296.05)	(1,353.97)
(Increase) / Decrease in Other Assets	331.11	(486.14)
Increase / (Decrease) in Trade Payables	(690.67)	682.86
Increase / (Decrease) in Other liabilities	104.91	(121.19)
Increase / (Decrease) in Provisions	235.04	141.41
Cash Generated From Operations	5,137.15	3,207.24
Income tax paid	(1,330.39)	(737.92)
Net Cash Flow from Operating Activities	3,806.76	2,469.32
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	(328.08)	(299.43)
Proceeds from sale of Property, Plant and Equipment	1.35	-
Purchase of Intangible assets	-	(5.65)
Interest and other Income	48.72	29.63
Sale / (Purchase) of Current Investments , (net)	(544.87)	(277.94)
Sale / (Purchase) of Non-current Investments , (net)	223.89	-
Payment of lease liabilities	(209.60)	(198.32)
Payment towards acquisition of business and (Increase)/Decrease on account of goodwill on consolidation / Foreign currency translation movement	(344.60)	-
Dividend income Received	21.95	14.37
Net Cash Used in Investing Activities	(1,131.24)	(737.33)
C. Cash Flow from Financing Activities:		
Proceeds/ (repayment) of borrowings	2.56	(1,000.00)
Interest and Finance charges	(26.14)	(86.75)
Dividend paid (including Dividend Distribution Tax)	(300.20)	(249.29)
ESOP Exercised	37.93	19.42
Net Cash Used in Financing Activities	(285.85)	(1,316.62)
Net Increase in Cash and Cash Equivalents [A+B+C]	2,389.67	415.37
Cash and Cash Equivalents at the Beginning of the Period	9,484.63	9,000.60
Cash and Cash Equivalents as at End of the Period	11,874.30	9,415.97



1. The unaudited consolidated financial statements for the quarter and half year ended September 30, 2022 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 10, 2022 and have been subjected to limited review by the Statutory Auditors of the Company. The above results have been prepared in accordance with the Indian Accounting Standard (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.
2. The consolidated segment information has been prepared in line with the review of operating results by the Chief Operating Decision Maker (CODM) including the results of the entities which are consolidated herewith. The CODM has considered only IT Business as the operating segment in accordance with Ind AS 108.
3. The Company has opted to publish only consolidated financial results. The Standalone results of the Company will be available on the Company's website www.saksoft.com and on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com).
4. The Company conducts its operations along with its subsidiaries. The Consolidated financial results are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial results as set out in the Companies (Indian Accounting Standards) Rules, 2015, as amended. The financial results of the holding company and its subsidiaries (Saksoft Solutions Limited UK and its subsidiaries, Saksoft Inc., USA and its subsidiaries, Saksoft Pte Limited, Singapore and its subsidiaries, Three Sixty Logica Testing Services Private Limited, DreamOrbit Softech Private Limited and its subsidiary) and Saksoft employee welfare trust, have been consolidated on a line by line basis by adding together, income and expenses after eliminating intra-group balances, transactions and resulting unrealised gains / losses. The Consolidated financial results are prepared by applying uniform accounting policies. The share capital has been stated net off shares held in the Saksoft employee welfare trust.
5. During the quarter, the equity shares of the Company were split such that each equity share having face value of INR 10/- (Rupees Ten only) fully paid-up, was sub-divided into ten (10) equity shares having face value of INR 1/- (Rupee one only) each, fully paid-up with effect from 26th September 2022 (Record Date). The Earnings Per Share (EPS) of the current quarter and all comparative periods presented above have been restated to give effect of the share split mentioned above.
6. Three Sixty Logica Testing Services Private Limited, a wholly owned subsidiary of Saksoft Limited acquired the entire shareholding of Terafast networks private limited effective October 2022 making it a wholly owned subsidiary of Three Sixty Logica Testing Services Private Limited, and a step down subsidiary of Saksoft Limited.
7. The Company at its Board Meeting held on 10th November 2022 has declared an interim dividend of Rs. 0.35/- per equity share (35%) of face value of Re. 1.00 each fully paid up.
8. Tax expense includes current tax and deferred tax.

For and on behalf of the Board of Directors



Aditya Krishna

Chairman & Managing Director

Place: Chennai

Date: November 10, 2022

