

May 27, 2024

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF M/S SAKSOFT LIMITED

Report on the audit of Standalone financial results

We have audited the accompanying standalone quarterly financial results of Saksoft Limited ("the Company") for the quarter ended 31st March 2024 and the year-to-date results for the year from 1st April 2023 to 31st March 2024 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

Opinion

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

1. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard, and
2. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting policies generally accepted in India of the net profit and total comprehensive income and other financial information for the quarter ended 31st March 2024, as well as the year to date results for the year ended 31st March 2024.

Basis of opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.



We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- i. planning the scope of our audit work and in evaluating the results of our work; and
- ii. to evaluate the effect of any identified misstatements in the standalone financial statements.



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

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

Other Matters

The Statement includes the results for the quarter ended 31st March 2024, being the balancing figure between the audited figures for in respect of the full financial year ended 31st March 2024 and the published unaudited year-to-date financial results up to 31st December 2023, being the end date of the third quarter of the current financial year, which was subject to limited review by us, as required under the Listing Regulations. Our opinion on the standalone financial results is not modified in respect of the above matter.

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



Mahesh Krishnan
Partner

M.No.206520

UDIN: 24206520BKARPT8934



Place : Chennai

Date : 27th May 2024

<p style="text-align: center;">SAKSOFT LIMITED CIN: L72200TN1999PLC054429 Regd & Corp. Office : Global Infocity Park, 2nd Floor , Block- A , No 40 Dr MGR Salai , Kandanchavadi , Perungudi, Chennai - 600 096 , Ph: +91-44-24543500 Email : investorqueries@saksoft.co.in ; website: www.saksoft.com Statement of Audited Standalone Financial Results for the Quarter and Year Ended March 31, 2024.</p>					
(Rs. In Lakhs)					
Particulars	Quarter ended 31.03.2024	Quarter ended 31.12.2023	Quarter ended 31.03.2023	Year ended 31.03.2024	Year ended 31.03.2023
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. Income from Operations					
a. Net Sales/Income from Operations	5,365.47	5,475.57	5,723.32	22,506.09	20,939.33
b. Other Income	85.46	541.47	(38.81)	1,017.50	816.90
Total Income (a+b)	5,450.93	6,017.04	5,684.51	23,523.59	21,756.23
2. Expenses					
a. Employee benefits expense	3,684.45	3,843.26	3,761.28	15,323.63	13,951.14
b. Depreciation and amortisation expense	152.88	134.24	128.68	551.73	482.04
c. Support / Third party charges	719.39	676.68	607.16	2,620.83	2,533.57
d. Finance Costs	23.65	14.66	25.94	72.84	83.30
e. Other expenses	287.50	246.97	365.01	1,073.00	1,253.43
Total Expenses (a+b+c+d+e)	4,867.87	4,915.81	4,888.07	19,642.03	18,303.48
3. Profit before exceptional items and tax (1-2)	583.06	1,101.23	796.44	3,881.56	3,452.75
4. Exceptional Items	-	-	-	-	-
5. Profit from ordinary activities before tax (3-4)	583.06	1,101.23	796.44	3,881.56	3,452.75
6. Extraordinary Items	-	-	-	-	-
7. Net Profit before tax (5-6)	583.06	1,101.23	796.44	3,881.56	3,452.75
8. Tax Expense	137.75	224.46	130.78	822.61	667.90
9. Net Profit for the period (7-8)	445.31	876.77	665.66	3,058.95	2,784.85
10. Other Comprehensive Income					
a) (i) Items that will not be reclassified to Profit or Loss net of tax	66.11	(11.61)	20.61	33.50	60.34
b) (i) Items that will be reclassified to Profit or Loss net of tax	10.80	(24.05)	67.56	40.09	(56.34)
Total Other Comprehensive Income (a) + (b)	76.91	(35.66)	88.17	73.59	4.00
Total Comprehensive Income for the period (9+10)	522.22	841.11	753.83	3,132.54	2,788.85
11. Paid-up Equity Share Capital of Re.1.00/- each	1,060.41	1,060.41	1,056.90	1,060.41	1,056.90
12.(i) Earnings Per Share (in Rs) before extraordinary items					
a) Basic	0.43	0.83	0.63	2.90	2.64
b) Diluted	0.43	0.83	0.61	2.90	2.56
	(not annualised)	(not annualised)	(not annualised)	(Annualised)	(Annualised)
(ii) Earnings Per Share (in Rs) after extraordinary items					
a) Basic	0.43	0.83	0.63	2.90	2.64
b) Diluted	0.43	0.83	0.61	2.90	2.56
	(not annualised)	(not annualised)	(not annualised)	(Annualised)	(Annualised)



Standalone Statement of Assets and Liabilities		(Rs. In Lakhs)	
	As at 31.03.2024 Audited	As at 31.03.2023 Audited	
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	300.95	427.04	
(b) Right of use assets	744.58	373.75	
(c) Other Intangible assets	14.75	21.01	
(d) Financial Assets:			
(i) Investments	12,049.57	11,879.61	
(ii) Others	170.00	154.60	
(e) Deferred Tax Assets (Net)	374.25	375.38	
Sub Total Non-Current Assets	13,654.10	13,231.39	
Current Assets			
(a) Financial Assets:			
(i) Trade and other receivables	4,314.68	3,237.86	
(ii) Cash & Cash Equivalents	2,553.69	1,437.56	
(iii) Bank balances other than (ii) above	1,700.00	400.00	
(iv) Loans	5.08	12.20	
(v) Others	715.33	1,171.03	
(b) Current Tax Assets (Net of provisions)	971.29	779.85	
(c) Other Current Assets	184.14	221.81	
Sub Total Current Assets	10,444.21	7,260.31	
Total Assets	24,098.31	20,491.70	
EQUITY AND LIABILITIES:			
EQUITY :			
Equity Share Capital	1,060.41	1,056.90	
Other Equity	19,147.13	16,390.44	
Sub Total Equity	20,207.54	17,447.34	
LIABILITIES:			
Non-current Liabilities:			
(a) Financial Liabilities			
(i) Lease liability	499.29	51.90	
(b) Provisions	713.94	522.75	
Sub total Non Current Liabilities	1,213.23	574.65	
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Lease liability	288.03	357.95	
(iii) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	33.22	56.38	
Total outstanding dues of creditors other than micro enterprises and small enterprises	570.93	360.93	
(iv) Other financial liabilities	6.04	44.93	
(b) Other Current Liabilities	1,151.21	1,019.73	
(c) Provisions	628.11	629.79	
Sub Total current Liabilities	2,677.54	2,469.71	
Total Equity and Liabilities	24,098.31	20,491.70	



ME

Statement of Cash Flow for the period April 2023 to March 2024		(Rs. in Lakhs)	
Particulars	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023	
A. Cash Flow from Operating Activities:			
Profit before tax:	3,881.56	3,452.75	
Adjustments for:			
Depreciation & amortisation	551.74	482.09	
Expenses on employee stock based compensation	112.07	33.63	
(Profit)/Loss on sale of Investments	-	(3.05)	
Profit on sale of fixed assets	(0.42)	-	
Interest and other Income	(185.53)	(5.02)	
Dividend Income	(792.40)	(685.14)	
Interest and Finance charges	72.84	83.30	
Net actuarial gain / loss on defined benefit plan	44.77	80.64	
Operating Profit before Working Capital / Other Changes	3,684.63	3,439.20	
(Increase) / Decrease in Trade receivables	(1,076.82)	(1,019.84)	
(Increase) / Decrease in Other Assets	500.10	(311.26)	
Increase / (Decrease) in Trade Payables	186.84	(65.18)	
Increase / (Decrease) in Other liabilities	131.15	157.81	
Increase / (Decrease) in Provisions	189.54	297.15	
Cash Generated From Operations	3,615.44	2,497.88	
Income tax paid	(1,041.52)	(1,132.77)	
Net Cash Flow from Operating Activities	2,573.92	1,365.11	
B. Cash Flow from Investing Activities:			
Purchase of Property, Plant and Equipment	(74.31)	(228.44)	
Proceeds from sale of Property, Plant and Equipment	1.24	3.05	
Purchase of Intangible assets	-	(14.32)	
Payment of Lease liabilities	(390.77)	(353.75)	
Investment in Fixed Deposits	(1,300.00)	(400.00)	
Interest and other Income	185.53	4.98	
Dividend income Received	792.40	685.14	
Net Cash Used in Investing Activities	(785.91)	(303.34)	
C. Cash Flow from Financing Activities:			
Proceeds/ (repayment) of borrowings			
Interest and Finance charges	(17.64)	(18.43)	
Dividend paid (including Dividend Distribution Tax)	(794.24)	(686.08)	
ESOP Exercised	140.00	42.58	
Net Cash Used in Financing Activities	(671.88)	(661.93)	
Net Increase/ (Decrease) in Cash and Cash Equivalents [A+B+C]	1,116.13	399.84	
Cash and Cash Equivalents at the Beginning of the Year	1,437.56	1,037.72	
Cash and Cash Equivalents as at End of the Year	2,553.69	1,437.56	



112

1. The audited standalone financial statements for the quarter and year ended March 31, 2024 were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 27, 2024 and have been subject to audit by the Statutory Auditors of the Company. The above results have been prepared in accordance with the Indian Accounting Standards (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 audited standalone segment information has been prepared in line with the review of operating results by the chief operating decision maker (CODM). 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 at its Board Meeting held on 27th May 2024 has proposed a final dividend of Re. 0.40 /- per equity share (40 %) of face value Re.1.00 each fully paid up subject to approval of the shareholders at the ensuing Annual General Meeting. This is in addition to the interim dividend of Re.0.40/- per share declared in November 2023.


5. The Board of Directors of the Company at its meeting held on 10th May 2024, approved a composite scheme of amalgamation in the form of a merger, whereby its wholly owned subsidiaries viz Dream Orbit Softech Private Limited and Three-sixty Logica Testing Services Private Limited together with its wholly owned step-down subsidiary Terafast Networks Private Limited are sought to be merged with Saksoft Limited (the parent) subject to necessary approvals to be obtained in this regard. The appointed date as per the scheme is 1st April 2024. There is no impact of the proposed merger in the above financial results.

6. The results for the quarter ended March 31, 2024 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures for the nine months ended December 31, 2023 which were subject to limited review by the statutory auditors of the company.

7. Previous quarter and year figures have been regrouped in line with the current quarter & year classification.

8. Tax expense includes current and deferred taxes.

For and on behalf of the Board of Directors



Aditya Krishna

Chairman & Managing Director

Place: Chennai

Date: May 27, 2024

