

# B S R & Associates LLP

Chartered Accountants

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## **Independent Auditor's Report on Audited Quarterly Standalone Financial Results of Sasken Technologies Limited pursuant to under Regulation 33 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015**

To  
Board of Directors of Sasken Technologies Limited

1. We have audited the quarterly Statement of Standalone Financial Results of Sasken Technologies Limited ("the Company") for the quarter ended June 30, 2019 ("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').
2. This Statement has been prepared on the basis of the interim condensed standalone financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim condensed standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34), *Interim Financial Reporting*, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.
3. We conducted our audit in accordance with the standards on auditing generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement(s).

An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



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4. Attention is drawn to the fact that the figures for the 3 months ended March 31, 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year.
5. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results
  - i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
  - ii. give a true and fair view of the net profit and other financial information for the quarter ended June 30, 2019.

*for* **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.: 116231W/W-100024



**Ashish Chadha**

*Partner*

Membership No.: 500160

UDIN : 19500160AAAAAR8962

Bengaluru

July 18, 2019

## AUDITED INTERIM STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

(Rs. in lakhs)

Sl. No.	Particulars	Quarter ended			Year ended
		June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
I	Revenue from operations	11,060.31	10,348.98	10,841.33	41,467.02
II	Other income	1,093.06	1,091.03	2,416.75	5,265.85
III	Total income (I+II)	12,153.37	11,440.01	13,258.08	46,732.87
IV	<b>EXPENSES</b>				
	Employee benefits expense	7,190.10	7,000.65	7,588.37	27,790.08
	Finance costs	13.82	-	-	-
	Depreciation and amortization expense	221.84	161.50	137.86	579.22
	Other expenses	1,657.44	1,754.41	1,557.38	6,834.56
	Total expenses (IV)	9,083.20	8,916.56	9,283.61	35,203.86
V	Profit before tax (III-IV)	3,070.17	2,523.45	3,974.47	11,529.01
VI	Tax expense:	968.68	422.09	927.42	2,124.07
	(1) Current tax	951.68	195.71	908.93	1,924.13
	(2) Deferred tax	17.00	226.38	18.49	199.94
VII	Profit after tax (V-VI)	2,101.49	2,101.36	3,047.05	9,404.94
VIII	Other comprehensive income	95.64	347.42	(100.98)	747.35
	A (i) Items that will not be reclassified to profit or loss- remeasurement gain on defined benefit plans	36.11	69.38	117.82	81.27
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(12.62)	(24.04)	(41.17)	(28.20)
	B (i) Items that will be reclassified to profit or loss- Net change in fair value of forward contracts designated as cash flows hedges	111.32	464.72	(273.55)	1,066.57
	(ii) Income tax relating to items that will be reclassified to profit or loss	(39.17)	(162.64)	95.92	(372.29)
IX	Total comprehensive income for the period (VII+VIII) (comprising profit and other comprehensive income for the period)	2,197.13	2,448.78	2,946.07	10,152.29
X	Paid up equity share capital (face value: Rs 10 per share)	1,711.01	1,711.01	1,711.01	1,711.01
XI	Other equity				68,466.55
XII	Earnings per equity share				
	(1) Basic	12.28	12.28	17.81	54.97
	(2) Diluted	12.28	12.28	17.81	54.97



## NOTES:

1. These audited standalone financial results, prepared in accordance with Indian Accounting Standards ('Ind AS') for the quarter ended June 30, 2019 have been approved by the Board of Directors of the Company at its meeting held on July 18, 2019. The statutory auditors have expressed an unqualified opinion on these standalone financial results.

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. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", and has applied the same to its leases contracts existing on April 1, 2019 using the modified retrospective method. The Company has not restated comparative information. The adoption of the standard has resulted in recognition of Right-of-Use asset of Rs. 556 lacs and net lease liability, classified as borrowings of Rs. 556 lacs on transition. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

4. The Board of Directors of the Company at their meeting held on April 23, 2019 and Shareholders by way of Special Resolution passed through Postal Ballot / e-voting dated June 19, 2019 approved the proposal for buy-back of up to 19,98,678 fully paid up Equity Shares at a price not exceeding Rs.850 per share for a total consideration not exceeding Rs.16,988.76 lakhs. The Buy-back Committee of the Board on 20th June, 2019, had fixed the buy-back price of Rs.825 per equity share and accordingly to buy-back up to 20,59,243 Equity Shares. The Company had made a Public Announcement in national and local newspapers on June 24, 2019 and also filed Draft Letter of Offer with SEBI on June 26, 2019 for their comments.

The proposal was conceived and approved based on the provisions of Companies Act, 2013, SEBI (Buy-back of Securities) Regulations, 2018 and the Income Tax Act, 1961 as it stood prior to the introduction of the Finance (No.2) Bill, 2019, in Lok Sabha on July 5, 2019. The Bill has the effect of amending Section 115QA of the Income Tax Act, 1961 on account of which the listed companies shall also be liable to pay additional tax of 20% plus applicable surcharge and education cess on distributed income as defined therein, pursuant to buy-back of shares which was not envisaged when Company sought the aforesaid approval of the Board and shareholders.



Therefore the Company is taking up the matter with SEBI for their guidance and the way forward. Further disclosures in this regard will be made as and when it is required under applicable regulations

For Sasken Technologies Ltd.



Rajiv C Mody  
Chairman and Managing Director  
DIN: 0092037

Place: Bengaluru  
Date: July 18, 2019

