

Independent Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To the Board of Directors of Sasken Technologies Limited

Report on the Audit of Consolidated Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Sasken Technologies Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2022, ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

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

- (i) include the annual financial results of the following entities:

Sr. No	Name of the Entity	Relationship with the Holding Company
1	Sasken Communication Technologies (Shanghai) Co Ltd ('Sasken China')	Subsidiary
2	Sasken Communication Technologies Mexico S.A. de C.V ('Sasken Mexico')	Subsidiary
3	Sasken Finland Oy ('Sasken Finland')	Subsidiary
4	Sasken Inc ('Sasken USA')	Subsidiary
5	Sasken Foundation	Controlled trust
6	Sasken Employees Welfare Trust	Controlled trust

- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

- (iii) gives a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2022.



Basis for Opinion

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Consolidated Financial Results

This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

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

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

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



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

- Identify and assess the risks of material misstatement of the Statement, 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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



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Other Matter

The Statement include the results for the quarter ended March 31, 2022, being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting".

Our Opinion is not modified in respect of this matter.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W



Pradeep Mysore Suresh
Partner
Membership No. 216181
UDIN: 22216181AHMTAG8471



Place: Bengaluru
Date: April 21, 2022

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

(Rs. in lakhs)

Sl. No.	Particulars	Quarter ended			Year ended	
		March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
I	Revenue from operations	10,918.33	10,627.05	11,060.57	43,390.73	44,483.52
II	Other income	459.21	767.46	584.92	3,533.36	2,961.67
III	Total income (I+II)	11,377.54	11,394.51	11,645.49	46,924.09	47,445.19
IV	EXPENSES					
	Employee benefits expense	6,590.83	6,416.28	6,366.26	25,981.49	26,459.71
	Finance costs	0.71	1.01	33.43	4.52	46.77
	Depreciation and amortization expense	162.68	164.95	214.92	651.18	1,018.22
	Other expenses	1,228.72	1,060.62	1,095.24	4,501.72	4,971.24
	Total expenses (IV)	7,982.94	7,642.86	7,709.85	31,138.91	32,495.94
V	Profit before tax (III-IV)	3,394.60	3,751.65	3,935.64	15,785.18	14,949.25
VI	Tax expense:					
	(1) Current tax	706.73	743.75	1,026.81	2,960.57	3,494.61
	(2) Deferred tax	660.97	774.21	946.64	3,158.16	3,229.89
	(3) Income tax relating to items that will not be subsequently reclassified to profit or loss	46.16	(30.46)	80.17	(197.59)	264.72
VII	Profit after tax (V-VI)	2,687.87	3,007.90	2,908.83	12,824.61	11,454.64
VIII	Other comprehensive income	129.40	51.57	(2,054.69)	(75.61)	(1,036.49)
	A Items that will not be subsequently reclassified to profit or loss-					
	(i) Remeasurement gain on defined benefit plans	57.19	(38.49)	182.69	119.37	139.11
	(ii) Fair value through investments OCI	12.89	5.11	(2,176.17)	8.25	(2,137.59)
	(iii) Income tax relating to items that will not be subsequently reclassified to profit or loss	11.39	9.10	(5.16)	(3.73)	1.39
	B Items that will be subsequently reclassified to profit or loss-					
	(i) Net change in fair value of forward contracts designated as cash flows hedges	(210.88)	139.02	9.32	(248.66)	1,377.90
	(ii) Exchange differences in translating financial statements of foreign operations	205.63	(26.07)	(64.41)	(12.64)	(68.64)
	(iii) Income tax relating to items that will be reclassified to profit or loss	53.18	(37.10)	(0.96)	61.80	(348.66)
IX	Total comprehensive income (VII+VIII)(comprising profit and other comprehensive income)	2,817.27	3,059.47	854.14	12,749.00	10,418.15
X	Paid up equity share capital (face value: Rs 10 per share)	1,505.09	1,505.09	1,505.09	1,505.09	1,505.09
XI	Other equity				63,849.16	54,949.84
XII	Earnings per equity share*					
	(1) Basic	17.87	20.00	19.37	85.31	76.26
	(2) Diluted	17.80	20.00	19.37	85.22	76.26

* EPS is not annualised for the quarter ended March 31, 2022, December 31, 2021 and March 31, 2021.



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Sasken Technologies Limited
 CIN: L72100KA1989PLCD14226
 139/25, Ring Road, Domtur, Bengaluru - 560 071

AUDITED CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
ASSETS		
(1) Non-current assets		
Property, plant and equipment	3,414.51	3,374.35
Right of use Assets	24.93	-
Capital work-in-progress	3.03	0.72
Intangible assets	0.80	18.19
Financial assets		
(i) Investments	50,197.87	34,167.64
(ii) Other financial assets	112.39	136.07
Deferred tax assets (net)	844.80	589.14
Other tax assets	4,547.31	4,150.57
Other non-current assets	-	0.56
Total non-current assets	59,145.64	42,437.24
(2) Current assets		
Financial assets		
(i) Investments	3,671.56	7,069.13
(ii) Trade receivables	8,169.19	6,659.92
(iii) Cash and cash equivalents	1,859.11	2,075.61
(iv) Other bank balances	164.55	3,209.63
(v) Unbilled revenue	1,853.55	1,698.36
(vi) Derivative assets	249.61	495.15
(vii) Other financial assets	382.14	589.35
Contract assets	671.17	1,974.27
Other current assets	952.51	651.48
Total current assets	17,973.39	24,422.90
Total assets	77,119.03	66,860.14
EQUITY AND LIABILITIES		
Equity		
Share capital	1,505.09	1,505.09
Other equity	63,849.16	54,949.84
Total equity	65,354.25	56,454.93
LIABILITIES		
(1) Non-current liabilities		
Provisions	768.71	626.81
Total non-current liabilities	768.71	626.81
(2) Current liabilities		
Financial liabilities		
(i) Lease liabilities	25.64	-
(ii) Trade payables		
Outstanding dues to micro and small enterprises	102.73	3.75
Outstanding dues to creditors other than micro and small enterprises	1,464.04	1,382.44
(iii) Other financial liabilities	3,437.04	2,263.16
Deferred revenue	178.10	92.04
Other current liabilities	1,944.04	2,111.30
Provisions	1,482.06	1,594.80
Income tax liabilities (net)	2,362.42	2,230.91
Total current liabilities	10,996.07	9,778.40
Total equity and liabilities	77,119.03	66,860.14



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Sasken Technologies Limited
 Audited Consolidated statement of cash flows for the year ended March 31, 2022
 (Amount in lakhs, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flows from operating activities		
Profit before tax	15,785.18	14,949.25
Adjustments for:		
Depreciation and amortization expense	651.18	1,018.22
Dividend income	(112.51)	(169.00)
Interest income	(549.84)	(551.03)
Gain on sale of investments	(293.12)	(217.59)
Change in fair value of investments	(2,212.84)	(2,126.68)
(Profit) / Loss on sale of property, plant and equipment	(10.35)	14.13
ESOP compensation cost	78.53	(21.59)
Exchange differences on translation of assets and liabilities	17.33	40.81
Finance charges	4.52	46.77
Allowance for expected credit losses on financial assets	5.08	18.69
Write back of unclaimed balances	(98.57)	(89.57)
Cash flow hedges - In-effective portion of changes in fair value	(3.13)	(7.41)
Operating profit before working capital changes	13,261.46	12,905.00
Changes in assets and liabilities:		
Trade receivables, unbilled revenue & contract assets	(366.46)	2,954.80
Other financial assets and other assets	(2,081.99)	(1,606.81)
Trade payables and deferred revenue	365.29	(738.35)
Provisions, other financial liabilities(current) and other liabilities	1,055.88	(15.73)
Cash generated from operating activities	12,234.18	13,498.91
Income taxes paid	(1,531.25)	(1,568.71)
Net cash generated from operating activities (A)	10,702.93	11,930.20
Cash flows from investing activities		
Interest received	670.11	398.68
Dividend received	112.51	169.00
Proceeds from sale of property, plant and equipment	28.85	40.19
Acquisition of property, plant and equipment	(651.80)	(209.31)
Payments to acquire investments	(43,138.91)	(30,975.44)
Proceeds from sale of other investments	33,020.46	23,912.98
(Investment in)/ proceeds from bank deposits	3,045.08	(2,997.90)
Net cash used in investing activities (B)	(6,913.70)	(9,661.80)
Cash flows from financing activities		
Dividend paid (including dividend distribution tax)	(4,062.09)	(1,501.62)
Lease payments	(46.86)	(209.13)
Shares sold by trust	187.53	14.06
Net cash used in financing activities (C)	(3,921.42)	(1,696.69)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(132.19)	571.71
Cash and cash equivalents at the beginning of the year	2,075.61	1,613.37
Effect of exchange rate changes on cash and cash equivalents	(84.31)	(109.47)
Cash and cash equivalents at the end of the year	1,859.11	2,075.61



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NOTES:

1. These audited consolidated financial results, prepared in accordance with Indian Accounting Standards ('Ind AS') for the quarter and year ended March 31, 2022 have been approved by the Board of Directors of the Company at its meeting held on April 21, 2022. The statutory auditors have expressed an unmodified opinion on these consolidated financial results.

The figures for the quarters ended March 31, 2021 and March 31, 2022 are the balancing figures between the audited figures in respect of the full financial years and published audited year to date figures upto the end of the third quarter of the relevant financial year.

2. **Segment Reporting**


The Chairman and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments". The Company operates in one segment only i.e. "Software Services". The CODM evaluates performance of the Company based on revenue and operating income from "Software Services". Accordingly, segment information has not been separately disclosed.

3. The Board of Directors has recommended a final dividend of Rs.13 per equity share for the year ended March 31, 2022. The payment is subject to approval of shareholders in the ensuing Annual General Meeting of the Company. Once approved, the cumulative dividend for the year will amount to Rs.25 per equity share (including interim dividend payment of Rs.12 declared on October 21, 2021).

Place: Bengaluru

Date: April 21, 2022

For Sasken Technologies Ltd.


Rajiv C. Mody
Chairman and Managing Director

DIN: 0092037

