

Independent Auditor's Report on Quarterly Standalone Financial Results and Year to Date Standalone 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 Standalone Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Sasken Technologies Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2021 ('the Statement'), attached herewith, being submitted by the 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) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give 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 Company for the year ended March 31, 2021.

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 Standalone Financial Results 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 standalone 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 Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, have been prepared on the basis of the standalone annual financial statements. The 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 in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of

adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 Company, as aforesaid.

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

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

Auditor's Responsibilities for the Audit of the Standalone 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 the Statement.

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 Company 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 Company 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.

We communicate with those charged with governance of the Company 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.

Other Matters

- The Statement include the results of the Company for the quarter and year ended March 31, 2020, which were audited by another auditor whose report dated April 27, 2020, expressed an unmodified opinion on those Statement.
- The Statement include the results for the quarter ended March 31, 2021, 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 these matters.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W

**DEBASHIS
DASGUPTA**

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Debashis Dasgupta

Partner

Membership No. 053681

UDIN: 21053681AAAAAE1249

Place: Bengaluru

Date: April 22, 2021

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

(Rs. in lakhs)

Sl. No.	Particulars	Quarter ended			Year ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
I	Revenue from operations	9,402.82	10,049.05	9,695.50	39,245.74	41,670.76
II	Other income	721.36	1,197.64	(40.67)	3,334.04	3,924.18
III	Total income (I+II)	10,124.18	11,246.69	9,654.83	42,579.78	45,594.94
IV	EXPENSES					
	Employee benefits expense	5,425.84	5,811.01	6,299.77	23,154.21	26,824.59
	Finance costs	33.43	0.96	14.48	47.19	62.49
	Depreciation and amortization expense	199.19	211.31	262.23	919.92	993.91
	Other expenses	855.29	1,017.57	1,330.48	3,844.44	6,136.96
	Total expenses (IV)	6,513.75	7,040.85	7,906.96	27,965.76	34,017.95
V	Profit before exceptional items and tax (III- IV)	3,610.43	4,205.84	1,747.87	14,614.02	11,576.99
VI	Exceptional items (refer point 3 in note annexed)	(2,002.31)	-	-	(2,002.31)	
VII	Profit before tax (V-VI)	1,608.12	4,205.84	1,747.87	12,611.71	11,576.99
VIII	Tax expense:	888.98	915.22	696.52	3,351.12	3,345.93
	(1) Current tax	847.90	775.39	1,170.23	3,124.61	3,864.21
	(2) Deferred tax	41.08	139.83	(473.71)	226.51	(518.28)
IX	Profit after tax (VII-VIII)	719.14	3,290.62	1,051.35	9,260.59	8,231.06
X	Other comprehensive income	178.39	153.22	(1,455.86)	1,200.85	(2,061.39)
	A Items that will not be subsequently reclassified to profit or loss- (i)	182.69	(111.44)	(927.53)	139.12	(1,073.52)
	Remeasurement gain / (loss) on defined benefit plans					
	(ii) Investment fair valuation through OCI	(7.50)	37.05	-	31.08	-
	(iii) Income tax relating to items that will not be reclassified subsequently to profit and loss	(5.16)	23.81	228.45	1.39	279.47
	B Items that will be subsequently reclassified to profit or loss- (i)	9.32	272.19	(1,035.58)	1,377.92	(1,820.15)
	change in fair value of forward contracts designated as cash flows hedges					
	(ii) Income tax relating to items that will be subsequently reclassified to profit or loss	(0.96)	(68.39)	278.80	(348.66)	552.81
XI	Total comprehensive income for the period (VII+VIII) (comprising profit and other comprehensive income for the period)	897.53	3,443.84	(404.51)	10,461.44	6,169.67
XII	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
XIII	Other equity				55,369.46	46,434.70
XIV	Earnings per equity share					
	(1) Basic	4.78	21.86	6.99	61.53	51.41
	(2) Diluted	4.78	21.86	6.99	61.53	51.41



Sasken Technologies Limited
CIN: L72100KA1989PLC014226
139/25, Ring Road, Domlur, Bengaluru - 560 071

AUDITED STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

(Rs. in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
ASSETS		
(1) Non-current assets		
Property, plant and equipment	3,294.45	4,218.37
Capital work-in-progress	0.72	9.85
Intangible assets	18.19	9.70
Financial assets		
(i) Investments	36,215.18	25,090.15
(ii) Long term loan	201.92	201.92
(iii) Other financial assets	90.66	264.70
Deferred tax assets (net)	662.56	1,236.34
Other tax assets	4,100.65	5,838.93
Other non-current assets	0.55	-
Total non-current assets	44,584.88	36,869.96
(2) Current assets		
Financial assets		
(i) Investments	7,069.13	10,673.55
(ii) Trade receivables	5,916.11	8,207.83
(iii) Cash and cash equivalents	678.90	1,130.07
(iv) Other bank balances	3,015.70	15.78
(v) Loan to Subsidiary	-	951.98
(vi) Unbilled revenue	1,331.90	1,297.27
(vii) Derivative assets	495.15	-
(viii) Other financial assets	627.42	468.51
Contract assets	1,645.88	617.01
Other current assets	579.17	859.49
Total current assets	21,359.36	24,221.49
Total assets	65,944.24	61,091.45
EQUITY AND LIABILITIES		
Equity		
Share capital	1,505.09	1,505.09
Other equity	55,369.46	46,434.70
Total equity	56,874.55	47,939.79
LIABILITIES		
(1) Non-current liabilities		
Lease liabilities	-	324.06
Provisions	626.81	1,299.68
Total non-current liabilities	626.81	1,623.74
(2) Current liabilities		
Financial liabilities		
(i) Trade payables		
Outstanding dues to micro and small enterprises	3.75	1.57
Outstanding dues to creditors other than micro and small enterprises	1,170.21	1,369.89
(ii) Lease liabilities	-	-
(iii) Other financial liabilities	2,363.16	2,069.24
(iv) Derivative liabilities	-	890.17
Deferred revenue	84.01	532.12
Other current liabilities	1,741.08	1,535.80
Provisions	978.80	843.32
Income tax liabilities (net)	2,101.87	4,285.81
Total current liabilities	8,442.88	11,527.92
Total equity and liabilities	65,944.24	61,091.45



Sasken Technologies Limited

Audited Standalone statement of cash flows for the year ended March 31, 2021

(Amount in lakhs, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flows from operating activities:		
Profit before tax	12,611.71	11,576.99
Adjustments to reconcile net profit to net cash provided by operating activities		
Depreciation and amortization expense	919.92	993.91
Interest income	(548.52)	(984.15)
Interest on NCD	(24.58)	-
Dividend income	(501.41)	(1,502.69)
Gain on sale of investments	(217.71)	(102.13)
Gain on fair valuation of investments	(2,126.68)	(186.97)
Profit on sale of property, plant and equipment	(6.31)	(7.71)
Finance cost	47.19	-
Write back of provisions	(85.57)	(131.31)
ESOP compensation cost	(21.59)	10.71
Exchange differences on translation of assets and liabilities	(1.11)	(0.47)
Provision for impairment	2,002.31	-
Allowance for expected credit losses on financial assets	18.69	-
In-effective portion of changes in fair value of cash flow hedges	(7.40)	10.88
Changes in assets and liabilities:		
Trade receivables, contract assets and unbilled revenue	1,209.53	(22.92)
Loans, other financial assets and other assets	(1,631.34)	(425.48)
Trade payables and deferred revenue	(645.61)	(22.91)
Provisions, other financial liabilities (current) and other current liabilities	202.60	961.62
Cash generated from operating activities	11,194.12	10,167.37
Income taxes (paid)/refund	(1,528.77)	526.85
Net cash generated from operating activities (A)	9,665.35	10,694.22
Cash flows from investing activities:		
Interest received	400.25	461.50
Interest on NCD	24.58	-
Dividends received	501.41	1,401.79
Proceeds from sale of property, plant and equipment	47.35	7.71
Purchase of property, plant and equipment	(198.38)	(1,424.56)
Investment in / repatriation from subsidiaries	-	377.00
Payments to acquire investments	(31,067.31)	(48,989.21)
Proceeds from sale of investments	23,912.98	66,611.27
Investment in bank deposits	(2,999.92)	(15.33)
Loan repayment from subsidiary	951.98	-
Net cash used in investing activities (B)	(8,427.06)	18,430.18
Cash flows from financing activities		
Buy back of Shares	-	(16,988.75)
Lease liabilities	(185.48)	-
Dividend paid during the period (including dividend distribution tax)	(1,505.09)	(11,429.39)
Net cash used in financing activities (C)	(1,690.57)	(28,418.14)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(452.28)	706.25
Cash and cash equivalents at the beginning of the year	1,130.07	423.36
Effect of exchange differences on translation of foreign currency cash and cash equivalents	1.11	0.46
Cash and cash equivalents at the end of the year	678.90	1,130.07



NOTES:

1. These audited standalone financial results, prepared in accordance with Indian Accounting Standards ('Ind AS') for the quarter and year ended March 31, 2021 have been approved by the Board of Directors of the Company at its meeting held on April 22, 2021. The statutory auditors have expressed an unqualified opinion on these standalone financial results.

The figures for the quarters ended March 31, 2020 and March 31, 2021 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 Company had evaluated its long term investments in its subsidiary, Sasken Inc for the purpose of determination of potential diminution in value of investment and based on such evaluation and determination, a provision for diminution in the value of investment as at March 31, 2021 amounting to Rs. 2002.31 lakhs was recorded as an exceptional item.
4. The Board of Directors has recommended a final dividend of Rs.15.00 per equity share for the year ended March 31, 2021. 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.25.00 per equity share (including interim dividend payment of Rs.10.00 declared on October 21, 2020).

For Sasken Technologies Ltd.



Rajiv C Mody
Chairman and Managing Director
DIN: 0092037



Place: Bengaluru
Date: April 22, 2021