

Independent Auditor's Report on Quarter and Half year ended 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 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 "the Group"), for the quarter and half year ended September 30, 2021 ('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) includes the 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 recognition and measurement principles laid down in the Indian Accounting Standards 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Group for the quarter and half year ended September 30, 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 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 ("ICAI") 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 ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.

Board of Directors' Responsibilities for the Consolidated Financial Results

This Statement has been prepared on the basis of the interim consolidated financial statements for the quarter and half year ended September 30, 2021. 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 recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other recognized 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 Board of Directors either intends to liquidate their respective entities or to cease operations, or has 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 consolidated financial results 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.

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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- 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.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W

PRADEEP Digitally signed by
PRADEEP MYSORE

MYSORE SURESH

SURESH Date: 2021.10.21

Pradeep Mysore Suresh

Partner

Membership No.: 216181

UDIN: 21216181AAAAAN5152

Date: October 21, 2021

Place: Bengaluru

AUDITED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2021

(Rs. in lakhs)

Particulars	As at September 30, 2021	As at March 31, 2021
ASSETS		
(1) Non-current assets		
Property, plant and equipment	3,184.88	3,374.35
Right of use Assets	52.12	-
Capital work-in-progress	2.42	0.72
Intangible assets	8.79	18.19
Financial assets		
(i) Investments	42,363.51	34,167.64
(ii) Other financial assets	159.88	136.07
Deferred tax assets (net)	823.93	589.14
Other tax assets	4,522.17	4,150.57
Other non-current assets	152.92	0.56
Total non-current assets	51,270.62	42,437.24
(2) Current assets		
Financial assets		
(i) investments	5,814.45	7,069.13
(ii) Trade receivables	8,396.34	6,659.92
(iii) Cash and cash equivalents	1,563.53	2,075.61
(iv) Other bank balances	710.36	3,209.63
(v) Unbilled revenue	1,833.01	1,698.36
(vi) Derivative assets	313.48	495.15
(vii) Other financial assets	586.46	589.35
Contract assets	1,185.30	1,974.27
Other current assets	665.66	651.48
Total current assets	21,068.59	24,422.90
Total assets	72,339.21	66,860.14
EQUITY AND LIABILITIES		
Equity		
Share capital	1,505.09	1,505.09
Other equity	59,921.22	54,949.84
Total equity	61,426.31	56,454.93
LIABILITIES		
(1) Non-current liabilities		
Financial liabilities		
-Lease liabilities	52.72	-
Provisions	658.26	626.81
Total non-current liabilities	710.98	626.81
(2) Current liabilities		
Financial liabilities		
(i) Trade payables		
Outstanding dues to micro and small enterprises	5.55	3.75
Outstanding dues to creditors other than micro and small enterprises	1,260.34	1,382.44
(ii) Other financial liabilities	2,481.95	2,363.16
Deferred revenue	290.93	92.04
Other current liabilities	1,856.71	2,111.30
Provisions	1,366.75	1,594.80
Income tax liabilities (net)	2,939.69	2,230.91
Total current liabilities	10,201.92	9,778.40
Total equity and liabilities	72,339.21	66,860.14

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

(Rs. in lakhs)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
I	Revenue from operations	10,864.86	10,980.49	10,727.85	21,845.35	22,034.04	44,483.52
II	Other income	1,246.80	1,059.89	467.57	2,306.69	1,359.72	2,961.67
III	Total income (I+II)	12,111.66	12,040.38	11,195.42	24,152.04	23,393.76	47,445.19
IV	EXPENSES						
	Employee benefits expense	6,440.72	6,533.66	6,778.35	12,974.38	13,471.91	26,459.71
	Finance costs	1.29	1.51	5.92	2.80	12.38	46.77
	Depreciation and amortization expense	167.22	156.33	278.24	323.55	572.80	1,018.22
	Other expenses	992.60	1,219.78	1,240.66	2,212.38	2,607.44	4,971.24
	Total expenses (IV)	7,601.83	7,911.28	8,303.17	15,513.11	16,664.53	32,495.94
V	Profit before tax (III-IV)	4,509.83	4,129.10	2,892.25	8,638.93	6,729.23	14,949.25
VI	Tax expense:						
	(1) Current tax	780.78	729.32	564.43	1,510.10	1,573.71	3,494.61
	(2) Deferred tax	873.11	850.28	614.53	1,723.39	1,506.78	3,229.89
		(92.33)	(120.96)	(50.10)	(213.29)	66.93	264.72
VII	Profit after tax (V-VI)	3,729.05	3,399.78	2,327.82	7,128.83	5,155.52	11,454.64
VIII	Other comprehensive income	(201.61)	(54.96)	314.78	(256.57)	843.22	(1,036.49)
	A Items that will not be subsequently reclassified to profit or loss-						
	(i) Remeasurement gain on defined benefit plans	64.90	35.78	(185.14)	100.68	67.87	139.11
	(ii) Fair value through investments OCI	(27.00)	17.25	1.53	(9.75)	1.53	(2,137.59)
	(iii) Income tax relating to items that will not be subsequently reclassified to profit or loss	(13.24)	(10.98)	46.42	(24.22)	(17.26)	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	33.87	(210.67)	656.26	(176.80)	1,096.40	1,377.90
	(ii) Exchange differences in translating financial statements of foreign operations	(253.71)	61.51	(38.35)	(192.20)	(26.01)	(68.64)
	(iii) Income tax relating to items that will be reclassified to profit or loss	(6.43)	52.15	(165.94)	45.72	(279.31)	(348.66)
IX	Total comprehensive income for the period (VII+VIII) (comprising profit and other comprehensive income for the period)	3,527.44	3,344.82	2,642.60	6,872.26	5,998.74	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	1,505.09
XI	Other equity						54,949.84
XII	Earnings per equity share						
	(1) Basic	24.80	22.63	15.50	47.43	34.33	76.26
	(2) Diluted	24.80	22.63	15.50	47.43	34.33	76.26

Sasken Technologies Limited
Audited Consolidated statement of cash flows for the half year ended September 30, 2021

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

	For the half year ended September 30, 2021	For the half year ended September 30, 2020
Cash flows from operating activities		
Profit before tax	8,638.93	6,729.23
Adjustments for:		
Depreciation and amortization expense	323.55	572.80
Dividend income	(56.41)	(56.41)
Interest income	(324.13)	(250.38)
Gain on sale of investments	(76.36)	(173.06)
Change in fair value of investments	(1,760.86)	(1,021.42)
(Profit) / Loss on sale of property, plant and equipment	(9.44)	17.24
ESOP compensation cost	8.27	19.46
Exchange differences on translation of assets and liabilities	101.26	(22.33)
Finance charges	2.80	12.38
Allowance for expected credit losses on financial assets	2.54	18.69
Write back of unclaimed balances	116.28	(70.68)
Cash flow hedges - in-effective portion of changes in fair value	4.87	(13.37)
Operating profit before working capital changes	6,971.30	5,762.15
Changes in assets and liabilities:		
Trade receivables, unbilled revenue & contract assets	(1,084.66)	1,455.53
Other financial assets and other assets	(765.07)	(980.07)
Trade payables and deferred revenue	(37.60)	(363.50)
Provisions, other financial liabilities and other liabilities	(240.16)	(595.73)
Cash generated from operating activities	4,843.81	5,278.38
Income taxes (paid)/Refund	(736.91)	(588.59)
Net cash generated from operating activities (A)	4,106.90	4,689.79
Cash flows from investing activities		
Interest received	252.45	250.37
Dividend Income	56.41	56.41
Proceeds from sale of property, plant and equipment	20.86	19.00
Acquisition of property, plant and equipment	(190.00)	(76.55)
Payments to acquire investments	(26,598.12)	(16,555.06)
Proceeds from sale of other investments	21,484.40	15,322.34
Investment in bank deposits	2,499.27	(2,503.13)
Net cash Used in investing activities (B)	(2,474.73)	(3,486.62)
Cash flows from financing activities		
Dividend paid during the year (including dividend distribution tax)	(2,257.63)	-
Lease liabilities	49.94	(155.40)
Shares sold by trust / brought back in the previous year	129.39	-
Net cash used in financing activities (C)	(2,078.30)	(155.40)
Net increase /(decrease) in cash and cash equivalents (A+B+C)	(446.13)	1,047.77
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	(65.95)	(3.68)
Cash and cash equivalents at the end of the period	1,563.53	2,657.46

NOTES:

1. The audited consolidated financial results for the quarter and half year ended September 30, 2021, have been prepared in accordance with the Indian Accounting Standards ("Ind AS") 34, Interim Financial Reporting under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as amended, have been approved by the Board of Directors of the Company at its meeting held on October 21, 2021. 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. Dividend

The Board of Directors have declared an interim dividend of Rs.12 per equity share of Rs.10 each for the financial year 2021-22.

Place: Bengaluru

Date: October 21, 2021

For Sasken Technologies Ltd.

Rajiv C Mody
Chairman and Managing Director

DIN: 0092037



	Q2 FY 22	Q1 FY 22	Q4 FY 21	Q3 FY 21	Q2 FY 21	Q1 FY 21	Q4 FY 20	Q3 FY 20	Q2 FY 20	Q1 FY 20	Q4 FY 19	Q3 FY 19	Q2 FY 19	Q1 FY 19
Employee Metrics														
Employees, period end	1,276	1,306	1,395	1,444	1,508	1,520	1,554	1,628	1,734	1,802	1,833	1,780	1,781	1,812
Total Employees (Consolidated)	1,094	1,126	1,219	1,259	1,313	1,319	1,349	1,402	1,495	1,572	1,600	1,552	1,552	1,580
	182	180	176	185	195	201	205	226	239	230	233	228	229	232
Hiring Metrics														
Gross Adds	147	64	61	57	74	44	69	58	96	137	213	148	137	96
Net Adds	(30)	(89)	(49)	(64)	(12)	(34)	(74)	(106)	(68)	(31)	53	(1)	(31)	(55)
Attrition % Annualized (Based on Voluntary attrition only)	48.6%	39.4%	23.7%	29.5%	13.7%	18.5%	29.4%	24.0%	22.0%	24.0%	30.3%	29.4%	30.7%	25.2%
Attrition % LTM (Based on Voluntary attrition only)	34.7%	26.5%	21.4%	23.1%	22.0%	25.1%	25.1%	26.0%	27.0%	29.0%	28.2%	26.6%	24.6%	21.6%
Revenue by geography - Consolidated (in %)														
North America	30.0%	33.0%	33.0%	33.3%	33.4%	41.0%	39.0%	41.0%	40.0%	40.0%	43.0%	39.0%	36.0%	39.0%
EMEA	20.0%	21.0%	17.0%	19.9%	17.6%	19.0%	22.0%	20.0%	22.0%	20.0%	21.0%	23.0%	24.0%	23.0%
India	33.0%	30.0%	30.0%	28.6%	30.2%	27.0%	26.0%	25.0%	22.0%	27.0%	24.0%	27.0%	31.0%	30.0%
APAC	17.0%	16.0%	20.0%	18.2%	18.8%	13.0%	13.0%	14.0%	16.0%	13.0%	12.0%	11.0%	9.0%	7.5%
Client Concentration (in %)														
Top 5 client contribution to revenues	48.0%	41.0%	40.9%	42.3%	42.7%	43.0%	39.0%	39.0%	41.0%	49.8%	56.3%	52.2%	55.4%	52.1%
Top 10 client contribution to revenues	69.0%	64.0%	65.2%	64.8%	65.4%	63.0%	60.0%	58.0%	59.0%	65.9%	70.1%	68.8%	71.3%	70.4%
Relationships with Customers (TTM)														
\$1M + clients	9	9	11	11	12	15	17	18	13	10	11	11	10	10
\$3M + clients	7	7	6	5	6	4	3	3	3	4	5	5	5	6
\$10M + clients	-	-	-	-	-	-	1	1	1	1	1	1	1	1
Utilization, including trainees (in %)*	87.3%	85.7%	79.6%	82.0%	81.7%	73.9%	74.8%	74.1%	72.3%	76.4%	75.7%	76.4%	77.5%	81.4%
Revenue Split (in ` Million)														
Onsite	174	214	271	257	226	295	330	359	331	423	495	400	309	494
Offshore	912	884	835	882	847	835	798	831	926	923	860	814	821	849
Revenue by Project Type (in ` Million)														
Time and Material (including compensation)	792	814	818	799	758	656	814	799	812	793	743	743	764	755
Fixed Price	294	284	288	340	314	475	315	391	446	554	612	471	367	558



