

EMPLOYEE
WELL BEING

BUSINESS
CONTINUITY

ADAPTABILITY

CUSTOMER
FOCUS

Inch wide.

Mile deep.

WORK
FROM HOME

UNCERTAINTIES

LOCKDOWNS

COVID-19

Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Saksoft Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management’s discussion and analysis of the Saksoft Limited Annual Report 2020-21.

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Corporate Information

BOARD OF DIRECTORS

Chairman & Managing Director
Aditya Krishna
Independent Non-Executive Directors
Ajit Thomas
VVR. Babu
Ganesh Chella
Malini Thadani
Non-Executive Director
Kanika Krishna
EXECUTIVE COMMITTEE
Chairman & Managing Director
Aditya Krishna
Chief Operating Officer and Chief Financial Officer
Niraj Kumar Ganeriwala
Executive Vice President
Dhiraj Kumar Mangla
Senior Vice President & Global Head - Information Management Services
Gopakumar N Kavunkal
Senior Vice President - India and APAC Sales
Bhaskar Narayanan
Chief Commercial Officer - Acuma Solutions (A Saksoft Company)
Jonathan Eeley
CEO, DreamOrbit (A Saksoft company)
Sanchit Jain
Vice President, Global Head - Testing Services
Soumya Sashi
Senior Vice President Sales - US Region
Swaraj Kumar Dash
Vice President
Avantika Krishna

COMPANY SECRETARY & COMPLIANCE OFFICER

Meera Venkataramanan
WEBSITES
www.saksoft.com
www.acuma.co.uk
www.edprof.com
www.360logica.com
www.dreamorbit.com
www.faichi.com
EMAIL
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complianceofficer@saksoft.co.in
investorqueries@saksoft.co.in

AUDITORS

R.G.N.Price & Co.,
Chartered Accountants,
Simpson’s Buildings,
Post Box No. 335,
861, Anna Salai,
Chennai - 600 002
BANKERS
RBL Bank Limited, Chennai
HDFC Bank, Chennai
IndusInd Bank, Chennai
Citibank N.A, Chennai
Deutsche Bank, Chennai
State Bank of India, Chennai

REGISTERED AND CORPORATE OFFICE

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Block A, 2nd Floor,
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SUBSIDIARIES

Saksoft Inc, USA
Saksoft Pte Limited, Singapore
Saksoft Solutions Limited, UK
Electronic Data Professionals, Inc, US
Faichi Solutions Inc, US
Acuma Solutions Limited, UK
Threesixty Logica Testing Services Private Limited, India
Threesixty Logica Testing Services Pte Limited, Singapore
Dreamorbit Softech Private Limited, India
Dreamorbit Inc, US
Saksoft Ireland Limited, Ireland

REGISTRAR AND SHARE TRANSFER AGENT

Cameo Corporate Services Limited
Subramanian Building,
No. 1, Club House Road, Chennai - 600 002
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DEVELOPMENT CENTERS

INDIA					UK
Chennai	Noida	Bengaluru	Pune	Mumbai	Stockport
Global Infocity Park, Block A, 2nd Floor, #40, Dr. MGR Salai, Kandanchavadi, Perungudi, Chennai - 600 096 Ph.: + 91 44 2454 3500 Fax: + 91 44 2454 3510	B 35-36, Sector 80, Phase II, Noida - 201305 Ph.: +91 120 428 6231 33 Fax: + 91 120 2462 179	Ascend-19, 2nd Floor, 1st Cross, 17th C Main, 5th Block, Koramangala, Bangalore - 560 095 Ph.: 91-80-4098 9881	503, 5th Floor, Pride Purple Accord, Baner Road, Pune, Maharashtra - 411 045 Ph.: +91 20 27 29 3402	Emgeen Chambers II floor, 10, Vidyanaagari Marg CST Road, Kalina Santacruz (East) Mumbai - 400 098 Ph.: 022 4924 4642	Applicon House, Exchange Street, Stockport, United Kingdom, SK3 0EY Ph.: +44(0) 161 241 4321 Fax: +44 (0)161 241 4250



- 1 We delivered growth in a challenging year
- 2 We protected and built on our Balance Sheet during different phases of the year
- 3 We finished the year considerably stronger than when we had started out
- 4 We remained committed to protect our Human Resource Capital
- 5 We are more attractively placed to enhance value going ahead

'Inch wide. Mile deep!' at work at Saksoft



The global economy passed through its most trying moment in living memory.

The global economy de-grew 3.5% during 2020 and the Indian economy de-grew 7.3%.

Saksoft reported 7.5% growth in revenue, 5.6% growth in EBITDA and 17.6% increase in Profit after Tax.

This outperformance was the result of the Company having consciously selected to focus on a handful of future-facing industry verticals with a deepening presence in each.

We believe that this strategic direction will empower the Company to capitalise on a widening digitalisation sweep across the verticals of the Company's presence over the foreseeable future.

*Strengthening solutions for our customers;
enhancing value for our stakeholders.*

(Source: IMF, Livemint)

Fintech, Retail e-commerce, Transportation & Logistics, Telecom, Healthcare and Public Sector.

Enhancing the competitiveness of its customers, strengthening their margins and enhancing their market position.

Playing the role of a responsible and value-accretive digital transformation partner.



Rich experience

Saksoft, founded and promoted by the Late Mr. Autar Krishna and stewarded by Mr. Aditya Krishna, has emerged as one of the leading digital transformation partners for its clientele. The Company is a global leader in providing digital transformation solutions, enabling businesses to stay connected in a rapidly evolving world.

Presence

Headquartered in Chennai (India), the Company has 14 offices across the USA, Europe and Asia. The US accounted for the Company's largest market, generating ~ 47% of revenues in 2020-21, followed by Europe at 31% and APAC & others at 22%.

Clientele

The Company provides services across verticals such as Fintech, Transportation & Logistics, Healthcare, Telecom and Public Sector,

Values

At Saksoft, we believe in a culture of Innovation, Customer Focus, Openness, Respect and Enterprising (iCORE). This represents the foundation of the organisation and is reflected in everything that we do.

Diversified services

The Company offers a bouquet of digital transformation services covering the following: analytics solutions, strategic consulting, IoT and mobility solutions, technology training, application development, robotic process automation, digital

testing services, managed by deepening its presence in the verticals of infrastructure services and cloud services.

Employee base

The Company employed about 1260 full-time professionals as on March 31, 2021. The average age of the Company's workforce ranged between 30-40 years as on March 31, 2021.

Credibility

The credit rating for the long-term bank facilities taken by the Company was reaffirmed at CARE A- during the year under review.

Listing

Saksoft is listed on the National Stock Exchange with a trading permission on the Bombay Stock Exchange. The

Company's market capitalisation was Rs.377 Crore (March 31, 2021).

Compliance

The Company has been accredited with the ISO 9001:2015 certification for its quality management system and ISO 27001:2013 certification for information security management system, showcasing its process excellence.

Capabilities and offerings

Powered by Digital Intelligence Framework	Agile / Waterfall / Hybrid delivery models	Value innovation programs	Centre of Excellence
Cost and operations efficiency	Value chain optimisation	Faster time to market	Training and support

Legacy modernisation

Architecture / Technology Upgrade	Mobility Solutions	Application / Platform Integration	User Experience	On-Premise to Cloud
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Intelligent automation

Robotics Process Automation	Internet of Things	Data Analytics	ML / AI	Test Automation
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Managed analytics

Reporting Factory	Scripting Factory	Data Science Factory	System Management
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Managed infrastructure

IT Infrastructure Support; 24X7 Monitoring	End Point Management	Application & DB operations	Software asset management
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The highlights of Saksoft's 2020-21 performance

Business highlights, 2020-21

The Company strengthened its Predictive Analytics capability	The Company strengthened its marketing by deepening its presence in the select industry verticals	The Company increased revenues from its offshore division by 1% during the year
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Financial highlights, 2020-21

Revenues increased 7.53% to Rs.385.81 crore	EBITDA increased by 5.6% to Rs.64.42 Crore	RoCE was at an attractive 22%	Debtors' turnover was 62 days	Net profit grew by 17.6% to Rs.45.44 crore	EPS increased by 18.1% to Rs.45.68
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Value dashboard

377
Rs. crore, our market valuation as on March 31, 2021

Dividend

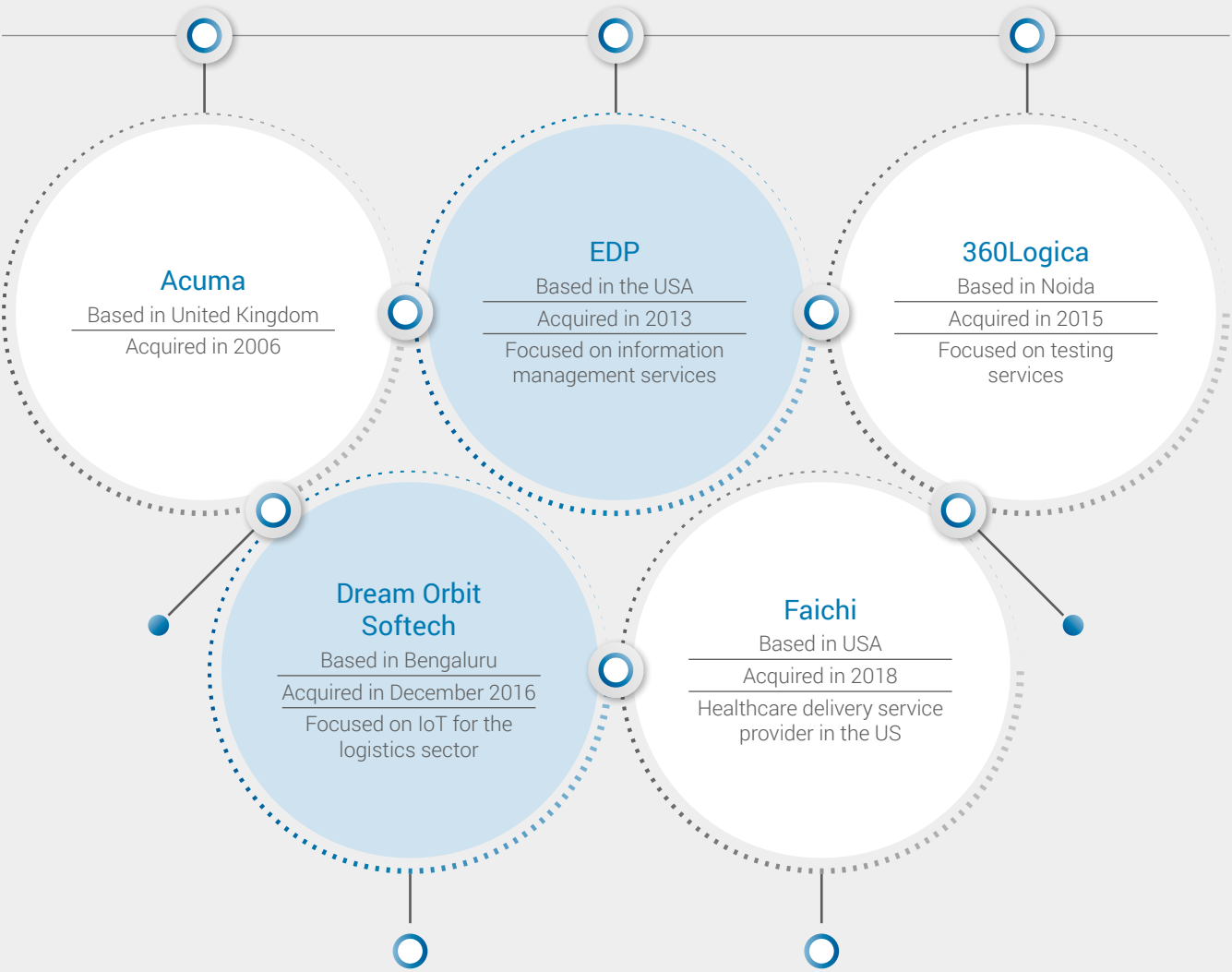
5
Rs. share, dividend proposed for 2020-21 (including interim dividend of Rs.2.5)

Our shareholding pattern as on March 31, 2021



■ Promoter: 69.11%
■ FI (FPI): 2.15%
■ ESOP Trust: 5.07%
■ Public (other than FI): 23.67%

Saksoft's 'String of Pearls'



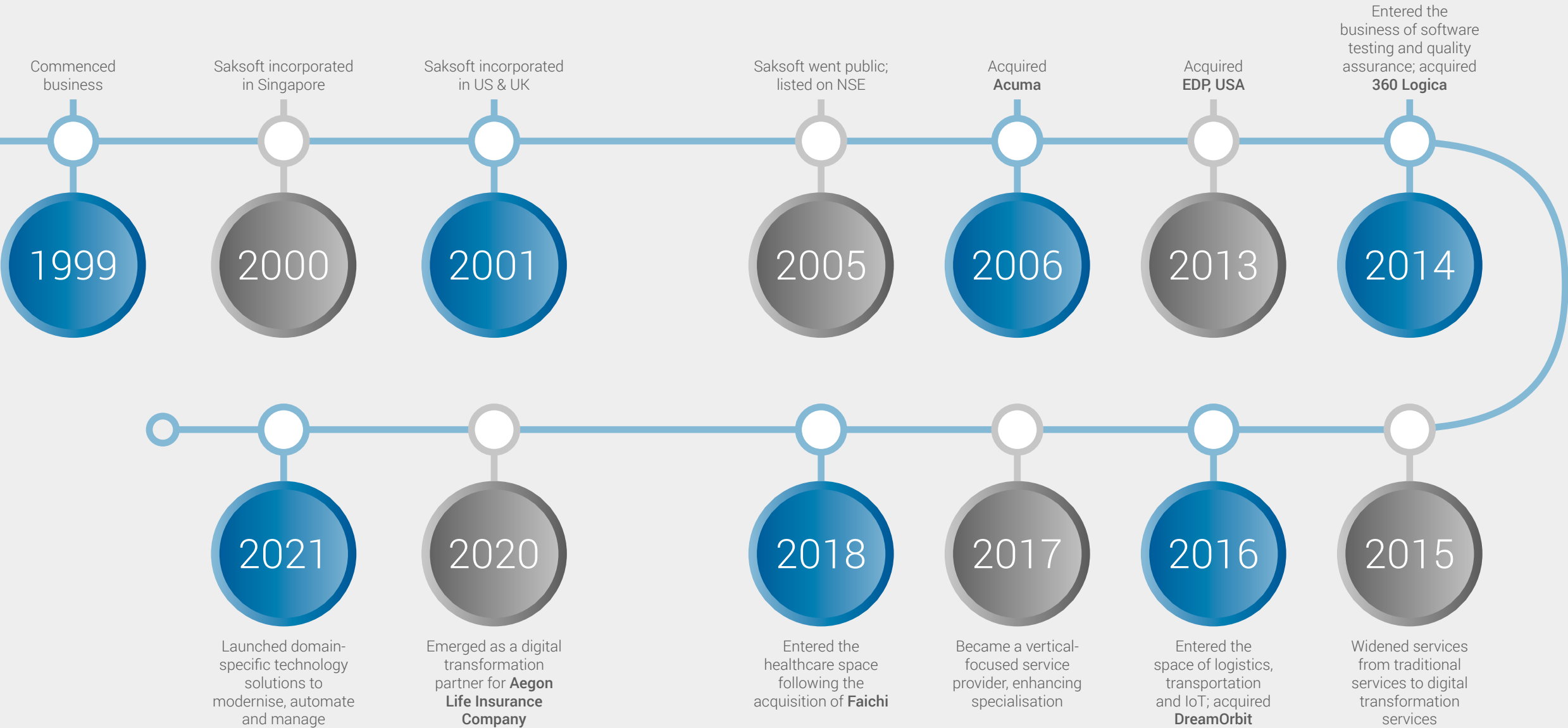
Big numbers at Saksoft

1260+
Number of employees as on March 31, 2021

14
Number of strategic locations of the Company's presence

20+
Number of years of track record

Milestones



Financial highlights, FY 2020-21

<div>Revenue from operations (Rs. in crore)</div> <div>+27.03</div> <div>(Rs. in crore)</div> <div><div>259.5</div><div>285.87</div><div>358.05</div><div>358.78</div><div>385.81</div><div>2016-17</div><div>2017-18</div><div>2018-19</div><div>2019-20</div><div>2020-21</div></div> <div><div>Why we measure</div><div>To assess the effectiveness of our product/solutions mix, prudence in geographic presence, sales focus efficiency, execution and network capability, brand equity and competitiveness.</div><div>What it discloses</div><div>Saksoft reported a 7.5% increase in revenues over the preceding year, on the back of chosen industry verticals</div></div>	<div>Operating profit (EBITDA) (Rs. in crore)</div> <div>+3.39</div> <div>(Rs. in crore)</div> <div><div>32.91</div><div>39.60</div><div>59.16</div><div>61.03</div><div>64.42</div><div>2016-17</div><div>2017-18</div><div>2018-19</div><div>2019-20</div><div>2020-21</div></div> <div><div>Why we measure</div><div>To ascertain business efficiency; an improvement in operating profit indicates a larger surplus for the Company, available for reinvestment or shareholder reward.</div><div>What it discloses</div><div>At Saksoft, we generated a 5.6% increase in EBITDA, arising from revenue growth and a deeper presence in customer environments.</div></div>	<div>Cash profit (PAT+Depreciation) (Rs. in crore)</div> <div>+6.19</div> <div>(Rs. in crore)</div> <div><div>21.41</div><div>27.28</div><div>42.48</div><div>45.92</div><div>52.11</div><div>2016-17</div><div>2017-18</div><div>2018-19</div><div>2019-20</div><div>2020-21</div></div> <div><div>Why we measure</div><div>To arrive at an understanding of the Company's ability to grow the business through accruals.</div><div>What it discloses</div><div>At Saksoft, our cash profit of Rs.52.11 crore was attractive, indicating our commitment to grow accruals and strengthen working capital management.</div></div>	<div>Return on capital employed (%)</div> <div>-260</div> <div>(bps) (two years)</div> <div><div>20</div><div>20</div><div>27</div><div>25</div><div>22</div><div>2016-17</div><div>2017-18</div><div>2018-19</div><div>2019-20</div><div>2020-21</div></div> <div><div>Why we measure</div><div>RoCE is a financial metric indicating business health – the percentage of surplus generated from the available funds pool of the Company.</div><div>What it discloses</div><div>There was a decline in RoCE on account of moderate revenue growth, a pandemic impact.</div></div>	<div>Interest cover (x)</div> <div>60.3%</div> <div>(%)</div> <div><div>7.21</div><div>7.49</div><div>11.89</div><div>11.22</div><div>17.97</div><div>2016-17</div><div>2017-18</div><div>2018-19</div><div>2019-20</div><div>2020-21</div></div> <div><div>Why we measure</div><div>The interest coverage ratio determines how comfortably a company can pay its interest liabilities from its earnings.</div><div>What it discloses</div><div>A growing EBITDA and tightening interest outflow enabled better debt servicing, strengthen the interest cover.</div></div>	<div>Debt-equity ratio (x)</div> <div>38.46</div> <div>(%)</div> <div><div>0.33</div><div>0.30</div><div>0.19</div><div>0.13</div><div>0.08</div><div>2016-17</div><div>2017-18</div><div>2018-19</div><div>2019-20</div><div>2020-21</div></div> <div><div>Why we measure</div><div>It indicates the debt outlay of a company relative to shareholders' funds.</div><div>What it discloses</div><div>Saksoft's progressive debt repayment and increased net worth helped strengthen gearing in 2020-21.</div></div>	<div>Earning per share (Rs.)</div> <div>+ 7.01</div> <div>(Rs.)</div> <div><div>17.30</div><div>21.98</div><div>36.66</div><div>38.67</div><div>45.68</div><div>2016-17</div><div>2017-18</div><div>2018-19</div><div>2019-20</div><div>2020-21</div></div> <div><div>Why we measure</div><div>Earnings per share serves as an indicator of a company's profitability (in terms of the portion of profit allocated to each outstanding share).</div><div>What it discloses</div><div>At Saksoft, we strengthened our EPS through an undiluted equity base and sustainable profit growth.</div></div>	<div>Dividend per share (Rs.)</div> <div>+0.50</div> <div>(Rs.)</div> <div><div>3.00</div><div>3.50</div><div>4.00</div><div>4.50</div><div>5.00</div><div>2016-17</div><div>2017-18</div><div>2018-19</div><div>2019-20</div><div>2020-21</div></div> <div><div>Why we measure</div><div>Dividend per share (DPS) is the declared dividend for every ordinary share outstanding.</div><div>What it discloses</div><div>Consistent with our focus on rewarding shareholders, we increased dividend per share during the last financial year.</div></div>
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Summary report

Letter to shareholders



Aditya Krishna
Chairman and Managing Director

Dear shareholders,

NO FINANCIAL NUMBER AND NO PROFIT MARGIN CAN BE MORE IMPORTANT THAN THE FACT THAT WE FINISHED THE YEAR UNDER REVIEW STRIVING THE BEST TO KEEP OUR EMPLOYEES AND THEIR FAMILY MEMBERS SAFE.

Overview

Each year my communication to shareholders focuses on the various initiatives to grow the business and shareholder value.

This year I intend to focus on how we intend to protect our business instead.

At Saksoft, we are convinced that to finish first, one must first finish.

This statement has acquired a deeper connotation in today's environment marked by the sweeping resurgence of the second pandemic wave in India.

Any discussion about our business must begin and end with what needs to be done to protect our people, our most precious capital.

These are challenging times for people-intensive and knowledge-driven business; there is a premium on the ability to protect talent from the effects of the pandemic.

Responsive

As a responsive organisation, Saksoft had foreseen the impending lockdown in March 2020; within the space of a few days before the lockdown had been formally announced, the Company had ordered additional

FINANCIAL HIGHLIGHT, 2020-21

7.5%

Revenues increased to Rs.385.81 crore

16.7%

EBIDTA margin in FY 2020-21

WHAT WE EARNED IN 2020-21

52.11

Rs. Crore, cash profit generated from our business*

*Profit after tax + Depreciation

laptops that were given out to employees to work with from their homes; the Company created an entire operating architecture that could be shifted from our formal offices to hundreds of homes across cities.

This safety-first approach helped the Company protect most of its talent capital from the risk of infection – I must add here that we did not lose a single professional during the year to Covid-19 – and I consider this to be our biggest achievement of

the last financial year. No financial number and no profit margin can be more important than the fact that we finished the year under review with most of our talent capital intact and most of their family members safe. We believe that this 'internal customer' focus will continue to empower our Company to address the needs of our external customers across the foreseeable future.

Preparedness

At Saksoft, we believe that there has never been a moment when our business model has been more relevant than it is now.

During the last decade, the Company deepened its brand around digitalisation. The Company positioned itself as a digital transformation partner for companies intending to graduate from simplistic automation. We believe that the pandemic has proved to be a watershed moment for digitalisation. As consumers will seek to engage remotely with their vendors and offices, there will be a greater priority for product and service providers to strengthen their digitalised front-face consumer engagement coupled with robust digitalised back-end architecture. In view of this, we believe that the size of our market widened considerably during the last year; it is only a matter of time when the need for customers to restructure translates into order books for service providers like Saksoft.

Saksoft is attractively placed to capitalise on the emerging opportunity for another reason. Over the years,

the Company selected to specialise than generalise. This is reflected in our overarching 'inch wide mile deep' positioning. Our customers turn to us because we possess a multi-year domain expertise; we are not seen as a technology company but a solution provider; we are not just perceived as a service provider who can fix a specific problem but those who empower our clients through enhanced margins.

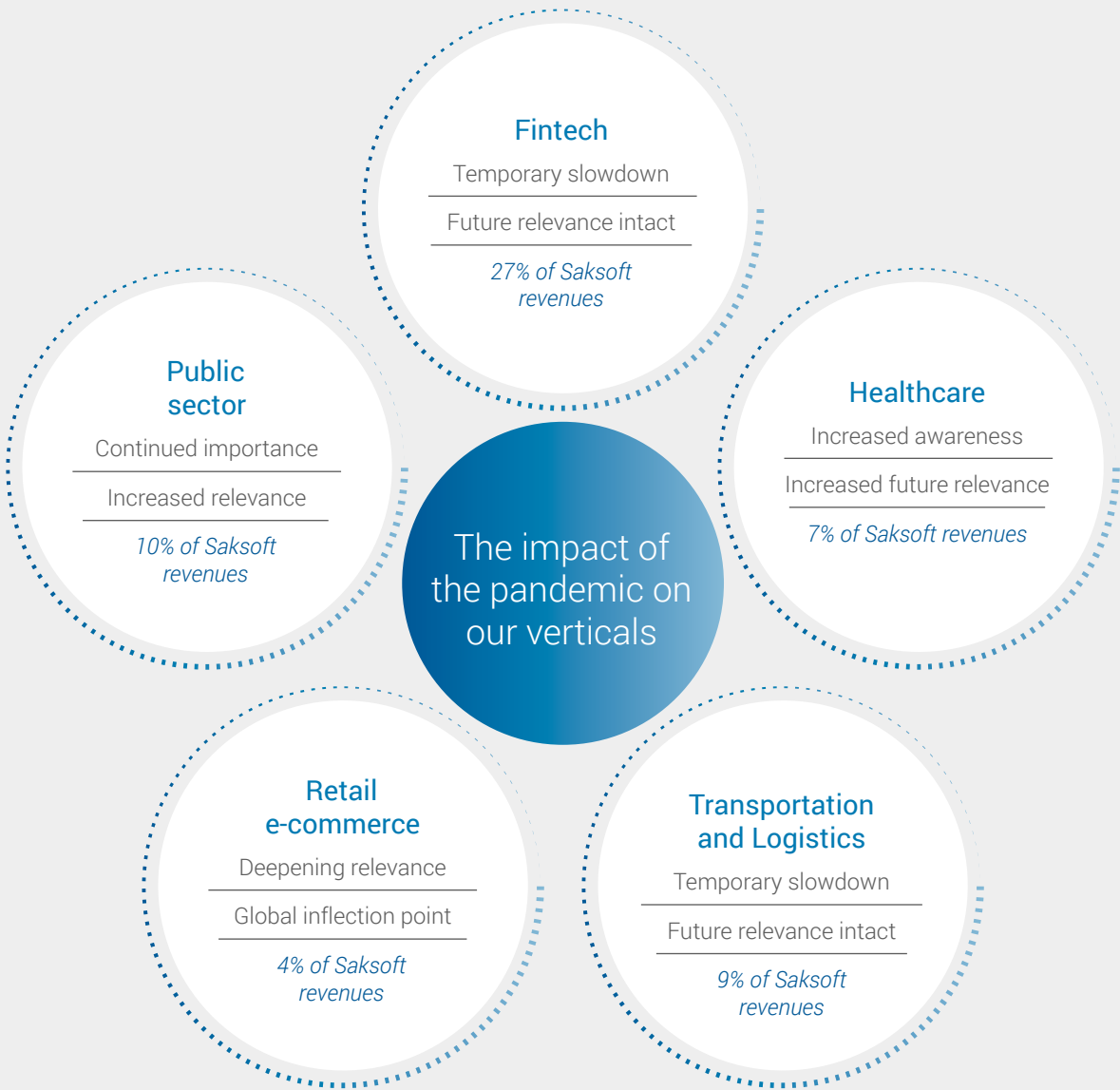
Saksoft is increasingly relevant because the relevance of each of its verticals has only deepened during the pandemic. The pandemic has brought to the forefront the prospects of the health care sector; there is a greater propensity of buying online; there is a widening need for supporting fin-tech solutions; products need to be delivered faster and more cost-effectively. Saksoft is present in each of these spaces, strengthening its relevance in a digitalised post-pandemic world.

Outlook

This is probably the first year when my overview will not provide any financial guidance.

The only resolution that one will make is that we will invest every resource in ensuring that all our employees and their family members are vaccinated, safe and secure.

In today's uncertain environment, there can be no bigger priority.



Financial and business review

How we performed in a challenging 2020-21

The management’s response to the Company’s performance in 2020-21

THE MANAGEMENT’S RESPONSE IS AT TWO LEVELS – ON THE ONE HAND IT WAS SATISFIED WITH THE PERFORMANCE DURING THE YEAR UNDER REVIEW AND AT ANOTHER LEVEL IT WAS NOT.



Niraj Kumar Ganeriwala
Chief Operating Officer and Chief Financial Officer

The management was satisfied with the speed with which it responded to the outbreak of the pandemic in 2020. As it became imminent that a lockdown was inevitable, the management responded with speed to protect its most critical asset – employees – and transition them to a work-from-home environment. Considering that this was an unprecedented phenomenon for the Company, the speed, flexibility and commitment demonstrated by the Company was a validation of what we have always believed: that within Saksoft resides an agile company soul in a medium-sized corporate body.

The speed with which the Company transitioned employees to work from their residences warranted a re-assigning of computer hardware, security screens, implementation of virtual engagement platforms and a restructuring of workflows. That Saksoft could achieve all these within just five days with no subsequent productivity loss – either for the Company or for customers – sent our clients a signal of our corporate management depth. A number of customers were pleasantly surprised by how we helped keep their lights on during a period of uncertainty, which also strengthened our brand.

The management’s perspective on the Company’s performance in 2020-21

The Saksoft management felt that its performance could have been better during the year under review. As the pandemic outbreak translated into a global economic slowdown, there was a delay in decision-making when it came to an extension of projects or new projects being assigned. As discretionary spending declined and a larger number of managements preferred status quo, the Company’s revenue growth was impacted. The result is that even as Saksoft was initially confident of growing revenues during the year under review, it could only finish the year with revenue growth of 7.5%. There are two ways of appraising this reality: the 7.5% growth in revenues was relative to what we felt the Company

would have achieved in a normal year and hence felt disappointed; however, when one compares our revenue accretion of 2020-21 with the fact that the global economy de-grew and that the Company performed better than the growth of the respective global verticals of its presence, then there is perhaps a positive commentary to communicate about our resilience in an uncertain operating environment.

The positives to have emerged from the realities of 2020-21

There were a number of positives that emerged from the performance of the Company during the year under review.

One, Saksoft did not suffer any customer attrition on account of service under-delivery. This validated the fact that the Company is integral to the success of its customers. We believe that when client spending returns – as it should during the current financial year – we should be able to carve away a larger share of the customer’s wallet.

Two, Saksoft added few customers and accounted for a larger wallet share of a number of its customers during the last financial year. The proportion of revenues generated from its five largest customers accounted for 46% of revenues. The proportion of revenues generated from repeat customers was about 90%. I am pleased to report that the strength of our relationships was validated during the year under review, which provides optimism that this pipeline should generate attractive gains across the foreseeable future.

The overall health of the business model

The health of the business model and its capacity to deliver a long-term upside was protected during the year under review. To explain this, one will need to step back and analyse the impact of the pandemic: as people were locked into their homes for reasons of safety, they resorted to online purchases where merchandise would be delivered home. The result was that most engagements with the external world shifted from the offline to the online, creating what we believe is the inflection point for the digitalisation movement. From a primary perspective, we believe that for a company like Saksoft that has positioned itself as a digitalisation transformation partner for customers, what transpired in 2020 represents something more than a mere market development – it represents a structural shift. As digitalisation becomes a life catalyst for a larger number of people the world over, we foresee a widening of opportunities for companies like ours. As a result, from a purely Profit & Loss perspective, the performance during the year under review may not have completely matched the management’s expectations; we do believe that the ground-shift is only likely to strengthen our prospects across the foreseeable future. This validates our strategy of selecting to focus on digitalisation transformation as a long-term direction, which was only revalidated in 2020.

Performance in two of our largest markets

In the United Kingdom, the public sector had been a good client segment for the Company in the past. However, we recognised the limitations of this customer group: the engagements were largely based on our capacity to be the lowest bidder in a public tender; even after working for years with a public sector organisation, there was a negligible role for our relationship quality to be appraised in a positive light, which could translate into additional business. Saksoft embarked on shifting the needle during the last financial year away from public sector businesses towards the enterprise segment where we believe that our projects commitment will be better rewarded through engagement renewal and better revenue visibility.

In the United States, another large market for our services, we do not wish to alter our approach. We will continue to focus on helping customers transition to a digital environment and positioning ourselves as a digital transformation partner.

Our business health

Saksoft strengthened its business during the year under review, despite the weakness in the external environment.

Revenues: The Company reported a 7.5% growth in revenues over the previous year. The impact of currency movement on our revenues was about 3%. Keeping this in mind, the pure volume-driven growth in revenues was about 4.5% over the previous year. USA

contributed 47% of the Company's revenues, Europe around 31% while the remaining 22% was derived from APAC and other regions. The onsite and offshore revenue mix continued to be at 48:52 during the year and the mix is likely to gravitate to offshore from the current year onwards. The fintech and telecom verticals contributed about 27% and 23% of the total revenues respectively, whilst transportation and logistics, retail, healthcare and the public sector accounted for 9%,11% and 10% respectively.

Bottomline: The Company reported a profit after tax of Rs.45.44 Crore in 2020-21 as against Rs.38.65 Crore in 2019-20, a growth of 17.6% on a year-on-year basis This resulted in an earnings per share of Rs.45.68 as against Rs.38.67 in 2019-20, partly the result of a decline in interest outflow.

Margins: The Company maintained margins in a competitive environment on account of the depth of its dedicated team model. The Company retained talent on the one hand and generated superior productivity on the other, which resulted in a deeper delivery of knowledge-based business transformative solutions.

Balance Sheet health: By the close of the year under review, the Company's debt position was Rs.26.50 Crore and cash position Rs.90 Crore, making Saksoft a net cash company, managing growth through accruals. The Company's focus on timely receivables collection resulted in debtors' collection period declining from 69 days as on March 31, 2020 to 62 days as on March 31, 2021,

The pandemic's impact on Saksoft's business

The Company expects that the fallout of the pandemic would be business-strengthening for good reasons.

Digitalisation: We believe that the pandemic has accelerated the maturing of the digital revolution, making it imperative for companies to invest in automation, technology-led cost moderation and digitalisation-induced increase in organisational productivity.

Vertical relevance: We believe that we are present in business verticals, each of whose relevance has only deepened following the pandemic.

Mission criticality: We offer solutions and engagements in areas that are core to our customers, making us mission-critical to the existence and profitability. As a result, we protected every single customer engagement following the pandemic – without attrition.

De-centralisation: We believe that the work-from-home phenomenon

is a precursor to tomorrow's distributed organisation where employees may no longer need to be physically present in a brick and mortar office, widening our prospects to recruit anyone from anywhere.

Competitiveness: We believe that the work-from-home prospect could help software companies moderate people costs during recruitment, strengthening the competitiveness of the sector and Saksoft.

Lower transportation: We believe that the complement of work-from-home and video-conferencing could moderate the need to travel, increasing the incidence of sales pitches being concluded through non-physical interaction.

On the other hand, we expect that new sales engagements could be concluded across longer tenures as long as the pandemic fallout persists.

strengthening cash flows. Return on equity was 17.5% while RoCE stood at 22.1%

Customer profile: The Company comprised six customers of million dollars-plus and nine customers of USD 0.5 Million-plus during the year under review. The total employee count stood at 1260 out of which 1127 comprised technical professionals and 133 comprised support staff. The employee utilisation (excluding trainees) was 82% in 2020-21.

The Company added two clients in the US in the USD 0.5 Million to USD 1 Million portfolio in the transport, logistics and healthcare verticals. There was a greater focus on capturing a larger share of the customer wallet, strengthening revenue contribution by the top 10 clients from 55% in FY20 to about 56% in FY21. The Company reported reasonable demand arising from the fintech, transportation and logistics, healthcare and e-commerce verticals which should translate into enhanced revenues.

Outlook: Our expansion into the infrastructure managed space in 2019 was timely. With the pandemic, the relevance of cloud, remote working, virtual desktops have increased, and is an enabler for the growth at Saksoft.

The vertical-based model of the Company

At Saksoft, we believe that the digitalisation direction and the way the events of 2020 unfolded have only deepened the relevance of the business model. Virtually every single vertical in which the Company is

present is linked directly or indirectly to how consumers responded during the pandemic. Most purchased online; the Company is present in the e-commerce space. Most transacted online; the Company is present in the fintech vertical. Every transaction needed to be consummated with the transportation of a physical product; the Company is present in the transportation vertical. The online environment made it imperative for product sellers to efficiently manage their logistics; the Company provides logistic solutions. The pandemic enhanced the role of good health, diagnosis and remedial action in our lives; the Company is present in the telehealth vertical. By focusing on verticals that addressed unmet needs on the one hand and where prospects would only brighten across the future, Saksoft's business model became even more relevant during a period of unprecedented uncertainty starting 2020.

The optimism at Saksoft

The outlook for the Company is optimistic for a fundamental reason. In the past, transition to digitalisation was a subject that figured only in the Board rooms of Fortune 500 companies; it is now a subject actively pursued across the companies of our focus – those with revenues between USD 200 Million to USD 2Billion. Within a single year, the size of our addressable market has grown attractively; a number of the companies are re-assessing their digitalisation journeys and we believe that this will translate into a larger pool of prospective clients for companies like ours. From

a short-term perspective it would be understandable to be disappointed by our modest revenue growth; from a medium-term and long-term perspective, we stand at an inflection point in our business.

Besides, there is something else that transpired during the last financial year, whose impact will only become increasingly apparent across the future: since all the solutions that were delivered to customers were offshore during the last financial year (even our onsite engineers were required to provide solutions without registering a physical presence at the offices of our customers) there is a greater traction for completely offshore solutions today than ever in the last three decades of India's software services revolution. What this means is that our cost structure could gradually decline as the completely offshore model is more cost-effective than the hybrid approach (onsite plus offshore). Besides, the pandemic has created a level recruiting field; as long as our security, productivity and workflow dynamics are in place, it does not matter whether our engineer is sitting inside our office or in a Tier 2, 3 or 4 city. This means that our capacity to recruit professionals of competence has widened and the implications will be visible a couple of years from now.

The outlook

At Saksoft, we believe that we should be able to grow faster, which should translate into profitable growth that enhances value for all our stakeholders.

Saksoft – Where responsible corporate citizenship comes first



Overview

There is a growing emphasis for every organisation to conduct itself like a responsible corporate citizen.

In an increasingly uncertain world, environment-social-governance (ESG) serves as insurance; it helps smoothen the corporate curve, enhances stakeholder confidence and enriches long-term shareholder value.

The result is a growing awareness that ESG is not incidental to business

success but integral to it. Companies that invest in their ESG compliance and character inevitably strengthen their success and sustainability.

Saksoft and ESG

At Saksoft, we believe that environment-social-governance (ESG) represents the soul of what we fundamentally are.

This is particularly so in a business where strategic clarity, people

productivity and energy consumption are critical to success.

The environment component addresses the world's priority that a business is built around environmentally responsible resources, consumes an optimal quantum, recycles waste, consumes a modest quantum of finite fossil fuels and moderates its carbon footprint.

The social component addresses the need to invest in people, customer

relationships, vendors and social responsibility.

The governance component enunciates strategic direction, prioritises the values with which the business is conducted, highlights codes within which the business needs to functions, explains Board composition and indicates alignment with UNGC principles.

The combination – environment, social and governance – provides a platform leading to scalable and sustainable growth.

Environment

At Saksoft, there is a growing commitment to environmental management systems, conduct environmental due diligence and build disaster planning & response systems across our software development facilities. There is a commitment to reduce energy intensity in our business and graduate to cleaner energy sources. Besides, our solutions across various verticals are directed to help customers moderate their carbon footprint, strengthening their competitiveness.

Social

At Saksoft, we believe that business transformation is accelerated by a passionate team mix that reconciles youth and experience. In the last few years, this people-driven ferment has progressively enriched, resulting in sectorial outperformance.

Employees: At Saksoft, we have invested in a culture of excellence directed towards emerging as the sectorial benchmark in terms of quality (service and process) as well as resource productivity. We made prudent investments (recruitment,

retention and training) to enhance efficiency and effectiveness across our business functions. Besides, we invested in practices that have enhanced employee well-being – training, protocols, certifications, investment in supports and awareness-building.

Customers and vendors: The Company deepened relationships with vendors (who provide capital equipment, spares and other services).

Community: The Company engaged with the community around its locations with the objective to widen the circle of prosperity in line with Sustainable Development Goals.

Governance

At Saksoft, our governance platform comprises clarity on the way we intend to do business.

Trust: At Saksoft, we believe that there is one word that encapsulates all that we are and all that we do – 'trust'. We believe that trust is the underlying element why customers buy from us, why employees engage with us, why vendors sell to us, why investors provide us risk capital, why bankers lend debt and why communities support us. Over the years, we have invested in enhancing this trust quotient through various initiatives that have been described in this document.

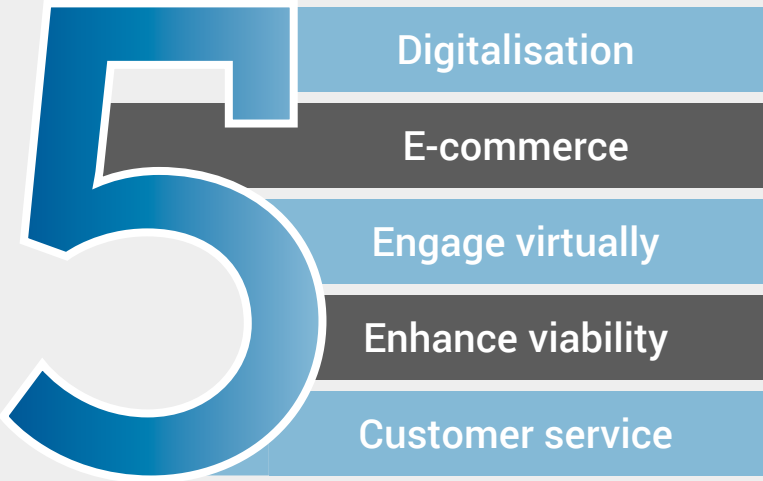
Board of Directors: At Saksoft, we have placed a premium on our Board composition, which comprises professionals and achievers of standing. These individuals have enriched our values, experience, multi-sectoral business understanding and strategic quality. We are proud that two-thirds of the Board comprises Independent Directors and a third of the Board comprises women Directors.

Specialisation: At Saksoft, we believe that core competence represents an insurance against economic or sectorial downturns. We have selected to position ourselves not as a software services company as much as a digital transformation partner, opening us to emerging opportunities.

Controlled growth: At Saksoft, we believe that business sustainability is best derived from controlled growth as opposed to one-off revenue spikes that could compromise our brand or our capacity to generate long-term value. The Company allocated accruals into incremental investments without stretching its Balance Sheet. The result is that the Company has seen steady growth over the years.

Balanced approach: At Saksoft, we have selected to balance caution and aggression (strategic aggression and tactical conservatism). We focus on capital investments generating an attractively short-term payback, maximising cash flows and business reinvestments. The result is an attractively low gearing and our ability to largely fund our growth capital needs through accruals.

Long-term: At Saksoft, we have selected to build the business around long-term patience over short-term arbitrage. This approach has influenced our investments in assets, technologies, brands, people, locations, products and trade partners.



global trends and how we are capitalising on them

1

There is a greater focus on digitalisation today than ever before

Where do we see opportunity?

We see an opportunity in more companies seeking to digitalise their operations, enunciated in the saying ‘Digitalise or perish’.

What are we doing about it?

We see an opportunity in helping mid-sized global companies transforming from legacy, semi-automated or manual processes to digitalised operations by positioning ourselves as their trusted digitalisation partner.

Where does this strengthen our value chain?

Brand	Scale
Costs	Profits

2

The number of people buying through e-commerce is increasing by the day

Where do we see opportunity?

We see an opportunity in working closely with companies linked directly or indirectly with e-commerce.

What are we doing about it?

We have deepened our presence in the retail, transportation, logistics and fintech verticals that are a part of the e-commerce eco-system.

Where does this strengthen our value chain?

Scale	Talent
Brand	Profits

3

A larger number of people seek to engage virtually and remotely

Where do we see opportunity?

We see an opportunity in providing digital interventions that facilitate cross-geography solutions.

What are we doing about it?

We have selected to be present in the health care vertical where tele-medicine is an emerging as a rapidly growing segment.

Where does this strengthen our value chain?

Scale	Margins
Profits	Talent

4

There is a premium on the ability of companies to enhance their competitiveness

Where do we see opportunity?

We see an opportunity in helping companies digitalise and enhance their competitiveness (measured by margins or RoCE).

What are we doing about it?

We have positioned ourselves as a digitalisation partner with an operational sweep across the various functions within the select verticals of our presence, enhancing overall profitability.

Where does this strengthen our value chain?

Brand	Talent
Scale	Profits

5

Customers the world over are becoming increasingly demanding

Where do we see opportunity?

We see an opportunity in providing solutions that take the businesses of our customers ahead.

What are we doing about it?

We have invested in a hybrid (offshore cum onsite) model and focused on mid-sized global companies where our effectiveness would be most visible.

Where does this strengthen our value chain?

Talent	Costs
Brand	Profits

How the Saksoft's business model has been directed to enhance shareholder value



Overview

- Digital transformation partner for its clientele
- Developed a recall around domain 'ownership'
- Solutions driven with agility and passion
- Specialisation woven around digital transformation
- Focused on margins-accretive growth
- Payout to shareholders balancing the need to reinvest and reward



The broad elements of how we enhanced shareholder value over the years



Brand	Digitalisation	Verticals specialisation	Acquisitions
<ul style="list-style-type: none">▪ Recall for ‘inch wide, mile deep’ positioning▪ Commitment of domain ownership▪ Positioned as a partner as opposed to a vendor▪ Focus on enhancing customer competitiveness	<ul style="list-style-type: none">▪ Focused on a theme likely to remain relevant for years▪ Relatively early entrant; entered at an infection point▪ Aggregated knowledge across digitalisation technologies▪ Graduated customers from legacy to towards digitalised platforms	<ul style="list-style-type: none">▪ Focus on select verticals▪ Verticals marked by growing lifestyle relevance▪ Overarching solutions capability within the vertical▪ Verticals inter-linked	<ul style="list-style-type: none">▪ Concluded five acquisitions in eight years▪ Quick integration of the acquired into Saksoft▪ Acquisitions around complementary capabilities (string of pearls)
Geographies	Customer-fit	Offshore approach	
<ul style="list-style-type: none">▪ Significant presence in UK and USA▪ Presence across enterprise and public sector customers▪ US/UK presence at 78% of revenues▪ Seeded presence in Asia-Pacific	<ul style="list-style-type: none">▪ Focus on customers between USD 200 Million to USD 2 Billion revenues▪ Not too large for the customer perspective to be lost▪ Not too small that one would be unable to invest adequately▪ Focus on emerging among the most respected in this niche	<ul style="list-style-type: none">▪ Solutions largely delivered out of India▪ Majority of employees based in India▪ Moderate costs; wider recruitment pool▪ Model increasingly relevant following pandemic▪ Spread across locations in India	



How Saksoft’s business model delivered in 2020-21

Revenue by verticals

Verticals	FY20	FY21
Fintech	29%	27%
Telecom	20%	23%
Transportation & logistics	10%	9%
Public sector	11%	10%
Retail, e-commerce and healthcare	13%	11%
Others	18%	20%

Customer concentration

Customer metrics	FY20	FY21
Customers per million dollars		
Revenue more than 1 Million US dollars	6	6
Revenue more than 0.5 Million US dollars	7	9

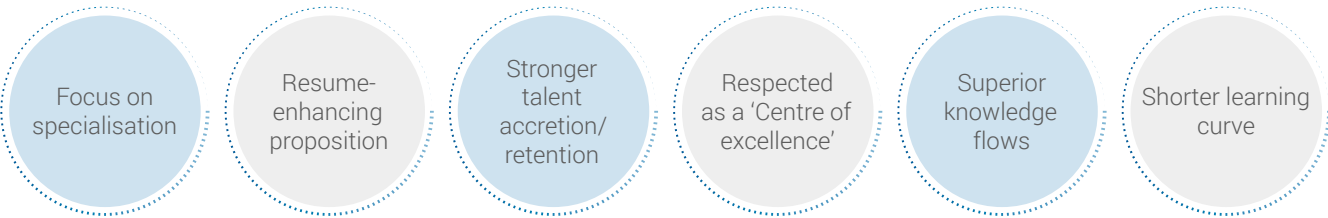
Customer contribution

Customer metrics	FY20	FY21
Customer contribution to revenue		
Revenue from the top 5 customers	47%	46%
Revenue from the top 10 customers	55%	56%
Revenue from the top 20 customers	64%	66%



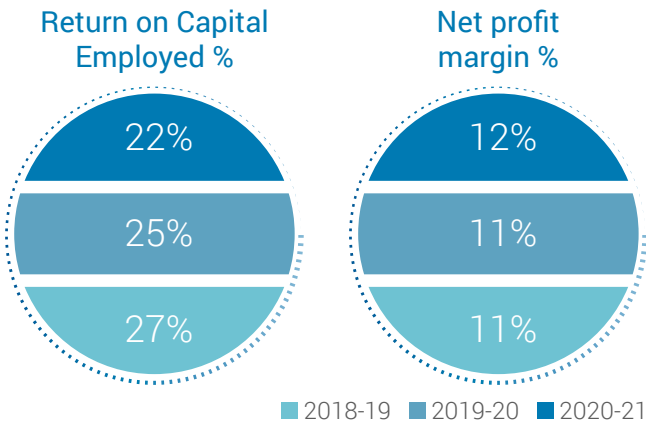
Saksoft strengthened its specialisation focus, invested in select verticals (large or rapidly-growing), deepened presence in them, consciously positioned itself as a specialist, leveraged economies and widened margins – the complete pass-through of knowledge leading to profitability.

Our knowledge focus



How acquisitions strengthened the Saksoft business model

Company Acquired	Geography/Niche area	Rationale
Acuma	UK, Public sector	<ul style="list-style-type: none">IM focused company.Renowned name in the public sector.
360 Logica	Noida, Testing focus	<ul style="list-style-type: none">Independent testing company.Possesses ready-made frameworks and accelerators for target industry verticals with in-house state-of-the-art mobile device lab.
Dream Orbit	Bangalore, Blockchain, IoT, Transportation and Logistics focus	<ul style="list-style-type: none">Specialised in IoT, adding enhanced capability in the application development space.Strong presence in the Transportation and Logistics industry, adding a new vertical to the group.Target market continues to be the US.
Faichi	USA. Healthcare and Drupal	<ul style="list-style-type: none">A healthcare solutions provider in the US.The healthcare sector is fast growing with technologies getting more advanced when coupled with Analytics.The Company has readymade frameworks and accelerators for the healthcare industry



How our business model translated into financial hygiene








Revenue growth		Margins	
243.73	385.81	15%	17%
Revenues, Rs. Crore, 2015-16	Revenues, Rs. Crore, 2020-21	% EBITDA margin, 2015-16	% EBITDA margin, 2020-21
Earnings		Long Term Debt	
36.19	64.42	32.12	26.50
EBITDA, Rs. Crore, 2015-16	EBITDA, Rs. Crore, 2020-21	Rs. Crore, 2015-16	Rs. Crore, 2020-21

How our business model and financial hygiene strengthened shareholder returns

Capital appreciation	Cumulative dividend payout	Earnings Per Share
293	4	36.66
Rs. Crore, Market Capitalisation as on March 31, 2018	Rs. per share, Dividend Payout for 2018-19	Rs. Earnings Per Share (EPS) for 2018-19
377	5	45.68
Rs. Crore, market capitalisation, March 31, 2021	Rs. 5 per share, Dividend Payout for 2020-21	Rs. Earnings Per Share (EPS) for 2020-21



Our value-accretive strategy

 Strategic focus	 Innovate and excel	 Cost leadership	 Service provider of choice	 Robust people practices	 Responsible corporate citizenship	 Value-creation
Key enablers	<p>Saksoft focuses on process innovation</p> <p>That makes it possible to do more with less</p> <p>In turn, this commitment extends to the delivery of superior solutions that take the customer's business ahead</p>	<p>Saksoft focuses on viable and profitable solutionisation</p> <p>The Company focuses on pricing services responsibly and commensurately with investments</p> <p>This results in repeat engagement and business sustainability</p>	<p>Saksoft focuses on retaining its position as a service provider of choice</p> <p>The Company invests in domain experts,, technology bandwidth, customer focus and a superior overall price-value proposition</p>	<p>Saksoft is an employer of 1260 professionals</p> <p>The Company has invested in training, reward, delegation, empowerment, responsibility and accountability.</p> <p>The result has been a growth in revenue generated per employee</p>	<p>Saksoft is a responsible corporate citizen engaged in community development</p> <p>The Group invested Rs.87.08 Lakh across CSR activities in 2020-21.</p>	<p>Saksoft enhances value for all its stakeholders</p> <p>Its projects take the business of customers ahead</p> <p>Its exciting workplace careers enhances careers of employees</p>
Material issues / addressed	Use of cutting-edge technologies leading to solutions differentiation	Creating the basis of long-term viability through a superior overall price-value proposition	Enhancing revenue visibility through multi-year customer agreements	Creating a professional culture seeking over-arching excellence in everything the Company does	Community engagement, widening the circle of prosperity	Addressing stakeholder needs for advancements in their prospects and relevance for the future
Capitals impacted	Financial, Intellectual	Financial, Intellectual, Natural, Social and Relationship	Intellectual, Social and Relationship	Intellectual, Human	Social and Relationship, natural	Intellectual, Social and Relationship

Overview

The Integrated Value-Creation Report is becoming increasingly relevant from a reporting perspective as it integrates the value delivered to all stakeholders in a unified format, overcoming the shortcomings of the conventional approach.

The Integrated Reporting approach provides a holistic perspective: the sectorial context, corporate strategy and competitiveness. The result is a reporting across different strands (financial, management commentary, governance, remuneration, sustainability).

Integrated Reporting explains to providers of financial capital how an organisation enhances value. Its relevance extends beyond financial stakeholders to employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers. This graduation from the 'hard' to 'soft' (non-financial data) makes it possible for a Company to be more comprehensively screened, resulting in informed decision making.



The resources through which we enhance value

Our resources

Financial capital	Human capital	Intellectual capital	Social and relationship capital
The financial resources that we seek are based on the funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.	Our management, employees form a part of our workforce, the experience and competence enhancing value.	Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge, account for our intellectual resources.	Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

Value created in FY 2020-21

Financial capital	Human capital	Intellectual capital
Turnover Rs.385.81 crore in 2020-21 (previous year Rs.358.78 Crore) Earnings per share Rs.45.68 in 2020-21 (previous year Rs.38.67) RoCE 22% in 2020-21 (previous year 25%)	Number of employees 1260 in 2020-21 (previous year 1258)	Cumulative senior management experience 250 plus person-years in 2020-21

Value shared with

Investors	Customers	Employees	Government and regulations
The Company enriched investors through dividends and market capitalisation. Market capitalisation of the Company's equity shares listed on the exchanges reached Rs.377 Crore in 2020-21	The Company generated Rs.385.81 crore in revenues from customers in 2020-21	The Company provided compensation worth Rs.182.92 crore in 2020-21, coupled with stable and knowledge-enhancing employment	The Company paid Rs.14.48 crore to the exchequer in 2020-21; the employment catalysed the local community through engagements

The elements in our value chain

Solutions provider	Wide portfolio	Efficient team
Saksoft focuses on solving customer problems through digital-driven solutions.	Saksoft possesses a comprehensive range of frameworks/solutions focused on digital services, making it a preferred global vendor.	Saksoft is an employer of more than 1260 talents possessing digital competencies addressing business transformation capabilities.
Marquee clients	Global presence	Sustainable strategy
Saksoft possesses a balanced global customer base, comprising public and private sector corporations across various strategic verticals Transportation & Logistics, Retail & E-commerce, Healthcare, Telecom and Public Sector.	Saksoft enjoys a strong presence in US, UK and APAC, each of these regions being proxies for attractive multi-year growth prospects.	Saksoft primarily focuses on growing acquisitions-led growth, resulting in extending customer relationship and enhanced business growth.
Enhancing customer value		

How Saksoft enhanced value for customers across verticals

Fintech

"We developed a solution called 'Card-less Cash/ATM withdrawal', which allows an individual to transfer money by generating a four-digit PIN and the other party to withdraw the same amount without using an ATM card"

Transportation and logistics

"We are working with more than 35 premier US logistics companies. We are bringing to the annual sectorial growth of 20% + over eight years of experience and deep understanding of freight and fleet management"

Retail/ E-commerce

"We have bagged prestigious clients, including a large US outdoor equipment e-tailer engaged in the sale of mountaineering and sports gear in addition to a high-fashion e-commerce player"

Healthcare

"We are working on a project called 'Create Aware', where we provide wearable devices in exchange for collecting health statistics that are transmitted to our servers that provide round-the-clock data to medical practitioners and R&D labs in treating specific conditions or developing new therapies"

Telecom

"One of our key customers in this space is based out of the Europe. Saksoft has been amongst its preferred vendors for ten years, strengthening their business and revenues"

Public sector

"We are working with Government Departments and Health departments in the UK. By enabling a digital transformation programme, we are improving citizen lives. Through predictive analytics, we have developed models for reducing crime rates"

BUSINESS ANALYSIS



Key numbers

20.93

USD Trillion, GDP of the USA in 2020

(Source: World Bank)

-3.5

%, growth of GDP of the USA in 2020

(Source: Financial Express)

1

The rank of the USA in global fintech rankings in 2020

(Source: Findexable.com)

Overview

The USA geography is the largest IT market in the world; it is also the country from where the Company generates its largest revenues (47% in 2020-21).

The USA market is marked by a large number of corporations investing consistently in digitalisation as a competitive driver of their operations, openness in embracing new technologies and entering into multi-year collaborations with domain experts from within the IT sector. This does not just make it the world's largest IT market but also the most exciting market in terms of new developments and sunrise technologies.

The principal trends in the US market comprised the following:

Customer side

- Openness to remote engagement with their vendors, reflected in the lowest resistance to offshoring
- Receptivity to the use of offerings like cloud, artificial intelligence / machine learning, robotic process automation and big data analytics
- Willingness to embark on multi-year digital transformation projects

- Willingness to engage with value-driven vendors possessing deep domain expertise

Technology side

- Movement towards Cloud technologies (AWS and Azure)
- Traction for intelligent automation and RPA – UiPath
- Gravitation towards analytics and Cloud Data Warehouse (Snowflake and Amazon Redshift)

Vertical side

- Increased visibility for shipment tracking and visibility
- Increased deployment of blockchain in logistics and transportation verticals
- Product development in case of compliance, deep knowledge of credit management as well as cards and payments

There was a premium in being an early mover in the Cloud space with a matured AWS/ Azure experience; there was also a growing need to commission Centers of Excellence, assessment and developing accelerators / frameworks to catalyse the digital transformation journeys of customers.

Achievements, 2020-21

The Company was pleased with the performance from this geography in terms of overall revenues, headcount, clients, reference-able customers and comprehensive offerings for clients in the logistics, financial services and health care sectors.

The Company reported growth quarter on quarter, increasing its share of customer spending on the one hand and increasing new customer wins on the other (adding multiple customers generating in excess of USD 1 Million revenues per year).

In the logistics and transportation vertical, the Company worked with 40+ freight brokers / 3PLS (Third Party Logistic Providers) as customers, assisting with their technology roadmap.

In the FinTech vertical, the Company focused on Cards and Payments, FinTech ISVs, compliance and credit management. The Company on-boarded multiple FinTech companies, helping with product development and testing.

In the Healthcare vertical, the Company focused on tele-health, clinical trial firms, healthcare ISVs and healthcare administration.

Our strengths

The Company possesses rich domain knowledge in areas like FinTech, Logistics and Healthcare, its engagement marked by a credible list of reference-able customers.

The Company generated 90% revenues from repeat customers during the year under review.

The Company validated its credentials as a full-service provider (consulting, implementation, hosting and applications support).

The Company leveraged the value of an attractive rate card and an onsite/ offshore model.

The Company's teams enjoyed respect for technology specialisation and domain experience, making them 'go to' solution providers.

The Company deepened its specialisation across business verticals through in-sourced competence and complementary partnerships, strengthening its brand

Outlook

The Company is optimistic of growth in the US geography where customer feedback has been positive and a

number of customers embracing digital and cloud initiatives.

The Company is attractively placed to grow its business on the back of established domain expertise, rich technology experience and a validated offshore presence.

Case study

Saksoft was engaged in a Digital Transformation exercise for one of its US-based customers.

The customer sought to overhaul and re-architect some core products addressing shippers, carriers and freight brokers.

Saksoft's team engaged with the Chief Technology Officer in comprehending the extensive requirements. The team responded with suggestions on the proposed roadmap.

In addition to this consulting exercise, Saksoft helped the customer rewrite some API functions, build the analytics engine and leverage cloud technologies in select projects.

The response has been so gratifying that Saksoft intends to double its team size of 30+ resources in two quarters.

Key numbers

8,971

USD, per capita of the USA in healthcare spending in 2020

861.12

USD Billion, e-commerce sales in the USA in 2020

(Source: Trading economics, Countryeconomy, Livemint, Findexable, Digital Commerce 360, IMARC Group, Businesswire, Investopedia, APN News)

4,040

USD Billion, total retail sales in the USA in 2020

~1280

USD Billion, the size of the logistics market in USA in 2020

BUSINESS ANALYSIS



Review of our Europe geography operations, 2020-21

Overview

The Company has been present in the UK market for 15 years. The attractiveness of this geography is marked by a willingness towards technology spending and the possibility of multi-year engagement.

The most visible trends discerned in the UK market comprise the following: a movement towards investments in cloud, security, tools and technologies that support secure remote working and offshore delivery.

Achievements, 2020-21

The scenario in UK during the year under review was marked by the uncertainty created by the pandemic, which delayed decision-making on new spends and selective ramp-downs by customers.

There were larger enquiries in the tele-health space given the background of the pandemic. The Company's retail customers intended to move more of their business online. The telecom customers showed a preference for graduating to cloud. The Company's utilities customers focused on moving from legacy applications towards automation.

Given this context, the Company performed creditably. The Company grew the UK Enterprise business substantially during the year, focusing on strategic accounts and growing with them. The Company focused on proactive recommendations for customers, keeping their competitive positions in mind, strengthening its position as a business partner (and not just a technology support vendor). The result: the Company made two major customer additions during the year.

The Company engaged deeper with customers through webinars, training and workshops on new areas of interest, which proved relevant as everyone at the customer's business worked from home and sought to learn through the slowdown.

Our strengths

Digital offerings: The Company continued to assist key strategic customers in their digital journeys, backed by successful experiences. The Company validated its capability through a complement of the right size, flexibility and validated offshore delivery model.

Healthcare, retail e-commerce, telecommunications and utilities:

The Company established a respect for assisting customers through their digital transformation journey, reflected in a seamless transition from legacy applications to automation to managed infrastructure.

Outlook

The Company is optimistic of prospects on account of growth in the need for helping customers in their digital transformation journeys.

The rollout of the broadband in rural Ireland is expected to widen the scope for end-to-end product testing for the Company.

The engagement to digitally transform the data platform for a prominent customer is expected to enhance revenues.

BUSINESS ANALYSIS



Review of our Asia-Pacific geography operations, 2020-21

Overview

As the pandemic widened and the first couple of quarters were spent in coming to terms with the challenge, a number of clients deferred initiatives and focused on adjusting to the new normal. Even as the Company did not lose significant business, the slowdown affected growth possibilities.

Our strengths

The Company is respected for being a digital transformation solution specialist, providing technology solutions to modernise, automate and manage IT systems.

The Company assists clients address their digital transformation aspirations by converting data to decisions through advanced analytics using machine learning and artificial intelligence.

The Company represents the coming together of technology specialist constituents (String of Pearls), reconciling the nimbleness of small specialist constituents with the credibility of a publicly listed organisation.

The Company's 'inch-wide and mile deep' focus on select verticals was validated by solutions-based case studies and engagements with prominent clients.

The Company's offshore (India) delivery capabilities and multiple development centers empower access to a vast pool of skilled resources.

Achievements, 2020-21

Since most of the Company's revenues were derived from digital transformation solutions, the Company developed and supported the core of clients' applications, which minimised business attrition.

The Company leveraged its agility to help clients work remotely and effectively.

The Company leveraged travel restrictions by capitalising on its validated offshore delivery competence, supported by multiple pan-India offices.

The Company won a multi-million-dollar contract, beating a Tier 1 competitor, to build an enterprise application for a leading port operations company in Singapore.

Outlook

Relevance: The Company's technology solutions and product engineering capabilities across the fintech, e-commerce and tele-health verticals will be increasingly relevant in a post-pandemic world. The Company's solutions in the logistics and transportation verticals assist in last mile delivery to complete online purchases. The Company's digital transformation capabilities resonate with public sector agencies seeking to transform with speed.

Versatile: The Company possesses the ability to provide complete solutions and services expected of a digital transformation partner.

Offshore / dedicated teams: The Company's offshore delivery capability represents a relevant offering in a world marked by travel restrictions. The service helps clients enhance their business aspirations without incurring a large expenditure.

How Saksoft provided employees with a safe and flexible working environment in a pandemic year

“

“The biggest transformation was remotely managing the entire team working remotely from diverse locations. The mix of office work alongside domestic responsibilities became the new normal. Saksoft helped us adapt; the HR team ensured employee connectivity; the IT team provided timely resolution of issues.”

Delivery
Pune

“

“Saksoft managed the work-from-home transition seamlessly and sensitively: it retained all its UK employees. My most memorable workplace experience was when the office was shut but the team continued to work with the same intensity on transformation projects with colleagues at our clients across UK.”

Sales
UK

“

“At Saksoft, the pandemic provided a chance to learn different things. My work-life balance improved, I got the chance to catch up on additional learning. My most memorable workplace experience of the last year was working within constraints and holding our core project teams together!”

Sales
USA

“

“Saksoft’s virtual interactions, meetings and transactions are now digitally managed. Saksoft managed timely announcements keeping in mind employee safety, enhancing infrastructure and resource availability. Working from home, spending quality family time and completing work at our own pace without missing any deadline were the best things to happen.”

Human Resources
Chennai

“

“Work from home helped me save ten hours of commute each week. Work-from-home facilitated a wider coverage for work, more family time on weekdays and precious me-time. Gradually, home distractions declined while at work and one also de-stressed faster. Chat call efficiency improved. The Company’s flexibility and sensitivity made it a comfortable year.”

Delivery executive
Bangalore

“

“My most memorable pandemic experience was when three Saksoft managers, two Solution Architects, one Sales Vice President collaborated over Skype for more than 13 hours a day to complete a proposal for a demanding prospect. Everyone on the call worked on the specified areas and went through multiple iterations to complete that proposal in less than 24 hours, one of the best examples of teamwork, irrespective of position, I have experienced in my career.”

Project Manager
Noida

Case studies

Product engineering: Co-development for fintechs

Our Inch-Wide-Mile-Deep focus on specific verticals, combined with the unique String-of-Pearls advantage, has helped create game-changing solutions. We helped clients with the co-development of solutions (products, applications and platforms), modernising legacy systems and intelligent automation solutions by leveraging the specialist skills of different group constituents.

We complement fintech companies with technology expertise by

transforming functional aspirations to technical realities. We co-developed or modernised solutions in the Cards & Payment sector.

Cardless cash: We modernised this solution that empowers participating banks and customers to provide cash pay-out to individuals with a valid mobile at participating ATMs, even if the beneficiary does not possess a bank account or a debit card.

SMB card issuing platform: We co-developed a solution that combines merchant card acceptance and business credit cards into a product.

The solution enables merchants to obtain financing, manage cash flow, lower costs and increase sales.

Omni-channel payment processing: We developed a native mobile and web application that automates and optimises invoicing and payments process.

The solutions range from mobile, web application development, redesigned architecture, B2B integrations (payment gateways, banks treasury systems etc.), enhanced UI/UX and end-to-end testing, including test automation.

Legacy modernisation for the leader in the maritime sector

Our client was using a 15-year-old core system to manage the roster, leave, incentive and allowance for different staff. The system was not scalable and was not addressing modern-day requirements due to

constraints in architecture design and technologies.

Saksoft modernised this system with a scalable micro services architecture, web responsive design to work on all browsers, used APIs for B2B integration with other applications in the ecosystem and converted this to a connected enterprise application. The Company

will develop a progressive web application for field officers to access this system.

Our String-of-Pearls strategy (experts from Saksoft, Dream Orbit and 360Logica) and our overall digital transformation solution expertise was utilised in delivering this modernised system.

Intelligent automation

We help our clients transform their data to decisions. We helped clients across industry verticals generate meaningful insights: through automation to data extraction process to data analytics using machine learning.

Personalised marketing via social media data: We helped our clients automate the entire process from data extraction to visual analytics using tools like BOT, API calls, Machine Learning etc. Our solution helped capture historical updates to old records leading to comprehensive analyses and insights to improve their ROI on promotional campaigns.

Machine learning to pinpoint user opt-in or opt-out of care treatment: Our client helps adults and their families make informed decisions. Our automation solution helped create a personalised questionnaire based on parameters. Our solution improved the prediction accuracy of users opting in or opting out of care treatment, reduced process time from days to minutes and optimised informed decision making.

Profile of Board of Directors



1 Aditya Krishna

Chairman & Managing Director

Mr. Aditya Krishna, is an M.A. (Economics) from St. Stephens College, New Delhi and MBA (Finance & Marketing) from Northeastern University, Boston, USA. Aditya started his career with Chase Manhattan Bank N.A, New York, USA. He also completed a three year Owner/President Management programme at Harvard Business School, Boston USA between 2010-2012.

Aditya was with Citibank N.A, New York, USA from 1987 to 1990 as a member of the Business Analysis department of the Credit Card Business and from 1990 to 1995, he was the Vice President – Credit Director & Financial Controller, Citibank N.A, India, responsible for managing Citibank India's credit card portfolio.

Mr. Aditya Krishna was the founder promoter of Nation Wide Finance Ltd. and was the Managing Director of the Company from 1995 to 2001. In year 2000, Mr. Aditya Krishna sold 74% of the Company to Citigroup, Inc and managed the transition to Citigroup management team for 12 months and sold the balance 26% to Citigroup in 2003. The Company was called Citifinancial Consumer Finance India Ltd and was the market leader in small ticket sub-prime lending and was a part of the global Citifinancial finance arm of Citigroup.

He was a Director in Kennametal India Ltd (erstwhile Widia (India) Ltd) from 1991 to 2002 as a member of the promoter group. He was also on the Board of Ing Vysya Bank as an Independent Director from 2007 to 2013.

Mr. Aditya Krishna, with his banking and retail lending domain knowledge, founded Saksoft Ltd. in 2000, and at present, is its Chairman and Managing Director. Saksoft Limited is a global leader in providing digital transformation solutions and helping businesses stay relevant in a highly connected, rapidly evolving world. Saksoft offers a gamut of services including Strategic Consulting, Information Management, Application Development, Digital Testing, Robotic Process Automation (RPA), Cloud, Mobility and Internet of Things (IoT).

Mr. Aditya Krishna is a member of Corporate Social Responsibility (CSR) Committee of the Board.

Chairman of Audit Committee. He is also a Member of Nomination & Remuneration Committee of the Board.

from a basic plantation company to a producer of high value, high quality agri products for the world markets. Mr. Thomas has served on the Madras Chamber of Commerce, Spice Board of India, and was the President of the United Plantations Association of South India in its centennial year.

Mr. Ajit Thomas is an Independent Director and the



2 Ajit Thomas

Independent Non-Executive Director

Mr. Ajit Thomas is the Chairman of A.V. Thomas Group of Companies, an agri business enterprise founded in 1925, with interests in plantation, tea retail, spice processing, natural extracts, and leather goods. Mr. Thomas graduated with a Bachelor of Science degree, from Loyola College, Chennai. Subsequently, he joined the family business and raised the organisation



3 VVR Babu

Independent Non-Executive Director

Mr. Babu has a Master of Science (M.Sc. Tech), Applied Mathematics and Operations Research from National Institute of Technology Warangal and Master of Philosophy (M.Phil.), Computer Science from Central University of Hyderabad, Executive Development Program in Business Administration and Management from Harvard Business School.

Mr. Babu has over 36 years of experience in the ITC Group. He held several strategic positions and was one of the key founder members of ITC Infotech India Limited (a 100% subsidiary of ITC Limited). In the last 15 years he held the positions of Senior Vice President and Member of Management

Committee of ITC Infotech and Chief Information Officer (CIO) of the ITC Group. Mr. Babu has also held several leadership positions in the IT Organisation including Divisional CIO of the FMCG and Agri-Business Divisions respectively.

Mr. Babu is an active spokesman in various industry forums championing the cause of Information Technology as a strategic tool for superior value creation, besides influencing the policy makers with thoughts, suggestions and actions that can help and further growth of IT Industry in the country. He had the privilege of being part of a select Industry team that interacted with the Government of West

Bengal during the creation of the Information Technology Policy of the state in 2000 and enhanced and modified IT/ITES Policy of 2003.

Mr. Babu during his professional career also held various key positions in industry bodies such as Chair-Person for CII IT Committee, Bengal Chambers IT Committee, NASSCOM Eastern Region and TIE Kolkata Chapter.

Mr. Babu is an Independent Director and the Chairman of Stakeholders' Relationship Committee and Nomination & Remuneration Committee. He is also a member of Audit Committee and Corporate Social Responsibility (CSR) Committee.



4 Ganesh Chella

Independent Non-Executive Director

Ganesh is the co-founder & Managing Director of CFI (Coaching Foundation India Pvt.) one of India's highly respected coaching and leadership institution. He is credited with pioneering the use of executive coaching for leader development in India. Ganesh is also a sought after coach having coached 50 senior business leaders and entrepreneurs.

Ganesh Chella is also the founder of Totus Consulting a strategic Human Resource

Consulting firm that has addressed the Organisation Development and HR needs of over 150 clients across over 300 client engagements (www.totusconsulting.in). His work as a trusted advisor to high growth organisations and entrepreneurs deserves special mention.

He has three books to his credit: "Creating a Helping Organisation", "Are you ready for the corner office" (co-author) and "HR Here and now" (co-author). He has a very large

body of published articles and blogs to his credit.

Ganesh is an alumnus of XLRI, Jamshedpur, a professional member of the India Society for Applied Behavioural Science, and trained and certified as a Coach by Dr. Skiffington, Australia and Coaching Foundation India.

Mr. Ganesh is an Independent Director and a member of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

Profile of Board of Directors *Continued.*



5 Malini Thadani
Independent Non-Executive Director

With the acumen gained from two successful careers, the first in the Indian Revenue Service and the second at HSBC in India and Hong Kong, Malini advises corporates and not-for-profit Boards to design and operationalise the effective integration of sustainability, communications and investor relations into their strategic vision, so as to future-proof their organisations.

Malini has been a Strategic Advisor on Sustainability and

ESG for Board level and senior business leaders. Malini is a Leader of high level stakeholder groups and has held positions on international and regional boards for industry bodies and not-for-profits. She is an experienced civil servant of the Indian Revenue Service, with 14 years' experience in various Indian Government Ministries. Malini is skilled in designing, developing and implementing large-scale, complex, cross-border sustainability projects

in partnership with global and regional think-tanks, not-for-profits and academia, specialising in areas including livelihoods, employability, entrepreneurship, sustainable finance, environmental resource security.

Ms. Malini is an Independent Director and a member of Audit Committee and Nomination and Remuneration Committee of the Board.



6 Kanika Krishna
Non-Executive Director

Kanika Krishna is the Chief Operating Officer of the Abrasives division of Sak Industries Private Limited. The Company is a leading international player in the industrial abrasives market with factories in Gummidipoondi, Chennai and Buffalo, New York. Kanika has a good understanding of the abrasives industry and has articulated a growth strategy for the Company by focusing on niche product segments

and niche markets. She led the Company's recent cross-border acquisition of Buffalo Abrasives Inc. in the U.S. She is experienced in working with cross-cultural teams and international markets. Prior to joining the abrasives business, Kanika worked with Deutsche Bank in India and Merrill Lynch in New York.

Kanika has an MBA in Financial Management from Pace University, New York, USA. Prior to this she has completed

the Master's program in International Business from the Manchester Business School, UK. She is also an alumnus of Stella Maris College, Chennai where she completed her Bachelor of Commerce degree.

Ms. Kanika is a Non-Executive Director and a member of Stakeholders' Relationship Committee and Corporate Social Relationship (CSR) Committee of the Board.



REPORT OF THE BOARD OF DIRECTORS

Dear members

Your Directors take immense pleasure in presenting the Twenty Second (22nd) Annual Report together with the Audited Accounts of the Company for the Financial Year ended March 31, 2021.

1. BUSINESS OPERATIONS AND STATE OF AFFAIRS

a. Business Operations – A Detailed overview

Saksoft is among the few mid-tier IT companies that has returned consistent performance and value stability to its Service users and Shareholders alike over the years. The core strength and identity of the Company lies in its ability to sustain industry change cycles, exude trust, blend with the technology ask and talk the language of its Customers. We deliver servicing minds to work on the digital aspirations of our Customers. Saksoft is adept at Information Management and this deep understanding of the value of information draws it closer to the Customer groups to work on its vision and investment areas that could put them on the path of growth. No one would have imagined that data would assume such depth and significance. Data is the new liquid metal and money. Today there isn't anything that doesn't get classified as data. And the world has never been so consumerist. It is this enormous utility value of data around which evolving technologies and business decisions are incubated. The widening consumerist appetite is the key driver for technological innovations and large scale automations. Today we run our lives with a hand-held device. Access to and ease of technologies has let individuals to run business propositions on their own. Technology and Digital enablers are the common factors across industry sectors and the unifier of all elements in the world. Innovation paves way for the expansive reach of IT related consumerism, Technology driven IT

workforce run the processes behind business models cutting across industry verticals, Automation captures the workflow to replicate the function and return faster and effective performance. Technology seems to be in race with time to make the world smaller and simplifying things. Information Technology industry and high-end technologies hold the baton in shaping the connectivity and functional flow of this world. The never before visualised use of technology has challenged the fruition of path-breaking ideas and extent of innovation that it could bring forth. The influx of digital technologies also throws open a wider spectrum of IT enabled services that could support and enhance the underlying technological business drivers. Technology is the new leveler that has a huge change and consumption potential. Businesses are vying to innovate and put latest technologies to use to create touchpoints in various formats to meet the ever growing demands of the consumers. The current ongoing global pandemic situation has been a game changer affecting people and business organisations across geographies and cultures. It has re-aligned the priorities and operating models of almost everything on its way. It has become quite evident that digital methods and embedded technologies have led from the forefront in creating and enabling new workflows to continue operations and keep the global economy beating. In this forced isolation era, the developing players, service providers and end users of technologies have found alternative digital ways of connecting and understood the increasing relevance of remote operating models. As the IT industry sees it, this is the onset of "Great Restructuring" that's going to re-shape the Corporate vision. No company, No industry and No country is isolated. Everyone must adapt or cede their position. This has put the spotlight on Digital and

Tech spend more than ever before and we are likely to see the Digital embrace supporting the recovery of the global economy to some extent. In today's world which places significant reliance on virtual and digital means to conduct things, one cannot look the other way to be outside of the realm and indispensable reach of the new age technologies. Evolvement of disruptive technologies is happening at a wider and rapid pace in response to the marquee list of requirements of the varied industry contributors. The convergence of market trends and capabilities indicate a good demand for Cloud and Data products complemented by cutting edge technologies like Internet of Things, Cloud, Big Data Analytics, Robotics & Artificial Intelligence, Blockchain, Machine Learning and Business Intelligence tools. Saksoft has a rich legacy in positioning its Customers value chain at the front of its vision, conceiving differentiators and delivering quality services to chart growth models for its Clients. Early indications for the industry are positive and it's the best time to service and keep building solutions. Saksoft has a collaborative workforce and a fantastic work culture to stay relevant with its Customers and amongst the industry group.

Structured Data Management and Value driven Analytics

The Company has a dominant theme built around Information Value Management. The IM team brings in 25+ years of experience in Data Analytics segment. We adopt a proactive Business Intelligence approach to build applications and service models to help our Customers to stay ahead of the curve. We are watching influencing trends in the BI space like Internet of Behaviors, Experience construct and Accountable AI to align our strategies and solutions approach to render enhanced services. The current pandemic has projected the remote functioning model to the fore and has broken the barriers surrounding Data boundaries. Organisation have begun to come out of the cocoon and realize the potential of Global Delivery platforms and models. This has helped them to re-visit their Digital initiatives and plan Tech spend with a result oriented approach. We have helped our customers to re-discover value from Data and frame Enterprise Data strategy to internalize value churn and extend the same for its end- clients. This helps to build better Infrastructure solutions to oversee use and maintenance of data.

In the current times, data structuring and mining play a crucial role in predicting the next solution in line to deliver

value to the user group. We have a good brand presence through Acuma Solutions in the Public sector in the UK region. We have worked on citizen-centric projects with various government departments, councils, local bodies and allied public sector agencies. We have helped these public organisations to undertake research exercises, build key interactive applications, create utility chains, analyse complex structures and huge volumes of data to put in place relevant social programs and initiatives. We have good experience in participating in several secured and critical projects of key public departments.

We also work with a lot of clients in the Enterprise-Retail space and help them with their digital transformation objectives, migration to new platforms and technologies. We assist them with maintenance of their data warehouse, cloud hosting services and build enterprise level applications. This return key data insights to build on and structure future value propositions. We have also worked on building optimal infrastructure solutions for our clients in the Telecommunications sector to achieve better integration and cost administration.

Testing as a Service

Saksoft group has a long standing service record in the Testing vertical and provides advanced test capabilities through its subsidiary Three Sixty Logica. Software Testing market is likely to witness significant growth in the next 5 years due to increased Digital adoption and extensive automation across various key industry sectors. The testing model is evolving into a more Agile based approach. This allows testing processes and procedures to be built into the delivery cycle from an early stage of development to make the application or solution more dynamic and responsive to required changes. We have our in house developed Quality Assurance and Maturity Assessment Framework **SAQAMA**® that has well documented ready to use templates. We are also seeing an industry trend moving towards codeless automation where anyone can create automated tests without the help of SME's which accelerates the test case automation. We have our very own in-house developed automation tool **STAQK**® to help users to automate test cases using UI provided wrapper.

Testing Automation process is also turning Hyper supportive by adopting AI & ML in the testing cycle in areas like Visual Testing, Differential Testing, Declarative Testing,

Script Auto Healing. We have already implemented Auto-Healing using AI in our traditional automation structure to bring down costs and efforts.

We have extended our capabilities in Automation frameworks in the recent past and have developed UNITE (Unified Automation Testing) framework to cater towards end –to-end functional and non- functional needs.

QAOps and DevOps accelerated transformations, IoT testing (Edge Computing) and Cybersecurity Mesh Testing are some of the future growth expansion areas that we are eyeing.

Transportation & Logistics

Dreamorbit the Bengaluru based services provider of the Saksoft group provides next-gen technology based solutions to Logistics and Fin-Tech industry. The Company has a significant presence in the US market and works with 5 of the top 100 largest logistics technology companies. We provide specialised technology solutions including multi-modal and expedited logistics movement encompassing an array of allied services. We also hope to enhance order automation through Chatbots, Augmented reality for contactless transit and robotic process automation for tracking of goods on transit.

We are working extensively in the areas of portfolio and order management , trading and employee compliance with a lot of clients in the Fin-Tech space. We specialize in compliance management areas including insider trading compliance, hedge funds and wealth management and hope to become a niche provider in the US financial hub.

We hope to leverage our expertise on a few relevant areas including service integration of global security masters and broker feed providers through solutions including Yodlee, Bloomberg, Xignite and Electra.

We plan to focus on some key technology and growth areas in future including Serverless Microservices architecture, Low code platforms, RPA tools like UiPath, Automation anywhere and Power automate, mobile platforms like Flutter and Cloud & DevOps automation

Healthcare

Healthcare industry is on the verge of constant evolution over the past few years. The industry has seen a suite of regulatory changes, adoption of healthcare standards

which has pushed it towards digitalisation and to blend latest technologies in its service structure. Health awareness and well-being concepts have emerged as a key focus in recent times and the demand for digital health based products and services is on the rise.

Saksoft’s Healthcare COE has a good understanding of the emerging market trends and provides specialist services to improve health based offerings. Its portfolio includes Healthcare product development, mHealth and Remote care technologies, Integration and Data Migration services and Clinical Analytics.

The Company offers capabilities around Product Engineering, Integration and Inter-operability and clinical data analytics. Clinical and patient data assume significance and real-time medical intervention data enablers and technologies have opened up a deeper integration of various healthcare segments. Healthcare Solutions provides services on multiple areas including EHR, PMS and Ancillary application development, Chronic care management, Secure messaging, Patient portals, Telehealth applications, Patient engagement tools, Mobile apps development, Integration services involving multiple interfaces and technologies. It also provides analytical services around population health management, CMS reports, Clinical testing and compliance reporting.

Fintech

Fintech industry is one of the most digitized sector and a reflection point of the digital benefits that large scale transformation can bring in. The industry consumes some of the advanced technologies for creating valuable user experience. Fintech industry is on a constant upgrade mode and focused on delivering high end, easy to use products factoring complete user convenience at its core.

Saksoft is a niche provider in the Fintech space for more than two decades. With its rich experience in handling multitude of clients and delivering a range of applications and solutions, the Company is able to leverage on its domain expertise to service the industry better.

Saksoft has delivery capabilities in key sectoral areas like Credit management, Loyalty Management, Analytical dashboards , Datawarehousing , Interactive portals, IoT, App services, Customised applications and Assurance services.

Saksoft works with many leading industry players in the Fintech space both in the domestic and overseas markets.

Global Health Pandemic – COVID 19

The ongoing Covid-19 pandemic has resulted in business disruptions globally. While the disruption is currently continuing as on date and expected to be temporary, there is considerable uncertainty around the duration of its prevalence, containment and reversal. The extent of the impact of COVID-19 on operational and financial performance will depend on certain developments, including duration and spread of the outbreak, the future impact on the customers, employees and vendors, all of which are uncertain and cannot be predicted.

Covid-19 has affected business cycles and in some cases

caused existential issues. The effects have been wide ranging and it has ushered in a new normal with respect to lifestyle changes and working methods. Many industry players have had to adapt to the remote working models and bring in changes to its operations and structures.

Some industries like the IT and ITeS sectors who had adopted remote working models early in their journey have managed to turn the pandemic into an opportunity and infuse alternative working environment to achieve cost leverages. The remote working has also put the emphasis on digital transformation and a shift to greater use of virtual technologies.

The Company has stood by its workforce and reported a stable performance during the ongoing pandemic and is set to continue on the upward trend.

2. FINANCIAL AND RELATED DISCLOSURES

a. Financial Summary

The abridged comparative results of Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2021 and March 31, 2020 are as follows:

	Standalone Results (₹ in Million)		Consolidated Results (₹ in Million)	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Total Revenue	1,255.98	1,158.87	3,858.07	3,587.81
Other Income	7.29	126.36	40.90	38.94
Total Income	1,263.27	1,285.23	3,898.97	3,626.75
Operating Expenses	944.87	847.15	3,213.93	2,977.56
Operating Profits	318.40	438.08	685.04	649.19
Depreciation	39.34	37.39	66.70	72.71
Interest and Finance Charges	27.06	43.73	34.41	51.41
Net Profit before Tax	252.00	356.96	583.93	525.07
Current Tax	72.05	66.24	144.82	150.33
Deferred Tax	(8.10)	(3.83)	(15.33)	(11.77)
Net Profit after Tax	188.05	294.55	454.44	386.51

b. Results at a glance

(Amount in ₹ Million)

Particulars	Standalone Results		Consolidated Results	
	FY 20-21	FY 19-20	FY 20-21	FY 19-20
Total Income	1,263.27	1,285.23	3,898.97	3,626.75
Operating expenses	944.87	847.15	3,213.93	2,977.56
Net Profit after Tax	188.05	294.55	454.44	386.51
Basic EPS	17.94	28.12	45.68	38.67

c. Transfer to Reserves:

The Company has not made any transfer of amounts to general reserve during the year.

d. Dividend

The Company recommended/declared dividend as under:
(Amount in ₹ Million)

Particulars	FY 20-21	FY 19-20
	Dividend per share	Dividend per share
Interim Dividend	2.5	4.5*
Final Dividend	2.5	NIL

*The Board of Directors had approved Interim Dividend during November 2019 and March 2020 of FY 19-20.

e. Share Capital

The paid up Equity Capital of the Company as on March 31, 2021 stood at Rs. 10,49,00,000/-.

f. Particulars of Loans, Guarantees or Investments

Loans, guarantees or investments covered under Section 186 of the Companies Act 2013 form part of the Notes to the Financial Statements provided in this Annual Report.

g. Public Deposits

There are no details to report on deposits covered under Chapter V of the Companies Act, 2013 ("the Act") during the year 2020-21, which are required to be furnished.

h. Particulars of contracts/arrangements made with Related Parties

In line with the requirements of the Companies Act, 2013 and the Listing Regulations, your Company has formulated a Policy on Related Party Transactions, which is also available on the Company's website at www.saksoft.com.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions, which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013, and Listing Regulations. All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length basis.

No Material Related Party Transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the year by your Company.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable.

3. PERFORMANCE OF SUBSIDIARY COMPANIES

Subsidiaries of the company are engaged in the business of providing IT Services, allied business solutions and strategic consulting services encompassing Digital Transformation for its customers.

The details of Subsidiary Companies are given in Form MGT9 given as Annexure 5 to this Report.

There has been no material change in the nature of the business of the Subsidiaries.

a. Financial Performance of Subsidiaries – At a glance

Foreign/Indian Subsidiary	Name of the Subsidiary (Consolidated)	Particulars	FY 20-21	FY 19-20	Increase
US Subsidiary	Saksoft Inc	Revenue	16.57 Million USD	16.34 Million USD	1%
		Profit before tax	0.26 Million USD	0.45 Million USD	(42%)
Singapore Subsidiary	Saksoft Pte Ltd	Revenue	3.52 Million SGD	3.03 Million SGD	16%
		Profit before tax	0.24 Million SGD	0.01 Million SGD	120%
UK Subsidiary	Saksoft Solutions Limited	Revenue	12.22 Million GBP	10.17 Million GBP	20%
		Profit Before Tax	1.09 Million GBP	0.38 Million GBP	185%
Indian Subsidiaries	Three Sixty Logica Testing Services Private Limited	Revenue	284.98 Million INR	330.23 Million INR	(11%)
		Profit Before Tax	73.6 Million INR	88.38 Million INR	(17%)
	Dream Orbit Softech Private Limited	Revenue	556.37 Million INR	540.37 Million INR	3%
		Profit Before Tax	121.7 Million INR	114.59 Million INR	6%

b. Statutory disclosures with respect to Subsidiary Companies

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a Statement containing key results and indicators of the Financial Statements of Subsidiaries is attached to the Consolidated Financial Statements under Form AOC-1.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Financial Statement of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Accounts in respect of Subsidiaries, are available for public view on the website of the Company <https://www.saksoft.com/investor-relations/>

In addition, these documents will be available for inspection during business hours at the registered office of the Company.

4. HUMAN RESOURCE MANAGEMENT

During the Financial Year under review, Human Resources function continued its global transformation initiatives, in a volatile and complex business environment, to cater to the evolving organisational requirements.

HR continued its catalyst role and enabled the process of change over to focus on resource planning for mid and long term. In the last year, very dynamically the nation

came to a standstill due to Covid-19 crisis and HR had to support employees dynamically, as the future of work changed rapidly. HR played a crucial role and has been at the forefront since the pandemic outbreak to protect employees' & employer's interests equally, to help transition to a workforce which is socially distanced yet mentally connected.

a. Particulars of Employees

During the financial year under review, none of the top ten employees in terms of remuneration drew remuneration of Rs.10.20 Million or more per annum or Rs. 0.85 Million or more per month, hence there is nothing to report with respect to information required pursuant to Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013 and is not applicable.

b. Employees Stock Option Scheme

The Company currently administers ESOP Scheme 2009. During the year under review, there are no changes in the above said scheme.

Summary information of these stock option schemes, grant and allotments under these schemes are provided under Note No. 22(e) forming part of standalone financial statements.

c. **Policy on sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has zero tolerance for Sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of Sexual Harassment at work place in line with the requirements of the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The constitution of the ICC is displayed through Notice Boards at conspicuous places in all the office locations of the Company. The following is the number of complaints received in the Financial Year 2020-21:

Number of complaints pending as on the beginning of the financial Year: Nil

Number of complaints filed during the financial year: Nil

Number of complaints pending as on the end of the financial year: Nil

5. **CORPORATE GOVERNANCE**

a. **Directors & Key Managerial Personnel**

Ms. Malini Thadani was appointed as an Independent Director on the Board with effect from May 27, 2020.

Disclosures with respect to the composition of the Board, Directors and Board meetings held during the Financial Year are covered under the Corporate Governance report forming part of this Report as per the provisions of the Companies Act, 2013.

Ms. Kanika Krishna retires by rotation and being eligible offers herself for re- appointment. A resolution seeking shareholders approval for her re- appointment forms part of the Notice to the Annual General Meeting.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the reappointment of Mr. VVR Babu as Independent Director is placed before the Members for their approval by way of Special Resolutions.

Disclosures with respect to the composition of the Board, Directors and Board Meetings held during the Financial Year are covered under the Corporate Governance report (forming part of this report) as per the provisions of the Companies Act, 2013.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations to the effect that each of them meet the criteria of independence as laid down in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as Independent Directors of the Company. During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for attending Meetings of the Board/Committee of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2021 are: Aditya Krishna, Chairman and Managing Director, Niraj Kumar Ganeriwala, Chief Financial Officer and Meera Venkatramanan, Company Secretary.

The disclosures required under Section 197(12) of the Companies Act 2013, are provided in Annexure 2 to this Report.

b. **Number of meetings of the Board**

Four Meetings of the Board were held during the year under review.

Details of Meetings of the Board is provided in the Corporate Governance Report, which is a part of this Report.

c. **Board Evaluation**

The Companies Act, 2013 and SEBI Listing Regulations contains broad provisions on Board Evaluation i.e. evaluation of the performance of (i) the Board as a whole, (ii) individual Directors (including Independent Directors and Chairperson) and (iii) various Committees of the Board. Pursuant to the said provisions, the Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors.

The Board evaluation framework has been designed in compliance with the requirements under the Companies

Act, 2013 and the Listing Regulations, and in accordance with the Guidance Note on Board Evaluation issued by SEBI in January 2017.

The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings.

- Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance of Executive Directors, succession planning, strategic planning, etc.
- Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/ recommendation to the Board, etc.
- Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, proper representation of shareholder interest and protecting shareholder value, industry experience and expertise to provide feedback and guidance to top management on business strategy, governance, risk and understanding of the organisation's strategy, etc.

In the Board Meeting that followed the Meeting of the Independent Directors and Meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual Directors was also discussed.

The Board noted the actions taken in improving Board effectiveness based on feedback given in the previous year. Further, the Board also noted areas requiring more focus in the future, which include spending more time on industry trends, long-term business threats and opportunities.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

d. **Policy on directors' appointment, remuneration, and other disclosures under Section 178(3) of the Companies Act, 2013**

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance

Report, which is a part of this report and is also available on the Company's website- <https://www.saksoft.com>.

e. **Board diversity**

The Company recognizes that building a Board of diverse and inclusive culture is integral to its success. Ethnicity, age and gender diversity are areas of strategic focus to the composition of our Board. The Board considers that its diversity, including gender diversity, is a vital asset to the business. The Board has adopted the Board Diversity policy, which sets out the approach to diversity of the Board of Directors. Web link to view the Board Diversity Policy is given under point 15 of the Corporate Governance report.

f. **Committees of the Board**

The details pertaining to the composition of the various Committees of the Board of Directors are included in the Corporate Governance Report, which forms part of this report.

g. **Corporate Governance and Management Discussion and Analysis**

The Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached in Annexure 6 and Annexure 8 which forms part of this Report. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and is of the view that such systems are adequate and operating effectively.

h. **Risk Management**

Risk Management is an integral part of the business process. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented a Risk Management Policy. The Policy envisages identification of risk and procedures for assessment and minimization of risk. The Statement of Risk indicating development and implementation of risk management policy is annexed to and forms part of this Report under Annexure 9. At present the Company after a considered review has not found any element or perceived threat that could pose a risk to the existence of the company.

i. **Nomination and Remuneration Policy**

The Company has a Nomination and Remuneration Policy for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the

- Company including criteria for determining qualifications, positive attributes, Independence of a Director and other related matters as required under Section 178(3) of the Act and SEBI Listing Regulations. The Key requirements of the policy can be found in Annexure 3 to this Report.
- j. **Vigil Mechanism/ Whistle Blower Policy:**
Details of the Vigil Mechanism are covered under the Corporate Governance Report, which forms part of this Annual Report.
- k. **Internal financial control systems and their adequacy**
The Company has formulated a Framework on Internal Financial Controls and laid down Policies and procedures commensurate with the Size and nature of its operations pertaining to financial reporting. In accordance with Rule 8 (5) (viii) of Companies (Accounts) Rules, 2014, the Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable regulations and they are operating effectively. The systems are periodically reviewed by the Audit Committee of the Board, for identification of deficiencies and necessary time bound actions are taken to improve efficiency at all the levels. The Committee also reviews the observations forming part of internal auditors' report, key issues and areas of improvement, significant processes and accounting policies.
- l. **Extract of Annual Return**
As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the Annual Return for the Financial Year ended March 31, 2021 is given in Annexure 5 in the prescribed Form No. MGT-9, which is a part of this report. <https://www.saksoft.com/investor/company-announcements/annual-general-meetings/>
- m. **Significant and material orders:**
There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.
- n. **Material Changes after March 31, 2021**
The Company has evaluated the impact of COVID 19 pandemic on its business operations and based on its review and current indicators off future economic conditions, there is no significant impact on its year end financial results.

6. AUDIT REPORT AND AUDITORS

- a. **Statutory Auditors**
At the eighteenth Annual General Meeting (AGM) held on August 07, 2017 the Members approved appointment of Messrs. R. G. N. Price & Co., Chartered Accountants (Firm Registration No. 0042785S) as Statutory Auditors of the Company to hold office for a period of five years which ends only at the conclusion of AGM for the FY 2021-22.
- b. **Internal Auditors**
M/s Grant Thornton, Chartered Accountants, Chennai were the Independent Internal Auditors of the Company for FY 20-21. The Audit Committee determines the scope of internal Audit in line with regulatory and business requirements.
- c. **Secretarial Auditors**
Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Lakshmmi Subramanian & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company.
- d. **Auditor's Report and Secretarial Audit Report**
The statutory auditor's report and the secretarial audit report do not contain any qualifications, reservations, adverse remarks or disclaimers.

Secretarial audit report of Saksoft Limited and its Indian Material subsidiary is attached to this report as Annexure 4A and 4B respectively to this Report.
- e. **Reporting of frauds by Auditors**
During the year under review, neither the Statutory auditor nor the Secretarial auditor has reported to the Audit Committee under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the social initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure 1 of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available for view on the Company's website- <https://www.saksoft.com/investor/corporate-governance/>

8. BUSINESS RESPONSIBILITY REPORTING (BRR)

SEBI Listing Regulations have made the inclusion of the BRR as part of the Annual Report for the top 1000 listed entities based on market capitalization. In compliance with the Listing Regulations, we have integrated BRR disclosures as Annexure 10 to the Annual Report.

9. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- a. **Conservation of Energy**
The Company is a Software Company and hence the operations of the Company are not energy intensive. The Company employs energy efficient computers and office equipment. The Company is conscious about environment protection and energy conservation and strives to evolve new technologies to see to that, the infrastructure is more energy efficient. The Chennai delivery center is situated in the LED pre certified gold rated green building. In addition, the Company has made a conscious shift to LED lights across all its locations against the traditional lights to reduce the electricity consumption. These LED lights also generate lesser heat resulting in faster cooling at lower electricity consumption.
- b. **Technology Absorption**
Saksoft having been in existence for two decades has been a front runner in adopting latest trends in Technology. The infrastructure is regularly upgraded to ensure scalability and round the clock availability in all circumstances. Right from migrating critical applications to the cloud and ensuring adequate business continuity, the Company has used technology to improve the work experience of the resources and ensure efficient delivery to the customers. The Company's operations do not

require significant import of technology.

c. Research and Development (R&D)

As mentioned above the Company is constantly involved in developing solutions for its customers using the emerging technologies which involve considerable research and development efforts on the part of the employees. The efforts and costs incurred in such research are integral to the operations of the Company and are not segregated and identified separately.

d. Foreign Exchange Earnings and Outgo

(Amount in ₹ Million)

Foreign exchange earnings and Outgo	FY 20-21	FY 19-20
Foreign Exchange earnings	505.00	451.99
Expenditure in Foreign Currency	37.97	32.18

10. ACKNOWLEDGMENT

The Company takes this opportunity to thank its customers, vendors, investors, business associates and bankers for their support extended during the year to the Company.

The Management also likes to thank the Government of India, the Governments of various countries, the concerned State Governments, Government Departments and Governmental Agencies for their co- operation. The Management would also wish to place their appreciation to the employees of the Company for the excellent contributions extended at all levels in achieving growth and results.

For and on behalf of the Board

Place: Chennai
Date: May 26, 2021

Aditya Krishna
Chairman & Managing Director

ANNEXURE -1

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company. –

CSR policy was approved by the Board of Directors on September 26, 2014. The policy objectives are as follows:

- Develop meaningful and effective strategies for engaging with all stakeholders
- Make sustainable contributions to Communities
- Identify socio-economic opportunities to perform CSR activities
- Focus on social welfare activities as envisaged in Schedule VII of Companies Act, 2013.
- Partner with credible organisations focused on social welfare activities

Web Link: <http://www.saksoft.com/Investors/Corporate Governance>

2. Composition of CSR Committee:

S I . No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Aditya Krishna	Chairman & Managing Director	2	2
2.	Mr. VVR Babu	Independent Director	2	2
3.	Ms. Kanika Krishna	Non - Executive Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. : www.saksoft.com**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).: NA****5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies(Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NA**

S I . No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
1			
2			
3			
	TOTAL		

6. Average net profit of the Company as per section 135(5).: Rs. 228.69 Million**7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 4.57 Million**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: NA

(c) Amount required to be set off for the financial year,if any: NA

(d) Total CSR obligation for the financial year (7a+7b- 7c).: Rs. 4.57 Million

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 2.87 Million	Rs. 1.7 Million	29.04.2021	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementa tion - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	Azad Foundation	(iii)	Yes	TN	Chennai - Mogappair, Ambattur, Ayyapakkam, Korattur, Athipedu, Mannurpet, Maduravoyal	3 yrs	Rs. 10.75 Million	Rs. 2.31 Million	Rs.1.7 Million	NO	Azad Foundation	CSR00001157
2.	Diya Ghar	(i) & (ii)	No	KA	Ayyappa Nagar	6 months	Rs. 0.56 Million	Rs. 0.56 Million	Nil	NO	Diya Ghar	

(c) Details of CSR amount spent against other than ongoing projects for the financial year. - NA

(1)	(2)	(3)	(4)	(5)		(6)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementati on - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
1.									
2.									
3.									
	TOTAL								

- (d) Amount spent in Administrative Overheads
- (e) Amount spent on Impact Assessment, if applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e)
- (g) Excess amount for set off, if any - NA

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
1.	2019-20	Nil	Nil				Nil
2.	2018-19	Nil	Nil				Nil
3.	2017-18	Nil	Nil				Nil
	TOTAL						

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1.								
2.								
3.								
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details) -NA.**
- i. Date of creation or acquisition of the capital asset(s).
 - ii. Amount of CSR spent for creation or acquisition of capital asset.
 - iii. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
 - iv. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).

Sd/-
Aditya Krishna
Chairman and Managing Director and
Chairman of CSR Committee

Sd/-
Meera Venkatramanan
Company Secretary

ANNEXURE -2

Particulars of Remuneration

The information required under Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Manager Personnel) Rules, 2014, is follows:-

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Non- Executive Directors*	Ratio to Median Remuneration
Ms. Malini Thadani	*
Mr. Ajit Thomas	*
Mr. VVR Babu	*
Mr. Ganesh Chella	*
Ms. Kanika Krishna	*
Executive Director	
Mr. Aditya Krishna	7.12

*For this purpose sitting fees and commission has not been considered as remuneration.

2. The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Person	% Increase in Remuneration*
Mr. Ajit Thomas	-
Mr. VVR Babu	-
Mr. Ganesh Chella	-
Ms. Kanika Krishna	-
Ms. Malini Thadani	-
Mr. Aditya Krishna- Chairman & Managing Director	There have been no increases provided during the year.
Mr. Niraj Kumar Ganeriwala, Chief Financial Officer	
Mr. S. Muthukrishnan, Company Secretary	
Ms. Meera Venkatramanan, Company Secretary	

3. The percentage increase in the median remuneration of employees in the financial year: 3.7%

4. The number of permanent employees on the rolls of Company: 715

5. Average Percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average increase in salaries of employees other than managerial personnel in 2020-21 was Nil %. Percentage increase in the managerial remuneration (Senior Leadership Team) for the year was Nil %

6. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Place: Chennai
Date: May 26, 2021

Aditya Krishna
Chairman & Managing Director

ANNEXURE -3

Nomination and Remuneration Policy

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, and in terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objective and purpose of the Policy:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on September 26, 2014 and reviewed amended on May 27, 2016. Pursuant to the amendment made to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this policy requires amendment to be in line with the amended regulations.

Definitions:

- Board means Board of Directors of the Company.
- Directors means Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

- Company means Saksoft Limited.
- Independent Director means a director referred to in Section 149(6) of the Companies Act, 2013.
- Key Managerial Personnel (KMP) means-
 - (i) Executive Chairman and / or Managing Director;
 - (ii) Whole-time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions /regulations.

"Senior management" means officers/ personnel of the listed entity, who are members of its core management team excluding board of directors and normally this shall comprise of all members of management one level below the (chief executive officer/ managing director/ whole-time director/ manager (including chief executive officer/ manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

Applicability:

The Policy is applicable to Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management Personnel. This policy is divided into 4 parts as follows:-

Part – A

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal, remuneration of Director, KMP and Senior Management Personnel.
- To formulate criteria for determining qualification, positive attributes and independence of a Director

- To review the annual performance of executive and non-executive Director(s).
- To annually review the duties and performance of the chairman of the Board and recommend the process to the Board for his election.
- To devise a policy on Board diversity

Part – B

Policy for Appointment and Removal of Director, KMP and Senior Management

Appointment:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and recommend to the Board his / her appointment. The candidate for a position at KMP or Senior Management level is met by the Head – HR and the interview is targeted at assessing the candidate on his/her functional and leadership capabilities and cultural fitment to the organisation. The Head – HR ensures that the person possess adequate qualification, expertise and experience for the position he / she is considered for appointment.
- The Managing Director assesses the shortlisted candidates for the position of KMP or Senior Management Level.
- The selected candidate's details and the proposed compensation is shared with the Nomination and Remuneration Committee for their review and suggestions. The same is shared with the Board at the next Board Meeting.

Term / Tenure:

- The tenure for Directors shall be governed by the terms defined in the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time.
- The tenure for other KMP and Senior Management Personnel will be governed by Saksoft HR Policy.

Evaluation:

The Managing Director evaluates the performance of Senior Management Personnel at regular intervals.

The evaluation of the Independent Directors shall be done by the entire Board of Directors which shall include performance of the directors including the contributions made to the Board deliberations on various matters including business strategy, financial strategy, operations, cost and risk management, etc.,

and suggestions given in this regard and fulfillment of the independence criteria as specified in SEBI LODR Regulations and their independence from the management.

Provided that in the above evaluation, he directors who are subject to evaluation shall not participate.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, subject to the provisions and compliance of the said Act, rules and regulations.

For other KMP or Senior Management Personnel the removal will be governed by Saksoft HR Policy and the subsequent approval of the Managing Director.

Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Managing Director will have the discretion to retain the KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Part – C

Policy relating to the remuneration for the Whole-time Director, KMP and Senior Management Personnel

Evaluation Process:

- The performance metrics shall be defined by the Nomination and Remuneration Committee for Directors and for other KMP and Senior Management Personnel, the metrics shall be determined by the Managing Director.
- An holistic view of the ratings will be reviewed by the Board in relation to Directors and for KMP and Senior Management Personnel be reviewed by the Managing Director. The Managing Director does a qualitative review of the performance based on the efforts put in by the employee, results achieved and impact of the external and internal factors to arrive at the Final Rating.
- The revision in the total remuneration is directly linked to the Final Rating for all employees.
- The remuneration / compensation / commission etc to the Whole Time Director, KMP and Senior Management Personnel will be determined by the Managing Director in accordance with the HR Policy, which is based on the

Final rating, employee potential and market benchmark compensation. The revised remuneration is shared with the Nomination and Remuneration Committee for review.

- The ESOP's to the Whole Time Director and Senior Management Personnel will be determined by the Managing Director as per the ESOP Schemes of the Company and recommended to the Committee and the Board for approval in the subsequent board meeting.
- The remuneration/compensation/commission etc to the Directors shall be subject to the prior/post approval of the Shareholders of the Company and Central Government wherever required.
- The remuneration and commission to be paid to Whole Time Director shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provision of the Companies Act, 2013 and the rules made thereunder.
- The fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if
 - (i) the annual remuneration payable to such executive director exceeds Rupees Five Crore or 2.5% of the net profits of the listed entity, whichever is higher or
 - (ii) where there is more than one such Director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the listed entity.

Provided that the approval of the shareholders as stated above shall be valid only till the expiry of the term of such director.

Where any insurance is taken by the Company on behalf of its Whole-Time Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and any other employee for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such Insurance shall be treated as part of the remuneration.

Part-D

Policy relating to the making of payments to Non-Executive/ Independent Directors:

- The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible

under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

- All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The approval of the shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non – executive director exceeds fifty percent of the total annual remuneration payable to all non – executive directors, giving details of the remuneration thereof.

- The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors .
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- Any remuneration paid to Non- Executive for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes stated as above if the following conditions are satisfied:
 - o The Services are rendered by such Director in his capacity as the professional; and
 - o In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- The Nomination and remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

Modification

The Nomination and Remuneration Committee of the Board of Directors of Saksoft can modify this Policy at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with the regulations and / or accommodate organisational changes within the Company.

ANNEXURE -4A

SECRETARIAL AUDIT REPORT

For The Financial Year Ended On March 31, 2021

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,

The Members,

SAKSOFT LIMITED

We have conducted a Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SAKSOFT LIMITED (hereinafter called "the Company") during the Financial year from April 01, 2020 to March 31, 2021 (the year/ audit period/ period under review).

We conducted the Secretarial audit in a manner that provided us a reasonable basis for evaluating the Company 's corporate conducts/statutory compliances and expressing our opinion thereon.

We are issuing this report based on our verification of the Company 's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2021,generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2021 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India;
- (iii) The Securities Contract (Regulation) Act, 1956 and the Rules made thereunder;
- (iv) The Depositories Act,1996 and the Regulations bye-laws framed thereunder;
- (v) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Overseas Direct Investments and Export of goods and services;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Share Based employee Benefits), 2014;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;

- e. The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements Regulation, 2015
- (vii) The following laws are specifically applicable to the Company:
 - a. The Information Technology Act, 2000
 - b. Software Technology Parks of India Scheme
 - c. The Indian Copyright Act, 1957
 - d. The Trademarks Act, 1999
 - e. The Patents Act, 1970

1.2 During the period under review, and also after considering the compliance related action taken by the Company after March 31 2021 but before issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us complied with the laws mentioned in paragraph 1.1 above.

1.3 We are informed that, during/ in respect of the year no events have occurred which required the Company to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minutes books or other records or file any forms/ returns under:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. The Securities Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008.
- c. The Securities Exchange Board of India (Delisting of Equity Shares) Regulation, 2009.
- d. The Securities Exchange Board of India (Buyback of Securities) Regulation, 2018.

2. Board Processes:
We further report that:

2.1 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors during the Financial Year 2020- 21, after appointment of a women

Independent Director.

2.2 There were changes in the composition of the Board of Directors and it has been carried out in compliance with the provisions of the Act during the period under review. [MR-1]

2.3 Adequate notice is given to all directors to schedule the Board Meetings atleast seven days in advance, agenda and detailed notes on agenda were also circulated to the Board members prior to the meetings.

2.4 A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and

2.5 As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

3. Compliance mechanism:
We further report that:

3.1 There are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliance with applicable laws including labour laws, competition law, environmental laws, and other laws specifically applicable to the Company.

3.2 The compliance by the Company of applicable finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.

4. Specific Events/ actions:

We further report that during the audit period the following specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc took place:

- a) a)The Company vide Circular resolution passed by the Board of directors on October 27, 2020 allotted 15,000 equity shares of face value Rs 10 each at a premium of Rs141.70 under the ESOP 2009 Scheme.

- b) The Company appointed Ms. Malini Thadani as an Independent Director for a period of five years with effect from May 27, 2020 till May 26, 2025.

with effect from February 04, 2021 as Company Secretary and Compliance Officer.
- c) Mr. Aditya Krishan, was re-appointed as the Managing Director of the Company for a period of 5 years with effect from April 01, 2021 till March 31, 2026.

For **Lakshmmi Subramanian & Associates**
Practicing company secretaries
- d) Mr. Muthukrishnan, Company Secretary tendered his resignation with effect from December 11, 2020 and the Company appointed Ms. Meera Venkataraman

Swetha Subramanian
FCS No. 10815
CP No. 12512
UDIN: F010815C000375071

Place: Chennai
Date: May 26, 2021

ANNEXURE

(To the Secretarial Audit Report of M/s. SAKSOFT LIMITED for the financial year ended 31.03.2021)

To
The Members
SAKSOFT LIMITED

Our Secretarial Audit Report for the financial year ended March 31, 2021 is to be read along with this Annexure.

1. Maintenance of Secretarial record and ensuring compliance with all applicable laws is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basic for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about financial information, the compliance of law, rules and regulation and happening of certain events etc.
5. The compliance of the provisions of other laws, rules, regulation, standards specifically applicable to the Company is the responsibility of the management. Our examination was limited to the verification of system implemented by the Company on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

For **Lakshmmi Subramanian & Associates**
Practicing company secretaries

Place: Chennai
Date: May 26, 2021

Swetha Subramanian
FCS No. 10815
CP No. 12512
UDIN: F010815C000375071

Secretarial Compliance Report of Saksoft Limited
for the year ended 31st March, 2021

We, Lakshmi Subramanian and Associates, have examined:

- (i) all the documents and records made available to us and explanation provided by Saksoft Limited ("the listed entity"),

(i) the filings/ submissions made by the listed entity to the stock exchanges,

(ii) website of the listed entity,

(iii) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2021 ("Review Period") in respect of compliance with the provisions of:

(1) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(2) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- g. Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009
- h. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- i. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- j. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- k. Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment) Regulation, 2016
- l. Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
- m. Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 and circulars/ guidelines issued thereunder;

Further there are no events reported under (f) to (m)for the year under review. With regard to (a)to (e)deviations, wherever applicable, is reported as below and Based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

S. No.	Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
NIL			

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S. No.	Action taken by	Details of Violation	Details of Action taken, eg., fines, warning letter, debarment, etc.	Observations/Remarks of the Practising Company Secretary, if any
NIL				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No.	Observations of the Practising Company Secretary in previous reports	Observations made in the secretarial compliance report for the Year ended 31st March,2020	Actions taken by the listed entity, if any	Comments of the Practising Company Secretary on the actions taken by the listed entity
NIL				

For Lakshmmi Subramanian & Associates
Practicing company secretaries

Swetha Subramanian
FCS No. 10815
CP No. 12512
UDIN - F010815C000375071

Place: Chennai
Date: May 26, 2021

ANNEXURE -4B

To,
The Members,
DREAMORBIT SOFTECH PRIVATE LIMITED
(CIN: U72100KA2010PTC052990)
NO.19, ASCEND, 2ND FLOOR, 1ST CROSS 17TH C MAIN,
KORAMANGALA 5TH BLOCK BANGALORE KA 560095 IN

- Our Secretarial Audit report of even date, for the **Financial year 2020-2021** is to be read along with this letter:
1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
 2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
 3. We believe that the processes and practices that we follow provide a responsible basis for our opinion.
 4. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
 5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
 6. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.
 7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Date: May 25, 2021
Place: Bangalore
UDIN: A034838C000369293

Priya Rungta
Company Secretaries
CP No. 12980

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended on March 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel Rules, 2014)]

To,
The Members,
DREAMORBIT SOFTECH PRIVATE LIMITED
(CIN: U72100KA2010PTC052990)
NO.19, ASCEND, 2ND FLOOR, 1ST CROSS 17TH C MAIN,
KORAMANGALA 5TH BLOCK BANGALORE KA 560095 IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S DREAMORBIT SOFTECH PRIVATE LIMITED (CIN: U72100KA2010PTC052990)** (hereinafter called the Company) during the financial year from April 01, 2020 to March 31 ,2021 (the year/audit period/period under review).

Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/S DREAMORBIT SOFTECH PRIVATE LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the

company has, during the audit period covering the financial year ended on 31.03.2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S DREAMORBIT SOFTECH PRIVATE LIMITED** for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

The following are the list of details which has been examined under Companies, Act.

COMPOSITION OF BOARD

The Board consist of Four Directors:

Sr. No	DIN No.	Name	Designation	Date of Appointment
1.	00610447	Mr. Sanchit Jain	Director	25/03/2010
2.	03560704	Mr. Niraj kumar Ganeriwala	Director	30/12/2016
3.	07047338	Mr. Dhiraj Kumar Mangla	Director	30/12/2016
4.	00031345	Mr. Aditya Krishna	Director	30/12/2016

SHAREHOLDERS OF THE COMPANY

Sr. No	Name of The Shareholder	Folio Number	Number of Shares as On Dated 31.03.2021	Percentage of Shares
1.	Mr. Niraj Kumar Ganeriwal Saksoft Limited	00000022	1	0.0070
2.	Mr. Raghu R Saksoft Limited	00000023	1	0.0070
3.	Mr. Dhiraj Kumar Mangla Saksoft Limited	00000024	1	0.0070
4.	Ms. Avantika Krishna Saksoft Limited	00000025	1	0.0070
5.	Ms. Kanika Krishna Saksoft Limited	00000026	1	0.0070
6.	Mr. Aditya Krishna Saksoft Limited	00000027	1	0.0070
7.	Saksoft Limited	IN300095 12120147	14144	99.9575
Total			14150	100

MEETINGS DURING THE FY 20-21

❖ BOARD MEETINGS

The Board of directors duly met 5 (Five) times on:

- May 26, 2020
- August 06, 2020
- October 09, 2020
- November 02, 2020
- February 01, 2021

In respect of which meetings, proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

❖ MEMBERS MEETINGS

- Annual General Meeting for the financial year March 31, 2020 was held on August 06, 2020

❖ COMMITTEE MEETINGS

- The Corporate Social Responsibility Committee Meeting was held on February 01, 2021.
 - During the year, Mr. Abhishek Porwal, Director resigned from the Company.
 - During the year, the company has not advanced any loans to its directors and/or persons, firms or companies referred in section 185 of the Act and hence, provisions of section 185 of the Act do not apply to the Company.
 - The company has not bought back any shares during the Financial year ending March, 31, 2021.

- The company has not declared dividend during the year and has complied with the provisions of the Companies Act, 2013 read with relevant rules thereof.
- The company has not issued or allotted any Equity Shares, Preferences Shares, Debentures or any other form of securities during the financial year
- The company has not transferred the shares during the Financial year ending March 31, 2021 in any mode.
- The Company has appointed M/s. Suri & co., Chartered Accountant (Firm Reg. No 004283S), as Statutory Auditors as per the provisions of the Section 139 of the Act.
- During the year, the company has not created or modified any Charge.
- During the year, the company has not made amendment in the Articles of Association (AOA) and Memorandum of Association (MOA) of the Company.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings

I, further report that, the following provisions of Acts, Rules and Regulations are not applicable to the Company during Financial Year.

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Date: May 25, 2021
Place: Bangalore
UDIN: A034838C000369293

I have also examined the compliance with the following applicable clause and during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors.

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the board were unanimous and the dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Priya Rungta
Company Secretaries
CP No. 12980

ANNEXURE -5

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on March 31, 2021

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and other details

i.	CIN	L72200TN1999PLC054429
ii.	Registration Date	24/11/1999
iii.	Name of the Company	SAKSOFT LIMITED
iv.	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES
v.	Address of the Registered office and contact details	Global Infocity Park, II Floor, Block - A, # 40 Dr. MGR Salai, Kandanchavadi, Perungudi, Chennai - 600 096. Office +91 44 24543500 Email: complianceofficer@saksoft.co.in or investorqueries@saksoft.co.in
vi.	Whether listed company	Yes. Listed with National Stock Exchange of India Limited (NSE) and in BSE under permitted trading category.
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited Subramanian Buildings No.1, Club House Road, Chennai - 600 002. Tel:+91-44-28460390, Fax: +91 - 44 - 28460129 Email: investor@cameoindia.com ; Web-site: www.cameoindia.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Computer Programming, Consultancy and Related Activities	620	100

III. Particulars of Holding, Subsidiary and Associate Companies

Sr No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Saksoft Inc. Suite 1240, 30 Montgomery Street, Jersey City, NJ 07302.	Foreign Company	Subsidiary	100%	2(87)
2	Nanda Infotech Services Inc. (DBA Electronic Data Professionals) 3070, Bristol Pike, BLDG 2 Suite 107 Bensalem, PA 19020	Foreign Company	Subsidiary	Saksoft Inc. holds 100%	2(87)
3	Faichi Solutions Inc., 800 W. El Camino Real, Suite 180, Mountain View, CA 94040	Foreign Company	Subsidiary	Saksoft Inc holds 100%	2(87)
4	Saksoft Solutions Limited Applicon House, Exchange Street, Stockport, United Kingdom, SK3 0EY	Foreign Company	Subsidiary	100%	2(87)
5	Acuma Solutions Limited Applicon House, Exchange Street, Stockport, United Kingdom, SK3 0EY	Foreign Company	Subsidiary	Saksoft Solutions Limited holds 100%	2(87)
6	Saksoft Ireland Limited JPA Brenson Lawlor House Argyle Square, Morehampton Road, Donnybrook, Dublin 4	Foreign Company	Subsidiary	Saksoft Solutions Limited holds 100%	2(87)
7	Saksoft Pte Limited 10 Jalan Besar, #10-12, Sim Lim Tower, Singapore – 208787	Foreign Company	Subsidiary	100%	2(87)
8	Threesixty Logica Testing Services Private Limited Global Infocity Park, Block A, II Floor, No. 40, Dr. MGR Salai, Kandanchavadi, Perungudi, Chennai – 600096.	U72900TN2009PTC120672	Subsidiary	100%	2(87)
9	Three Sixty Logica Testing Services Pte Ltd 10 Jalan Besar, #10- 10, Sim Lim Tower, Singapore- 208787	Foreign Company	Subsidiary	Threesixty Logica Testing Services Pvt. Ltd. Holds 100%	2(87)
10	DreamOrbit Softech Private Limited No.19, Ascend, 2nd Floor, 1st cross, 17th C Main, Koramangala 5th Block, Bangalore, Karnataka - 560095.	U72100KA2010PTC052990	Subsidiary	100%	2(87)
11	DreamOrbit Inc., 2711 Centerville Road Suite 400, Wilmington, Delaware 19808	Foreign Company	Subsidiary	DreamOrbit Softech Private Limited holds 100%	2(87)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2020				No. of Shares held at the end of the year 31.03.2021				% *change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A Promoter									
1) Indian									
a) Individual/ HUF	2218640	0	2218640	21.18	2218640	0	2218640	21.15	(0.03)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	5030865	0	5030865	48.03	5030865	0	5030865	47.96	(0.07)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-	7249505	0	7249505	69.21	7249505	0	7249505	69.11	(0.10)
2) Foreign	0	0	0	0	0	0	0	0	0
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
Total (A)	7249505	0	7249505	69.21	7249505	0	7249505	69.11	(0.10)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital	0	0	0	0	0	0	0	0	0
i) Others (specify) – Foreign Portfolio Investor (Corporate) Category II					123000	0	123000	1.1725	1.1725
Foreign Portfolio Investor (Corporate) Category III	102300	0	102300	0.9766	102300	0	102300	0.9752	(0.0013)
Sub-total (B)(1)	102300	0	102300	0.9766	225300	0	225300	2.15	1.1711
2. Non Institutions									
a) Bodies Corp.	400377	0	400377	3.8222	409090	0	409090	3.8998	0.0775
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	935899	2406	938305	8.9575	1303744	2406	1306150	12.4513	3.4938

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2020				No. of Shares held at the end of the year 31.03.2021				% *change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	1012513	0	1012513	9.6659	552066	0	552066	5.2627	(4.4032)
c) Others (Specify)									
Clearing Member	7795	0	7795	0.0744	25894	0	25894	0.25	0.1724
ESOP/ESOS/ESPS	919	7000	7919	0.0755	573	7000	7573	0.07	(0.0034)
Employee Trusts	532460	0	532460	5.0831	532460	0	532460	5.07	(0.0072)
Foreign Nationals	56	0	56	0.0005	56	0	56	0.00	(0.0000)
Foreign Portfolio Investor (Individual)	0	0	0	0					
Hindu Undivided Family	140422	0	140422	1.3405	65201	0	65201	0.62	(0.7189)
IEPF	870	0	870	0.0083	870	0	870	0.00	(0.0000)
Non Resident Indians	81578	0	81578	0.7787	114935	0	114935	1.09	0.3168
Resident HUF	0	0	0	0	0	0	0	0	0
Trusts	900	0	900	0.0085	900	0	900	0.0085	(0.0000)
Others (Total)	765000	7000	772000	7.3699	740889	7000	747889	7.1295	(0.2403)
Sub-total (B)(2)	3113789	9406	3123195	29.8157	3005789	9406	3015195	28.7435	(1.0721)
Total Public Shareholding (B)=(B) (1)+ (B)(2)	3216089	9406	3225495	30.7923	3231089	9406	3240495	30.8912	0.0989
C Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	10465594	9406	10475000	100	10480594	9406	10490000	100	0.0000

▪ *% Change is calculated based on respective shareholders capital to the total paid up capital between previous year and current year

ii. Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2020			Shareholding at the end of the year 31.03.2021			% change in shareholding during the year*
		No. of Shares	% of Total Shares of the Company	% of Shares pledged/ encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares pledged/ encumbered to Total Shares	
1.	Sak Industries Private Limited	4847715	46.28	Nil	4847715	46.21	Nil	-0.07
2.	Aditya Krishna	2218640	21.18	Nil	2218640	21.15	Nil	-0.03
3.	Sonnet Trades & Investments Private Limited	183150	1.75	Nil	183150	1.74	Nil	-0.01
Total		7249505	69.21	Nil	7249505	69.11	Nil	-0.11

iii. Change in Promoters Shareholding (Please specify, if there is no change)- NO CHANGE

Sr No.	Name of the Promoters	Shareholding at the beginning of the year 01.04.2020	Date wise increase/ decrease in promoters' Shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)	Cumulative Shareholding during the year	Shareholding at the end of the Year 31.03.2021

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs): (Refer note V below)

Sr No.	Name of the Shareholders	Shareholding at the beginning of the year 01.04.2020		Change in Shareholding during the year (Net)		Shareholding at the end of the year 31.03.2021	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	SAKSOFT EMPLOYEES WELFARE TRUST	532460	5.0831	0	0.0073	532460	5.0758
2	B.BHARATHAN KANTHIMATHINATHAN	250372	2.3901	(115824)	(1.1075)	134548	1.2826
3	M UMayAL	98599	0.9412	(16122)	(0.155)	82477	0.7862
4	RAJASTHAN GLOBAL SECURITIES PRIVATE LIMITED	287634	2.7459	44121	0.4165	331755	3.1624
5	UMAMAHESWARI JANARTHANAN	108592	1.0366	(108592)	(1.0366)	0	0
6	PASSAGE TO INDIA MASTER FUND LIMITED	102300	0.9766	0	0.0014	102300	0.9752
7	NIRAJKUMAR GANERIWALA	71500	0.6825	5291	0.0495	76791	0.7320
8	ANNU THOMAS	55317	0.5280	(6900)	(0.0665)	48417	0.4615
9	JANET CHRISTINE DEPENNING	55736	0.5320	(26136)	(0.2491)	29600	0.2821
10	GIRISH GULATI (HUF)	39839	0.3803	(39839)	(0.3803)	0	0
11	PREMIER INVESTMENT FUND LIMITED	0	0	123000	1.1725	123000	1.1725
12	NITIN KAPIL TANDON JT1 : NATASHA NITIN TANDON	39000	0.3723	0	(0.0006)	39000	0.3717

v. Shareholding of Directors and Key Managerial Personnel:

Sr No.	Name of the Shareholders	Shareholding at the beginning of the year 01.04.2020	Change in the shareholding during the year (Net)	Shareholding at the end of the Year 31.03.2021
1	Aditya Krishna, Chairman and Managing Director	2218640	0	2218640
2	Niraj Kumar Ganeriwala, COO and CFO	71500	5291	76791

Note for point no. iv and v above: The above details are given as on March 31, 2021. The company is listed and 99.91% shareholding is in dematerialised form. Hence, it is not feasible to track movement of shares on daily basis. The aforesaid holding by top ten shareholders is due to market operations.

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	54.56	230.00	-	284.56
i) Principal Amount	54.56	230.00	-	284.56
ii) Interest due but not paid	-	-	-	-
Total (i+ii+iii)	54.56	230.00	-	284.56
Change in Indebtedness during the Financial year				
- Addition	-	-	-	-
- Reduction	54.56	30.00	-	84.56
Net Change	54.56	30.00	-	84.56
Indebtedness at the end of the financial year	-	200.00	-	200.00
i) Principal Amount	-	200.00	-	200.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	200.00	-	200.00

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rs. in Million)

Sr No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Aditya Krishna	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.03	6.03
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
6	Total (A)	6.03	6.03
	Ceiling as per the Companies Act, 2013	Being 5% of the net profits of the Company	

B. Remuneration to other directors:

(Rs. in Million)

Sr No.	Particulars of Remuneration	Sitting Fee paid for attending Board/ Committee Meetings	Commission Paid	Others, Please Specify	Total Amount
1	Independent Directors				
	Mr. Ajit Thomas	0.26	0.15	Nil	0.41
	Mr. VVR Babu	0.29	0.15	Nil	0.44
	Mr. Ganesh Chella	0.27	0.15	Nil	0.42
	Ms. Malini Thadani	0.22	0.13	NIL	0.35
2	Other Non-Executive Directors				
	Ms. Kanika Krishna	0.23	0.15	Nil	0.38
	Total managerial remuneration	1.27	0.73	Nil	2.00
	Ceiling as per the Companies Act, 2013	Being 1% of the net profits of the Company			

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

(Rs. in Million)

Sr No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Niraj Kumar Ganeriwala, CFO	Mr. Muthukrishnan/ Ms. Meera Venkatramanan Company Secretary	
1	Gross salary	7.84	1.30	9.14
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.00	-	3.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
5	Commission	-	-	-
	- as % of profit			
	- others, specify			
5	Others, please specify			
6	Total (A)	10.84	-	12.14

VII. Penalties / Punishment/ Compounding of Offences:

There were no penalties, punishment or compounding of offences during year ended March 31, 2021.

For and on behalf of the Board

Place: Chennai
Date: May 26, 2021

Aditya Krishna
Chairman & Managing Director

ANNEXURE -6

REPORT ON CORPORATE GOVERNANCE

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")]

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all its stakeholders.

Corporate Governance is one of the essential pillars for building an efficient and sustainable environment. Good Governance is an inevitable ingredient of a good business.

At Saksoft Limited ("Saksoft"), Corporate Governance is more than just a principle and demonstrated in an effective manner. This is ensured and reinforced at all levels and every stage of the business by articulating the Corporate Governance principles through various policies, codes and guidelines implemented by Saksoft in India and additionally across the globe in all its group companies for its Directors and the Senior Management Personnel.

The Company believes in its core values of Innovation, Customer Focus, Openness, Respect and Entrepreneurship (iCORE) to conduct a fair and transparent business. Efficient and effective Corporate Governance involves a clear understanding and performance of the respective roles and responsibilities of the Members of the Board and the Key Personnel in the Organisation thereby ensuring delivery of fair output.

The significance of good Corporate Governance practices has been emphasized to the employees of Saksoft. Saksoft has succeeded in achieving excellent results through meticulous and robust Corporate Governance practices by having various policies in place to strengthen the system.

Effective Corporate Governance structure can be built with simple and transparent processes driven by business needs of all stakeholders. Legal compliance, Integrity, transparency, fairness, relationship with stakeholders with a responsible leadership forms the base of a good Corporate Governance.

Saksoft is consistently working on improving the sustainable value through its systemic process of Corporate governance to meet the stakeholders' aspirations and retain their trust. Our Corporate Governance ultimately paves way to our Corporate Excellence.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS

The Board of Directors along with its Committees provide leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

As on March 31, 2021, the Board comprised of six Directors, out of which four Independent Directors comprise of more than half of the total strength of the Board. The Independent Director Include a Women Independent Director as stipulated under the regulations.

The Chairman of the Board is an Executive and Promoter Director. The Board also comprises of a Non-Executive Non Independent Woman Director.

Profile of the Directors of the Company is available at <https://www.saksoft.com/board-of-directors>

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

None of the Directors are a Member of more than ten Committees and Chairman of more than five Committees across all the companies in which they are Directors.

None of the Directors on the Board:

- Hold Directorships in more than ten public Companies;
- Serves as a Director or as Independent Director in more than seven listed entities;
- Who are the Executive Director serves as Independent Director in more than three Companies

All the Directors have made necessary disclosures regarding their positions in Committees held by them in other Public companies as on March 31, 2021.

The required information as enumerated in Schedule II, Part A of Listing Regulations is made available to the Board of Directors for discussions and consideration at Board Meetings.

The Board reviews the report made by the Company Secretary regarding compliance with all applicable laws on a quarterly basis and steps taken to remediate instances of non-compliance, if any.

The Chairman & Managing Director and the Chief Financial Officer have furnished the Compliance Certificate to the Board in accordance with Schedule II - Part B of Listing Regulations for the Financial Year ended March 31, 2021.

The Board of Directors review at regular intervals with respect to the plans for orderly succession for appointment to the Board of Directors and Senior Management.

(a) Composition and category of Directors

Name of the Directors	Designation	Category
Aditya Krishna	Chairman & Managing Director	Executive and Promoter
Ajit Thomas	Director	Independent Non-Executive
VVR Babu	Director	Independent Non-Executive
Ganesh Chella	Director	Independent Non-Executive
Malini Thadani	Director	Independent Non-Executive
Kanika Krishna	Director	Non-Executive Non Independent

(b) The attendance of each Director at Board Meetings and last Annual General Meeting

Name of the Directors	Particulars of Attendance in	
	Board Meetings	Last AGM
Aditya Krishna	4/4	Yes
Ajit Thomas	4/4	Yes
VVR Babu	4/4	Yes
Ganesh Chella	4/4	Yes
Malini Thadani*	4/4	Yes
Kanika Krishna	4/4	Yes

*Ms. Malini Thadani was appointed as an Independent Director on the Board effective May 27, 2020.

(c) Number of other Chairmanships / Memberships of the Board / Committees of each Director in various Companies are as under.

Name of Director	Number of Directorships in other Indian Public Companies		Number of Committee positions held in other Indian Public Companies		Directorship in other listed entity (Category of Directorship)
	Chairman	Member	Chairman	Member	
Aditya Krishna	Nil	2	1	1	Nil
Ajit Thomas	6	8	7	10	2
VVR Babu	Nil	Nil	Nil	Nil	Nil
Ganesh Chella	Nil	Nil	Nil	Nil	Nil
Malini Thadani	Nil	Nil	Nil	Nil	Nil
Kanika Krishna	Nil	Nil	Nil	Nil	Nil

(d) Board Meetings

The Board meets at least once in a quarter and the interval between two meetings is not more than 120 days. The meetings of the Board deliberate among other things, key issues like periodic operating and financial results, capital/operating budgets, findings/comments of the Statutory and Internal Auditors, risk management, internal controls, issue of capital and other resource mobilisation efforts. The Board also deliberates on the Company's strategy for medium and long term growth.

The annual calendar of Board Meetings is agreed upon at the beginning of the year to ensure that there is maximum attendance and participation in the Board Meetings. The Company conducts Board meetings in compliance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations. During the Financial Year 2020-21, the Board met 4 times on May 27, 2020, August 10, 2020, November 06, 2020 and February 04, 2021.

(e) Relationships between Directors inter-se

Ms. Kanika Krishna, Non-Executive Director is the daughter of Mr. Aditya Krishna, Chairman and Managing Director of the Company.

(f) Number of Shares and Convertible instruments held by Non-Executive Directors

None of the Non Executive Directors of the Company are holding shares of the Company as at March 31, 2021.

	Aditya Krishna	Ajit Thomas	VVR Babu	Ganesh Chella	Malini Thadani	Kanika Krishna
Financial	✓	✓	✓	✓	✓	✓
Global Business	✓	✓	✓	✓	✓	✓
Board Service & Governance	✓	✓	✓	✓	✓	✓
Mergers & Acquisition	✓	✓	✓	✓	✓	✓

3. COMMITTEES OF THE BOARD

(i) AUDIT COMMITTEE

(a) Terms of Reference:

The terms of reference stipulated by the Board to the Audit Committee cover the matters specified under Regulation 18 read with Part C-Schedule II of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and its relevant rules notified thereunder.

(g) Independent Directors

All the Independent Directors have confirmed that they meet the 'Independence' criteria as required under Section 149(7) of the Companies Act, 2013. Independent Directors of the Company have met all the obligations as prescribed under Regulation 25 of SEBI Listing Regulations.

None of the Independent Directors are serving as Independent Director in more than seven listed entities. During the year, the Independent Directors had a separate meeting on February 04, 2021. All the Independent directors were present in that meeting.

The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company and the web-link of the same is given under point 15 of this Report.

The Company has formulated a policy to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. The details of such familiarization programmes are disclosed on the website of the Company and web-link of the same is given under point 15 of this Report.

The performance evaluation of Independent Directors was carried out by the Board of Directors.

The Board has identified the following core skills / expertise / competencies in the current context of the business and sectors for the effective functioning of the Company, which are currently available with the Board:

(b) Composition of Audit Committee:

The Audit committee of the Company consists only of the Independent Directors. The Composition of the Committee and the qualification prescribed for the Members are in compliance with the requirements of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and its relevant rules notified thereunder. All the Members of the Committee are financially literate and have sufficient accounting and financial management expertise.

(c) Details of Meetings and attendance of Members during the year:

During the year 2020 - 2021, the Audit Committee met four times on May 27, 2020, August 10, 2020, November 06, 2020 and February 04, 2021.

The Committee was reconstituted on February 04, 2021 with induction of Ms. Malini Thadani as the member with effect from November 06, 2020.

The attendance details are as follows:

Name of the Member	Designation	No. of Meetings Attended
Ajit Thomas	Chairman	4/4
VVR Babu	Member	4/4
Ganesh Chella	Member	4/4
Malini Thadani	Member	1/4

The Company Secretary acts as the Secretary to the Committee. The Chairman of the Audit Committee is an Independent Director and was present at the Annual General Meeting held on August 10, 2020.

All the recommendations of Audit Committee were accepted by the Board of Directors.

(ii) NOMINATION AND REMUNERATION COMMITTEE**(a) Terms of reference:**

The terms of reference stipulated by the Board to the Nomination and Remuneration Committee cover the matters specified under Part D of the Schedule II of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and its relevant rules notified thereunder which inter-alia includes the following:

- Recommendation to the Board of Directors in relation to the remuneration payable to the Managing Director as and when it come up for review;
- Administering the Employees Stock Option plans of Saksoft Limited; and
- Formulation of criteria for evaluation of performance of Independent Directors and Key Managerial Personnel.

(b) Composition of Committee:

The Constitution of Nomination and Remuneration Committee is in accordance with Regulation 19 of SEBI Listing Regulations. The Committee consists only of Independent Directors.

(c) Meetings of the Committee:

During the year under review, the Committee met two times on May 27, 2020 and February 04, 2021.

The Committee was reconstituted on February 04, 2021 with induction of Ms. Malini Thadani as the Member

The details of the members of the Nomination and Remuneration Committee and their attendance record are as follows:

Name of the Member	Designation	No. of Meetings attended
VVR Babu	Chairman	2/2
Ajit Thomas	Member	2/2
Ganesh Chella	Member	2/2
Malini Thadani	Member	1/ 2

The Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting held on August 10, 2020.

(d) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

(e) Remuneration Policy:

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. Annual increments are

recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the Commission payable to the Non-Executive Directors out of the profits for the Financial Year and within the ceilings prescribed under the Act, based on the Board Evaluation process considering the criteria such as the performance of the Company as well as that of the Managing Director and each Executive Director.

(f) All pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the listed entity:

Apart from the below mentioned Sitting fees and Commission, in (h) there was no pecuniary relationship or transactions with the Non-Executive Directors during the Financial Year 2020-2021.

(g) Criteria of making payments to Non-Executive Directors:

This is provided in the Nomination and Remuneration Policy provided as Annexure 3 to the Director's Report

(h) Disclosures with respect to remuneration:**Executive Director:**

(Rs. in Million)			
Name	Fixed Component	Performance linked incentives	Total
Aditya Krishna, Chairman & Managing Director	Salary	Commission/Bonuses, stock options, pension	6.03

Non-Executive Directors:

The Company pays Sitting Fees of (a) Rs. 50,000/- per meeting to its Non-executive and Independent Directors for attending meetings of the Board and (b) Rs. 10,000/- per meeting to its Non-Executive and Independent Directors for attending meetings of Committees of the Board.

The Company has obtained approval from its Shareholders at the 16th Annual General Meeting of the Company towards payment of commission of 1% of the Net Profits of the Company commencing from April 01, 2015. The said Commission will be decided each year by the Board of Directors and distributed amongst the Non-Executive and Independent Directors based on the period of their association with the Company during the year.

The summary of Sitting Fees and Commission payable for the year ended March 31, 2021 to the Directors are as follows:

Sr. No	Name of the Director	Sitting Fees (Board Meetings)	Sitting Fees (Committee Meetings)	Managerial Commission	Total
1.	Ajit Thomas	0.20	0.06	0.15	0.41
2.	VVR Babu	0.20	0.09	0.15	0.44
3.	Kanika Krishna	0.20	0.03	0.15	0.38
4.	Ganesh Chella	0.20	0.07	0.15	0.42
5.	Malini Thadani	0.20	0.02	0.13	0.35

All the Directors are appointed through Shareholders' resolutions. There were no service contracts, notice period and severance fees applicable.

The Company has not issued any stock options to any of the Directors. None of the Directors receives any remuneration or commission from the Subsidiary Companies.

A brief profile and other particulars of the Director seeking re-appointment is given in the Notice convening the 22nd Annual General Meeting of the Company which forms part of this Annual Report.

(iii) CSR COMMITTEE

The Committee consists of :

Mr. Aditya Krishna, Chairman & Managing Director

Mr. VVR Babu, Independent Director

Ms. Kanika Krishna, Non-Executive Director

The Committee's responsibilities are as stipulated under Section 135 of the Companies Act, inter-alia that includes formulating the CSR policy in compliance to Section 135 of the Companies Act 2013 and identifying activities to be undertaken as per Schedule VII of the Companies Act 2013.

CSR Committee met two times on May 27, 2020 and February 04, 2021.

The Committee has recommended to the Board of Directors to contribute not less than 2% of the average net profit of the last three financial years toward CSR fund for the Financial Year 2020 – 21 to aid NGO's undertaking projects in the field of "Promoting education including special education and employment enhancing vocational skills especially among children women, elderly, and the differently abled and livelihood enhancing projects and supporting the upliftment of women in their livelihood.

The details of the Members of the CSR Committee and their attendance record are as follows:

Name of the Member	Position held	No. of meetings attendance
Aditya Krishna	Chairman	2/2
Kanika Krishna	Member	2/2
VVR Babu	Member	2/2

The report on CSR activities is annexed to and forms part of the Directors Report as Annexure 1.

(iv) STAKEHOLDER'S RELATIONSHIP COMMITTEE

Name of the Chairperson of the Committee – Mr. VVR Babu

Name and designation of Compliance Officer – Ms. Meera Venkatramanan

Number of shareholders' complaints received - There were no investor complaints received through SCORES portal for the year ended March 31, 2021.

The Constitution of Stakeholders' Relationship Committee of the Company is in accordance with Regulation 20 of SEBI Listing Regulations.

The Committee consists of one Non Executive Non Independent Director and two Independent Directors.

The Company Secretary acts as the Secretary to the Committee.

The role of the Committee is as specified in Part D of the Schedule II of SEBI Listing Regulations which inter-alia includes redressing Stakeholders' grievances like share transfers, non-receipt of Annual Report and non-receipt of dividend.

During the year, the Committee met once on May 27, 2020. The Members of the Stakeholders Relationship Committee and attendance record are as follows:

Name of the Member	Position held	No. of meetings attendance
VVR Babu	Chairman	1/1
Kanika Krishna	Member	1/1
Ganesh Chella	Member	1/1

4. GENERAL BODY MEETINGS

(a) Location and Time, where last three Annual General Meetings were held:

Year	Location	Date	Time
2017-18	P. Obul Reddy Hall, Vani Mahal, 103, G.N.Chetty Road, T. Nagar, Chennai - 600017.	10.08.2018	10.30 AM
2018-19	P. Obul Reddy Hall, Vani Mahal, 103, G.N.Chetty Road, T. Nagar, Chennai - 600017.	12.08.2019	10.30 AM
2019-20	Annual General Meeting through Video Conferencing or other Audio Visual Means (Virtual AGM)	10.08.2020	10.30AM

(b) Special Resolutions passed during the last three Annual General Meetings

Financial Year	General Meeting	No. of Special Resolutions
2017 - 18	19th Annual General Meeting	NIL
2018 - 19	20th Annual General Meeting	4
2019 - 20	21st Annual General Meeting	1

(c) Special Resolutions passed through Postal Ballot during the Financial Year 2020 - 2021: NIL

(d) Person who conducted the postal ballot exercise: Not applicable

(e) Special resolution to be conducted by way of postal ballot:

The Company does not envisage any Special Resolution to be conducted by way of postal ballot. However, this is subject to any other contingencies or event that may happen in near future.

(f) Procedure for postal ballot:

The Company follows the procedure laid down in Companies Act, 2013 and rules and SEBI Listing Regulations in respect of the Postal ballot by providing both postal ballot forms and e-voting option to the Shareholders.

8. MEANS OF COMMUNICATION

An essential part of a good Corporate Governance is timely and effective communication.

The Stakeholders are updated consistently with the financial results, press releases, presentations to the Institutional Investors and other specific communications as required.

Given are the details of vital importance that are communicated to the Stakeholders.

(a) Quarterly Results:

The Company has the ultimate responsibility of keeping the investors informed of the financial performance of the Company. The quarterly results of the Company are approved and adopted by the Board within 45 (forty-five) days of the end of the quarter and the last quarter results are approved and adopted by the Board within 60 (Sixty) days from the closure of the last quarter. The results are disseminated immediately to the Stock Exchanges where the Company's shares are listed and on the website of the Company.

(b) Newspapers wherein results are generally published:

The Consolidated quarterly / annual financial results are published within 48 hours in the leading newspapers Viz., Business Standard, Financial Express, Trinity Mirror (English) and Makkal Kural (Tamil) with a note that the standalone quarterly/ annual financial results are posted on the Company's website for ease of reference to the stakeholders.

(c) Any website, where displayed:

Standalone and Consolidated Financial results for all quarters are displayed on the website of the Company viz., www.saksoft.com under a dedicated section for Investors and also in NSE- www.nseindia.com and BSE - www.bseindia.com.

(d) Whether it also displays official news releases:

The official news releases are displayed on the website of the Company. Web-link is given under Point 15 of this report.

(e) Presentations made to Institutional Investors or to the Analysts:

Pursuant to Regulation 30(6) of SEBI Listing Regulations, the details of schedule of Analyst/Institutional Investor meeting with the Company is communicated to the Stock exchanges and gist of discussions or presentations made are also placed on the website of the Company as a matter of compliance and convenience to the stakeholders.

Web link of the same is given under Point 15 of this Report.

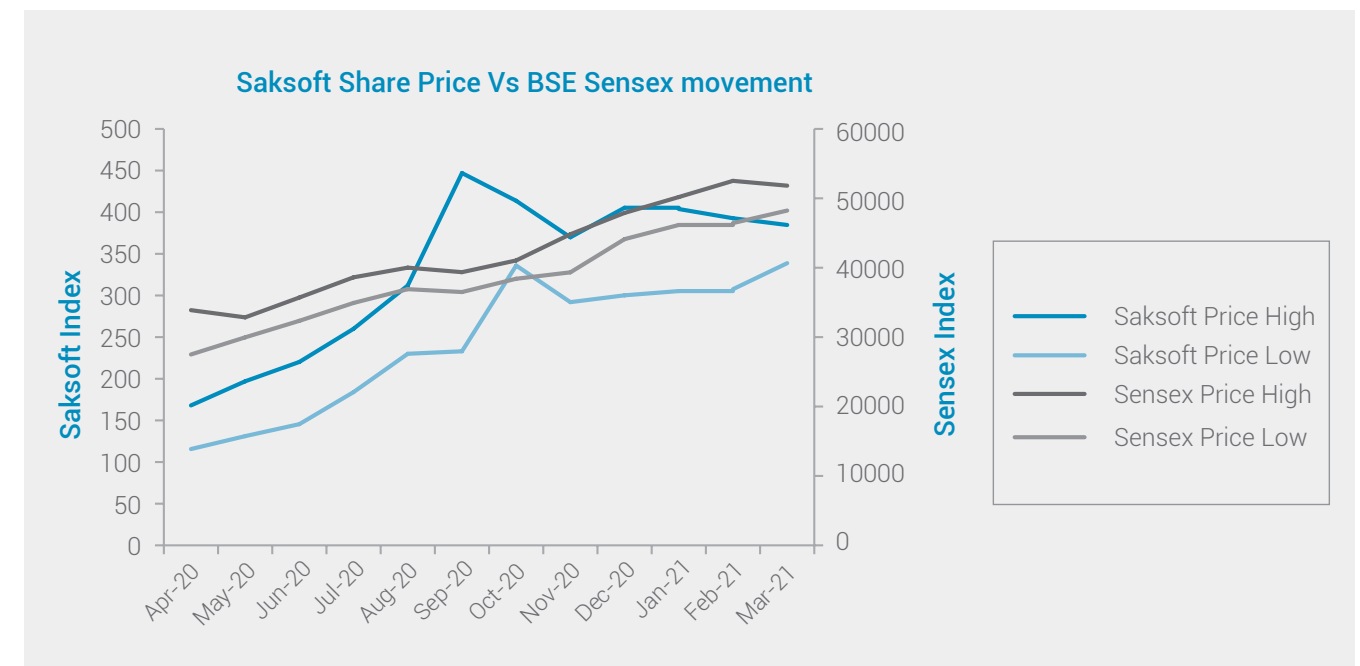
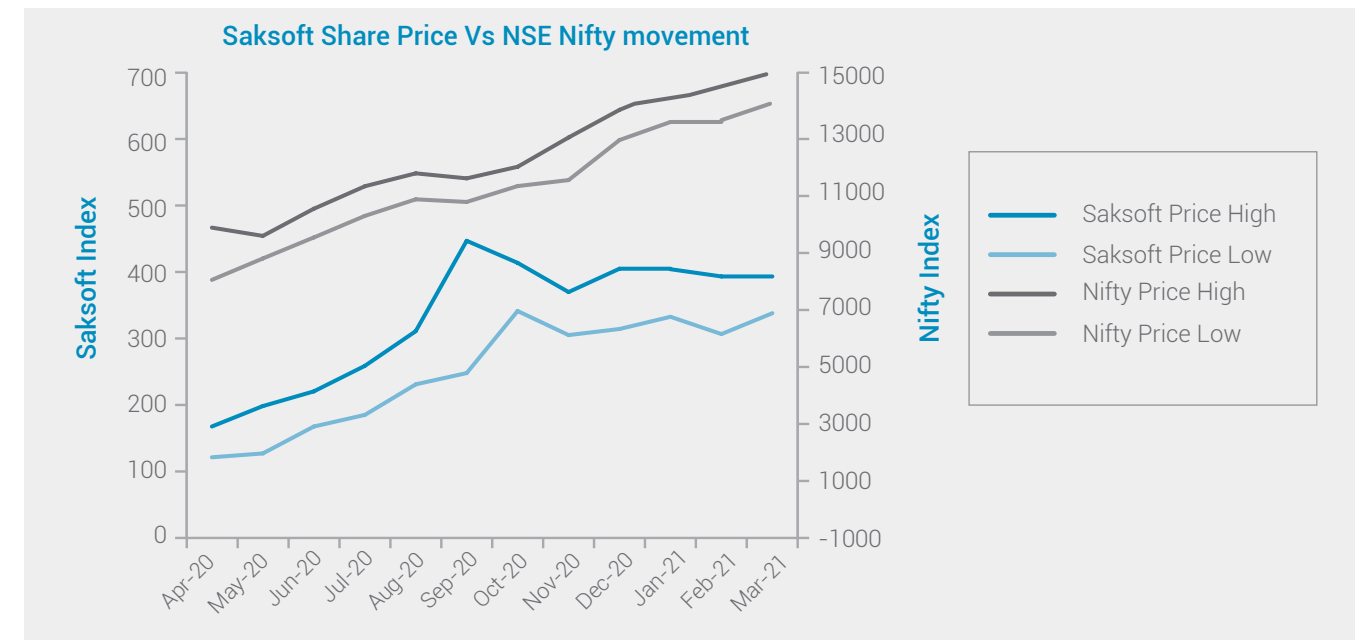
9. GENERAL SHAREHOLDER INFORMATION

Particulars	Details
(a) Annual General Meeting	Date: August 10, 2021 Time: 10.30 A.M Venue : Annual General Meeting through other Audio Visual Means
(b) Financial Year	The Financial Year of the Company is April 01 to March 31 Tentative details of the financial calendar for the year are as under Second week of August 2021 Last week of October 2021 First week of February 2022 Last week of May 2022 August 01, 2021 to August 10, 2021 (both days inclusive)
(c) Name and address of the each Stock Exchange(s) at which the listed entities securities are listed and confirmation payment of annual listing fee to each of Stock Exchange(s)	The Equity shares of the Company are listed at: National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 and Shares are permitted to be traded under the permitted trading category in: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. The annual listing fee as prescribed by the NSE has been paid within the prescribed time limit and listing fee is not applicable in BSE Ltd, as the Company is under permitted trading category in BSE Limited.
d) Stock Code	NSE Stock code : SAKSOFT EQ BSE (under permitted trading category) - Stock code : 590051 ISIN : INE667G01015

(e) Market Price data high, low during each month in the last financial year:

Name	National Stock Exchange		NIFTY		Bombay Stock Exchange		SENSEX	
Month	Saksoft Price High	Saksoft Price Low	Nifty Price High	Nifty Price Low	Saksoft Price High	Saksoft Price Low	Sensex Price High	Sensex Price Low
April 2020	167.70	121.30	9889.05	8055.80	168.00	115.60	33887.25	27500.79
May 2020	198.40	127.10	9598.85	8806.75	196.95	131.10	32845.48	29968.45
June 2020	220.50	167.55	10553.15	9544.35	220.20	145.50	35706.55	32348.10
July 2020	258.80	185.00	11341.40	10299.60	260.00	184.00	38617.03	34927.20
August 2020	311.00	231.00	11794.25	10882.25	312.00	230.00	40010.17	36911.23
September 2020	447.00	247.95	11618.10	10790.20	447.00	233.00	39359.51	36495.98
October 2020	413.80	341.30	12025.45	11347.05	413.70	335.95	41048.05	38410.20
November 2020	369.90	305.10	13055.15	11557.40	369.85	292.00	44825.37	39334.92
December 2020	405.00	314.25	14024.85	12962.80	405.35	300.20	47896.97	44118.10
January 2021	404.25	332.60	14753.55	13596.75	403.80	305.30	50184.01	46160.46
February 2021	393.35	306.60	15431.75	13661.75	392.75	307.55	52516.76	46433.65
March 2021	392.50	338.00	15336.30	14264.40	384.65	338.80	51821.84	48236.35

(f) Performance in comparison to broad-based indices such as NIFTY IT and BSE Sensex;



(g) In case the Securities are suspended from trading, the Director's report shall explain the reason thereof: Not applicable.

(h) Registrar and Transfer Agents (RTA)

Cameo Corporate Services Limited
Subramanian Building, No.1, Club House Road, Chennai – 600 002.
Tel: +91-44--28460390, Fax: +91 - 44 – 2846 0129
Email: investor@cameoindia.com; Web-site: www.cameoindia.com

(i) Share Transfer System:

The Company's shares are traded in the Stock Exchange(s) compulsorily in DEMAT mode. Pursuant to the directives issued by the Securities and Exchange Board of India, the share transfers, both physical and demat are handled by our share transfer agents, M/s Cameo Corporate Services Limited, Chennai. Shares in physical mode which are lodged for transfer either with the Company or with the share transfer agents are processed subject to the exercise of option under compulsory transfer cum demat procedure.

(j) Distribution of shareholding as on March 31, 2021:

Shareholding (Rs.)	Shareholders		Shares Amount	
	Number	%	Rs.	%
Upto 10 - 5000	10001	94.9401	6909110	6.5863
5001 – 10000	275	2.6105	2168100	2.0668
10001 – 20000	124	1.1771	1825260	1.7400
20001 – 30000	41	0.3892	1063690	1.0140
30001 – 40000	26	0.2468	915840	0.8730
40001 – 50000	15	0.1423	718120	0.6845
50001 – 100000	27	0.2563	1870840	1.7834
100001 and above	25	0.2373	89429040	85.2517
Total	10534	100	104900000	100

(k) Dematerialisation of Shares and Liquidity

As at March 31, 2021, 99.91% of equity shares have been dematerialized. These shares are traded in the National Stock Exchange of India Limited and BSE Limited under permitted trading category.

(l) Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: Not applicable.

(m) Commodity Price risk or foreign exchange risk and hedging activities:

(Amount in millions)					
Eligible limit under past performance	Aggregate amount of contracts booked with all the Ads from April 2020 – March 2021	Amount of contracts cancelled with all Ads from April 2020 - March 2021	Amount utilized (by delivery of documents) from April 2020 - March 2021	Amount of contracts o/s with all Ads as on March 31, 2021	Available limits under past performance as on March 31, 2021
Export	USD - 0.55 GBP - 1.05 EURO - 1.60	NIL	USD – 0.80 GBP - 0.64 EURO – 1.20	USD 0.55 GBP 0.48 EURO 0.40	USD 4 plus
Import	NIL	NIL	NIL	NIL	NIL

(n) Office Locations / Delivery Centres:

Saksoft Limited Reg off: Global Infocity Park, Block A, 2nd Floor, No. 40, Dr. MGR Salai, Kandanchavadi, Perungudi, Chennai – 600 096. Ph: 044- 2454 3500 Fax: +91-44- 2454 3510 Development Centre: B 35 – 36, Sector 80, Phase II (Near Moserbaer) Noida – 201305. Phone : + 91 120 428 6231 33 Pune :- 503, 5th Floor, Pride Purple Accord, Baner Road, Pune – 411045 Maharashtra. Phone: +91 20 2729 3402 Mumbai:- Emgeen Chambers, 10, CST Road, Opp Mumbai University Campus, Kalina, Santacruz, Mumbai 400055. Phone: 022 4924 4642	Saksoft Inc., Suite 1240, 30 Montgomery Street, Jersey City, New Jersey - 07302. P: +1 201 451 4609/4612 F: +1 212 504 8026 10 S Riverside Plaza Suite 1800 Chicago, IL 60606 Phone : +1 312 474-6155	Saksoft Pte Limited 10 Jalan Besar #10-12 Sim Lim Tower Singapore – 208787 P: +65 6224 2550 F: +65 6224 2783
Saksoft Solutions Limited (Previously known as Saksoft Investments Pvt Ltd) Applicon House, Exchange Street, Stockport, SK3 0EY United Kingdom Phone : +44 (0) 1612414321 Acuma Solutions Limited Suite 203, 32, Threadneedle Street, London EC2R 8AY United Kingdom Phone : +44 (0) 203 889 4301	Nanda Infotech Services Inc, dba Electronic Data Professionals Inc., 3070, Bristol Pike, BLDG 2 Suite 107, Bensalem, PA 19020 Phone: +1 215-639-0304 Fax: +1 866-876-9151	Threesixty Logica Testing Services Private Limited Global Infocity Park, Block A, 2nd Floor, No. 40, Dr.MGR Salai, Kandanchavadi, Perungudi, Chennai – 600 096. Ph : 044 – 2454 3500 Corp off: B 35 – 36 Sector 80, Phase II (Near Moserbaer) Noida, UP 201305 India Phone: +91-0120-4878300

DreamOrbit Softech Private Limited Ascend-19, 2nd Floor, 1st Cross, 17th C Main, 5th Block, Koramangala, Bangalore – 560 095 Phone: 91-80-40989881	DreamOrbit, Inc., 2711, Centerville Road, Suite 400, Wilmington, Delaware -19808 Phone : +1 302-907-9068	Faichi Solutions Inc 800 W. El Camino Real, Suite 180, Mountain View, CA 94040
Three Sixty Logica Testing Services Pte Ltd. 10 Jalan Besar, #10 – 10, Sim Lim Tower, Singapore – 208 787. Phone: +65 9224 2211	Saksoft Ireland Limited JPA Brenson Lawlor House, Agyrle Square, Morehampton Road, Donnybrook, Dublin 4 Phone: +353 (01) 6689760	

(o) **Address for Correspondence:**

Saksoft Limited
Global Infocity Park, Block A, 2nd Floor,
No. 40, Dr. MGR Salai,
Kandanchavadi,
Perungudi,
Chennai - 600 096.
Ph: +91-44-2454 3500, Fax: +91-44-2454 3510

(p) **Credit Ratings**

During the financial year 2020 - 2021, the Company had received a rating reaffirmation from CARE A- Outlook to CARE A - STABLE from CARE Rating Agency, for its long term banking facilities to a tune of Rs 15.88 crores

10. OTHER DISCLOSURES:

- (i) Disclosure on material significant related party transactions that may have potential conflict with the interests of listed entity at large:

There were no material significant related party transactions during the financial year 2020-2021 without the consent of the Shareholders.

Related Party Transactions

The Company in compliance with Regulation 23 of SEBI Listing Regulations has formulated a policy on materiality of related party transactions and on dealing with related party transactions. All related party transactions were placed before the Audit Committee for its prior approval.

Audit Committee considers the criteria such as ordinary

course of business and arms' length pricing before granting the omnibus approval in respect of transactions, which are repetitive in nature. The Audit Committee reviews on a quarterly basis, the details of related party transactions entered by the Company pursuant to the omnibus approval given.

(ii) **Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years:**

There have been no instances of non-compliances by the Company. There are no penalties, strictures imposed by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the Capital Markets during the last three years on the Company.

(iii) **Details of establishment of vigil mechanism, whistle blower policy and affirmations that no personnel has been denied access to the Audit Committee:**

The Company has established the Whistle Blower policy and the Company affirms that there are no personnel who were denied access to the Audit committee.

Web link of the whistle blower policy is given under Point 15 of this report.

(iv) **Details of compliance with mandatory requirements**

The Company has always relied on the highest level of ethical standards in all its business transactions by promoting its value systems. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Listing Obligations and Disclosure Requirements)

(Amendment) Regulations, 2018 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 mandate the formulation of certain policies for all listed Companies.

(v) **Details of Corporate Governance Policies**

The Corporate Governance policies are available on the Company's website at <https://www.saksoft.com/investor-relations/code-conduct-policies/> . The policies are reviewed periodically by the Board and updated on need basis without delays. .

(vi) **Weblink where policy for determining material subsidiaries is disclosed:**

The Company had identified unlisted material Subsidiaries of the Company, incorporated in India and outside India. The Company has formulated a policy for determining material subsidiary and the web link of the same is given under Point 15 of this report.

The Minutes of the meetings of the Board of Directors of the unlisted subsidiaries were placed at the Meeting of the Board of Directors of the Company. During the Financial Year 2020-2021, there were no significant transactions and arrangements entered into by the unlisted subsidiaries.

Web link where policy on dealing with related party transactions is disclosed: Given under Point 15 of this report.

(vii) **Disclosure for commodity price risks and commodity hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be furnished.

(viii) **Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Not Applicable**

(ix) **Directors disqualification**

The Company has obtained a certificate from Mr. V Suresh, Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

(x) **Whether the Board had not accepted any recommendations of any committee of the Board which is mandatorily required, in the relevant financial year, the same has to be disclosed along with reasons thereof - Not Applicable**

Total fees of Rs 1.75 Million for all services paid by the listed entity and its subsidiaries, on a consolidated basis to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

(xi) **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

- a) Number of complaints received during the financial year : Nil
- b) Number of complaints disposed of during the financial year : Nil
- c) Number of complaints pending as on end of financial year: Nil

(xii) **Risk Management**

The Management of the Company presents before the Board at regular intervals about risk assessment and minimization procedures.

The Board of Directors from time to time discuss on the risk management plan and its implementation.

As per the recent amendments of Regulation 21 of SEBI Listing Regulations, the Company is required to constitute a Risk Management Committee since it is in top 1000 Listed Entities as per market capitalization data provided by NSE as on December 31, 2020.

The Board of the Company at its Meeting held on May 26, 2021 has approved the constitution of Risk Management Committee.

11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT AS MENTIONED IN POINT 10(ii) ABOVE:

The Company has complied with the applicable mandatory requirements of SEBI Listing Regulations and there have been no instances of non-compliances by the Company as stated in point no 10 (ii) of this Report.

12. DISCLOSURE REGARDING NON MANDATORY REQUIREMENTS.

- (i) The auditors' report on financial statements of the Company are unqualified.
- (ii) Internal auditors of the Company make quarterly presentations to the Audit Committee on their Reports.

13. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSE (b) to (i) of SUB REGULATION (2) OF REGULATION 46 OF SEBI LISTING REGULATIONS.

- (i) Disclosures have been done under relevant headings in this Report.
- (ii) Secretarial Audit Report

The Company has undertaken Secretarial Audit for the Financial Year 2020 - 2021 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Annual Report.
- (iii) Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2020-2021 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder.

The Company has appointed M/s. Lakshmmi Subramanian & Associates, a firm of Company Secretaries as the Auditor for the audit of the practices and procedures followed by the Company under the SEBI Listing Regulations.

The Annual Secretarial Compliance Report shall be submitted to the stock exchanges within 60 days of the end of the financial year.
- (iii) Declaration by the CEO

Declaration signed by the Managing Director stating that the members of Board of Directors and Senior Management Personnel have affirmed Compliance with

the Code of Conduct of Board of Directors and Senior Management forms part of this Report,

- (iv) Compliance Report by the Statutory Auditors

The Company has received the Corporate Governance Audit Report from the Statutory Auditors for the Financial Year 2020-21.

14. DISCLOSURES RELATING TO SHARES LYING IN THE DEMAT ACCOUNT:

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

Unclaimed/ Unpaid Dividend Fund:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

Details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website <https://www.saksoft.com/investor/company-announcements/unclaimed-dividends>

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at <https://www.saksoft.com/investor-relations/details-nodal-officer-iepf-rules-2016/>

15. WEBSITE

The Company's hosts its corporate website in compliance with Regulation 46 of SEBI Listing Regulations, providing comprehensive information on the business.

The Company follows the principle of transparent communication to the investors through its website which includes a detailed business portfolio having diversified

business verticals, Director's Profile, News Room where the key updates are posted and also other necessary information to be communicated to the Stakeholders.

An exclusive section on Investors provides the data right from the financial performance of the Company and its subsidiaries to the Key details of the contact persons to solve investor grievances, if any.

The following information is disseminated on the website of the Company in accordance with the SEBI Listing Regulations.

Particulars	Weblink
Terms and conditions of appointment of Independent Directors;	https://www.saksoft.com/investor/corporate-governance/
Composition of various committees of Board of Directors;	
Code of conduct of Board of Directors and Senior Management Personnel;	
Details of establishment of Vigil Mechanism/ Whistle Blower Policy;	
Policy on dealing with related party transactions;	
Policy for determining 'material' subsidiaries;	
Details of familiarisation programmes imparted to Independent Directors;	
The email address for grievance redressal and other relevant details;	
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances;	
Financial information and Annual report;	
Shareholding pattern;	
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to Stock Exchange;	
Corporate Social Responsibility Policy;	
Board Diversity Policy;	

The Company ensures that the contents of the website are correct and the updates any changes in the content within 2 working days from the date of such change in content.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY’S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Senior Management employees and the Directors. Code of Conduct is available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2021, received from the Members of the Board and Senior Management Personnel of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

Chennai
May 26, 2021

Aditya Krishna
Chairman and Managing Director

ANNEXURE -7

Auditor`s Certificate on Corporate Governance

Date : 26th May 2021

To the Members of
Saksoft Limited,

We have examined the compliance of conditions of Corporate Governance by Saksoft Limited ('the Company') for the year ended March 31, 2021, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Place : Chennai
Date : 26th May 2021

We conducted our examination in accordance with the Guidance Note on certification of Corporate Governance issues by the Institute of Chartered Accountants of India (the "ICAI"), the standards on Auditing specified under section 143(10) of the companies Act 2013, and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC 1), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Regulation.

We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **R.G.N. Price & Co.,**
Chartered Accountants
FRN No. 002785S

Mahesh Krishnan
Partner
Membership No. 206520
UDIN : 21206520AAAADF2378

ANNEXURE -8

Management Discussion & Analysis

GLOBAL ECONOMIC REVIEW 2020-21

With Covid-19 at its peak in the CY2020, the global economy experienced lockdowns that seriously constrained human activities. As a result, business-related activities plunged through sectors and geographies. Overnight, business models shifted to a work-from-home model, forcing organisations to rapidly transform and revisit their business strategies.



As per the International Monetary Fund's (IMF) World Economic Outlook for April 2021, the global economy witnessed a shrinkage of (-) 3.3% in CY2020 and is projected to recover at 6.0% in CY2021, before moderating to 4.4% in CY2022. The rapid and widespread vaccine deployment and recently announced additional fiscal stimulus of USD 1.9 trillion in the United States, are energizing optimism about the global economy rallying strongly in CY2021. It has, however, warned of daunting challenges due to inequalities in vaccination rates across countries, financial conditions tightening sharply as a multi-speed recovery is expected in highly leveraged emerging markets and developed economies, and the resurgence of new virus variants that can evade vaccines, resulting in a significant drop in provided estimates. Policymakers and governments across geographies would need to continue supporting their economies through fiscal and monetary stimulus while dealing with constrained policy space and higher debts as compared to pre-pandemic levels.

GLOBAL IT Industry

Despite Covid-19 challenges, IT industry continued to remain at forefront across sectors and verticals. Things that would have been difficult or would have taken a century to break down the barriers because of how industry dynamics were set up for last 50 to 70 years, have now been changed and wiped out significantly due to disruption caused by pandemic. Organisations that are ready to pivot and embrace the emerging technologies such as Cloud Migration, Intelligent Automation, Robotics, Big Data and Analytics, Big Data, Blockchain, IoT (Internet

of Things, Artificial Intelligence (AI), Machine Learning (ML) and many more will be able to thrive and survive all types of disruptions. IT industry is nimble and fastest to adopt changes. Experts believe that in 2021, IT industry is going to be the competitive differentiator and growth accelerator across sectors, especially those who have been slow or reluctant to adopt technology changes.

As per Gartner's April 2021 release, worldwide IT spending is estimated to reach USD 4.1 trillion in 2021, witnessing a growth of 8.4% from 2020. In today's environment, IT is no longer limited to support corporate activities as it was

customarily, it is now actively engaged in providing business value. Rapid digit transformation has shifted IT from a back-office to a front-office position, as well as changed the source of funding from an overhead expense that is retained, tracked, and sometimes cut to something that produces revenue.

As shown in the table below, IT spending across segments are projected to grow in 2021 and beyond. As organisations turn their focus to provide innovative, more convenient, and effective working environments for their staff, the Devices, Enterprise Software and IT services will remain key growth drivers.

Worldwide IT Spending Forecast (USD Billions)						
	2020 Spending	2020 Growth (%)	2021 Spending	2021 Growth (%)	2022 Spending	2022 Growth (%)
Data Center Systems	220	2.3	237	7.7	248	4.5
Enterprise Software	467	(-)2.1	517	10.8	572	10.6
Devices	663	(-)6.9	756	14.0	779	3.1
IT Services	1,021	(-)1.8	1,113	9.0	1,193	7.3
Communications Services	1,386	(-)0.7	1,450	4.6	1,505	3.7
Overall IT	3,757	(-)2.2	4,073	8.4	4,297	5.5

Source: Garner (April 2021)

In 2021, the most keenly watched trend in technology would be eSports, wearable technology, Blockchain, AI/ML for innovation and Digital health. There will be a more focus on data analytics, testing, cybersecurity along with rising adoption of hyper-automation to drive end-to-end automation and provide a better customer experience.

IT Service industry

The Covid-19 crisis has accelerated the technology adaption in exceptional ways in CY2020. It has compelled organisations to implement newer technologies out of necessity rather than choice. The IT services industry is observing robust demand to shift from legacy/on-premises services to cloud/digital platforms. The digital economy platforms assist organization in leveraging technology to be more agile and resilience in the face of disruption and to develop new digitally-powered business models for a post-pandemic, purpose-driven, sustainable and inclusive new normal world. Industry structures and business models are being challenged, and the economy's digitalisation is accelerating at a speedy rate.

As per Gartner's release in April 2021, the IT services spending is projected to grow by 9.0% in 2021 and 7.3% in 2022. Despite the fact that cost-cutting

efforts will not cease merely because there is more economic certainty in 2021, the focus for CIOs over the remaining year will be to complete the digital business plans that are aimed at improving, expanding and transforming the Company's value proposition.

Recovery across geographies, verticals/segments will vary significantly, triggering a K-shape economic recovery. In terms of industry, Banking, Securities, Insurance, Healthcare spending will nearly resemble pre-pandemic levels during the first half of CY2021, but Retail (discretionary) and Travel will not see the same revival at least till the time things return to normal. In terms of geography, Latin America is expected to recover by 2024, while China has already surpassed 2019 IT spending levels. North America and Western Europe, both are likely to recover by the end of 2021.

In short, the IT industry was one of those industries that remained less affected by the pandemic crisis. In reality, it shifted into higher gear to contain the sharp demand for remote working and collaboration solutions as most of the organisations wanted to transition to digitalisation as soon as possible to minimize abrupt shocks. The pandemic acted as a catalyst for IT vendors to capitalize huge growth opportunity

and seamless service delivery to its customers.

Digital transformation

A digital transformation is the usage of emerging newer technologies to solve traditional problems. Legacy modernisation of business models allows more technologically advanced products and services to be introduced. Digital transformation and cloud migration helps organisations in improving their brand's reputation, customer experience, and customer retention ratios through the implementation of the software.

Over a decade, digital transformation was moving slowly, with a prominence on enhancing products, processes, employee experience and cost efficiencies. However, with the sudden outbreak of Covid-19, CIOs were forced to rethink about their IT initiatives and boost digital investments. The demand for digitalisation had changed radically, with every industry being impacted by substantial shift in consumer preferences.

According to Grandview's recent research report, the global digital transformation market touched USD 284.4 Billion in 2019 and is estimated to grow at a CAGR of 22.5% during the period of 2020 to 2027. The key factors driving digital transformation

market growth are rising demand for the adoption of emerging technologies such as the Internet of Things (IoT), Artificial Intelligence (AI), Robotics, Cloud, Big Data Analytics, Blockchain, Machine Learning and many others across organisations.

In spite of all the hurdles created by pandemic to industries, economies and human lives, it also created business opportunities. Digital transformation is seen as a new revolution to bring stability and recover faster from the wounds caused by pandemic.

Over the last two decades, Saksoft have been assisting its clients with domain-

specific technology solutions and solution accelerators. Our expertise ranging from Consulting to Support, have made us a preferred Digital Transformation Partner amongst our customers across the globe. Our Digital Transformation solutions help to Automate, Modernize, and Manage our customer's IT Systems to Change-the-business and also efficiently Run-the-business, while they focus on their core business. The changing environment across IT industry has created huge opportunities for the companies like Saksoft. We are well poised to capitalize these opportunities and be one of the leading digital transformation partner for our customers.

Company Overview

Saksoft Limited is a leading Digital Transformation Solution Partner for clients across the globe. The ensuing pandemic has accelerated maturing of the digital revolution, making it imperative for companies to invest in automation, technology-led cost moderation and digitalisation-induced improvement in organisational productivity. At Saksoft, we bring into play a business model that has transformed in line with customer needs. Our 'Inch Wide Mile Deep' positioning has helped create mission critical, vertical relevant solutions.

Company Verticals and Overview

Fintech

Fintech companies have been one of the early adopters of digital transformation solutions and data analytics solutions. Increased and judicious technology spending is now considered an indispensable trait within the sector.

Saksoft leverages its domain expertise to focus on building solutions for clients. The Company ensures a seamless integration of processes, operations, tools, technology and human interventions. This collaborative approach has helped the Company address the financial space through innovation and thought leadership.

Fintech				
Customer Profile	Key Growth Drivers	Market Opportunity*	Operational Matrix	Key Client Base
<ul style="list-style-type: none">▪ Cards & Payment gateways▪ Credit Management agencies▪ Regulatory & Compliance▪ Asset & Wealth Management▪ SMB & Consumer Lending, Mortgages	<ul style="list-style-type: none">▪ Big Tech Focus on Financial Services▪ Increasing investments in regtech▪ Growing demand of digital payments▪ Booming e-commerce industries	<ul style="list-style-type: none">▪ The global Fintech market estimated at USD 126 Billion in 2020▪ Expected to reach at USD 188 Million in 2024▪ CAGR of 10.5% from 2020 to 2024	<ul style="list-style-type: none">▪ Contributes 27% to total revenues▪ Revenue Mix is USA 81%, Europe 1% and APAC and Others 18%	<ul style="list-style-type: none">▪ 4 clients in the USD 0.5 Million plus

*Source: deloitte-nl-fsi-fintech-report-1.pdf

HealthCare

Healthcare industry is now in super agile mode with evolutions from all directions – suite of regulatory changes (e.g. MACRA MIPS, Meaningful Use Stage 3, HIE, others), evolving healthcare standards (e.g. HL7, FHIR, ICD-10, others), dynamic market changes (e.g. wellness portals, M&A) and futuristic healthcare technologies (e.g. IoT, AI, Machine Learning, Big data, others).

With a team of healthcare functional and technologists from our group company Faichi, a Saksoft Company – www.faichi.com we have developed cutting-edge healthcare products and solutions for our clients worldwide. Saksoft can help you with predictive analytic solutions and services that transform data into actionable insights. These insights can help to lower costs, improve outcomes and make better decisions faster.

HealthCare

Telehealth, EHR integration, Imaging analytics, Integrated health monitoring via wearables, HL7/FHIR enabled provider apps

*Source: Global Healthcare IT Market To Grow At A CAGR Of 15.5% (globenewswire.com)

Customer Profile	Key Growth Drivers	Market Opportunity*	Operational Matrix	Key Client Base
<ul style="list-style-type: none">▪ Healthcare Providers▪ Healthcare Payers▪ Healthcare Compliance▪ Clinical Research and Life Sciences	<ul style="list-style-type: none">▪ Ubiquitous adoption of virtual care▪ New partnerships and markets▪ Emerging disruptors	<ul style="list-style-type: none">▪ The Global Healthcare IT Market is valued at USD 200 Billion in 2020▪ Expected to reach at USD 612 Billion in 2028▪ CAGR of 15% from 2020 to 2028	<ul style="list-style-type: none">▪ Contributes 7% to total revenues▪ Revenue Mix is USA 42%, Europe 10% and APAC and Others 48%	<ul style="list-style-type: none">▪ One client in the USD 0.5 Million plus

Retail e-Commerce

Retail is witnessing rapid changes. With the need to build Omni channel ecosystem and improve customer engagement and seamless customer movements between digital and physical mediums, retailers are banking on solutions powering digital transformation, experiential retail, operational agility and revenue growth.

Our Retail solutions are powered by our domain expertise coupled with our retail experience in deploying end-to-end retail solutions solving complex challenges and augmenting areas including customer engagement, eCommerce, Sales & Marketing, Supply chain and Pricing.

Global eCommerce sale is capturing a major chunk of the total retail sales. For retailers, it is now an absolute imperative to raise modern eCommerce platforms that promote conversion-optimizing experiences and leverage modern technologies like Chatbots, AI, mobile and Big data to enable onsite personalisation and facilitate individualized experiences.

As a trustworthy digital transformation company, Saksoft guides organisations to adopt the right mobile strategy, embrace the right technology platforms and transform into a next generation mobile enterprise.

Retail e-Commerce

Social Listening (Micro Influencer), Customer 360, Customer Journey Tracking, eCommerce Portal Development

Customer Profile	Key Growth Drivers	Market Opportunity*	Operational Matrix	Key Client Base
<ul style="list-style-type: none">Multi Store e-Commerce SolutionsStore Front SolutionsCustomer Engagement SolutionsOrder Inventory Management	<ul style="list-style-type: none">Higher smartphone penetrationAdvanced technologies fuel the growthIntroduction of cross-border and consumer protection policies	<ul style="list-style-type: none">Retail e-commerce sales worldwide 4.28 trillion USD in 2020e-retail revenues are projected to grow to 5.4 trillion USD in 2022CAGR of 12% from 2020 to 2022	<ul style="list-style-type: none">Contributes 4% to total revenuesRevenue Mix is USA 97% and Europe 3%	<ul style="list-style-type: none">One client in the USD 0.5 Million plus

*Source: • Global retail e-commerce market size 2014-2023 | Statista

Telecommunication

With billions of data generated and consumed every second, telecom sector is bracing itself for huge data traffic. This data is providing opportunity and challenge and by introspecting your business models and infrastructure, telcos can open up new revenue streams. Telcos with a clear data management analysis strategy have a competitive edge. Saksoft offers a holistic telco solution including automation, Customer Engagement Solutions, Big Data Customer Analytics Solution, Cloud Migration Services, and Enterprise ERP.

Saksoft's fresh thinking and approach has helped a leading telco operator to create a value chain for their customers and opened up new avenues.

Telecommunication

Share Point development, Advanced analytics to reduce customer churn, Oracle Support, Testing CoE

*Source: Global Telecom Services Market Size Report, 2021-2028 (grandviewresearch.com)

Customer Profile	Key Growth Drivers	Market Opportunity*	Operational Matrix	Key Client Base
<ul style="list-style-type: none">Business Support SystemsOperations Support SystemsEnterprise Resource PlanningIT Strategy Consulting	<ul style="list-style-type: none">Wider application of 5GArtificial IntelligenceDiversified EcosystemsCutting-edge technology adoption	<ul style="list-style-type: none">The global telecom services market size valued at USD 1,658 Billion in 2020Estimated to reach USD 2,525 Billion in 2028CAGR of 5.4% from 2020 to 2028	<ul style="list-style-type: none">Contributes 23% to total revenuesRevenue Mix is USA 2% , Europe 56% and APAC and Others 42%	<ul style="list-style-type: none">2 clients in the USD 0.5 Million plus

Transportation and Logistics Evolving business models, changing customer expectations, digital transformation are changing the dynamics of the Transportation & Logistics industry. To remain competitive, logistics players need applications, analytics, real-time dashboards and devices that are interconnected. This calls for the need of Internet of Things (IoT) technologies, Cloud Solutions and Advanced Business Intelligence (BI) tools. Saksoft's offers a digital suite of solutions including Digital Transportation and Management Solution, Network Analytics, Carrier Compliance Solution, Digital Freight Matching Application, and Asset Utilisation Improvement Solutions.

We leverage the expertise of our group company, DreamOrbit a Saksoft company (www.dreamorbit.com) who provides us this expertise. The combination of their domain expertise and technology expertise in IoT and Mobility Solutions coupled with Saksoft's expertise in Testing, Cloud Solutions and Analytics make us the perfect partner of choice for our clients.

Our experts offer insights, guidance and solutions to address the complex needs. DreamTMS framework serves as an accelerator to create a solution faster using SMAC. Our intelligent AI-based scheduling solutions help organisations to maximize the utility of assets like trucks, pilots, tugs, freight moving equipment and provide near real-time visibility.

Transportation and Logistics

IoT Solutions, Freight Management Software, Warehouse Management, Supply Chain Management, EDI Integration, Logistics Dashboard

Customer Profile	Key Growth Drivers	Market Opportunity*	Operational Matrix	Key Client Base
<ul style="list-style-type: none">3PL'sShippersCarriersISV'sPort Operators	<ul style="list-style-type: none">Fully-branded ExperienceSmarter & Speedier ServicesSecure Interconnected Ecosystems'Green' Logistics	<ul style="list-style-type: none">The global Digital Logistics market size estimated at USD 17.4 Billion in 2020It is expected to grow to USD 46.5 Billion by 2025CAGR of 21.7% from 2020 to 2025	<ul style="list-style-type: none">Contributes 9% to total revenuesRevenue Mix is USA 96% and APAC and Others 4%	<ul style="list-style-type: none">2 clients in the USD 0.5 Million plus

Public Sector

The emergence of new age technologies like Internet of Things, Artificial Intelligence and Robotic Process Automations etc. have turned into reckoned forces transforming Fintech more than most industry verticals. Increased and judicious technology spending is now considered an indispensable trait within the sector.

Saksoft helps public sector organisations to make optimum use of digital transformation enablement such as Information Management, optimized applications and analytics. We help to embed new technologies and solutions into the conventional processes and save money, increase efficiency and serve the citizens better.

Public Sector

Smart cities - Machine learning & facial recognition from IoT data feeds, Predictive Analytics & BI to provide better healthcare, decrease crime rates, and improve citizen's life, People identity management

*Source: RegTech Market by Solutions, Services, & Application | Regulatory Technology Market Size, Share, Industry Analysis and Market Forecast to 2025 | MarketsandMarkets™

Customer Profile	Key Growth Drivers	Market Opportunity*	Operational Matrix	Key Client Base
<ul style="list-style-type: none">City Councils in UKPolice DepartmentsCentral Government agenciesHousing communitiesPublic Utilities	<ul style="list-style-type: none">Increased focus on Customer experience:Public ValueCitizen SecurityFuture WorkforceSmart Infrastructure	<ul style="list-style-type: none">The RegTech market size is estimated at USD 6.3 Billion in 2020Expected to reach at USD 16.0 Billion by 2025CAGR of 20.3% from 2020 to 2025	<ul style="list-style-type: none">Contributes 10% to total revenuesRevenue Mix is USA 8% , Europe 71% and APAC and Others 21%	<ul style="list-style-type: none">2 clients in the USD 0.5 Million plus

Key Financial Ratios

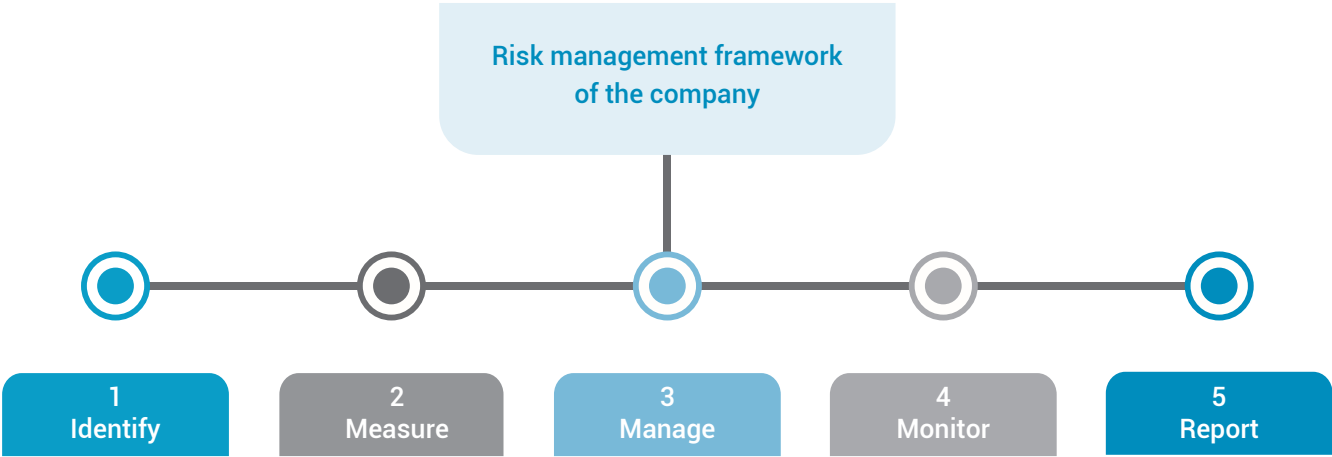
Ratio	FY 20-21	FY 19-20
Operating profit margin (%)	17%	17%
PAT margin (%)	12%	11%
Debt-equity ratio	0.08	0.13
Interest cover (x)	17.97	11.22
Return on capital employed (%)	22%	25%
Return on net worth (%)	18%	19%
Debtor's turnover ratio(days)	62.40	68.69
Earnings per share (Rs)	45.68	38.67

ANNEXURE -9

Managing risks at Saksoft

How we manage risks at Saksoft

The value-enhancing framework at Saksoft has been secured through robust risk management, comprising proactive risk identification, safeguards and mitigation initiatives. This approach has been institutionalised, is documented, discussed and deliberated upon by the relevant management team, senior management and the Board of Directors.



Types of risks

Unforeseens risk

The company's business could be affected by unforeseen development like the pandemic, moderating revenues, affecting employee productivity and customer accretion. The Company's long-standing investment in digitalisation has enhanced the relevance of its business model.

Regulatory risk

The changes required by the increase in the regulatory compliances by the authorities is addressed by a competent compliances team.

Customer loyalty risk

Saksoft is proactive in addressing the emerging needs of customers, enhancing customer loyalty.

Technology obsolescence risk

Saksoft invests in technologies of the future which, coupled with its digitalisation platform, has helped counter technology obsolescence.

Protectionism risk

Saksoft focuses on increasing resources in India and providing offshore solutions to counter risks related to visa restrictions, a scenario increasingly relevant after the pandemic.

Currency risk

This risk is addressed through hedging strategies at Saksoft.

Resource attrition risk

The risk has been counteracted with training, enhancing employee relevance to the organisation and customer needs.

ANNEXURE -10

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- 1. Corporate Identity Number (CIN) of the Company: L72200TN1999PLC054429
- 2. Name of the Company: Saksoft Limited
- 3. Registered address: Global Infocity Park, Block A, 2nd Floor, #40 Dr. MGR Salai, Kandanchavadi, Perungudi, Chennai-600096
- 4. Website: www.saksoft.com
- 5. E-mail id: complianceofficer@saksoft.co.in
- 6. Financial Year reported: April 2020-March 2021
- 7. Sector(s) that the Company is engaged in (industrial activity code-wise): 620
- 8. List three key products/services that the Company manufactures/provides (as in balance sheet): Saksoft is a leading player in providing digital transformation solutions to help businesses stay relevant in a highly connected, rapidly evolving world. Saksoft is a niche technology specialist that provides a comprehensive suite of business transformation, information management, application development and testing services. Saksoft helps their clients level the playing field by helping them transform their business spaces.
- 9. Total number of locations where business activity is undertaken by the Company

(a) Number of International Locations (Provide details of major 5)	Saksoft Inc. Suite 1240, 30 Montgomery Street, Jersey City, NJ 07302.
	Nanda Infotech Services Inc. (DBA Electronic Data Professionals) 3070, Bristol Pike, BLDG 2 Suite 107 Bensalem, PA 19020
	Faichi Solutions Inc., 800 W. El Camino Real, Suite 180, Mountain View, CA 94040
	Saksoft Solutions Limited Applicon House, Exchange Street, Stockport, United Kingdom, SK3 0EY
	Acuma Solutions Limited Applicon House, Exchange Street, Stockport, United Kingdom, SK3 0EY
	Saksoft Ireland Limited JPA Brenson Lawlor House Argyle Square, Morehampton Road, Donnybrook, Dublin 4
	Saksoft Pte Limited 10 Jalan Besar, #10-12, Sim Lim Tower, Singapore – 208787

	Three Sixty Logica Testing Services Pte Ltd 10 Jalan Besar, #10- 10, Sim Lim Tower, Singapore- 208787
	DreamOrbit Inc., 2711 Centerville Road Suite 400, Wilmington, Delaware 19808
(b) Number of National Locations	Saksoft Limited Global Infocity Park, Block A, II Floor, #40 Dr MGR Salai, Kandanchavadi, Perungudi, Chennai- 600096
	Threesixty Logica Testing Services Private Limited Global Infocity Park, Block A, II Floor, No. 40, Dr. MGR Salai, Kandanchavadi, Perungudi, Chennai – 600096.
	DreamOrbit Softech Private Limited No.19, Ascend, 2nd Floor, 1st cross, 17th C Main, Koramangala 5th Block, Bangalore, Karnataka - 560095.

10. Markets served by the Company – Local/State/National/ International : The Company caters to both the Domestic and the International market. The primary geographies of focus for the Company are India, US, EU and APAC

SECTION B: FINANCIAL DETAILS OF THE COMPANY (Standalone)

- 1. Paid up Capital (INR): 104,900,000
- 2. Total Turnover (INR Million):1263.27
- 3. Total profit after taxes (INR):188.05
- 4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):2.45%
- 5. List of activities in which expenditure in 4 above has been incurred:- Please refer to the CSR report provided as Annexure 1 to the Directors Report.

SECTION C: OTHER DETAILS

- 1. Does the Company have any Subsidiary Company/ Companies? Yes
- 2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): The

Company has a Common Code of Conduct and Business Ethics which is applicable across the Group. Whilst the reporting for BRR is being specifically made for Indian reporting purposes each of the subsidiaries practice a responsible business approach as per the requirement of the home country regulations.

- 3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]: The Company does not specifically mandate any of its suppliers and dealers to participate in the BR initiatives of the Company and accordingly they do not participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

- (a) Details of the Director/Director responsible for implementation of the BR policy/policies
 - 1. DIN Number - 00031345
 - 2. Name : Aditya Krishna
 - 3. Designation : Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	
2	Name	Niraj Kumar Ganeriwala
3	Designation	COO & CFO
4	Telephone number	044-24543500
5	e-mail id	Niraj.ganeriwal@saksoft.com

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1	Governance with Ethics, Transparency and Accountability	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Providing sustainable services	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Promote Employees' Well-being	Businesses should promote the wellbeing of all employees
P4	Stakeholder Engagement	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Promote Human Rights	Businesses should respect and promote human rights
P6	Reducing Environmental impact	Businesses should respect, protect and make efforts to restore the environment
P7	Responsible policy advocacy	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Inclusive growth and equitable development	Businesses should support inclusive growth and equitable development
P9	Providing value to customers	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for principles stated above	Y	Y	Y	Y	Y	Y	NA Pls refer Note 8	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y (Pls refer Note 2)	Y (Pls refer Note 2)	Y (Pls refer Note 2)	Y (Pls refer Note 2)	Y (Pls refer Note 2)	Y (Pls refer Note 2)	NA Pls refer Note 8	Y (Pls refer Note 2)	Y (Pls refer Note 2)
3	Does the policy conform to any national / international standards? If yes, specify?	Y (Pls refer Note 3)	Y (Pls refer Note 3)	Y (Pls refer Note 3)	Y (Pls refer Note 3)	Y (Pls refer Note 3)	Y (Pls refer Note 3)	NA Pls refer Note 8	Y (Pls refer Note 3)	Y (Pls refer Note 3)
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y (Pls refer Note 4)	Y (Pls refer Note 4)	Y (Pls refer Note 4)	Y (Pls refer Note 4)	Y (Pls refer Note 4)	Y (Pls refer Note 4)	NA Pls refer Note 8	Y (Pls refer Note 4)	Y (Pls refer Note 4)
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y (Pls refer Note 5)	Y (Pls refer Note 5)	Y (Pls refer Note 5)	Y (Pls refer Note 5)	Y (Pls refer Note 5)	Y (Pls refer Note 5)	NA Pls refer Note 8	Y (Pls refer Note 5)	Y (Pls refer Note 5)
6	Indicate the link for the policy to be viewed online?	www.saksoft.com and Intranet of the Company								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y (Pls refer Note 6)	Y (Pls refer Note 6)	Y (Pls refer Note 6)	Y (Pls refer Note 6)	Y (Pls refer Note 6)	Y (Pls refer Note 6)	NA Pls refer Note 8	Y (Pls refer Note 6)	Y (Pls refer Note 6)
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	NA Pls refer Note 8	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA Pls refer Note 8	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y (Pls refer Note 7)	Y (Pls refer Note 7)	Y (Pls refer Note 7)	Y (Pls refer Note 7)	Y (Pls refer Note 7)	Y (Pls refer Note 7)	NA Pls refer Note 8	Y (Pls refer Note 7)	Y (Pls refer Note 7)

Notes:

1. Links for the relevant policies are given below:

Principle	Name of the Policy (ies)	Website Link
P1	Code of Conduct for Board of Directors and Senior Management	www.saksoft.com
	Policy for determination of Materiality of Event or Information	www.saksoft.com
	Code of Practices and Procedures for Fair Disclosure of UPSI	www.saksoft.com
	Whistle Blower Policy	www.saksoft.com
P2	Business Code of conduct and Information Security Policy	Available on the Intranet Site of the Company.
P3	Code of Conduct and Business Ethics	Available on the Intranet site of the Company
	Information Security Policy	
	HR Policies (including Prevention of Sexual Harrassment Policy) HR Handbook	
P4	Corporate Social Responsibility Policy Code of Conduct and Business Ethics Anti Bribery Policy	Available on Website and Intranet site of the Company
P5	Code of Conduct and Business Ethics Whistle Blower Policy HR Policies Prevention of Sexual Harrassment Policy	Available on Website and Intranet site of the Company
P6	Environment Policy	Available on the Intranet site of the Company
P7	Not applicable	NA
P8	Corporate Social Responsibility Policy HR Policies	Available on Website of the Company and the Intranet site
P9	Code of Conduct and Business Ethics Privacy Policy	Available on Website of the Company and the Intranet site

2. All Policies are framed as per applicable law and as per industry standards. While there may not be formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned stakeholders.

3. Wherever applicable, the policies conforms to relevant national/international standards. All policies are framed based on applicable laws, business needs and industry practices/standards.

4. Policies are approved by respective functional heads. Wherever mandated by the applicable laws, rules and regulations, the policies have been approved by the Board and/or by the Managing Director

5. The implementation of policies is overseen by the Board/ Committee/Director/Official wherever mandated by the applicable laws carried out by the respective functional heads and is reviewed by the Management.
6. All internal policies of the Company are available on the internal portal for the information/implementation by the internal stakeholders/employees. Access of the same is available to all employees.

7. The Auditors of the Company periodically review the policies. The policies are also under review by the ISO auditors and the secretarial auditors wherever applicable.

8. Since the Company deals only with Private/Enterprise customers and the services provided by the Company is not in relation to Public, the policy is not applicable to the Company.

9. The Company has formulated a CSR Policy in compliance with Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility) Rules 2014 and has also constituted a CSR Committee to ensure that implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

(a) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	The company does not have financial or manpower resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	It is planned to be done within next 6 Months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within the next 1 year	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

3.Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year: - This is the first year of the applicability of the Business Responsibility Report applicable to the Company. The same will be reviewed Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? The Company has published its BRR report for the first time for the financial year ended on March 31, 2021 and which is part of the Annual Report of the Company. The report will be published on an annual basis and can be viewed on the website of the Company i.e. www.saksoft.com.
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has satisfactorily resolved any queries/ complaints from Shareholders. There are no complaints received from any other stakeholder during the Financial Year 2020-21.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Saksoft is a leading player in providing digital transformation solutions to help businesses stay relevant in a highly connected, rapidly evolving world. Saksoft is a niche technology specialist that provides a comprehensive suite of business transformation, information management, application development and testing services. Saksoft helps their clients level the playing field by helping them transform their business spaces.

The Company being in the business of providing technology solutions, has obtained certifications under ISO 9001:2015 and 27001:2013 to ensure that the processes adopted by the Company result in error free deliverables.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability:

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Code of Conduct also covers the subsidiaries of the Company. It extends to the Company's dealing with its Suppliers. The Company's employees are expected to and they endeavor to ensure that all agents, contractors, representatives and consultants or other third parties working on behalf of the Company are aware of and adhere to the standards laid down in the Code of Conduct.

- The Company being engaged in Technology solutions its products and services do not cause any impact on the social and environmental concerns.
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
- The above is not applicable to the Company since the Company is engaged in providing technology solutions and accordingly no products are offered by the Company.
3. Does the company have procedures in place for sustainable sourcing (including transportation)?
- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
- As mentioned above the Company is in the business of providing technology solutions and not products. Accordingly the procurement towards products is not applicable to the Company.
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
- The Company is engaged in Technology services and as such does not have to procure any raw materials from a production process. However, the company firmly believes in offshoring and majority of the head count of the resources deployed are in India. The fixed assets comprising the IT equipment are predominantly procured within India. It has been the endeavor of the company to procure locally to the extent feasible based on business needs.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
- Since the Company is engaged in services industry there are no products to recycle. The main assets of the Company are the computer equipment and related hardware which are dealt with through professional e-waste management companies. In addition the company, being in the business of Digital Transformation, propagates minimal use of prints wherever feasible. The company has also automated the HR and the finance processes to ensure minimal use of paper across all locations.

Principle 3: Businesses should promote the wellbeing of all employees:

1. Please indicate the Total number of employees. 715
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.-52
3. Please indicate the Number of permanent women employees.
- | | Female | Male | Total |
|---------------------|--------|--------|-------|
| Permanent Employees | 159 | 556 | 715 |
| Percentage | 22.24% | 77.76% | |
4. Please indicate the Number of permanent employees with disabilities : NIL
5. Do you have an employee association that is recognised by management : NA
6. What percentage of your permanent employees is members of this recognised employee association? NA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NA	NA
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	NA	NA

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?
- | | |
|---|---|
| a) Permanent Employees | The Company provides Technology Services and accordingly there are no hazardous processes. The company provides mock drills at all its locations towards fire and safety aspects. |
| b) Permanent Women Employees | |
| c) Casual / Temporary / Contractual Employees | |
| d) Employees with Disabilities | |
- The Company has a practice of hiring freshers and providing a dedicated training across various business units over a period of 6 months. The training is to skill and upskill the resources in various technologies. As a part of the appraisal and annual evaluation process the training needs for all resources are identified and trainings provided accordingly. The Company also has a regular training calendar which helps resources to cross train themselves across business units and also provides them an opportunity to move within the business units.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised:

1. Has the company mapped its internal and external stakeholders? No
- The Company has identified its internal and external stakeholders. However, there is no specific identification of disadvantaged, vulnerable and marginalised stakeholders.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.
- The Company has mapped its stakeholders as required for performance of its business activities and complying with all applicable laws. However, the Company has not identified any disadvantaged, vulnerable and marginalised stakeholders.
- Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so. – The Company as part of its CSR initiatives and responsibilities works with various agencies in areas of focus identified by the Company.

Principle 5: Businesses should respect and promote human rights:

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others? – The Company has implemented multiple policies that cover various aspects of human rights to ensure non-discrimination and fair treatment of all employees, ethical conduct and prevention of sexual harassment at premises within its direct control as well as redressal mechanism. The policies also covers its subsidiaries.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? – During the Financial Year 2020-21, the Company has not received any complaints from any of its Stakeholders.

Principle 6: Businesses should respect, protect and make efforts to restore the environment:

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others. – The policy related to Principle 6 extends to the company and the Group.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. – Please refer to the section on Energy Conservation in the Directors Report..
3. Does the company identify and assess potential environmental risks? Y/N – N

The nature of work performed by the Company does not result in any environmental risks as it is in the business of providing services. The primary assets of the Company are computer and related equipment which are effectively handled though professional E-waste management companies.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? –

This section is not relevant considering the services rendered by the Company

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Please refer to the section on Energy conservation in the Directors Report.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? –

Since the Company is in the business of IT solutions comprising of software products and IT enabled services, the reporting of Emissions/waste generated is not applicable;

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. – The Company has not received any show cause/legal notice from CPCB/ SPCB during the year.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner:

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of the NASSCOM.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) – No.

Principle 8: Businesses should support inclusive growth and equitable development:

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. –

The Company aims to implement projects and initiatives for the betterment of society, communities and environment in accordance with the objectives set out in the CSR policy formulated by the Company.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation? – External organisation
3. Have you done any impact assessment of your initiative?- This is not applicable to the Company
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.- Please refer to the report on CSR provided as Annexure 1 to the Directors Report.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. The Community development initiatives are undertaken as a part of the CSR activities and the Company regularly reviews the progress of the beneficiaries of such programmes .

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible Manner:

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.- There are no customer complaints pending as at the end of the Financial Year 2020-21

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information) – The Company's business activities comprise of software products and IT enabled services and hence this is not applicable;
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If

so, provide details thereof, in about 50 words or so. – No such case has been filed against the Company during the Financial Year 2020-21 and no such case was pending against the Company as at March 31, 2021.

4. Did your company carry out any consumer survey/ consumer satisfaction trends? – The Company conducts customer satisfaction and perception surveys either annually or at the end of the projects and the ratings have been very good.

Independent Auditor's Report

To
The Members of
SAKSOFT LIMITED

Report on the Audit of the Standalone Financial Statements

We have audited the standalone financial statements of SAKSOFT LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of investments in subsidiaries:

The carrying amount of the company's investments in its subsidiaries, held at cost, amount to Rs. 1172.53 million (representing 69% of the total assets) as at 31st March 2021. The recoverability of these amounts is tested by comparing the carrying value of these Equity Investments of the parent in its subsidiaries, with their respective fair value, derived by the valuation principles prescribed by Ind AS 113 – Fair Value Measurement. In view of the significance of the assumptions underlying the ascertainment of the fair value of the individual investments, valuation of subsidiaries is considered a key audit matter.

How the matter was disposed of:

The Management reviews the need for impairment of its investments in its subsidiaries, by comparing the carrying amount of investments with the fair value of such investments derived under the principles contained in Ind AS 113 Fair Value Measurement. In doing so, the amount by which the present value of the free cash flows fall below the carrying value of investments, an impairment provision to that extent is considered in the books. Such provision is reviewed at every

subsequent reporting date for necessary adjustments as may be required.

Principal audit procedures:

We reviewed the process of impairment assessment and selection of valuation model for deriving the fair value of the Company's equity investments with reference to assumptions underlying ascertainment of future free cash flows from each Cash Generating Unit and concluded, that, in view of the present values of such cash flows being in excess of the cost of investments carried in parent's books there was no need for diminution in the value of investments carried in the financial statements.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the standalone and consolidated financial statements and our respective auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance on information provided thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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, 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016 ("Order") issued by the Central Government of

India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included

in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended; In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22 to the standalone financial statements;
 - ii. The Company has long-term contracts and derivative contracts for which there were no material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Mahesh Krishnan
Partner

Place: Chennai
Date: 26th May 2021

M.No-206520
UDIN: 21206520AAAADB2409

Annexure A to the Independent Auditor`s Report

(Referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section of our audit report to the Members of Saksoft Limited of even date)

- (i)

a.

The Company has maintained proper records for its fixed assets showing full particulars including quantitative details and situation of those assets.

b.

The Company has a policy of physically verifying its fixed assets once in two years, which in our opinion is reasonable having regard to the size of the Company and its business. The Company had physically verified the assets during the previous financial year 2019-20.
- c.
- According to information and explanations given to us and on the basis of examination of records of the Company, there are no immovable properties held in the name of the Company.

(ii)

In our opinion and according to the information and explanations given to us, having regard to the nature of the Company's business / activities during the year, clause (ii) of paragraph 3 of the Order relating to inventories is not applicable to the company.

(iii)

The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act.

(iv)

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in

respect of investments made and the Company has not granted any loans to Directors nor has granted any loan or guarantee or security to any company, body corporate or to any person.

(v)

The Company has not accepted any deposits during the year and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company.

(vi)

Having regard to the nature of the Company's business / activities, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act.

(vii)

a.

The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service tax, cess and other statutory dues applicable to it. There are no arrears of undisputed statutory dues outstanding as at 31st March 2021 for a period of more than six months from the date they became payable.

b.

There are no dues of Income Tax, Sales tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax or Cess which have not been deposited on account of any dispute as at 31st March 2021, except for an amount of 12.58 millions as detailed below:

Name of the Statute	Nature of the dues	Amount involved (Rs. in Million)	Amount unpaid (Rs. in Million)	Period to which the amount relates to	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	29.56	5.93	A.Y. 2009-10	CIT (Appeals)
Income Tax Act, 1961	Income Tax	20.45	6.56	A.Y. 2010-11	DCIT
Income Tax Act, 1961	Income Tax	11.36	0.09	A.Y. 2011-12	DCIT

- (viii)
- According to the information and explanation given to us, and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowing from financial institutions and banks. The Company has not issued any debentures.
- (ix)
- The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. No new term loans have been obtained during the year.
- (x)
- During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither observed any instance of fraud by the Company or any material fraud on the Company by its officers or employees of the Company nor have we been informed of such case by the Management, during the year.
- (xi)
- In our opinion and according to the information and explanations given to us, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii)
- The Company is not a Nidhi Company and hence, Clause 3(xii) of the Order is not applicable.
- (xiii)
- In our opinion and according to the information and explanations given to us, transactions with related parties have been disclosed in the standalone financial statements with details as required by Ind AS 24 "Related Party Transactions". These transactions are in compliance with Section 177 and 188 of the Act.
- (xiv)
- The Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year.
- (xv)
- According to the information and explanation provided to us and based on our examination of records, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi)
- The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Mahesh Krishnan
Partner

Place: Chennai
Date: 26th May 2021
M.No-206520
UDIN: 21206520AAAADB2409

Annexure B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Saksoft Limited ('the Company') as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note' No 34 issued by the ICAI) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established

and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company;

and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

According to the information and explanations given to us and based on our audit, the Company has in all material respects,

adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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

Mahesh Krishnan
Partner
M.No-206520
UDIN: 21206520AAAADB2409

Place: Chennai
Date: 26th May 2021

Balance Sheet as at March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Particulars	Notes	Balance As at 31-03-2021	Balance As at 31-03-2020
ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3	14.88	18.29
(b) Right of use assets	3	66.26	39.39
(c) Other Intangible assets	4	1.23	1.61
(d) Financial Assets			
(i) Investments	5.1	1,172.53	1,172.53
(ii) Loans	5.2	0.27	0.27
(iii) Others	5.3	15.03	12.50
(e) Deferred Tax Assets (net)	6	22.84	15.04
(f) Other non-current assets	7	-	-
2 Current Assets			
(a) Financial Assets			
(i) Trade and other receivables	8.1	163.66	168.85
(ii) Cash and cash equivalents	8.2	150.91	7.19
(iii) Loans	8.3	0.22	0.22
(iv) Others	8.4	49.26	54.88
(b) Current Tax Assets (Net of provisions)		31.90	27.76
(c) Other Current Assets	9	15.00	15.92
TOTAL ASSETS		1,703.99	1,534.45
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	10	104.90	104.75
(b) Other equity	11	1,176.77	1,004.62
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12.1	200.00	246.95
(ii) Lease liability	12.2	40.01	10.56
(b) Provisions	13	32.11	23.44
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14.1	-	8.54
(ii) Trade payables	14.2		
Total outstanding dues of micro enterprises and small enterprises		3.20	0.76
Total outstanding dues of creditors other than micro enterprises and small enterprises		28.48	29.73
(iii) Other financial liabilities	14.3	27.75	60.49
(b) Other current liabilities	15	57.72	37.60
(c) Provisions	16	33.05	7.01
TOTAL EQUITY AND LIABILITIES		1,703.99	1,534.45

See accompanying Notes to standalone financial statements

Vide our report of even date attached

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

Mahesh Krishnan
Partner
Membership No: 206520
Date: May 26, 2021
Place: Chennai

For and on behalf of the Board of Directors

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Niraj Kumar Ganeriwal
COO and CFO

Ajit Thomas
Director
DIN.00018691

Meera Venkatramanan
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations		1,255.98	1,158.87
Other Income	18	7.29	126.36
Total income		1,263.27	1,285.23
Expenses:			
Employee benefits expense	19	757.71	680.28
Finance costs	20	27.06	43.73
Depreciation and amortization expense	3	39.34	37.39
Support / Third party charges		93.29	74.49
Other expenses	21	93.87	92.38
Total expenses		1,011.27	928.27
Profit before Tax		252.00	356.96
Tax expense:			
Current Tax	17	72.05	66.24
Deferred Tax	17	(8.10)	(3.83)
Profit / (Loss) for the period		188.05	294.55
Other Comprehensive Income, Net of Tax			
A. (i) Items that will not be reclassified to Statement of Profit or Loss - Remeasurement of defined benefit plan (net of taxes)		2.09	(3.01)
B. (i) Items that will be reclassified to Statement of Profit & Loss - Changes in fair value of derivative instrument (net of taxes)		1.13	(3.32)
Total Other comprehensive Income for the year		3.22	(6.33)
Total Comprehensive Income for the year		191.27	288.22
Total Profit attributable to Equity Shareholders		188.05	294.55
Earnings per equity share of ₹ 10 each	22		
(1) Basic		17.94	28.12
(2) Diluted		17.59	28.09

See accompanying Notes to standalone financial statements

Vide our report of even date attached

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

Mahesh Krishnan
Partner
Membership No: 206520

Date: May 26, 2021
Place: Chennai

For and on behalf of the Board of Directors

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Niraj Kumar Ganeriwal
COO and CFO

Ajit Thomas
Director
DIN.00018691

Meera Venkatramanan
Company Secretary

Statement of Cash Flow for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash Flow from Operating Activities:		
Profit before tax:	252.00	356.96
Adjustments for:		
Depreciation & amortisation	39.34	8.22
Expenses on employee stock based compensation	3.68	-
(Profit)/Loss on sale of Investments	-	0.17
Interest and other Income	(0.02)	(0.05)
Dividend Income	-	(113.06)
Interest and Finance charges	27.06	43.73
Operating Profit before Working Capital / Other Changes	322.06	295.97
(Increase) / Decrease in Trade receivables	5.17	(15.40)
(Increase) / Decrease in Other Assets	5.30	(11.45)
Increase / (Decrease) in Trade Payables	1.19	1.72
Increase / (Decrease) in Other liabilities	16.83	50.78
Increase / (Decrease) in Provisions	37.90	9.78
Cash Generated From Operations	388.45	331.40
Income tax paid	(75.84)	(72.22)
Net Cash Flow from Operating Activities	312.61	259.18
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	(62.09)	(51.94)
Proceeds from sale of Property, Plant and Equipment	-	0.54
Purchase of Intangible assets	(0.32)	(0.58)
Interest and other Income	0.02	0.05
Sale / (Purchase) of Non current Investments , (net)	-	(76.50)
Dividend income Received	-	113.06
Net Cash Used in Investing Activities	(62.39)	(15.37)
C. Cash Flow from Financing Activities:		
Proceeds/ (repayment) of borrowings	(55.49)	(134.43)
Interest and Finance charges	(27.06)	(43.73)
Dividend paid (including Dividend Distribution Tax)	(26.23)	(78.56)
ESOP exercised	2.28	-
Net Cash Used in Financing Activities	(106.50)	(256.72)
Net Increase/ (Decrease) in Cash and Cash Equivalents [A+B+C]	143.72	(12.91)
Cash and Cash Equivalents at the Beginning of the Year	7.19	20.10
Cash and Cash Equivalents as at End of the Year	150.91	7.19

Statement of Cash Flow for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Note:

- a. The above Cash Flow Statement is prepared under Indirect Method as provided by Ind AS 7 "Statement of Cash Flow" notified under Companies (Indian Accounting Standards) Rules, 2015. Figures in brackets represents cash outflow.
- b. Cash and Cash Equivalents comprise of:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balance with Schedule banks in current accounts	150.89	7.14
Cash and Cheques on Hand and in-transit	0.02	0.05
Total	150.91	7.19

The notes form an integral part of the Statement of Cash Flow

This is the Statement of Cash Flows referred to in our Report of even date.

For and on behalf of the Board of Directors

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

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Ajit Thomas
Director
DIN.00018691

Mahesh Krishnan
Partner
Membership No: 206520
Date: May 26, 2021
Place: Chennai

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Statement of changes in equity for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

(a) Equity Share Capital

Balance as at 1st April 2019	104.75
Add: Shares issued on exercise of employee stock options	-
Balance as at 31st March 2020	104.75
Balance as at 1st April 2020	104.75
Add: Shares issued on exercise of employee stock options	0.15
Balance as at 31st March 2021	104.90

(b) Other Equity

Particulars	Reserves and Surplus					Items of Other Comprehensive Income		Total Other Equity
	Capital reserve	General reserve	Securities Premium Reserve	Share Options outstanding reserve	Retained earnings	Financial instruments through Other Comprehensive Income	Remeasurement of Defined benefit plans through Other Comprehensive Income	
Balance as at 1st April 2019	0.21	46.44	90.18	18.82	635.10	2.94	2.24	795.93
Profit for the year	-	-	-	-	294.55	-	-	294.55
Other Comprehensive Income (Net of taxes)	-	-	-	-	-	(3.32)	(3.01)	(6.33)
Cost related to employee share based payments	-	-	-	(3.68)	2.71	-	-	(0.97)
Cash Dividends	-	-	-	-	(78.56)	-	-	(78.56)
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Balance as at 31st March 2020	0.21	46.44	90.18	15.14	853.80	(0.38)	(0.77)	1,004.61
Balance as at 1st April 2020	0.21	46.44	90.18	15.14	853.80	(0.38)	(0.77)	1,004.61
Profit for the year					188.08	-		188.08
Other Comprehensive Income (Net of taxes)					-	1.13	2.09	3.22
Cost related to employee share based payments			3.40	3.68		-		7.08
Cash Dividends					(26.23)	-		(26.23)
Balance as at 31st March 2021	0.21	46.44	93.58	18.82	1,015.66	0.75	1.32	1,176.77

See accompanying Notes to financial statements

Vide our report of even date attached

For and on behalf of the Board of Directors

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

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Ajit Thomas
Director
DIN.00018691

Mahesh Krishnan
Partner
Membership No: 206520
Date: May 26, 2021
Place: Chennai

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Company Overview and Significant Accounting Policies

Note-1: Company Overview

Saksoft Limited('the Company') is a Public Limited Company incorporated and domiciled in India listed with National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE) and has its registered office at Chennai, Tami Nadu, India.

The Company is a leading player in providing digital transformation solutions to help businesses stay relevant in a highly connected, rapidly evolving world. Saksoft is a niche technology specialist that provides a comprehensive suite of business transformation, information management, application development and testing services. Saksoft helps their clients level the playing field by helping them transform their business spaces.

The financial statements were authorised for issue by the Company's Board of Directors on 26th May 2021.

Note-2: Significant accounting policies

a. Basis of preparation of financial statements

The financial statements in all material aspects have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

b. Basis of measurement

The financial statements have been prepared on historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevantInd AS:

- i. Derivative financial instruments;
- ii. Certain financial assets and liabilities measured at fair value
- iii. Share based payments; and
- iv. Defined benefit plans and other long-term employee benefits

c. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the reported amounts of revenues and expenses, balances of assets and liabilities, and disclosure of contingent liabilities as at the date of the financial statements. Actual results could differ from those estimates. Accounting estimates could change from period to period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in notes to financial statements. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have most significant effects on the amounts recognised in the financial statements is included in the following notes:

Revenue Recognition

The Company uses the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the estimated total efforts or costs to be expended, as applicable. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimates at the reporting date.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Income Taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and its residual value at the end of its life. Useful life and residual value of an asset is determined by the Management at the time an asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Employee Benefits

The company's defined benefit obligation to its employees and net periodic defined benefit cost / income requires the use of certain assumptions, including, among others, estimates of discount rates and expected return on plan assets. Changes in these assumptions may affect the future funding requirements of the plans. Actuarial gains / losses are recognised in Other Comprehensive Income. The sensitivity analysis for changes in estimates is disclosed under relevant Notes.

Other estimates

The Company estimates the probability of the collection of the accounts receivable by analysing historical payment of patterns and customer credit worthiness. Stock compensation expense is determined based on the company's estimate of exercise pattern of equity instruments that vests with the employees. Estimates with regard to deferred taxes and provisions are made based on the extent of uncertainty prevalent on the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities.

d. Revenue recognition

The Company derives revenue primarily from software development and related services. Revenue is measured at the fair value of the consideration received or receivable.

Revenue disclosed is net of discounts and Goods and service tax. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. The Company has to apply the principles of revenue recognition to each of the distinct performance obligation and transaction price is recognised for each of the performance obligation of the contract.

The Company recognises revenue when the performance obligations as promised have been satisfied with a transaction price and when where there is no uncertainty as to measurement or collectability of the consideration. Recognition criteria for various types of contracts are as follows:

Time and Material Contracts:

Revenue from time-and-material contracts is recognised based on the time / efforts spent and billed to clients.

Fixed-Price Contracts:

In case of fixed-price contracts, revenue is recognised based on percentage of completion basis. Where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Annual Maintenance Contract:

Revenue from annual maintenance contracts are recognised proportionately over the period in which services are rendered.

Sale of products:

Revenue from sale of third party software products and hardware is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on physical or electronic dispatch of goods.

Unbilled revenue represents earnings in excess of efforts billed on software development and service contracts as at the end of the reporting period and is included as part of Other Financial Assets.

Unearned revenues represent billing in excess of revenue recognised on software development and service contracts and is included in Other Current Liabilities until the above revenue recognition criteria is met. Advance payments received from customers for whom no services have been rendered are presented as "Advance from customers".

Other Income

Other income primarily comprises of interest, dividend, foreign exchange gain/loss on financial assets / financial liabilities and on translation of other assets and liabilities. Interest income is recognised in the Statement of Profit and Loss using effective interest method at the time of accrual. Dividend income is recognised in the Statement of Profit and Loss when the right to receive payment is established. Foreign currency gain or loss is reported on net basis and includes gain or loss in respect of concluded forward contracts.

e. Property, Plant & Equipment

Property, Plant and Equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure directly attributable to acquisition until the property, plant and equipment are ready for the intended use.

Property, plant and equipment are depreciated / amortised over their estimated useful lives using straight-line method from the date the assets are ready for the intended use. Assets acquired under finance lease and leasehold improvements are amortised over the lower of estimated useful life or primary lease term.

Depreciation on Computer and Office equipment is provided on straight line method over their respective useful lives as prescribed in Schedule II of the Companies Act 2013. In respect of assets other than these, depreciation is provided over the economic useful life determined by technical evaluation. The useful lives of those assets are as under:

Description	Useful Lives (in years)
Lease hold improvement	5
Office Equipment	5
Furniture and fixtures	5
Vehicles	5
Electrical installations	5
Computer equipment	3

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013

Depreciation methods, useful life and residual value are reviewed at each reporting date.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Individual asset costing ₹5,000/- or less are depreciated in full in the year of purchase.

Gains or losses on disposal are determined by comparing proceeds with the carrying amount. Cost and related accumulated depreciation are eliminated from the financial statements upon sale of the asset and the result and gains or losses are recognised in the Statement of Profit and Loss.

Capital work-in-progress includes cost of fixed assets that are not ready for their intended use.

Advances paid towards the acquisition of Property, plant and equipment outstanding at each Balance Sheet Date is classified as capital advances under other non-current assets.

f. Intangible assets and amortization

Intangible assets are measured at acquisition cost less accumulated amortization and impairment losses, if any. Intangible assets are amortised over their respective estimated useful lives on a straight line basis from the date they are available for use as follows:

Description	Useful Lives
Intellectual property	36 months
Software Costs	60 months

Self-generated intangible assets are generally not capitalised.

The estimated useful life of an intangible asset is based on factors including obsolescence and the level of maintenance expenditure required to obtain the expected future cash flows from the asset.

g. Leases

The Company adopted Ind AS 116 - "Leases" from 1st April 2019 using the Modified Retrospective Approach. In accordance with the Modified Retrospective Approach, a Right to Use asset equal to the lease liability in the Balance Sheet immediately before the date of initial application has been recognised on the date of initial application and the comparatives have not been retrospectively adjusted.

A lessee recognises assets and liabilities for both operating and finance leases with a term of more than twelve months, unless the underlying asset is of low value. Lease liability is recognised as the present value of minimum lease payment (including the escalation clause as per the lease agreement) outstanding as at the date of the Balance Sheet immediately prior to the date of initial application.

The right to asset so recognised are depreciated over the lease term on a straight line basis and the lease payment are made at respective intervals and the present value of lease liability is remeasured at every reporting period and accounted for as interest expense.

Short term leases and low value leases have been exempted from lease accounting. These leases have been accounted by debit to the Statement of the Profit and Loss as and when the lease rentals are paid.

h. Impairment

Non-financial assets

The Company assesses at each balance sheet date whether there is any indication that a carrying amount of a non-financial asset or a group of non-financial assets may not be recoverable and hence require to be impaired. If any such indication exists, the Company estimates the recoverable amount of these assets. Recoverable amount is the higher of an asset's fair

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

value adjusted for costs of disposal and the value in use. If such recoverable amount of these assets or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. This reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exits, the recoverable amount is reassessed and the asset is reflected at such reassessed recoverable amount subject to a maximum of carrying value of the asset. Non-financial assets (other than Goodwill) that are already impaired are reviewed for possible reversal of impairment provision at the end of every reporting period.

Financial assets

Receivables: The Company follows 'simplified approach' for recognition of impairment loss on trade receivables, whereby, it recognises impairment loss allowances based on life time expected credit loss at each reporting period from its initial recognition.

Other financial assets: For all other financial assets, expected credit losses (ECL) are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case the same is measured at lifetime ECL.

Impairment gain or loss recognised in the Statement of Profit and Loss is the difference between loss allowance reassessed on the reporting date and that determined on the immediately preceding reporting date.

i. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current.

- Non-current investments in subsidiaries, associates and joint ventures are stated at cost and any decline other than temporary in the value of these investments is recognised in the Statement of Profit and Loss.
- Other non-current investments are stated at their fair value.
- Current investments are stated at their fair value.

On disposal of investments, the difference between proceeds and the carrying amount is recognised in the Statement of Profit and Loss.

j. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in the Statement of Profit and Loss.

Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective.

To the extent that the hedge is ineffective, changes in fair value are recognised in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.

Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion of cash flow hedges are recognised in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

k. Non-derivative financial instruments

INITIAL MESASUREMENT:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measure at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

SUBSEQUENT MEASUREMENT:

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are subsequently measured at amortised cost using effective interest method, less any impairment losses.

Amortised assets are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

They are presented as current assets except for those maturing later than 12 months after the reporting date, which are presented as non-current assets.

Financial assets at fair value through other comprehensive income: (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss: (FVTPL)

Any financial assetnot subsequently measured at amortised cost or at fair value through other comprehensive income, is subsequently measured at fair value through profit or loss. Financial assets falling in this category are measured at fair value and all changes are recognised in the Statement of Profit and Loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination that is subsequently measured at fair value through profit and loss. For

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for De-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Fair value hierarchy:

The company's policy on Fair Valuation is stated below.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2 - The fair valuation of instruments not traded in active markets is determined using valuation techniques. These valuation techniques maximise the use of observable market data and minimise the use of entity specific estimates(All significant inputs to the fair value measurement is observable)

Level 3 –Valuation techniques for one or more significant inputs to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

l. Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the “functional currency”). The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupee.

Foreign currency Transactions and Balances

Foreign current Transactions are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of foreign – currency denominated monetary assets and liabilities into the relevant functional currency at exchange rates in effect at the reporting date are recognised in the Statement of Profit and Loss and reported within foreign exchange gains / (losses).

Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

m. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

Notes forming part of the Financial Statements for the year ended March 31, 2021
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n. Cash and Cash equivalents

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. For the purpose of presentation in the Statement of Cash flows, cash and cash equivalents include cash on hand, deposits held at call with Banks, other short-term, highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash which are subject to an insignificant change in value.

Statement of cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

o. Employee benefits

Defined Contribution Plans

The Company pays Provident Fund contributions payable to the recognised provident fund. The contributions are accounted for as defined contribution plans and recognised as employee benefit expense in the Statement of Profit and Loss.

Defined Benefit Plans

The company provides a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company as per the provisions of the Payment of Gratuity Act, 1972. The Company makes contributions to a fund administered and managed by the Saksoft Employees' Gratuity Trust to fund the gratuity liability.

The liability or asset recognised in the Balance Sheet in respect of a defined gratuity plan is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation using the projected unit credit method made at the end of the year.

The present value of defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The gratuity liability and net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels.

Remeasurement gains or losses arising from Experience Adjustments and changes in actuarial assumptions are recognised in the period they occur, directly in the Other Comprehensive Income. They are included in the statement of changes in equity and in the Balance Sheet. Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to Statement of Profit or Loss in subsequent periods.

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss.

Other short term Employee Benefits

As per the employment policy of the Company, employees are required to avail their annual leave by the end of the respective calendar year. At the end of the financial year, the Company accounts for the remaining short term compensated absences. Liability towards leave encashment is recognised in the Statement of Profit and Loss.

Undiscounted liability of performance incentive is recognised during the period when the employee renders the services, based on management estimate.

Notes forming part of the Financial Statements for the year ended March 31, 2021
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Share-based payments

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of the grant arrived at by using the Black-Scholes Model valuation and recognises the cost (net of estimated forfeitures) over the vesting period.

The equity instruments generally vest in a graded manner over the vesting period. The stock compensation expense is determined based on company's estimate of equity instruments that will eventually vest and be exercised. The expenses in respect of the above share based payment schemes is recognised over the vesting period in the Statement of Profit and Loss with a corresponding adjustment to the share based payment reserve, a component of equity.

p. Taxation

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with The Income Tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements). Taxes are recognised in the Statement of Profit and Loss except to the extent it relates to items directly recognised in equity or in the Other Comprehensive Income.

Current tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the asset and liability simultaneously.

Deferred Income Tax

Deferred income tax is recognised using the Balance Sheet Approach. The corresponding deferred income tax liabilities or assets are recognised for deductible and taxable temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax income liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the deferred income tax asset to be utilised.

Deferred income taxes are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax laws enacted or substantively enacted at the reporting date.

q. Earnings per share

Basic earnings per share ('EPS') amounts are computed by dividing the net profit or loss after tax,for the year, by the weighted average number of shares outstanding during the year.

For the purpose of calculating Diluted earnings per share, amounts are computed by dividing the net profit or loss after tax for the year by the weighted average number of shares outstanding during the year considered for computation of Basic EPS and also adjusted for the effects of all measurable dilutive potential equity shares.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

The shares issued to the Saksoft Employees Welfare Trust have been considered as outstanding for Basic EPS purposes. For diluted EPS purpose, the shares, which are not yet eligible for exercise, have also been considered as outstanding to the extent these shares are dilutive.

r. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after reporting period.

s. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expended in the period in which they are incurred.

t. Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided by the Chief Operating Decision Maker.

u. Provisions and Contingent liabilities

A provision is recognised when an enterprise has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the amount can be reliably estimated. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A disclosure for contingent liability is made when there is a possible obligation that arises from the past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and that may, but not probable that an outflow of resources would be required to settle the obligation. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

3. PROPERTY, PLANT and EQUIPMENT

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year

Particulars	Plant & Machinery	Leasehold improvements	Computers	Office equipments	Electrical Installations	Furniture & Fittings	Motor Vehicles Owned	Motor Vehicles Leased	Right of Use Asset	Total
Gross carrying value										
At April 1, 2019	10.42	25.16	51.15	11.55	11.92	18.64	0.22	1.65	65.17	195.88
Additions		2.63	7.45	0.93	0.69	0.28		-	3.39	15.37
Disposals / adjustments	1.33		2.21	0.13	1.34	0.90		1.65	-	7.56
At March 31, 2020	9.09	27.79	56.39	12.35	11.27	18.02	0.22	-	68.56	203.69
At April 1, 2020	9.09	27.79	56.39	12.35	11.27	18.02	0.22	-	68.56	203.69
Additions	-	-	4.17	1.04	-	-	-	-	56.88	62.09
Disposals / adjustments										-
At March 31, 2021	9.09	27.79	60.56	13.39	11.27	18.02	0.22	-	125.44	265.78
Accumulated depreciation										
At April 1, 2019	10.37	25.16	45.23	8.63	9.04	16.18	0.17	1.40	-	116.18
Depreciation expense	0.01	0.07	4.21	1.14	1.02	0.79	0.02	0.23	29.17	36.66
Disposals / adjustments	1.33	-	2.20	0.13	1.34	0.20	-	1.63	-	6.83
At March 31, 2020	9.05	25.23	47.24	9.64	8.72	16.77	0.19	-	29.17	146.01
At April 1, 2020	9.05	25.23	47.24	9.64	8.72	16.77	0.19	-	29.17	146.01
Depreciation expense	0.02	0.53	5.27	1.22	0.94	0.62	0.02	-	30.01	38.63
Disposals / adjustments										
At March 31, 2021	9.07	25.76	52.51	10.86	9.66	17.39	0.21	-	59.18	184.64
Net carrying value March 31, 2021	0.02	2.03	8.05	2.53	1.61	0.63	0.01	-	66.26	81.14
Net carrying value March 31, 2020	0.04	2.56	9.15	2.71	2.55	1.25	0.03	-	39.39	57.68

Note: The above assets are charged to the banks for various credit facilities availed by the company. Refer Note. 12.1 and 14.1

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

4. OTHER INTANGIBLE ASSETS

Particulars	Intellectual property	Acquired Computer Software	Total
Gross carrying value			
At April 1, 2019	4.50	24.83	29.33
Additions	-	0.58	0.58
Disposals / adjustments	-	-	-
At March 31, 2020	4.50	25.41	29.91
At April 1, 2020	4.50	25.41	29.91
Additions	-	0.32	0.32
Disposals / adjustments	-	-	-
At March 31, 2021	4.50	25.73	30.23
Accumulated amortization			
At April 1, 2019	4.50	23.08	27.58
Amortisation expense	-	0.72	0.72
Disposals / adjustments	-	-	-
At March 31, 2020	4.50	23.80	28.30
At April 1, 2020	4.50	23.80	28.30
Amortisation expense	-	0.70	0.70
Disposals / adjustments	-	-	-
At March 31, 2021	4.50	24.50	29.00
Net carrying value March 31, 2021	-	1.23	1.23
Net carrying value March 31, 2020	-	1.61	1.61

NON-CURRENT ASSETS

5.1. FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	Face value (fully paid up)	As at March 31, 2021		As at March 31, 2020	
		No. of shares / units	Cost	No. of shares / units	Cost
1) Investment in equity instruments (unquoted)					
In subsidiary companies					
Saksoft Inc, USA	USD 1	1,95,000	9.24	1,95,000	9.24
Saksoft Pte Limited, Singapore	SGD 1	5,55,002	19.17	5,55,002	19.17
Saksoft Solutions Limited, United Kingdom	GBP 1	50,01,000	434.45	50,01,000	434.45
ThreeSixty Logica Testing Services Private Limited	INR 10	10,000	389.68	10,000	389.68
DreamOrbit Softech Private Limited	INR 10	14,150	319.99	14,150	319.99
Total		-	1,172.53		1,172.53
Aggregate amount of unquoted investments		-	1,172.53		1,172.53
Aggregate amount of impairment in value of investments					-

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

5.2. FINANCIAL ASSETS - LONG TERM LOANS

Particulars	As at March 31, 2021	As at March 31, 2020
unsecured and considered good*		
Loan to related parties	0.27	0.27
	0.27	0.27

* Related party balances are presented in Note no. 22 (c)

5.3. FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2021	As at March 31, 2020
unsecured and considered good		
Security Deposit	14.64	12.18
Bank deposits with more than 12 months maturity	0.39	0.32
	15.03	12.50

6. DEFERRED TAX ASSETS (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Arising from timing difference in respect of:		
Property, Plant and Equipment	5.44	5.46
Retirement Benefits	10.19	8.94
Financial instruments - FVTOCI	0.34	0.13
Lease liability	0.23	0.51
Other tax disallowances	6.64	-
	22.84	15.04

7. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	-	-
	-	-

CURRENT ASSETS

8.1. FINANCIAL ASSETS - TRADE RECEIVABLES

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)*		
Considered good	163.66	168.85
Significant increase in credit risk	-	-
Credit Impaired	-	-
Less: Allowance for credit losses#	-	-
	163.66	168.85

* Related party balances are presented in Note no. 22 (c)

#There were no significant expected credit losses , computed based on Lifetime ECL of trade receivables as at 31st March 2021

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

8.2. FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2021	As at March 31, 2020
a. Cash on hand	0.02	0.05
b. Balances with banks in current accounts and deposit accounts	150.29	6.53
c. Other bank balances #	0.60	0.61
	150.91	7.19

Other bank balances represent earmarked balances in respect of unclaimed dividends and Interest Accrued on such balances

8.3. FINANCIAL ASSETS - LOANS

Particulars	As at March 31, 2021	As at March 31, 2020
<i>unsecured, considered good</i>		
Employee loans and advances	0.22	0.22
	0.22	0.22

8.4. FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	1.02	1.25
Forward Contract	0.11	(0.52)
Unbilled revenue	48.13	54.15
	49.26	54.88

9. OTHER CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with statutory Authorities	7.50	7.50
Prepaid expenses	5.26	6.09
Advance to suppliers	0.95	2.33
Receivable from Subsidiaries on exercise of ESOPs	1.29	-
	15.00	15.92

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

10. SHARE CAPITAL

Particulars	As at March 31, 2021	As at March 31, 2020
A) Authorised, Issued, Subscribed and Fully Paid up Share capital		
Authorised:		
20,100,000 Equity Shares of ₹10 each	201.00	201.00
Issued & Subscribed & Fully Paid-up:		
10,490,000 Equity Shares of ₹10 each (March 2021: 10,490,000 shares and March 2020: 10,475,000 shares)	104.90	104.75
Total	104.90	104.75

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding as at beginning of the year	1,04,75,000	1,04,75,000
Add: Shares allotted to employees pursuant to ESOP 2009	15,000	-
Outstanding as at the end of the year	1,04,90,000	1,04,75,000

(C) Rights attached to Equity shares

Each share entitles to a pari passu right to vote, to receive dividend and surplus at the time of liquidation

(D) Shares in the company held by each shareholder holding more than 5% shares

S. No.	Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
		Number of shares held in the company	Percentage of shares held	Number of shares held in the company	Percentage of shares held
1	Aditya Krishna	22,18,640	21.15%	22,18,640	21.18%
2	Sak Industries Private Limited	48,47,715	46.21%	48,47,715	46.28%
3	Saksoft Employees Welfare Trust	5,32,460	5.08%	5,32,460	5.09%
	Total	75,98,815	72.44%	75,98,815	72.55%

(E) Shares reserved for issue under options and contracts [Refer Note - 22(e)]

S. No.	Number and class of shares reserved for issue	Party in whose favour reserved	Details of contracts/ options under which shares reserved for issue
1	During the FY 2020-2021 grant of options were 3,20,000 (Net of surrender of options)	Employees	ESOP 2009

Notes forming part of the Financial Statements for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

11. OTHER EQUITY

Particulars	As at March 31, 2021	As at March 31, 2020
a) Capital reserve	0.21	0.21
Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.		
b) Securities premium reserve	93.58	90.18
Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.		
c) General reserve	46.44	46.44
This represents appropriation of profit by the Company.		
d) Retained earnings	1,015.65	853.80
Retained earnings comprise of the Company's undistributed earnings after taxes.		
e) Share option outstanding account	18.82	15.14
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to retained earnings.		
f) Financial Instruments through other comprehensive income	0.75	(0.38)
Changes in the fair value of equity instruments is recognised in equity instruments through other comprehensive income (net of taxes), and presented within other equity.		
g) Other items of other comprehensive income	1.32	(0.77)
Other items of other comprehensive income consist of re-measurement of net defined liability/asset.		
	1,176.77	1,004.62

NON- CURRENT LIABILITY

12.1. FINANCIAL LIABILITIES- BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Term Loans From Bank - Secured	-	16.95
Secured by pari passu charge on company's unencumbered movable fixed assets and current assets of the company and the personal guarantee of the Managing Director.		
Repayment Terms:		
Repayable in 16 Quarterly installments commencing from March, 2018.		
Rate of interest - 10.00% linked to banks one year MCLR		
Period and amount of continuing default: NIL		
Unsecured, From a related party		
From Sak Industries Private Limited	200.00	230.00
Repayment Terms:		
The Loan is repayable by 30th September 2022.		
Rate of interest - SBI base rate + 1.5%		
	200.00	246.95

Notes forming part of the Financial Statements for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

12.2. FINANCIAL LIABILITIES- OTHERS

Particulars	As at March 31, 2021	As at March 31, 2020
Lease liability	40.01	10.56
	40.01	10.56

13.PROVISIONS

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity Payable (Net)*	32.11	23.44
	32.11	23.44

* Refer Note 22 (d) for details of gratuity plan as per Ind AS 19

CURRENT ASSETS

14.1. FINANCIAL LIABILITIES- BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Cash Credit From Bank - Secured		
Secured by exclusive charge on the assets of the company and the personal guarantee of the Managing Director.	-	8.54
Rate of interest linked to MCLR of the bank.		
Period and amount of continuing default: NIL		
	-	8.54

14.2. FINANCIAL LIABILITY- TRADE PAYABLES

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables-Micro,small enterprises*	3.20	0.76
Trade payables - Others #	28.48	29.73
	31.68	30.49

Related Party Balances are presented in Note no 22 (c)

* Refer Note No. 22 (g)

14.3. FINANCIAL LIABILITY- OTHERS

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term loans*	-	29.06
Current maturities of finance lease obligations	-	-
Unclaimed Dividends	0.57	0.56
Lease Liability	27.18	30.87
	27.75	60.49

* The details of interest rates, repayment and other terms are disclosed under Note 12.1

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

15. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	4.09	2.47
Statutory dues	15.76	14.80
Others - Ascertained liabilities for expenses	37.87	20.33
	57.72	37.60

16. PROVISIONS

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for compensated absences	5.89	4.01
Provision for contractual liability towards currency fluctuation	23.16	-
Provision for gratuity*	4.00	3.00
	33.05	7.01

* Refer Note 22 (d) for details of gratuity plan as per Ind AS 19

17. INCOME TAX

Income tax expense in the statement of profit and loss consists of:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current income tax:		
In respect of the current year	72.05	66.24
Deferred tax:		
In respect of the current year	(8.10)	(3.83)
Income tax expense recognised in the statement of profit or loss:	63.95	62.41
Income tax recognised in other comprehensive income		
Current tax arising on income and expense recognised in other comprehensive income	0.70	(1.01)
Deferred tax arising on income and expense recognised in other comprehensive income	0.35	(1.26)
Total	1.05	(2.27)

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

17. INCOME TAX (contd...)

The reconciliation between the provision for income tax of the Company and amounts computed by applying the Indian statutory income tax rates to profit before taxes is as follows:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	252.00	356.96
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expenses	63.42	89.84
Effect of:		
Income that is exempt from tax	-	(26.54)
Income considered under other heads	-	-
Expenses that are not deductible in determining taxable profit	1.13	2.25
Income subject to different taxes	-	(0.59)
Disallowance under 14A	-	1.66
Depreciation allowance / disallowance under IT Act	(0.02)	(0.38)
CSR Expenses and Other Donations	1.16	-
Provision for contractual liability towards currency fluctuation	6.64	-
Adjustments for IND AS 116	(0.28)	-
Taxes recognised in OCI	0.70	(1.01)
Income tax expenses recognised in the Statement of Profit and Loss	72.75	65.23

Calculation of Applicable Tax Rate:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Basic tax rate	22.00%	22.00%
Surcharge @ 10% (PY 10%) on the basic tax rate	2.20%	2.20%
Aggregate of tax and surcharge	24.20%	24.20%
Cess @ 4% (PY 4%) on tax and Surcharge	0.97%	0.97%
Tax Rate applicable	25.17%	25.17%

Deferred tax assets / liabilities as at March 31, 2021

Particulars	As at April 1, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2021
Property, Plant and Equipment	5.46	(0.02)	-	5.44
Retirement and employee Benefits	8.94	1.76	(0.51)	10.19
Financial instruments - FVTOCI	0.13		0.21	0.34
Lease Liability	0.51	(0.28)	-	0.23
Provision for currency devalue	-	6.64	-	6.64
Total	15.04	8.10	(0.30)	22.84

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

17. INCOME TAX (contd...)

Deferred tax assets / liabilities as at March 31, 2020

Particulars	As at April 1, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2020
Property, Plant and Equipment	6.74	(1.28)	-	5.46
Retirement and employee Benefits	4.27	4.67	-	8.94
Derivative financial instruments - FVTOCI	(1.13)	-	1.26	0.13
Lease Liability	-	0.51		0.51
MAT Credit entitlement	0.07	(0.07)	-	
Total	9.95	3.83	1.26	15.04

Note: Long term capital loss as computed under the provisions of Income Tax Act, 1961 carried forward amounted to ₹139.63 million as on the Balance Sheet date on which the Deferred Tax Asset has not been recognised as the probability of reversal of such deferred tax is not certain in the foreseeable future.

18. OTHER INCOME

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(A) Income from investments		
Dividends	-	113.06
	-	113.06
(B) Others		
Exchange Fluctuation (net)	6.45	12.38
Interest income	0.02	0.05
Interest on fair valuation of security deposits	0.82	0.82
Miscellaneous Receipts	-	0.05
	7.29	13.30
	7.29	126.36

19. EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages	700.60	628.43
Contribution to Provident and other funds	36.03	32.03
Share based compensation to employees	3.68	-
Staff Welfare Expenses	17.40	19.82
	757.71	680.28

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

20. FINANCE COSTS

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expense		
- on loans from banks	2.12	8.60
- on loans from a related party	18.64	26.76
- on fair valuation of security deposits	0.82	0.82
- on fair valuation of lease liability	4.24	6.77
Other borrowing cost	1.24	0.78
	27.06	43.73

21. OTHERS EXPENSES

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent	0.68	0.86
Travel and conveyance	1.14	19.72
Insurance	4.18	4.77
Rates and Taxes	1.71	4.47
CSR Expenditure	4.62	2.82
Power and Fuel	8.59	9.24
Repairs to Buildings	13.72	14.64
Repairs to Plant & Machinery	3.37	3.46
Communication Expenses	8.37	4.19
Loss on Sale of assets	-	0.17
Payment to statutory auditors		
- As Auditors	1.60	1.60
- For Certification	0.12	0.12
- reimbursement of expenses	0.03	0.04
Legal, Professional and consultancy charges	17.51	19.80
Advertisement, Publicity and Sale Promotion	0.39	1.05
Miscellaneous expenses	27.84	5.43
	93.87	92.38

22. ADDITIONAL NOTES

(a) Contingent Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
1. Income-tax matters	34.55	34.55

The future cash outflows on items 1 above are determinable only on receipt of the decision or judgment that is pending at various forums and authorities. The company does not expect the outcome of these proceedings to have an adverse material effect on the financial results.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)
(b) Disclosure under 116.

Particulars	Amount in INR
Depreciation charge for ROU Asset	30.01
Interest expense on lease liability	4.24
Expenses relating to short term leases (need not include the expense relating to leases with a lease term of one month or less)	
Expense relating to leases of low-value assets (not include the expense relating to short-term leases of low-value assets included in above line)	0.68
Expenses relating to variable lease payments	-
Income from sub-leasing of ROU Asset	-
Total Cash Outflow for leases	35.37
Additions to ROU Assets during the year	56.88
Gains or losses arising from sale and leaseback transactions	-
Carrying amount of right-of-use assets at the end of the reporting period for each asset category	66.26

(c) Related party disclosures

Enterprise which has significant influence	Sak Industries Private Limited and its subsidiaries
Enterprises in which key management personnel exercise significant influence	Saksoft Employees Welfare Trust
	Saksoft Employees Gratuity Trust
	The General Talkies Private Limited
Subsidiaries and step down subsidiaries and Joint Venture	Saksoft Inc, USA
	Saksoft Pte Ltd, Singapore
	Saksoft Solutions Limited, UK
	Acuma Solutions Limited, UK
	Saksoft Ireland Limited , Ireland
	Electronic Data Professionals Inc, USA
	Faichi Solutions Inc .USA
	ThreeSixtyLogica Testing Services Pvt Ltd, India
	ThreeSixty Logica Testing Services PTE Limited, Singapore
	DreamOrbit Softech Pvt Ltd, India
	DreamOrbit Inc, USA
Key management personnel	Mr. Aditya Krishna- CMD
	Mr. Niraj Kumar Ganeriwal- COO &CFO
	Ms. Meera Venkatramanan - Company Secretary with effect from 04 Febuary 2021
	Mr. Muthukrishnan- Company Secretary till 11 December 2020.
	Ms. Kanika Krishna – Director
Relatives of Key Managerial Personnel	Ms. Avantika Krishna – Employee

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)
Transactions entered during the year

Description	Year ended March 31, 2021	Year ended March 31, 2020
Revenues		
Acuma Solutions Limited, United Kingdom	149.50	75.76
Saksoft Inc, USA	325.71	333.78
Saksoft Pte Limited, Singapore	14.88	7.01
DreamOrbit Inc	7.21	5.53
ThreeSixtyLogica Testing Services Pvt Ltd, India	18.00	18.00
Saksoft Solutions Limited, UK	-	4.51
DreamOrbit Softech Pvt Ltd, India	2.44	2.45
Sak Industries Pvt Ltd	-	13.50
Dividend Income		
Saksoft Pte Limited, Singapore	-	7.62
ThreeSixtyLogica Testing Services Pvt Ltd, India	-	35.00
DreamOrbit Softech Pvt Ltd, India	-	70.44
Reimbursement of expenses (Net)		
Saksoft Solutions Limited, United Kingdom	0.15	0.55
Acuma Solutions Limited, United Kingdom	0.20	0.48
Saksoft Inc, USA	1.75	3.77
Saksoft Pte Limited, Singapore	-	0.32
Sak Industries Pvt Ltd	0.74	0.71
ThreeSixty Logica Testing Services Pvt Ltd	1.97	2.44
Support & Third Party Expense		
DreamOrbit Softech Private Limited, India	19.75	10.58
Dividend paid		
Sak Industries Private Limited	12.12	36.36
Chairman and Managing Director	5.55	16.64
COO & CFO	0.19	0.54
Saksoft employees welfare Trust	1.33	3.99
Interest on loan		
Sak Industries Private Limited	18.64	26.83
Borrowings/(Repayment), net		
Sak Industries Private Limited	(30.00)	(40.00)
Payment towards lease liability		
Sak Industries Private Limited	(9.24)	(9.24)
Investment/(Redemption) made during the year		
Investment in DreamOrbit Softech Pvt Ltd	-	76.50

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

Description	Year ended March 31, 2021	Year ended March 31, 2020
Remuneration of Key Managerial Personnel	15.18	15.63
Non-Executive Director Commission	0.15	0.15
Non-Executive Director - Sitting Fees	0.23	0.24
Remuneration to relative of KMP	3.66	3.35
Shares allotted under ESOP(2009 Scheme)		
COO & CFO (number of shares)	15,000	-
Year end balances		
Description	As at March 31, 2021	As at March 31, 2020
Investments		
Saksoft Inc, USA	9.24	9.24
Saksoft Pte Limited, Singapore	19.17	19.17
Saksoft Solutions Limited, United Kingdom	434.45	434.45
ThreeSixtyLogica Testing Services Pvt Ltd, India	389.68	389.68
DreamOrbit Softech Pvt Ltd	319.99	319.99
Right to Use Asset		
Sak Industries Private Limited	4.81	12.60
Receivables		
Acuma Solutions Limited, United Kingdom	16.00	6.80
Saksoft Inc, USA	54.02	29.10
Saksoft Pte Limited, Singapore	4.78	0.35
Dreamorbit Inc	2.31	0.75
ThreeSixtyLogica Testing Services Pvt Ltd, India	3.29	-
DreamOrbit Softech Pvt Ltd	0.49	0.25
Payables		
DreamOrbit Softech Pvt Ltd	1.89	2.47
Sak Industries Pvt Ltd	0.67	0.67
Loans and advances		
Saksoft employees welfare trust	0.25	0.25
Saksoft employees gratuity trust	0.03	0.03
Borrowings		
Sak Industries Private Limited	200.00	230.00
Lease Liability-		
Sak Industries Private Limited	5.36	13.24

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

(d) Gratuity

IMPACT IN THE STATEMENT OF PROFIT AND LOSS:

The expenses charged to the Statement of Profit and Loss for period along with the corresponding charge of the previous period is presented in the table below:

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Current service cost	10.92	7.24
Past service cost	-	-
Administration expenses.	-	-
Interest on net defined benefit liability / (asset)	1.54	0.94
(Gains) / losses on settlement	-	-
Total expense charged to Statement of profit and loss	12.46	8.18

FINANCIAL ASSUMPTIONS AT THE VALUATION DATE:

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Discount rate (p.a.)	6.30%	6.30%
Salary escalation rate (p.a.)	8.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The expected return on plan assets is based on expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations.

Amount Recorded in Other Comprehensive Income

The total amount of remeasurement items and impact of liabilities assumed or settled, if any, which is recorded immediately in Other Comprehensive Income (OCI) during the period is shown in the table below:

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Opening amount recognised in OCI outside profit and loss account	0.99	(3.02)
Remeasurements during the period due to:		
Changes in financial assumptions	3.47	3.93
Changes in demographic assumptions	(1.52)	0.93
Experience adjustments	(4.12)	(1.24)
Actual return on plan assets less interest on plan assets	(0.62)	0.39
Adjustment to recognise the effect of asset ceiling	-	-
Closing amount recognised in OCI outside profit and loss account	(1.80)	0.99

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

The following table sets out the status of the gratuity plan.

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Opening of defined benefit obligation	32.47	20.93
Current service cost	10.92	7.24
Past service cost	-	-
Interest on defined benefit obligation	1.92	1.44
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	3.47	3.93
Actuarial loss / (gain) arising from change in demographic assumptions	(1.52)	0.93
Actuarial loss / (gain) arising on account of experience changes	(4.12)	(1.24)
Benefits paid	(0.55)	(0.76)
Liabilities assumed / (settled)*	-	-
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	42.59	32.47

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Opening fair value of plan assets	6.03	6.68
Employer contributions	-	-
Interest on plan assets	0.38	0.50
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	0.62	(0.39)
Benefits paid	(0.55)	(0.76)
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	6.48	6.03

Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	Period Ended March 31, 2021	
	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-4.74%	4.48%
Impact of decrease in 50 bps on DBO	5.11%	-4.20%

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

Disaggregation of Plan Assets

Particulars	Total
Property	-
Government Debt Instrument	-
Other Debt Instrument	-
Equity Instruments	-
Insurer managed funds	6.49
Others	-
	6.49

Maturity Profile of Assets:

Maturity Year	March 31, 2021
2022	4.81
2023	2.11
2024	2.56
2025	3.11
2026	3.38
2027-2032	72.95

(e) Employee Stock option plans ('ESOP')

ESOP 2006 Plan

The ESOP 2006 Plan was introduced by the Company in 2006 under which the Company grants options from time to time to employees of the Company and its subsidiaries. This Plan was approved by the Board of Directors in January 2006 and by the shareholders in February 2006. The Plan complies with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and is administered by the Saksoft Employees Welfare Trust ('the Trust') through the Nomination and Remuneration committee. The Trust purchased the shares of the Company using the proceeds of loans obtained from the Company and administers the allotment of shares to employees and other related matters. The eligible employees exercise the options under the terms of the Plan at an exercise price, which equals the fair value on the date of the grant, until which the shares are held by the Trust.

The Company had allotted 582,460 equity shares of ₹10 each to the Trust to give effect to the ESOP Plan. As at the balance sheet date, the employees have exercised 50,000 options under this Plan and accordingly, 532,460 equity shares of ₹10 each represent shares held by the Trust. During the year no options have been granted or outstanding under this plan.

ESOP 2009 Plan

The ESOP 2009 Plan was introduced by the Company with the consent of the shareholders in 2009 under which the Company grants options from time to time to employees of the Company and its subsidiaries. Further the scheme was amended at the AGM held on 26th September 2014 to increase the exercise period from 5 to 10 years. This Plan complies with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The plan considers an aggregate of 1,500,000 options to be granted and exercised in accordance with the ESOP 2009 plan as approved by the Nomination and Remuneration Committee.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

During the year, 15000 options have been exercised under this plan. During the year 3,20,000 (net off 20,000 forfeited / surrendered options) options have been granted to eligible employees at a grant price of ₹ 138.75.

The outstanding options available for exercise under the ESOP 2009 as on 31st March 2021 is 4,90,000 options, out of which 170,000 options as vested as at the end of the year.

The details of the ESOP 2009 Plan are

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Options outstanding at the beginning of the year	1,85,000	135.85	2,95,000	177.55
Options granted during the year	3,40,000	138.75	3,00,000	250.55
Options exercised during the year	15,000	151.70	-	-
Options forfeited during the year	-	-	70,000	247.70
Options lapsed during the year	20,000	138.75	3,40,000	250.36
Options outstanding at the end of the year	4,90,000	137.74	1,85,000	135.85
Options vested and exercisable at the end of the year	1,70,000	137.26	1,85,000	135.85

(f) Earnings Per Share (EPS)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Earnings		
Net profit for the year (₹ In million)	188.05	294.55
Shares		
Equity shares as at the balance sheet date	10,490,000	10,475,000
Total number of equity shares the end of the year – Basic	10,490,000	10,475,000
Weighted average number of equity shares outstanding as at the end of the year – Basic	10,481,247	10,475,000
Diluted Shares		
Weighted average number of equity shares outstanding as at the end of the year.	10,481,247	10,475,000
Add: Weighted average number of equity shares arising out of outstanding stock options that have dilutive effect on the EPS	2,07,202	12,065
Weighted average number of equity shares outstanding during the year – Diluted	10,688,449	10,487,065
Earnings per share of par value ₹10 – Basic (₹)	17.94	28.12
Earnings per share of par value ₹10 – Diluted (₹)	17.59	28.09

(g) Dues to Micro and small enterprises

The Company has initiated the process of obtaining confirmation from suppliers who have registered under the Micro, Small and Medium Enterprises Development Act, 2006.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

The information required to be disclosed under the Micro, Small And Medium Enterprises Development Act, 2006 ('the MSMED Act') has been determined to the extent such parties have been identified on the basis of information received from such parties and available with the Company. There are no overdue to parties on account of principal amount and / or interest as disclosed below:

Particulars	March 31, 2021	March 31, 2020
The principal amounts and interest overdue thereon, remaining unpaid to any supplier at the end of each accounting year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006	-	-
The amount of the payments made to suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years until such dates when the interest due above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act,2006	-	-

(h) Dividend

The Board of Directors had recommended interim dividend during the financial year 2020-21 amounting to ₹ 2.50 per equity share. This has resulted in a cash flow of ₹ 2.62 Million.

The Board of Directors at its meeting held on 26th May 2021 had further recommended a final dividend of 25% (₹2.50 per equity share of ₹10 face value fully paid up) subject to approval of the shareholders at The Annual General Meeting. The outflow on account of the final dividend is expected to be ₹ 2.62 Million.

(i) Disclosure under Ind AS 115

General:

The entire revenue from operations for the year ended 31st March 2021 and 31st March 2020 related to revenue from software services.

Disaggregation of revenue:

Revenue earned by the company is disaggregated by its sources based on geographical location as disclosed in Note 24 (e) to the consolidated financial statements.

Information about contract balances

The company classifies the right to consideration as Trade receivables and unbilled revenue.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

Trade receivables are amounts billed to the customer on satisfaction of performance obligation. Unbilled revenue represents revenues in excess of efforts billed on software development and service contracts as at the end of the reporting period and is included as part of Other Financial Assets.

Billing in excess of revenue are classified as unearned revenue. Balances of trade receivables, unbilled revenue and unearned income are available in the relevant Schedules of the financial statements. Trade receivables and unbilled revenue are net of provision in the Balance Sheet.

Information about performance obligations

Performance obligations estimates are subject to change and are affected by several factors including change in scope of contracts, its termination, foreign currency adjustments and any other items influencing the measurement, collectability and performance of the contract.

Disclosure relating to remaining performance obligation across all live fixed bid price contracts relate to require the aggregate amounts of transaction price yet to be recognised as at the reporting date and expected timelines to recognise these amounts. In view of the fact that all outstanding contracts have an original expected duration for completion of less than a year no disclosure is warranted.

(j) Capital Management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business.

The capital structure of the Company consists of debt and equity as per table below:

Particulars	As at	
	March 31, 2021	March 31, 2020
Total equity attributable to equity share holders of the Company	1,281.67	1,109.37
Current borrowings	-	37.60
Non-current borrowings	200.00	246.95
Total debt held by the Company	200.00	284.55
Total capital (Equity and Debt)	1,481.67	1,393.92
Equity as a percentage of total capital	87%	80%
Debt as a percentage of total capital	13%	20%

The Company is predominantly equity financed which is evident from the capital structure table above. The Company's risk management committee reviews the capital structure of the Company on an ongoing basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

(k) Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2021, March 31, 2020 is as follows:

Particulars	Balance as at March 31, 2021	Balance as at March 31, 2020
Financial Assets		
Amortised Cost		
Trade and other receivables	163.66	168.85
Cash and cash equivalents	150.91	7.19
Loans	0.50	0.49
Others financial assets	64.80	67.91
FVTOCI		
Derivative instruments in hedging relationship	(0.52)	(0.52)
At Cost		
Investments in subsidiaries, associates and joint ventures	1,172.53	1,172.53
TOTAL ASSETS	1,551.88	1,416.45
Financial Liabilities		
Amortised Cost		
Borrowings	200.00	255.49
Trade Payables	31.68	30.49
Other financial liabilities	67.76	60.49
Others	40.01	10.55
TOTAL LIABILITIES	339.45	357.02

The Management assessment of fair value of cash and short-term deposits, trade receivables and trade payables, bank overdrafts, and other current financial assets and liabilities approximate the carrying amounts largely due to the short-term maturities of these instruments

The Company's derivative financial instruments consist of foreign currency forward exchange contracts. Fair values for derivative financial instruments are based on market observable inputs and are classified as Level 2. The most frequently applied valuation technique include forward pricing model, using present value calculations.

Fair Value Measurement Hierarchy

Foreign exchange forward contracts have been measured using Level 2 (Significant observable inputs) - Fair value measurement hierarchy. Balances as at March 31, 2021 and March 31, 2020 amounts to ₹0.11 million and ₹(0.52) million respectively. There have been no transfers between Level 1 and Level 2 during the year.

Foreign Exchange Forward Contracts

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities and forecast cash flows denominated in foreign currency. The use of derivatives to hedge foreign currency forecast cash flows is governed by the Company's strategy, which provides principles on the use of such forward contracts and currency options consistent with the Company's Risk Management Policy. The counterparty in these derivative instruments is a bank and the Company

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

considers the risks of non-performance by the counterparty as insignificant. The Company has entered into a series of foreign exchange forward contracts that are designated as cash flow hedges. The Company does not use forward covers and currency options for speculative purposes.

The following table represents the details of Company's forward contracts outstanding:

Particulars	Balance Sheet Exposure - Asset / (Liability)	
	As at March 31, 2021	As at March 31, 2020
Foreign currency forward - USD/INR	(0.23)	(1.18)
Foreign currency forward - GBP/INR	(0.95)	0.66
Foreign currency forward - EURO/INR	1.29	-
	0.11	(0.52)

The balance sheet exposure denotes the fair values of these contracts at the reporting date and is presented in millions. The Company presents its foreign exchange forward contracts on a net basis in the financial statements.

Various outstanding foreign currency exchange forward contracts (sell) entered into by the Company which have been designated as Cash Flow Hedges in the respective foreign currency:

Particulars	Amount outstanding in foreign currency	
	As at March 31, 2021	As at March 31, 2020
Foreign currency forward - (USD in Million)	0.55	0.80
Foreign currency forward - (GBP in Million)	0.74	0.33
Foreign currency forward - (EURO in Million)	0.40	-

(I) Financial Risk Management

The Company is exposed to a variety of financial risks; credit risk, liquidity risk and market risk,viz; foreign currency risk and interest rate risk. The Company has a risk management policy to manage & mitigate these risks.

The Company's risk management policy aims to reduce volatility in financial statements and aims to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks as summarised below:

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to the financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities.

Financial instruments that potentially subject the Company to concentration of credit risk consists of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. By their nature, all such financial assets involve risks, including the credit risk of non-performance by counterparties.

Notes forming part of the Financial Statements for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

The Company periodically assesses the credit quality of the counterparties by taking into account their financial position, past experience, ageing of accounts receivables and any other factor determined by individual characteristic of the counterparty.

The maximum amount of exposure to credit was as follows:

Particulars	Balance as at March 31, 2021	Balance as at March 31, 2020
Investments	1,172.53	1,172.53
Trade receivables	163.66	168.85
Cash and cash equivalents	150.91	7.19
Loans	0.50	0.49
Other financial assets	64.28	67.39
TOTAL	1,551.88	1,416.45

Trade receivables:

The Company has used a practical expedient by computing the lifetime expected credit loss allowance for trade receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. The Company's exposure to customers is diversified. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to encounter its financial obligations associated with financial liabilities as they become due. The Company manages its liquidity risk by ensuring, as far as possible, to maintain sufficient liquid funds to meet its liabilities on the due date. The Company consistently generates sufficient cash flows from operations (with adequate reserves) and has access to multiple sources of funding (banking facilities and loans from promoter company) to meet the financial obligations and maintain adequate liquidity for use.

The processes and policies related to such risks are overseen by Senior Management.

Maturity profile of the Company's non-derivative financial liabilities based on contractual payments is as below:

Particulars	Year 1 (Current)	1 - 2 years	2 years and above
As at March 31, 2021			
Borrowings	-	200.00	-
Trade Payables	31.68	-	-
Other financial liabilities	40.58	27.18	
As at March 31, 2020			
Borrowings	37.60	246.95	-
Trade Payables	30.49	-	-
Other financial liabilities	31.42	-	-

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes

Notes forming part of the Financial Statements for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign Currency Risk:

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit or Loss and Other Comprehensive Income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

The Company's exchange risk arises from its foreign currency revenues (primarily in U.S. Dollars, British Pound Sterling / Euros and Singapore Dollars). A significant portion of the Company's revenue are in these foreign currencies, while a significant portion of its corresponding costs are in Indian Rupee. As a result, if the value of Indian rupee appreciates relative to these foreign currencies, the Company's revenue measured in Indian Rupee may decrease and vice versa. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Company periodically determines its strategy to mitigate foreign currency risk. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The following table presents foreign currency risk from non-derivative financial instruments as at each reporting period:

The maximum amount of exposure to foreign currency risk was as follows: (Millions in respective currencies)

Particulars	Balance as at March 31, 2021	Balance as at March 31, 2020
Investments		
In US Dollars	0.20	0.20
In Singapore Dollars	0.56	0.56
In Pound Sterling	5.00	5.00
Cash and cash equivalents		
In US Dollars	0.77	-
In Pound Sterling	-	-
Trade receivables		
In US Dollars	0.77	0.44
In Singapore Dollars	0.09	0.01
In Pound Sterling	0.16	0.07
In Euro	0.64	1.40
Trade payables		
In Euro	0.04	0.10

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates arises on Company's debt obligations with floating interest rate.

Notes forming part of the Financial Statements for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

22. ADDITIONAL NOTES (contd...)

(m) Corporate Social Responsibility (CSR) Expenditure:

- (a) Gross amount required to be spent by the company during the year - ₹4.57 million
- (b) Total amount spent for the financial year including amount transferred to unspent CSR bank account: ₹ 4.57 million.

(n) COVID -19

The outbreak of Corona virus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated impact of this pandemic on it's business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its year end financial results.

In the preparation of the financial statements the Group has considered the possible effects which may arise from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions attributable to this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information, economic forecasts and estimates from market sources on the realisability of these assets. Based on the current estimates, the company expects the carrying amount of these assets will be recovered.

The extent of the impact of COVID-19 on the future operational and financial performance will depend on certain developments, including duration and spread of the outbreak, the future impact on the customers, employees and vendors, all of which are uncertain and cannot be predicted. As the impact of COVID-19, if any, on the future operational and financial performance of the company could be different from management's estimates in this regard, the company will continue to closely monitor any changes as they emerge.

Vide our report of even date attached

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

Mahesh Krishnan
Partner
Membership No: 206520
Date: May 26, 2021
Place: Chennai

For and on behalf of the Board of Directors

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Niraj Kumar Ganeriwal
COO and CFO

Ajit Thomas
Director
IN.00018691

Meera Venkatramanan
Company Secretary

Independent Auditor's Report

To
The Members of
SAKSOFT LIMITED

Report on the Audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Saksoft Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements 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

Statements 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 independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

Test of Impairment in Goodwill:

The Group adopts suitable growth strategies, in respect of both its investment in greenfield projects and additional equity stakes in acquired subsidiaries. Goodwill represented by the excess of cost of investments over the fair value of net assets in acquired entities, is to be tested for impairment, if any, on the date of reporting. The Group carries a sum of Rs. 1483.12 million as Goodwill in its consolidated financial statements as at 31st March 2021. The assessment of impairment on Goodwill is considered a Key Audit Matter due to its size of balance (41% of the total assets of the consolidated financial statements) and the significant assumptions made by the Management for determining the fair value based on valuation techniques.

CONSOLIDATED FINANCIAL STATEMENT

How the matter was disposed of:

Goodwill arising upon acquisition of a business is allocated to the Cash Generating Units (CGU) which receive the synergies of such acquisition. Impairment assessment is performed at the end of every reporting period in accordance with the principles of Ind AS 36 on Impairment of Assets and in line with principles of Ind AS 113 on Fair Value Measurement. The recoverable amount of each CGU (viz, the subsidiary) is compared with carrying value of assets in the books and any shortfall is provided for with corresponding adjustment to Goodwill in Consolidated Financial Statements.

Principal audit procedures:

We assessed Holding Company's internal controls over its annual impairment test and key assumptions applied. We also examined Management's interpretation of reporting units. The assumptions in support of valuation of entities, furnished by the company was critically examined for reasonableness. We also evaluated the sensitivity in the valuation to the vagaries of assumptions, to conclude that recoverable value of investments was not below their respective carrying values and accordingly no adjustment was considered necessary for Goodwill carried in the Financial statements as at 31st March 2021.

Other Matters

We did not audit the financial statements / consolidated financial statements / financial information of ten subsidiaries (Including step-down subsidiaries) and a trust, whose financial statements reflect total assets of Rs. 2644.95 million as at 31st March 2021, total revenues of Rs. 3159.88 million and net cash flows amounting to Rs. 327.02 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors. Our opinion

on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Other Information

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the standalone and consolidated financial statements and our respective auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility and Those charged with Governance for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies

included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 the consolidated financial statements 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 consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group 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 also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 these consolidated 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 consolidated 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 the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system 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 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 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 consolidated 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 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements as noted in 'Other Matters' paragraph, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the respective company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 24 to the consolidated financial statements;
 - ii. The Group has long-term contracts including derivative contracts for which there were no material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

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

Mahesh Krishnan
Partner

Place: Chennai
Date: 26th May 2021
UDIN: 21206520AAAADC8858

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Saksoft Limited of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the SAKSOFT LIMITED (hereinafter referred to as "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Boards of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal

Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and

its subsidiary companies incorporated in India, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding standalone/consolidated reports of the auditors, as applicable, of such companies incorporated in India.

Our opinion is not modified in respect of these matters.

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

Mahesh Krishnan
Partner

Place: Chennai
Date: 26th May 2021

M.No-206520
UDIN: 21206520AAAADC8858

Consolidated Balance Sheet as at March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Particulars	Notes	Balance As at 31-03-2021	Balance As at 31-03-2020
ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3	24.30	17.90
(b) Right of Use Asset		82.66	67.05
(c) Goodwill on consolidation	4	1,483.12	1,403.02
(d) Other Intangible assets	4	3.85	21.72
(e) Financial Assets			
(i) Loans	5.1	0.03	0.03
(ii) Others	5.2	103.41	25.01
(f) Deferred Tax Assets (net)	6	44.67	28.84
(g) Other non-current assets	7	-	-
2 Current Assets			
(a) Financial Assets			
(i) Investments	8.1	104.57	55.14
(ii) Trade and other receivables	8.2	643.96	675.16
(iii) Cash and cash equivalents	8.3	900.06	429.33
(iv) Loans	8.4	16.86	1.40
(v) Others	8.5	78.78	120.04
(b) Current Tax Assets (Net of provisions)		16.51	18.78
(c) Other Current Assets	9	149.35	170.24
TOTAL ASSETS		3,652.13	3,033.66
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	10	99.58	99.43
(b) Other equity	11	2,493.28	1,962.37
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12.1	200.00	246.95
(ii) Other financial liabilities	12.2	50.68	38.47
(b) Provisions	13	54.10	50.12
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14.1	-	8.54
(ii) Trade payables	14.2		
Total outstanding dues of micro enterprises and small enterprises		3.20	2.44
Total outstanding dues of creditors other than micro enterprises and small enterprises		267.28	227.04
(iii) Other financial liabilities	14.3	125.05	87.00
(b) Other current liabilities	15	305.15	295.25
(c) Provisions	16	53.81	16.05
TOTAL EQUITY AND LIABILITIES		3,652.13	3,033.66

See accompanying Notes to financial statements

Vide our report of even date attached

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

Mahesh Krishnan
Partner
Membership No: 206520

Date: May 26, 2021
Place: Chennai

For and on behalf of the Board of Directors

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Niraj Kumar Ganeriwal
COO and CFO

Ajit Thomas
Director
DIN.00018691

Meera Venkatramanan
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations		3,858.07	3,587.81
Other Income	18	40.90	38.94
Total income		3,898.97	3,626.75
Expenses:			
Employee benefits expense	19	1,829.21	1,814.15
Finance costs	20	34.41	51.41
Depreciation and amortization expense	22	66.70	72.71
Support / Third party charges		1,124.22	898.90
Other expenses	21	260.50	264.51
Total expenses		3,315.04	3,101.68
Profit before Tax		583.93	525.07
Tax expense:			
Current Tax	17	144.82	150.33
Deferred Tax	17	(15.33)	(11.77)
Profit / (Loss) for the period		454.44	386.51
Other Comprehensive Income, Net of Taxes			
A. Items that will not be reclassified to Statement to Profit or Loss			
Remeasurement of defined benefit plan		0.69	(4.25)
Excess consideration on acquisition on non-controlling interest		-	-
B. Items that will be reclassified to Statement to Profit & Loss			
Changes in fair value of derivative instrument		1.13	(3.33)
Differences on account of translation of foreign operations		92.46	62.55
Total Other comprehensive Income for the year		94.28	54.97
Total Comprehensive Income for the year		548.72	441.48
Total Profit attributable to Equity Shareholders		454.44	386.51
11. Profit for the period attributable to:			
Shareholders of Saksoft Limited		454.44	384.49
Non-controlling interest		-	2.02
		454.44	386.51
12. Total Comprehensive income for the period attributable to:			
Shareholders of Saksoft Limited		548.72	439.46
Non-controlling interest		-	2.02
		548.72	441.48
Earnings per equity share of Rs. 10 each	24		
(1) Basic		45.68	38.67
(2) Diluted		42.52	36.67

See accompanying Notes to financial statements

Vide our report of even date attached

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

Mahesh Krishnan
Partner
Membership No: 206520

Date: May 26, 2021
Place: Chennai

For and on behalf of the Board of Directors

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DIN.00031345

Niraj Kumar Ganeriwal
COO and CFO

Ajit Thomas
Director
DIN.00018691

Meera Venkatramanan
Company Secretary

Consolidated Statement of Cash Flow for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash Flow from Operating Activities:		
Profit before tax:	583.93	525.07
Adjustments for:		
Depreciation & amortisation	66.70	72.71
Expenses on employee stock based compensation	4.97	-
Interest and other Income	(2.39)	(0.89)
Dividend Income	(3.18)	(1.11)
Interest and Finance charges	34.41	51.41
Net actuarial gain / loss on defined benefit plan	0.92	(4.25)
Unrealised Derivatives	0.99	(3.33)
Operating Profit before Working Capital / Other Changes	686.35	639.61
(Increase) / Decrease in Trade receivables	32.00	(18.97)
(Increase) / Decrease in Other Assets	(31.73)	(32.55)
Increase / (Decrease) in Trade Payables	41.00	(7.59)
Increase / (Decrease) in Other liabilities	70.96	112.99
Increase / (Decrease) in Provisions	41.75	23.65
Cash Generated From Operations	840.33	717.15
Income tax paid	(142.55)	(156.26)
Net Cash Flow from Operating Activities	697.78	560.91
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	(69.72)	(136.30)
Proceeds from sale of Property, Plant and Equipment		-
Purchase of Intangible assets	(0.95)	7.60
Interest and other Income	2.39	0.89
Sale / (Purchase) of Current Investments , (net)	(49.43)	(55.14)
Excess net assets acquires on acquisition of Non controlling interest	-	(76.50)
Payment towards acquisition of business and (Increase)/Decrease on account of goodwill on consolidation	-	2.24
Dividend income Received	3.18	1.11
Net Cash Used in Investing Activities	(114.52)	(256.10)
C. Cash Flow from Financing Activities:		
Proceeds/ (repayment) of borrowings	(55.49)	(134.43)
Interest and Finance charges	(34.41)	(51.36)
Dividend paid (including Dividend Distribution Tax)	(24.89)	(90.26)
ESOP exercised	2.28	
Net Cash Used in Financing Activities	(112.53)	(276.05)
Net Increase in Cash and Cash Equivalents [A+B+C]	470.73	28.74
Cash and Cash Equivalents at the Beginning of the Year	429.33	400.57
Cash and Cash Equivalents as at End of the Year	900.06	429.33

Consolidated Statement of Cash Flow for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Note:

a. The above Cash Flow Statement is prepared under Indirect Method as provided by Ind AS 7 "Statement of Cash Flow" notified under Companies (Indian Accounting Standards) Rules, 2015. Figures in brackets represents cash outflow.

b. Cash and Cash Equivalents comprise of:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balance with Schedule banks in current accounts	899.94	429.19
Cash and Cheques on Hand and in-transit	0.12	0.14
Total	900.06	429.33

The notes form an integral part of the Statement of Cash Flow

This is the Statement of Cash Flows referred to in our Report of even date.

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

Mahesh Krishnan
Partner
Membership No: 206520
Date: May 26, 2021
Place: Chennai

For and on behalf of the Board of Directors

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Niraj Kumar Ganeriwal
COO and CFO

Ajit Thomas
Director
DIN.00018691

Meera Venkatramanan
Company Secretary

Statement of changes in equity for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

(a) Equity Share Capital

Balance as at 1st April 2019	99.43
Add: Shares issued on exercise of employee stock options	-
Balance as at 31st March 2020	99.43
Balance as at 1st April 2020	99.43
Add: Shares issued on exercise of employee stock options	0.15
Balance as at 31st March 2021	99.58

(b) Other Equity

Particulars	Reserves and Surplus						Items of Other Comprehensive Income		Total Other Equity
	Capital reserve	General reserve	Securities Premium Reserve	Share Options outstanding reserve	Retained earnings	Foreign currency translation reserve	Financial instruments through Other Comprehensive Income	Remeasurement of Defined benefit plans through Other Comprehensive Income	
Balance as at 1st April 2019	0.21	48.93	90.18	18.82	1,429.90	60.11	2.94	2.86	1,653.95
Profit for the year	-	-	-	-	384.49		-	-	384.49
Other Comprehensive Income (Net of taxes)	-	-	-	-		62.55	(3.33)	(4.25)	54.97
Excess consideration paid towards acquisition of non controlling interest					(39.80)				(39.80)
Cost related to employee share based payments	-	-	-	(3.68)	2.71		-	-	(0.97)
Cash Dividends	-	-	-	-	(83.07)		-	-	(83.07)
Dividend Distribution Tax	-	-	-	-	(7.19)		-	-	(7.19)
Balance as at 31st March 2020	0.21	48.93	90.18	15.14	1,687.03	122.66	(0.39)	(1.39)	1,962.37
Balance as at 1st April 2020	0.21	48.93	90.18	15.14	1,687.03	122.66	(0.39)	(1.39)	1,962.37
Profit for the year					454.44		-		454.44
Other Comprehensive Income (Net of taxes)						92.46	1.14	0.68	94.28
Excess consideration paid towards acquisition of non controlling interest							-		-
Cost related to employee share based payments			3.40	3.68			-		7.08
Cash Dividends					(24.90)		-		(24.90)
Dividend Distribution Tax							-		-
Balance as at 31st March 2021	0.21	48.93	93.58	18.82	2,116.57	215.12	0.75	(0.70)	2,493.28

See accompanying Notes to financial statements

Vide our report of even date attached

For and on behalf of the Board of Directors

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

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Ajit Thomas
Director
DIN.00018691

Mahesh Krishnan
Partner
Membership No: 206520
Date: May 26, 2021
Place: Chennai

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Company Overview and Significant Accounting Policies

Note-1: Company Overview

Saksoft Limited ('the Company') is a Public Limited Company incorporated and domiciled in India listed with National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE) and has its registered office at Chennai, Tami Nadu, India.

The Company is a leading player in providing digital transformation solutions to help businesses stay relevant in a highly connected, rapidly evolving world. Saksoft is a niche technology specialist that provides a comprehensive suite of business transformation, information management, application development and testing services. Saksoft helps their clients level the playing field by helping them transform their business spaces. The consolidated financial statements were authorised for issue by the Company's Board of Directors on 26th May 2021.

The subsidiaries including the step down in the Group considered in the presentation of these consolidated financial statements are:

Name of the subsidiary	Country of incorporation	Percentage of ownership interest
Saksoft Inc	United States of America	100%
Step down subsidiary of Saksoft Inc:		
Nanda Infotech Services Inc (D.B.A Electronic Data Professionals)	United States of America	100%
Faichi Solutions LLC	United States of America	100%
Saksoft Pte Limited	Singapore	100%
Saksoft Solutions Limited	United Kingdom	100%
Step down subsidiaries of Saksoft Solutions Limited		
Acuma Solutions Limited	United Kingdom	100%
Saksoft Ireland Limited	Ireland	100%
ThreeSixty Logica Testing Services Pvt Ltd	India	100%
Step down Subsidiary of ThreeSixty Logica Testing Services Pvt Ltd:		
Three Sixty Logica Testing Services Pte Limited	Singapore	100%
DreamOrbit Softech Pvt Ltd	India	100%
Step down Subsidiary of DreamOrbit Softech Pvt Ltd:		
DreamOrbit Inc	United States of America	100%

Note-2: Significanxt accounting policies

a. Basis of preparation of financial statements

The consolidated financial statements in all material aspects have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

The audited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or International Financial Reporting Standards. The differences in accounting policy, if any of the Company and its subsidiaries are adjusted in the consolidated financial statements, if material.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

b. Basis of measurement

The consolidated financial statements have been prepared on historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Derivative financial instruments;
- ii. Certain financial assets and liabilities measured at fair value
- iii. Share based payments; and
- iv. Defined benefit plans and other long-term employee benefits

c. Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions that affect the reported amounts of revenues and expenses, balances of assets and liabilities, and disclosure of contingent liabilities as at the date of the consolidated financial statements. Actual results could differ from those estimates. Accounting estimates could change from period to period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in notes to consolidated financial statements. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Revenue Recognition

The Group uses the percentage-of completion method in accounting for its fixed price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the estimated total efforts or costs to be expended, as applicable. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimates at the reporting date.

Income Taxes

The Group's two major tax jurisdictions are India and the U.S., though the Groups also files tax returns in other foreign Jurisdictions. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and its residual value at the end of its life. Useful life and residual value of an asset is determined by the Management at the time an asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Employee Benefits

The Group's defined benefit obligation to its employees and net periodic defined benefit cost / income requires the use of certain assumptions, including, among others, estimates of discount rates and expected return on plan assets. Changes in these assumptions may affect the future funding requirements of the plans. Actuarial gains / losses are recognised in Other Comprehensive Income. The sensitivity analysis for changes in estimates is disclosed under relevant Notes.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

Other estimates

The Group estimates the probability of the collection of the accounts receivable by analysing historical payment of patterns and customer credit worthiness. Stock compensation expense is determined based on the group's estimate of exercise pattern of equity instruments that vests with the employees. Estimates with regard to deferred taxes and provisions are made based on the extent of uncertainty prevalent on the date of consolidated financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities.

d. Principles of Consolidation

The Consolidated Financial Statements comprise the financial statements of the parent company and its subsidiaries consolidated for all entities which are controlled by the parent company. Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the effective date the control commences and ceases when the control is lost.

For preparation of consolidated financial statements of the Group, the financial statements of the parent company and its subsidiaries have been combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealised gain/loss. The consolidated financial statements are prepared by applying uniform accounting policies in use by the Group.

The excess / deficit of cost to the parent company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made are recognised in the financial statements as goodwill / capital reserve. The Group tests for impairment of goodwill at each balance sheet date. When the Group identifies that the goodwill has been impaired, the goodwill to the extent impaired is recognised in the Consolidated Statement of Profit and Loss.

Minority Interest in the Net income of the group have been identified and adjusted against the income of the group to arrive at the Net income attributable to the equity shareholders of the Parent Company. Minority Interest in the Net assets of the group have been identified and disclosed separately

e. Business Combinations and Goodwill

In accordance with the provisions of Ind AS 101 related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from the transition date. As such, Previous GAAP balances relating to business combinations entered into before the transition date, including goodwill, have been carried forward at same values.

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Expense relating to acquisition is generally recognised in the Statement of Profit and Loss as and when the same is incurred.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognised in the statement of profit and loss

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Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net amounts of the identifiable assets acquired and the liabilities assumed on the acquisition date

f. Revenue recognition

The Group derives revenue primarily from software development and related services. Revenue is measured at the fair value of the consideration received or receivable.

Revenue disclosed is net of discounts and Goods and service tax. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. The Group has to apply the principles of revenue recognition to each of the distinct performance obligation and transaction price is recognised for each of the performance obligation of the contract.

The Group recognises revenue when the performance obligations as promised have been satisfies with a transaction price and when where there is no uncertainty as to measurement or collectability of the consideration. Recognition criteria for various types of contracts are as follows:

Time and Material Contracts:

Revenue from time-and-material contracts is recognised based on the time / efforts spent and billed to clients.

Fixed-Price Contracts:

In case of fixed-price contracts, revenue is recognised based on percentage of completion basis. Where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Annual Maintenance Contract:

Revenue from annual maintenance contracts are recognised proportionately over the period in which services are rendered.

Sale of products:

Revenue from sale of third party software products and hardware is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on physical or electronic dispatch of goods.

Unbilled revenue represents earnings in excess of efforts billed on software development and service contracts as at the end of the reporting period and is included as part of Other Financial Assets.

Unearned revenues represent billing in excess of revenue recognised on software development and service contracts and is included in Other Current Liabilities until the above revenue recognition criteria is met. Advance payments received from customers for whom no services have been rendered are presented as “Advance from customers”.

Other Income

Other income primarily comprises of interest, dividend, foreign exchange gain/loss on financial assets / financial liabilities and on translation of other assets and liabilities. Interest income is recognised in the Statement of Profit and Loss using effective interest method at the time of accrual. Dividend income is recognised in the Statement of Profit and Loss when the right to receive payment is established. Foreign currency gain or loss is reported on net basis and includes gain or loss in respect of concluded forward contracts.

Notes forming part of the Consolidated Financial Statements

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g. Property, Plant & Equipment

Property, Plant and Equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure directly attributable to acquisition until the property, plant and equipment are ready for the intended use.

Property, plant and equipment are depreciated / amortised over their estimated useful lives using straight-line method from the date the assets are ready for the intended use. Assets acquired under finance lease and leasehold improvements are amortised over the lower of estimated useful life or primary lease term.

Depreciation on Computer and Office equipment is provided on straight line method over their respective useful lives as prescribed in Schedule II of the Companies Act 2013. In respect of assets other than these, depreciation is provided over the economic useful life determined by technical evaluation. The useful lives of those assets are as under:

Description	Useful Lives (in years)
Lease hold improvement	5
Office Equipment	5
Furniture and fixtures	5
Vehicles	5
Electrical installations	5
Computer equipment	3

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013

Depreciation methods, useful life and residual value are reviewed at each reporting date.

Individual asset costing ₹5,000/- or less are depreciated in full in the year of purchase.

Gains or losses on disposal are determined by comparing proceeds with the carrying amount. Cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss.

Capital work-in-progress includes cost of fixed assets that are not ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet Date is classified as capital advances under other non-current assets.

h. Intangible assets and amortization

Intangible assets are measured at acquisition cost less accumulated amortization and impairment losses, if any. Intangible assets are amortised over their respective estimated useful lives on a straight line basis from the date they are available for use as follows:

Description	Useful Lives
Intellectual property	36 months
Software Costs	60 months

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Self-generated intangible assets are generally not capitalised.

The estimated useful life of an intangible asset is based on factors including obsolescence and the level of maintenance expenditure required to obtain the expected future cash flows from the asset.

i. Leases

The Company adopted Ind AS 116 - "Leases" from 1st April 2019 using the Modified Retrospective Approach. In accordance with the Modified Retrospective Approach, a right to use asset equal to the lease liability in the Balance Sheet immediately before the date of initial application has been recognised on the date of initial application and the comparatives have not been retrospectively adjusted.

A lessee recognises assets and liabilities for both operating and finance leases with a term of more than twelve months, unless the underlying asset is of low value. Lease liability is recognised as the present value of minimum lease payment (including the escalation clause as per the lease agreement) outstanding as at the date of the Balance Sheet immediately prior to the date of initial application.

The right to asset so recognised are depreciated over the lease term on a straight line basis and the lease payment are made at respective intervals and the present value of lease liability is remeasured at every reporting period and accounted for as interest expense.

Short term leases and low value leases have been exempted from lease accounting. These leases have been accounted by debit to the Statement of the Profit and Loss as and when the lease rentals are paid.

j. Impairment

Non-financial assets

The Group assesses at each balance sheet date whether there is any indication that a carrying amount of a non-financial asset or a group of non-financial assets may not be recoverable and hence require to be impaired. If any such indication exists, the Group estimates the recoverable amount of these assets. Recoverable amount is the higher of an asset's fair value adjusted for costs of disposal and the value in use. If such recoverable amount of these assets or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. This reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at such reassessed recoverable amount subject to a maximum of carrying value of the asset. Non-financial assets (other than Goodwill) that are already impaired are reviewed for possible reversal of impairment provision at the end of every reporting period.

Financial assets

Receivables: The Group follows 'simplified approach' for recognition of impairment loss on trade receivables, whereby, it recognises impairment loss allowances based on life time expected credit loss at each reporting period from its initial recognition.

Other financial assets: For all other financial assets, expected credit losses (ECL) are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case the same is measured at lifetime ECL.

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Impairment gain or loss recognised in the Statement of Profit and Loss is the difference between loss allowance reassessed on the reporting date and that determined on the immediately preceding reporting date.

k. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current.

- Non-current investments in associates and joint ventures are stated at cost and any decline other than temporary in the value of these investments is recognised in the Statement of Profit and Loss.

- Other non-current investments are stated at their fair value.

- Current investments are stated at their fair value.

On disposal of investments, the difference between proceeds and the carrying amount is recognised in the Statement of Profit and Loss.

l. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in the Statement of Profit and Loss.

Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective.

To the extent that the hedge is ineffective, changes in fair value are recognised in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.

Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges and the ineffective portion of cash flow hedges are recognised in the Statement of Profit and Loss and reported within foreign exchange gains / (losses).

m. Non-derivative financial instruments

INITIAL MESASUREMENT:

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measure at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Purchase

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or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

SUBSEQUENT MEASUREMENT:

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are subsequently measured at amortised cost using effective interest method, less any impairment losses.

Amortised assets are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

They are presented as current assets except for those maturing later than 12 months after the reporting date, which are presented as non-current assets.

Financial assets at fair value through other comprehensive income: (FVTOCI)

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss: (FVTPL)

Any financial asset not subsequently measured at amortised cost or at fair value through other comprehensive income, is subsequently measured at fair value through profit or loss. Financial assets falling in this category are measured at fair value and all changes are recognised in the Statement of Profit and Loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination that is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for De-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Fair value hierarchy:

The group's policy on Fair Valuation is stated below.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded securities) is based on

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quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2 - The fair valuation of instruments not traded in active markets is determined using valuation techniques. These valuation techniques maximise the use of observable market data and minimise the use of entity specific estimates (All significant inputs to the fair value measurement is observable)

Level 3 –Valuation techniques for one or more significant inputs to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

n. Foreign Currency Translation

Functional and Presentation Currency

Items included in the consolidated financial statements of the Group's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency). The functional currency of the parent company is the Indian Rupee. These consolidated financial statements are presented in Indian Rupee.

Foreign currency Transactions and Balances

Foreign current Transactions are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of foreign – currency denominated monetary assets and liabilities into the relevant functional currency at exchange rates in effect at the reporting date are recognised in the Statement of Profit and Loss and reported within foreign exchange gains / (losses).

Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

The translation of foreign operations from respective functional currency into INR (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate daily weighted average exchange rate for the respective years. The exchange differences arising on translation for consolidation are reported as a component of Other Comprehensive Income. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the Statement of Profit and Loss.

o. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders. Interim dividends are recorded as a liability on the date of declaration by the by the Board of Directors of each company of the Group.

p. Cash and Cash equivalents

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. For the purpose of presentation in the Statement of Cash flows, cash and cash equivalents include cash on hand, deposits held at call with Banks, other short-term, highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash which are subject to an insignificant change in value.

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Statement of cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

q. **Employee benefits**

Defined Contribution Plans

The Group pays Provident Fund contributions payable to the recognised provident fund for the parent company and the Indian subsidiaries. The contributions are accounted for as defined contribution plans and recognised as employee benefit expense in the Statement of Profit and Loss.

Defined Benefit Plans

The Company and its subsidiaries in India provides a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group as per the provisions of the Payment of Gratuity Act, 1972.

The liability or asset recognised in the Balance Sheet in respect of a defined gratuity plan is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets. Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation using the projected unit credit method made at the end of the year.

The present value of defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The gratuity liability and net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels.

Remeasurement gains or losses arising from Experience Adjustments and changes in actuarial assumptions are recognised in the period they occur, directly in the Other Comprehensive Income. They are included in the statement of changes in equity and in the Balance Sheet. Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to Statement of Profit or Loss in subsequent periods.

Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss.

Other short term Employee Benefits

The employees of the Group are entitled to compensated absences. At the end of the financial year, the Group accounts for the remaining short term compensated absences. Liability towards leave encashment is recognised in the Statement of Profit and Loss.

Undiscounted liability of performance incentive is recognised during the period when the employee renders the services, based on management estimate.

Contributions to other foreign defined contribution plans are recognised as expense when the employees have rendered services entitling them to such benefits.

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Share-based payments

Employees of the Group receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of the grant arrived at by using the Black-Scholes Model valuation and recognises the cost (net of estimated forfeitures) over the vesting period.

The equity instruments generally vest in a graded manner over the vesting period. The stock compensation expense is determined based on group's estimate of equity instruments that will eventually vest and be exercised. The expenses in respect of the above share based payment schemes is recognised over the vesting period in the Statement of Profit and Loss with a corresponding adjustment to the share based payment reserve, a component of equity.

r. **Taxation**

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with the Income Tax law of the respective geographies) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements). Taxes are recognised in the Statement of Profit and Loss except to the extent it relates to items directly recognised in equity or in the Other Comprehensive Income.

Current tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the asset and liability simultaneously.

Deferred Income Tax

Deferred income tax is recognised using the Balance Sheet Approach. The corresponding deferred income tax liabilities or assets are recognised for deductible and taxable temporary differences between tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax income liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the deferred income tax asset to be utilised.

Deferred income taxes are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax laws enacted or substantively enacted at the reporting date.

s. **Earnings per share**

Basic earnings per share ('EPS') amounts are computed by dividing the net profit or loss after tax, for the year, by the weighted average number of shares outstanding during the year.

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For the purpose of calculating Diluted earnings per share, amounts are computed by dividing the net profit or loss after tax for the year by the weighted average number of shares outstanding during the year considered for computation of Basic EPS and also adjusted for the effects of all measurable dilutive potential equity shares.

t. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after reporting period.

u. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expended in the period in which they are incurred.

v. Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker.

w. Provisions and Contingent liabilities

A provision is recognised when an enterprise has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the amount can be reliably estimated. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

A disclosure for contingent liability is made when there is a possible obligation that arises from the past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and that may, but not probable that an outflow of resources would be required to settle the obligation. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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3. PROPERTY, PLANT and EQUIPMENT

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year

Particulars	Plant & Machinery	Leasehold improvements	Computers	Office equipments	Electrical Installations	Furniture & Fittings	Motor Vehicles Owned	Motor Vehicles Leased	Right of Use Asset	Total
Gross carrying value										
At April 1, 2019	10.41	30.29	139.82	23.71	11.97	23.05	1.15	1.65	106.75	348.80
Additions	-	2.63	11.07	2.75	0.69	0.32	-	-	3.39	20.85
Disposals / adjustments	1.33	-	2.27	0.13	1.34	0.90	-	1.65	-	7.62
Translation/Consolidation adjustment	-	0.17	1.04	0.10	-	0.08	-	-	-	1.39
At March 31, 2020	9.08	33.09	149.66	26.43	11.32	22.55	1.15	-	110.14	363.42
At April 1, 2020	9.08	33.09	149.66	26.43	11.32	22.55	1.15	-	110.14	363.42
Additions	-	-	6.38	1.19	-	-	-	-	71.81	79.38
Disposals / adjustments	-	-	-	-	-	-	-	-	9.66	9.66
Translation/Consolidation adjustment	-	0.38	3.84	0.33	-	0.04	-	-	-	4.59
At March 31, 2021	9.08	33.47	159.89	27.95	11.32	22.59	1.15	-	172.29	437.73
Accumulated depreciation										
At April 1, 2019	10.38	27.89	136.54	17.91	9.02	17.37	0.16	1.42	-	220.69
Depreciation expense	-	0.93	14.25	2.30	1.02	0.95	0.02	0.23	43.09	62.79
Disposals / adjustments	(1.33)	-	(2.23)	(0.13)	(1.34)	(0.20)	-	(1.65)	-	(6.88)
Translation/Consolidation adjustment	-	0.13	1.09	0.45	-	0.20	-	-	-	1.87
At March 31, 2020	9.05	28.95	149.65	20.53	8.70	18.32	0.18	-	43.09	278.47
At April 1, 2020	9.05	28.95	149.65	20.53	8.70	18.32	0.18	-	43.09	278.47
Depreciation expense	0.01	1.49	11.06	3.27	0.96	3.06	0.96	-	46.54	67.36
Disposals / adjustments	-	0.24	1.54	0.46	-	0.02	-	-	-	17.29
Translation/Consolidation adjustment	-	-	-	-	-	-	-	-	-	2.26
At March 31, 2021	9.06	30.68	144.96	24.26	9.66	21.40	1.14	-	89.63	330.78
Net carrying value March 31, 2021	0.02	2.79	14.92	3.69	1.66	1.19	0.01	-	82.66	106.95
Net carrying value March 31, 2020	0.03	4.14	-	5.90	2.62	4.23	0.97	-	67.05	84.95

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4. GOODWILL And OTHER INTANGIBLE ASSETS

a) Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year

Particulars	Goodwill on consolidation	Acquired contracts	Intellectual property	Computer Software	Total
Gross carrying value					
At April 1, 2019	1,370.63	32.40	4.50	51.15	1,458.68
Additions	-	-	-	1.69	1.69
Disposals / adjustments		-	-	-	-
Translation/Consolidation adjustment	32.39	2.55	-	0.11	35.05
At March 31, 2020	1,403.02	34.95	4.50	52.95	1,495.42
At April 1, 2020	1,403.02	34.95	4.50	52.95	1,495.42
Additions	-	-	-	0.95	0.95
Disposals / adjustments	-	-	-	-	-
Translation/Consolidation adjustment	80.10	-		(0.71)	79.39
At March 31, 2021	1,483.12	34.95	4.50	53.19	1,575.76
Accumulated amortization					
At April 1, 2019	-	24.55	4.50	29.68	58.73
Amortisation expense	-	8.08	-	1.55	9.63
Disposals / adjustments	-	-	-	-	-
Translation/Consolidation adjustment	-	2.32	-	-	2.32
At March 31, 2020	-	34.95	4.50	31.23	70.68
At April 1, 2020	-	34.95	4.50	31.23	70.68
Amortisation expense				18.82	18.82
Disposals / adjustments					-
Translation/Consolidation adjustment				0.71	0.71
At March 31, 2021	-	34.95	4.50	49.34	88.79
Net carrying value March 31, 2021	1,483.12	0.00	-	3.85	1,486.97
Net carrying value March 31, 2020	1,403.02	-	-	21.72	1,424.74

b) Assessment of Impairment

The changes in the carrying value of Goodwill balances

Particulars	Amount
Opening balance as at 1st April 2019	1,370.63
Additions on Acquisition through business combinations:	
Reversal of Goodwill relating to reversal of contingent consideration in Faichi Solutions Inc	
Effect of translation differences	32.39
Closing balance as at 31st March 2020	1,403.02
Opening balance as at 1st April 2020	1,403.02
Effect of translation differences	80.10
Closing balance as at 31st March 2021	1,483.12

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

4. GOODWILL And OTHER INTANGIBLE ASSETS (contd...)

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Cash generating units (CGU) or group of CGUs , which benefit from the synergies of the acquisition.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the discounted cash flow approach, using turnover and EBITDA projections discounted at WACC rates of the company. The value-in-use is determined based on specific calculations. These calculations use post tax cash flow projections over a period of five years based on financial budgets and an average of the range of each assumption mentioned below.

As at March 31, 2021, the estimated recoverable amount of the CGU exceeds its carrying amount, hence impairment is not triggered. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Terminal growth rate	5%	5%
Discount rate	WACC Rate	

The above discount rates are based on the Weighted Average Cost of Capital (WACC) of the Company. These estimates are likely to differ from future actual results of operations and cash flows. An analysis of the calculation's sensitivity to a change in the key parameters (turnover and earnings multiples), did not identify any probable scenarios where the CGU's recoverable amount would fall below its carrying amount.

5.1. FINANCIAL ASSETS - LOANS

Particulars	As at March 31, 2021	As at March 31, 2020
unsecured and considered good*		
Loan to related parties	0.03	0.03
	0.03	0.03

* Related party balances are presented in Note no. 24 (c)

5.2. FINANCIAL ASSETS- OTHERS

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposit	25.58	22.87
Bank deposits with more than 12 months	77.83	2.14
	103.41	25.01

Notes forming part of the Consolidated Financial Statements

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(All amounts are in Indian rupees millions, except share data and as otherwise stated)

6. DEFERRED TAX ASSETS (Net)

Particulars	As at March 31, 2021	As at March 31, 2020
Arising from timing difference in respect of:		
Property, Plant and Equipment	7.15	6.52
Retirement Benefits	24.11	16.42
Other tax disallowances	12.54	3.73
Lease liability	0.53	2.04
Financial instruments - FVTOCI	0.34	0.13
	44.67	28.84

7. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	-	-
	-	-

CURRENT ASSETS

8.1. FINANCIAL ASSETS- INVESTMENTS

Particulars	As at 31 March 2021		As at 31 March 2020	
	No. of shares / units	Cost	Cost	Cost
Opening balance	55,085	55.14	-	-
Additions during the year	1,17,314	117.43	1,59,952	160.11
Deletions during the year	67,932	68.00	1,04,867	104.97
Total	1,04,467	104.57	55,085	55.14

8.2. FINANCIAL ASSETS- TRADE RECEIVABLES

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Considered good	643.96	675.16
Significant increase in credit risk	-	-
Credit Impaired	19.68	13.12
Less: Allowance for doubtful debts	(19.68)	(13.12)
	643.96	675.16

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

8.3. FINANCIAL ASSETS- CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2021	As at March 31, 2020
a. Cash on hand	0.12	0.14
b. Balances with banks in current accounts and deposit accounts	899.37	428.63
c. Other bank balances #	0.57	0.56
	900.06	429.33

Other bank balances represent earmarked balances in respect of unclaimed dividends and dividend payable.

8.4. FINANCIAL ASSETS- LOANS

Particulars	As at March 31, 2021	As at March 31, 2020
(unsecured, considered good)		
Employee Loans	0.97	1.40
Amount due from customers	15.89	-
	16.86	1.40

8.5. FINANCIAL ASSETS- OTHERS

Particulars	As at March 31, 2021	As at March 31, 2020
Security Deposits	11.58	2.82
Forward Contract	0.11	(0.52)
Unbilled revenue	67.09	117.74
	78.78	120.04

9. OTHER CURRENT ASSETS

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with statutory Authority	17.31	39.13
Prepaid expenses	129.10	127.34
Advance to suppliers	2.94	3.77
	149.35	170.24

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10. SHARE CAPITAL

Particulars	As at March 31, 2021	As at March 31, 2020
A) Authorised, Issued, Subscribed and Fully Paid up Share capital		
Authorised:		
20,100,000 Equity Shares of ₹10 each	201.00	201.00
Issued & Subscribed & Fully Paid-up:		
9,957,540 Equity Shares of ₹10 each (March 2020 : 9,942,540 shares)	99.58	99.43
(Equity shares have been disclosed as net of shares held by the trust)		
Total	99.58	99.43

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding as at beginning of the year	1,04,75,000	1,04,75,000
Add: Shares allotted to employees pursuant to ESOP 2009	15,000	-
Outstanding as at the end of the year	1,04,90,000	1,04,75,000
Less: Elimination on account of consolidation of Saksoft Employee Welfare Trust	(5,32,460)	(5,32,460)
Outstanding as at the end of the year	99,57,540	99,42,540

(C) Rights attached to Equity shares

Each share entitles to a pari passu right to vote, to receive dividend and surplus at the time of liquidation.

(D) Shares in the company held by each shareholder holding more than 5% shares

S. No.	Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
		Number of shares held in the company	Percentage of shares held	Number of shares held in the company	Percentage of shares held
1	Aditya Krishna	22,18,640	21.15%	22,18,640	21.18%
2	Sak Industries Private Limited	48,47,715	46.21%	48,47,715	46.28%
3	Saksoft Employees Welfare Trust	5,32,460	5.08%	5,32,460	5.09%
	Total	75,98,815	72.44%	75,98,815	72.55%

(E) Shares reserved for issue under options and contracts [Refer Note - 24(f)]

S. No.	Number and class of shares reserved for issue	Party in whose favour reserved	Details of contracts/ options under which shares reserved for issue
1	During the FY 2020-2021 grant of options were 320000 (Net of surrender of options).	Employees	ESOP 2009

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

11. OTHER EQUITY

Particulars	As at March 31, 2021	As at March 31, 2020
a) Capital reserve	0.21	0.21
Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.		
b) Securities premium reserve	93.58	90.18
Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.		
c) General reserve	48.93	48.93
This represents appropriation of profit by the Company.		
d) Retained earnings	2,116.57	1,687.03
Retained earnings comprise of the Company's undistributed earnings after taxes.		
e) Share option outstanding account	18.82	15.14
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees. In case of forfeiture, corresponding balance is transferred to retained earnings.		
f) Financial Instruments through other comprehensive income	0.75	(0.39)
Changes in the fair value of equity instruments is recognised in equity instruments through other comprehensive income (net of taxes), and presented within other equity.		
g) Foreign currency translation reserve	215.12	122.66
h) Other items of other comprehensive income	(0.70)	(1.39)
Other items of other comprehensive income consist of re-measurement of net defined liability/asset.		
	2,493.28	1,962.37

NON- CURRENT LIABILITY

12.1. FINANCIAL LIABILITIES- BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Term Loans From Bank - Secured	-	16.95
Secured by pari passu charge on company's unencumbered movable fixed assets and current assets of the company and the personal guarantee of the Managing Director.		
Repayment Terms:		
Repayable in 16 Quarterly installments commencing from March, 2018.		
Rate of interest - 10.00% linked to banks one year MCLR		
Period and amount of continuing default: NIL		
Unsecured, From Related Parties		
From Sak Industries Private Limited*	200.00	230.00
Repayment Terms:		
The Loan is repayable on demand, not later than 30th September 2022		
Period and amount of continuing default: NIL		
Rate of interest - SBI base rate plus 150 basis points		
	200.00	246.95

* Please refer Note 24(c) related party transactions

12.2. FINANCIAL LIABILITIES- OTHERS

Particulars	As at March 31, 2021	As at March 31, 2020
Liability towards acquisition of business	-	7.47
Lease liability	50.68	31.00
	50.68	38.47

13.PROVISIONS

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity Payable (Net)*	54.10	50.12
	54.10	50.12

* Refer Note 24 (e) for details of gratuity plan as per Ind AS 19

14.1. FINANCIAL LIABILITIES- BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
Cash Credit From Bank - Secured		
Secured by exclusive charge on the assets of the company and the personal guarantee of the Managing Director.	-	8.54
Rate of Interest: Linked to MCLR of the bank		
Period and amount of continuing default: NIL		
	-	8.54

14.2. FINANCIAL LIABILITY- TRADE PAYABLES

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables-Micro,small and medium enterprises*	3.20	2.44
Trade payables - Others #	267.28	227.04
	270.48	229.48

* Refer Note No. 24 (h)

Related Party Balances are presented in Note no 24 (c)

14.3. FINANCIAL LIABILITY- OTHERS

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term loans*	-	29.06
Current maturities of Paycheck Protection Program (PPP) (Loan)	65.40	-
Unclaimed Dividends	0.57	0.56
Lease liability	34.47	40.14
Others	24.61	17.24
	125.05	87.00

* The details of interest rates, repayment and other terms are disclosed under Note 12.1

15. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from customers	156.05	196.15
Statutory dues	25.35	26.37
Others	123.75	72.73
	305.15	295.25

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
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16. PROVISIONS

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for compensated absences	22.39	13.05
Provision for contractual liability towards currency fluctuation	23.16	-
Provision for gratuity *	8.26	3.00
	53.81	16.05

* Refer Note 24 (e) for details of gratuity plan as per Ind AS 19

17. INCOME TAX

Income tax expense in the statement of profit and loss consists of:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current income tax:		
In respect of the current year	144.82	150.33
Deferred tax:		
In respect of the current year	(15.33)	(11.77)
Income tax expense recognised in the statement of profit or loss:	129.49	138.56
Income tax recognised in other comprehensive income		
Current tax arising on income and expense recognised in other comprehensive income	0.23	(1.43)
Deferred tax arising on income and expense recognised in other comprehensive income	(0.50)	(0.50)
Total	(0.27)	(1.92)

The reconciliation between the provision for income tax of the Company and amounts computed by applying the Indian statutory income tax rates to profit before taxes is as follows:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	583.93	525.07
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expenses	146.96	132.15
Effect of:		
Differential tax rates of branches/subsidiaries operating in other jurisdiction	(17.25)	43.29
Income that is exempt from tax	-	(26.82)
Income considered under other heads	-	(0.63)
Expenses that are not deductible in determining taxable profit	14.66	5.91
Income subject to different taxes	-	(6.18)
Disallowance under 14A	-	1.99
Depreciation allowance / disallowance under IT Act	0.64	0.46
Reversal of tax provisions of previous year	(0.19)	(1.27)
Income tax expenses recognised in the Statement of Profit and Loss	144.82	148.90

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

17. INCOME TAX (contd...)

Calculation of Applicable Tax Rate:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Basic tax rate	22.00%	22.00%
Surcharge @ 10% (PY 10%) on the basic tax rate	2.20%	2.20%
Aggregate of tax and surcharge	24.20%	24.20%
Cess @ 4% (PY 4%) on tax and Surcharge	0.97%	0.97%
Tax Rate applicable	25.17%	25.17%

Deferred tax assets / liabilities as at March 31, 2021

Particulars	As at April 1, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2021
Property, Plant and Equipment	6.52	0.63	-	7.15
Retirement and employee Benefits	16.42	7.59	-	24.01
Other tax disallowances	3.73	8.81	-	12.54
Financial instruments - FVTOCI	0.13	-	0.50	0.63
Lease Liability	2.04	(1.70)	-	0.34
Total	28.84	15.33	0.50	44.67

Deferred tax assets / liabilities as at March 31, 2020

Particulars	As at April 1, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2020
Property, Plant and Equipment	3.51	3.01	-	6.52
Retirement and employee Benefits	15.81	0.61	-	16.42
Other tax disallowances	(2.69)	6.42	-	3.73
Financial instruments - FVTOCI	(1.13)	-	1.26	0.13
Lease Liability	-	2.04	-	2.04
MAT Credit entitlement	0.07	(0.07)	-	-
Total	15.57	12.01	1.26	28.84

Note: Long term capital loss as computed under the provisions of Income Tax Act, 1961 carried forward amounted to ₹139.63 million as on the Balance Sheet date on which the Deferred Tax Asset has not been recognised as the probability of reversal of such deferred tax is not certain in the foreseeable future.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

18.OTHER INCOME

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(A) Income from investments		
Dividends	3.18	1.11
	3.18	1.11
(B) Others		
Exchange Fluctuation (net)	-	33.51
Interest income	2.39	0.89
Interest on fair valuation of security deposits	1.23	1.33
Gain on remeasurement of liability	1.14	-
Miscellaneous Receipts	32.96	2.10
	37.72	37.83
Total Other Income	40.90	38.94

19. EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and wages	1,724.78	1,711.15
Contribution to Provident and other funds	69.61	65.72
Share based compensation to employees	4.97	-
Staff Welfare Expenses	29.85	37.28
	1,829.21	1,814.15

20. FINANCE COSTS

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expense		
- on loans from banks	2.71	8.93
- on loans from a related party	18.64	26.83
- on fair valuation of security deposits	1.23	-
- on fair valuation of lease liability	8.48	12.36
Other borrowing cost and Bank charges	3.35	3.29
	34.41	51.41

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

21. OTHERS EXPENSES

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Licence cost	35.63	15.53
Rent	23.73	25.75
Travel and conveyance	9.66	46.04
Insurance	17.34	19.48
Rates and Taxes	6.26	8.62
CSR Expenditure	8.71	3.32
Power and Fuel	13.12	16.95
Repairs to Buildings	22.90	24.69
Repairs to Plant	9.91	9.12
Communication Expenses	20.21	16.07
Loss on Sale of assets (fixed assets and investments)	-	0.17
Loss on liquidation of subsidiary	-	0.73
Bad debts written off	3.27	0.76
Provision for doubtful debts	9.34	5.60
Payment to statutory auditors		
- As Auditors	10.28	9.41
- For Certification	-	0.18
- reimbursement of expenses	0.11	0.20
Legal, Professional and consultancy charges	10.38	13.62
Advertisement, Publicity and Sale Promotion	17.80	21.04
Exchange Fluctuation (net)	2.04	-
Miscellaneous expenses	39.81	27.23
	260.50	264.51

22. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	As at March 31, 2021	As at March 31, 2020
Depreciation	66.70	64.65
Amortisation expense	-	8.06
	66.70	72.71

23. CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE :

- (a) Gross amount required to be spent by the company during the year - ₹8.71 million.
- (b) Total amount spent & deposited in unspent CSR bank account for the financial year : ₹ 8.71 million.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES

a. Contingent Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
1.Income-tax matters	65.69	65.69

The future cash outflows on the items 1 above are determinable only on the receipt of the decision or judgment that is pending at various forums and authorities. The company does not expect the outcome of those proceedings to have an adverse material effect on its financial results.

b. Disclosure under IND AS 116

Particulars	Amount in INR
Depreciation charge for ROU Asset	46.54
Interest expense on lease liability	8.48
Expenses relating to short term leases (need not include the expense relating to leases with a lease term of one month or less)	
Expense relating to leases of low-value assets (not include the expense relating to short-term leases of low-value assets included in above line)	23.73
Expenses relating to variable lease payments	-
Income from sub-leasing of ROU Asset	-
Total Cash Outflow for leases	55.47
Additions to ROU Assets during the year	71.81
Gains or losses arising from sale and leaseback transactions	-
Carrying amount of right-of-use assets at the end of the reporting period for each asset category	82.66

c. Related party disclosures

Enterprise which has significant influence	Sak Industries Private Limited and its subsidiaries
Enterprises in which key management personnel exercise significant influence	Saksoft Employees Gratuity Trust
	The General Talkies Private Limited
Key management personnel	Mr Aditya Krishna – Chairman and Managing Director
	Mr Niraj Kumar Ganeriwal - COO & CFO
	Ms Meera Venkatramanan - Company Secretary with effect from 04 February 2021
	Mr Muthukrishnan- Company Secretary till 11 December 2020.
	Ms Kanika Krishna – Director
Relatives of Key Managerial Personnel	Ms Avantika Krishna – Employee

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

Transactions entered during the year

Description	Year ended March 31, 2021	Year ended March 31, 2020
Revenue		
Sak Industries Private Limited	-	13.50
Rent expense		
Sak Industries Private Limited	1.00	6.00
Dividend paid		
Sak Industries Private Limited	12.12	36.36
Chairman and Managing Director	5.55	16.64
COO & CFO	0.19	0.54
Interest on loan		
Sak Industries Private Limited	18.64	26.83
Borrowings / (Repayments), net		
Sak Industries Private Limited	-30.00	-40.00
Payment towards Lease Liability		
Sak Industries Private Limited	-14.24	-9.24
Reimbursement of expenses		
Sak Industries Pvt Ltd	0.74	0.71
Remuneration of Key Managerial Personnel		
Non-Executive Director Commission	0.15	0.15
Non-Executive Director - Sitting Fees	0.23	0.24
Remuneration to relative of KMP	3.66	3.35

Year end balances

Description	As at March 31, 2021	As at March 31, 2020
Loans and advances		
Saksoft employees gratuity trust	0.03	0.03
Borrowings		
Sak Industries Private Limited	200.00	230.00
Lease Liability- Sak Industries Private Limited	16.55	13.24
Right to Use Asset		
Sak Industries Private Limited	15.59	12.60

Notes forming part of the Consolidated Financial Statements

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(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

d. Segment information

The COO & CFO of the Company has been identified as the Chief Operating Decision Maker. The CODM has considered only IT Business as the operating segment as defined under Ind AS 108. The Company's operations primarily relate to providing information technology ('IT') services.

Geographic location of customers	Period Ended	
	Year ended March 31, 2021	Year ended March 31, 2020
Revenue		
Europe	1196.00	968.71
USA	1813.29	1793.90
Asia Pacific and Others	848.78	825.20
	3858.07	3587.81

Fixed assets used in the Company's business, assets or liabilities contracted, other than those specifically identifiable, have not been identified to any of the reportable segments, as the fixed assets are used interchangeably between segments.

During the years ended 31 March 2021 and 31 March 2020, two customers, each of them contribute to 10% or more of the Group's total revenue and the top five customers accounted for 46% and 47% of the revenue of the Group respectively.

e. Gratuity

PROFIT & LOSS ACCOUNT EXPENSE:

The expenses charged to the profit & loss account for period along with the corresponding charge of the previous period is presented in the table below:

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Current service cost	17.91	13.51
Past service cost	-	-
Administration expenses.	-	-
Interest on net defined benefit liability / (asset)	3.14	2.29
(Gains) / losses on settlement	-	-
Total expense charged to profit and loss account	21.05	15.80

FINANCIAL ASSUMPTIONS AT THE VALUATION DATE:

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Discount rate (p.a.)	6.30%	6.30%
Salary escalation rate (p.a.)	8.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. The expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations..

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

Amount Recorded in Other Comprehensive Income

The total amount of remeasurement items and impact of liabilities assumed or settled, if any, which is recorded immediately in Other Comprehensive Income (OCI) during the period is shown in the table below:

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Opening amount recognised in OCI outside profit and loss account	0.16	(5.58)
Remeasurements during the period due to		
Changes in financial assumptions	4.38	7.23
Changes in demographic assumptions	(0.31)	0.43
Experience adjustments	(4.20)	(2.55)
Actual return on plan assets less interest on plan assets	(0.78)	0.57
Adjustment to recognise the effect of asset ceiling	-	-
Closing amount recognised in OCI outside profit and loss account	(0.76)	0.10

The following table sets out the status of the gratuity plan.

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Opening of defined benefit obligation		
Consolidation Adjustment	63.43	46.17
Current service cost	17.91	13.51
Past service cost	-	-
Interest on defined benefit obligation	3.81	3.23
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	4.38	7.23
Actuarial loss / (gain) arising from change in demographic assumptions	(0.31)	0.43
Actuarial loss / (gain) arising on account of experience changes	(4.20)	(2.55)
Benefits paid	(5.51)	(4.59)
Liabilities assumed / (settled)	-	-
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	79.92	63.43

Notes forming part of the Consolidated Financial Statements

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(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

Particulars	Period Ended	
	March 31, 2021	March 31, 2020
Opening fair value of plan assets	10.33	11.97
Employer contributions	10.90	2.57
Interest on plan assets	0.67	0.95
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	0.78	(0.57)
Benefits paid	(5.10)	(4.59)
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	17.58	10.33

Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	Period Ended March 31, 2021	
	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-4.74	4.48
Impact of decrease in 50 bps on DBO	5.11	-4.20

Maturity Profile of Assets:

Maturity Year	March 31, 2021	March 31, 2020
2020	8.29	8.08
2021	4.83	4.96
2022	5.04	4.02
2023	4.85	3.79
2024	4.82	3.46
2025-2029	173.95	127.25

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

Disaggregation of plan assets:

Investment	Total
Property	-
Government Debt Instrument	6.54
Other Debt Instrument	-
Equity Instruments	4.55
Insurer managed funds	6.49
Others	-
	17.58

f. Employee Stock option plans ('ESOP')

ESOP 2006 Plan

The ESOP 2006 Plan was introduced by the Company in 2006 under which the Company grants options from time to time to employees of the Company and its subsidiaries. This Plan was approved by the Board of Directors in January 2006 and by the shareholders in February 2006. The Plan complies with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and is administered by the Saksoft Employees Welfare Trust ('the Trust') through the Nomination and Remuneration committee. The Trust purchased the shares of the Company using the proceeds of loans obtained from the Company and administers the allotment of shares to employees and other related matters. The eligible employees exercise the options under the terms of the Plan at an exercise price, which equals the fair value on the date of the grant, until which the shares are held by the Trust.

The Company had allotted 582,460 equity shares of ₹10 each to the Trust to give effect to the ESOP Plan. As at the balance sheet date, the employees have exercised 50,000 options under this Plan and accordingly, 532,460 equity shares of ₹10 each represent shares held by the Trust. During the year no options have been granted or outstanding under this plan.

ESOP 2009 Plan

The ESOP 2009 Plan was introduced by the Company with the consent of the shareholders in 2009 under which the Company grants options from time to time to employees of the Company and its subsidiaries. Further the scheme was amended at the AGM held on 26th September 2014 to increase the exercise period from 5 to 10 years. This Plan complies with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The plan considers an aggregate of 1,500,000 options to be granted and exercised in accordance with the ESOP 2009 plan as approved by the Nomination and Remuneration Committee.

During the year, 15000 options have been exercised under this plan. During the year 3,20,000 (net off 20,000 forfeited / surrendered options) options have been granted to eligible employees at a grant price of ₹ 138.75.

The outstanding options available for exercise under the ESOP 2009 as on 31st March 2021 is 4,90,000 options, out of which 170,000 options as vested as at the end of the year.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

The details of the ESOP 2009 Plan are

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Options outstanding at the beginning of the year	1,85,000	133.37	2,95,000	177.55
Options granted during the year	3,40,000	138.75	3,00,000	250.55
Options exercised during the year	15,000	151.70	-	-
Options forfeited during the year	20,000	138.75	70,000	247.70
Options lapsed during the year			3,40,000	250.36
Options outstanding at the end of the year	4,90,000	137.26	1,85,000	135.85
Options vested and exercisable at the end of the year	170,000	137.26	1,85,000	135.85

g. Earnings Per Share (EPS)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Earnings		
Net profit for the year	454.44	384.49
Shares		
Equity shares as at the balance sheet date	9,957,540	9,942,540
Total number of equity shares outstanding at the end of the year – Basic	9,957,540	9,942,540
Weighted average number of equity shares outstanding as at the end of the year – Basic	99,48,787	99,42,540
Diluted Shares		
Weighted average number of equity shares outstanding as at the end of the year.	99,48,787	9,942,540
Add: Weighted average number of equity Shares held by Saksoft employees welfare trust	5,32,460	532,460
Add: Weighted average number of equity shares arising out of outstanding stock options that have dilutive effect on the EPS	2,07,202	12,065
Weighted average number of equity shares outstanding during the year – Diluted	10,688,449	10,487,065
Earnings per share of par value ₹10 – Basic (₹)	45.68	38.67
Earnings per share of par value ₹10 – Diluted (₹)	42.52	36.67

h. Dues to Micro and small enterprises

The Company has initiated the process of obtaining confirmation from suppliers who have registered under the Micro, Small and Medium Enterprises Development Act, 2006.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

The information required to be disclosed under the Micro, Small And Medium Enterprises Development Act, 2006 (‘the MSMED Act’) has been determined to the extent such parties have been identified on the basis of information received from such parties and available with the Company. There are no overdue to parties on account of principal amount and / or interest as disclosed below:

Particulars	March 31, 2021	March 31, 2020
The principal amounts and interest overdue thereon, remaining unpaid to any supplier at the end of each accounting year	-	-
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006	-	-
The amount of the payments made to suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years until such dates when the interest due above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

i. Dividend

The Board of Directors had recommended interim dividend during the financial year 2020-21 amounting to₹ 2.50 per equity share. This has resulted in a cash flow of₹ 2.62 Million.

The Board of Directors at its meeting held on 26th May 2021 had further recommended a final dividend of 25% (₹2.50 per equity share of ₹10 face value fully paid up) subject to approval of the shareholders at the Annual General Meeting. The outflow on account of the final dividend is expected to be₹ 2.62 Million.

j. Disclosure under Ind AS 115

General:

The entire revenue from operations for the year ended 31st March 2021 and 31st March 2020 related to revenue from software services.

Disaggregation of revenue:

Revenue earned by the company is disaggregated by its sources based on geographical location as disclosed in Note 24 (d) to the financial statements.

Information about contract balances

The company classifies the right to consideration as Trade receivables and unbilled revenue.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

Trade receivables are amounts billed to the customer on satisfaction of performance obligation. Unbilled revenue represents revenues in excess of efforts billed on software development and service contracts as at the end of the reporting period and is included as part of Other Financial Assets.

Billing in excess of revenue are classified as unearned revenue. Balances of trade receivables, unbilled revenue and unearned income are available in the relevant Schedules of the financial statements. Trade receivables and unbilled revenue are net of Provision in the Balance Sheet.

Information about performance obligations

Performance obligations estimates are subject to change and are affected by several factors including change in scope of contracts, its termination, foreign currency adjustments and any other items influencing the measurement, collectability and performance of the contract.

Disclosure relating to remaining performance obligation across all live fixed bid price contracts relate to require the aggregate amounts of transaction price yet to be recognised as at the reporting date and expected timelines to recognise these amounts. In view of the fact that all outstanding contracts have an original expected duration for completion of less than a year no disclosure is warranted.

k. Capital Management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business.

The capital structure of the Company consists of debt and total equity of the Company as tabled below:

Particulars	As at	
	March 31, 2021	March 31, 2020
Total equity attributable to equity share holders of the Company	2,592.86	2,061.80
Current borrowings	-	37.60
Non-current borrowings	200.00	246.95
Total debt held by the Company	200.00	284.55
Total capital (Equity and Debt)	2,792.85	2,346.35
Equity as a percentage of total capital	93%	88%
Debt as a percentage of total capital	7%	12%

The Company is predominantly equity financed which is evident from the capital structure table above. The Company's risk management committee reviews the capital structure of the Company on an ongoing basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

I. Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2021 and March 31, 2020 is as follows:

Particulars	Balance as at March 31, 2021	Balance as at March 31, 2020
Financial Assets		
Amortised Cost		
Trade and other receivables	643.96	675.16
Cash and cash equivalents	900.06	429.33
Loans	16.89	1.43
Others financial assets	182.08	145.57
Fair value through Other Comprehensive Income (FVTOCI)		
Derivative instruments in hedging relationship	0.11	(0.52)
Fair value through Profit and Loss (FVTPL)		
Investments	104.57	55.14
TOTAL ASSETS	1,847.67	1,306.11
Financial Liabilities		
Amortised Cost		
Borrowings	200.00	255.49
Trade Payables	270.48	229.48
Other financial liabilities	175.73	125.47
TOTAL LIABILITIES	646.21	610.44

The Management assessment of the fair value of cash and short-term deposits, trade receivables and trade payables, book overdrafts, and other current financial assets and liabilities approximate the carrying amounts largely due to the short-term maturities of these instruments.

The Company's derivative financial instruments consist of foreign currency forward exchange contracts. Fair values for derivative financial instruments are based on market observable inputs and are classified as Level 2. The most frequently applied valuation technique include forward pricing model, using present value calculations.

Fair Value Measurement Hierarchy

Foreign exchange forward contracts have been measured using Level 2 (Significant observable inputs) - Fair value measurement hierarchy. Balances as at March 31, 2021 and March 31, 2020 amounts to ₹ 0.11 million and ₹(0.52) million respectively. There have been no transfers between Level 1 and Level 2 during the year.

Foreign Exchange Forward Contracts

The Company is exposed to foreign currency fluctuations on foreign currency assets / liabilities and forecast cash flows denominated in foreign currency. The use of derivatives to hedge foreign currency forecast cash flows is governed by the Company's strategy, which provides principles on the use of such forward contracts and currency options consistent with the Company's Risk Management Policy. The counterparty in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as insignificant. The Company has entered into a series of foreign exchange forward contracts that are designated as cash flow hedges. The Company does not use forward covers and currency options for speculative purposes.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

The following table represents the details of Company's forward contracts outstanding:

Particulars	Balance Sheet Exposure - Asset / (Liability)	
	As at March 31, 2021	As at March 31, 2020
Foreign currency forward - USD/INR	(0.23)	(1.18)
Foreign currency forward - GBP/INR	(0.95)	0.66
Foreign currency forward - EUR/INR	1.29	-
	0.11	(0.52)

The balance sheet exposure denotes the fair values of these contracts at the reporting date and is presented in millions. The Company presents its foreign exchange forward contracts on a net basis in the financial statements.

Various outstanding foreign currency exchange forward contracts (sell) entered into by the Company which have been designated as Cash Flow Hedges in the respective foreign currency:

Particulars	Amount outstanding in foreign currency	
	As at March 31, 2021	As at March 31, 2020
Foreign currency forward - (USD in Million)	0.55	0.80
Foreign currency forward - (GBP in Million)	0.74	0.33
Foreign currency forward - (GBP in Million)	0.40	-

m. Financial Risk Management

The Company is exposed to a variety of financial risks; credit risk, liquidity risk and market risk,viz; foreign currency risk and interest rate risk. The Company has a risk management policy to manage & mitigate these risks.

The Company's risk management policy aims to reduce volatility in financial statements and aims to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks as summarised below

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to the financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities.

Financial instruments that potentially subject the Company to concentration of credit risk consists of trade receivables, investments, loans, cash and cash equivalents, other balances with banks and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. By their nature, all such financial assets involve risks, including the credit risk of non-performance by counterparties.

The Company periodically assesses the credit quality of the counterparties by taking into account their financial position, past experience, ageing of accounts receivables and any other factor determined by individual characteristic of the counterparty.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

The maximum amount of exposure to credit was as follows:

Particulars	Balance as at March 31, 2021	Balance as at March 31, 2020
Investments	104.57	55.14
Trade receivables	643.96	675.16
Cash and cash equivalents	900.06	429.33
Loans	16.89	1.43
Other financial assets	182.19	145.05
TOTAL	1,847.67	1,306.11

Trade receivables:

The Company has used a practical expedient by computing the lifetime expected credit loss allowance for trade receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. The Company's exposure to customers is diversified. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated..

Liquidity Risk:

Liquidity risk is the risk that the Company will not be able to encounter its financial obligations associated with financial liabilities as they become due. The Company manages its liquidity risk by ensuring, as far as possible, to maintain sufficient liquid funds to meet its liabilities on the due date. The Company consistently generates sufficient cash flows from operations (with adequate reserves) and has access to multiple sources of funding (banking facilities and loans from promoter company) to meet the financial obligations and maintain adequate liquidity for use.

The processes and policies related to such risks are overseen by Senior Management.

Maturity profile of the Company's non-derivative financial liabilities based on contractual payments is as below:

Particulars	Year 1 (Current)	1 - 2 years	2 years and above
As at March 31, 2021			
Borrowings	-	200.00	-
Trade Payables	270.48		
Other financial liabilities	125.05	50.68	
As at March 31, 2020			
Borrowings	37.60	16.95	-
Trade Payables	229.48		
Other financial liabilities	96.41	38.47	

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021
(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

on account of foreign currency exchange rate risk.

Foreign Currency Risk:

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit or Loss and Other Comprehensive Income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the Company.

The Company's exchange risk arises from its foreign currency revenues (primarily in U.S. Dollars, British Pound Sterling / Euros and Singapore Dollars). A significant portion of the Company's revenue are in these foreign currencies, while a significant portion of its corresponding costs are in Indian Rupee. As a result, if the value of Indian rupee appreciates relative to these foreign currencies, the Company's revenue measured in Indian Rupee may decrease and vice versa. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Company periodically determines its strategy to mitigate foreign currency risk. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The following table presents foreign currency risk from non-derivative financial instruments as at each reporting period:

The maximum amount of exposure to foreign currency risk was as follows: (Millions in respective currencies)

Particulars	Balance as at March 31, 2021	Balance as at March 31, 2020
Cash and cash equivalents		
In US Dollars	5.13	1.86
In Singapore Dollars	0.88	0.33
In Pound Sterling	2.42	1.50
In Euro	0.44	0.07
Trade receivables		
In US Dollars	5.89	6.44
In Canadian Dollars	-	0.04
In Singapore Dollars	0.68	0.63
In Pound Sterling	1.94	2.77
In Euro	1.85	1.79
Trade payables		
In US Dollars	0.80	0.42
In Singapore Dollars	0.10	0.13
In Pound Sterling	1.69	3.79
In Euro	0.10	0.10

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates arises on Company's debt obligations with floating interest rate.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

n. Additional information required as per Part 2 of Schedule III of Companies Act, 2013

The outbreak of Corona virus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated impact of this pandemic on it's business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its year end financial results.

name of Entity	Net assets		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	as a % of Consolidated Net assets	Amount	as a % of Consolidated Profit or Loss	Amount	as a % of Consolidated Comprehensive income	Amount	as a % of Consolidated Total Comprehensive income	Amount
Parent								
Saksoft Ltd	37.06%	1,281.08	41.24%	188.05		3.22	41.87%	191.27
Indian Subsidiaries								
ThreeSixty Logica Testing Services Pvt Ltd and its subsidiary	6.32%	218.62	12.22%	55.71	(381.72%)	(3.55)	11.42%	52.16
DreamOrbit Softech Pvt Ltd and its subsidiary	8.55%	295.48	18.29%	83.39		1.26	18.53%	84.65
Foreign Subsidiaries								
Saksoft Inc and its Subsidiaries	9.59%	331.33	2.98%	13.61	0%	-	2.98%	13.61
Saksoft Pte	2.47%	85.40	2.70%	12.29	0%	-	2.69%	12.29
Saksoft Solutions and its Subsidiaries	36.01%	1,244.57	22.57%	102.89	0%	-	22.52%	102.89
Subtotal	100.00%	3,456.48	100.00%	455.94	100.00%	0.93	100.00%	456.87
Employee Welfare Trust	-	22.96	-	1.31	-	-	-	1.31
Adjustment arising out of consolidation	-	(886.57)	-	(2.80)	-	93.35	-	90.55
Total		2,592.86		454.44		94.28		548.71

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2021

(All amounts are in Indian rupees millions, except share data and as otherwise stated)

24. ADDITIONAL NOTES (contd...)

o. COVID -19

The outbreak of Corona virus (COVID -19) pandemic globally and in India is causing Significant disturbance and slowdown of economic activity. The Group has evaluated impact of this pandemic on Its business operations and based on its review and current indicators off future economic conditions, there is no significant impact on its year end financial results.

In the preparation of the financial statements the Group has considered the possible effects which may arise from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions attributable to this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information, economic forecasts and estimates from market sources on the realisability of these assets. Based on the current estimates, the company expects the carrying amount of these assets will be recovered.

The extent of the impact of COVID-19 on the future operational and financial performance will depend on certain developments, including duration and spread of the outbreak, the future impact on the customers, employees and vendors, all of which are uncertain and cannot be predicted. As the impact of COVID-19, if any, on the future operational and financial performance of the company could be different from management's estimates in this regard, the company will continue to closely monitor any changes as they emerge.

Vide our report of even date attached

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

Mahesh Krishnan
Partner
Membership No: 206520
Date: May 26, 2021
Place: Chennai

For and on behalf of the Board of Directors

Aditya Krishna
Chairman & Managing Director
DIN.00031345

Niraj Kumar Ganeriwal
COO and CFO

Ajit Thomas
Director
DIN.00018691

Meera Venkatramanan
Company Secretary

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(All amounts in Rupees millions unless otherwise stated)

Part-A: Subsidiaries

S. No.		1	2	3	4	5
1	Name of the Subsidiary	Saksoft Inc & its subsidiaries	Saksoft Pte Ltd	Saksoft Solutions Ltd and its subsidiaries	Three Sixty Logica Testing Services Pvt Ltd & its subsidiary	DreamOrbit Softech Private Limited & its subsidiary
2	Reporting Period for the Subsidiary	1st April - 31st March 2021	1st April - 31st March 2021	1st April - 31st March 2021	1st April - 31st March 2021	1st April - 31st March 2021
3	Reporting Currency and exchange rate as on the last date of the relevant Financial year	USD , Ex Rate 73.23 /USD	SGD, Ex Rate 54.42/SGD	GBP, Ex Rate 100.81/GBP	INR	INR
4	Share Capital	INR 9.24 m-195000 equity shares of USD 1 each fully paid up	INR 19.17m-555002 equity shares of SGD 1 each fully paid up	INR 434.45m-5001000 equity shares of GBP 1 each fully paid up	INR 0.10m - 10000 equity shares of INR 10 each fully paid up	INR - 0.14m - 14150 equity shares of INR 10 each fully paid up
5	Reserves & Surplus	321.98	66.23	810.12	218.52	295.34
6	Total Assets	615.61	135.27	1,600.74	265.23	336.87
7	Total Liabilities	284.28	49.87	356.17	46.62	41.39
8	Investments					
9	Turnover	1,221.78	190.51	1,182.10	294.98	556.37
10	Profit Before Taxation	19.11	13.13	105.41	73.60	121.70
11	Provision for Taxation	5.51	0.84	2.52	17.89	38.31
12	Profit After Taxation	13.61	12.29	102.89	55.71	83.39
13	Interim Dividend + Tax	-	-	-	-	-
14	Proposed Dividend	-	-	-	-	-
15	% of Shareholding	100	100	100	100	100



SAKSOFT LIMITED

CIN: L72200TN1999PLC054429

Regd office: Global Infocity Park, Block A, 2nd floor, #40, Dr MGR Salai, Kandanchavadi, Perungudi, Chennai – 600 096

Email Id: complianceofficer@saksoft.co.in; investorqueries@saksoft.co.in website: www.saksoft.com;

Phone: 044 – 24543500; Fax: 044 – 24543510

Dated: May 26, 2021

Dear members

You are cordially invited to attend the 22nd Annual General Meeting of the members of Saksoft Limited ("the Company") to be held on Tuesday, August 10, 2021 at 10.30 A.M. IST through Video Conference/ Other Audio Visual Means (OAVM) facility.

The Notice of the meeting, containing the business to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013, ('the Act') read with the related Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company is pleased to provide its members the facility to participate at the Annual General Meeting through Video Conference/ Other Audio Visual Means (OAVM) facility.

Very truly yours,

Sd/-

Aditya Krishna

Chairman & Managing Director



SAKSOFT LIMITED

CIN: L72200TN1999PLC054429

Regd office: Global Infocity Park, Block A, 2nd floor, #40, Dr MGR Salai, Kandanchavadi, Perungudi, Chennai – 600 096

Email Id: complianceofficer@saksoft.co.in; investorqueries@saksoft.co.in website: www.saksoft.com;

Phone: 044 – 24543500; Fax: 044 – 24543510

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 22nd (Twenty Second) Annual General Meeting (AGM) of the Members of the Company will be held on Tuesday, the 10th day of August, 2021 at 10.30 A.M (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

Ordinary Business:

- To receive, consider and adopt
 - the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021, together with the Reports of Board of Directors and the Auditors thereon.
 - the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Report of the Auditors thereon.
- To consider and approve a Final Dividend of 25% (Rs 2.50/- per Equity Share) on the Paid-up Equity Share Capital of the Company for the Financial Year 2020- 2021.
- To appoint a Director in place of Ms. Kanika Krishna (DIN 06954593) who retires by rotation and, being eligible, seeks re-appointment.

Special Business:

- Re-appointment of Mr. VVR Babu (DIN: 07234186) as an Independent Director

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act 2013 ("the Act") and the Companies (Appointment and Qualification of

Directors) Rules, 2014 and the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. VVR Babu (DIN: 07234186) who was appointed as an Independent Director at Seventeenth Annual General Meeting of the Company and who holds office of Independent Director up to May 26, 2021 eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and in respect of whom the Company has received a Notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. VVR Babu's candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from May 27, 2021 to May 26, 2026.

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By order of the Board of Directors

For **Saksoft Limited**

Date: May 26, 2021
Place: Chennai

Meera Venkatramanan
Company Secretary

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act") setting out material facts concerning the Special business under Item No. 4 the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.
3. The Members can join the AGM in the VC/OAVM mode

15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting. Since the AGM will be held through VC/OAVM, the route map is not annexed in this Notice.
5. Participation of Members through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Members of the Company under the category of Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are encouraged to attend and vote at the AGM through VC. Institutional/Corporate Members intending to authorise their representatives are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote evoting by email to vsscrutinizer@gmail.com from their registered email address.
7. The following documents will be available for inspection by the Members electronically during the 22nd AGM. Members seeking to inspect such documents can send

an email to complianceofficer@saksoft.co.in on or before August 07, 2021, 5.00 PM (IST).

- a) Certificate from the Statutory Auditors relating to the Company's Stock Options/Restricted Stock Units Plans under SEBI (Share Based Employee Benefits) Regulations, 2014.
 - b) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 the Notice, is annexed hereto. The relevant details, pursuant to Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are also annexed.
8. At the Eighteenth Annual General Meeting held on August 07, 2017 the Members approved appointment of Messrs R.G.N.Price & Co., Chartered Accountants (Firm Registration No. 0042785S) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the twenty-third Annual General Meeting, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this Annual General Meeting.
 9. In terms of the provisions of Section 152 of the Act, Ms. Kanika Krishna, Director retire by rotation at the meeting. Nomination and Remuneration Committee and the Board of Directors of the Company recommend her reappointment. Ms. Kanika Krishna is interested in the Ordinary Resolution set out in item no. 3 of the Notice with regard to her re-appointment. Mr. Aditya Krishna, Executive Director, being related to Ms. Kanika Krishna,

may be deemed to be interested in the resolution set out at Item No. 3 of the Notice. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 to 3 of the Notice.

10. Details of the Director retiring by rotation/seeking appointment or re-appointment at this Meeting are provided in the "Annexure 1" to the Notice.
11. The Register of Members and Share Transfer Books of the Company is closed from Sunday, August 01, 2021 to Tuesday, the August 10, 2021 for the purpose of Declaration of Dividend and Annual General Meeting of the Company.
12. Members may note that the Board, at its meeting held on May 26, 2021, has recommended a final dividend of Rs 2.50/- per share. The final dividend, once approved by the Members in the ensuing AGM, will be paid electronically through various online transfer modes to those Members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, Members are requested to update their KYC with their depositories (where shares are held in dematerialised mode) and with the Company's Registrar and Transfer Agent ("RTA") (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.
13. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the LODR Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the Central Depository Services (India) Limited ("CDSL"). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialised mode, physical mode and for members who have not registered their email addresses is provided in the "Instructions for e-voting" section which forms part of this Notice.

14. The Board has appointed V Suresh, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
15. Members holding shares either in physical or dematerialised form, as on cut-off date, i.e. as on Tuesday, August 03, 2021 may cast their votes electronically. The e-voting period commences on Friday, August 06, 2021 (9.00 AM IST) and ends on Monday, August 9, 2021 (5.00 PM IST). The e-voting module will be disabled by CDSL thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on August 03, 2021. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
16. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
17. Any person holding shares in physical form, and non-individual shareholders who acquire shares of the Company and become Members of the Company after the Notice is sent and holding shares as of the cut-off date, i.e. August 03, 2021, may refer to the Notice of the AGM uploaded on the company's website and the website of the recognised Stock Exchanges i.e. www.nseindia.com and www.bseindia.com for evoting instructions.
18. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition and relogged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrar and Share Transfer Agents- Cameo Corporate Services Private Limited for assistance in this regard.
19. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/ Registrar and Share Transfer Agents. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.saksoft.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.
20. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs") in case the shares are held by them in electronic form and with Cameo Corporate Services Limited in case the shares are held by them in physical form.
21. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to Cameo Corporate Services Limited in case the shares are held in physical form.
22. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to Cameo Corporate Services Limited in case the shares are held in physical form.
23. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Cameo Corporate Services Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

24. In case of joint holders attending the Annual General Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
25. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before August 07, 2021 5.00 PM (IST) through email to Complianceofficer@saksoft.co.in. The same will be replied by the Company suitably.
26. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within two working days of the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL and RTA, and will also be displayed on the Company's website, www.saksoft.com.
27. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

28. IEPF RELATED INFORMATION

- Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the dematerialised account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.
- Under Section 124 Of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central

Government.

- Any unclaimed/ unpaid dividend amount shall be paid only on receipt of a valid request in this regard and the satisfactory compliance of the requisite procedure, as prescribed by Company's Registrars and Share Transfer Agents, Cameo Corporate Services Limited.
- Members may note that the shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF Authority.

29. DIVIDEND RELATED INFORMATION

- Members may note that the Board, at its meeting held on May 26, 2021, has recommended a final dividend of Rs 2.50 per share. The final dividend, once approved by the Members in the ensuing AGM, will be paid electronically through various online transfer modes to those members who have updated their bank account details. For Members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, Members are requested to update their KYC with their depositories (where shares are held in dematerialised mode) and with the Company's Registrar and Share Transfer Agent ("RTA") (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.
- Members whose shareholding is in electronic mode are requested to notify any change in address or bank account details to their respective depository participant(s) ("DP"). Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System ("ECS") mode to receive dividend on time in line with the Circulars. We urge members to utilize the ECS for receiving dividends.
- Pursuant to the requirement of the Income-tax Act, 1961, ("the IT Act"), the Company will be required to withhold taxes at prescribed rates on dividend paid to shareholders.
- The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/ Cameo/ Depository Participant.

30. TAX ON DIVIDEND RELATED INFORMATION

a. For Resident Shareholders

Tax Deductible at Source (TDS) for Resident Shareholders

Sr No.	Particulars	Withholding Tax Rate	Documents required (if any) / Remarks
1	Valid PAN updated in Company's Register of Members	10%	No document Required
2	No PAN/Valid PAN not updated in the Company's Register of Members	20%	TDS/ Withholding tax will be deducted, regardless of dividend amount, if PAN of the shareholder is not registered with the Company/ Cameo/ Depository Participant. All the shareholders are requested to update, on or before August 1, 2021, their PAN with their Depository Participant (if shares are held in electronic form) and Company / Cameo (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records. (Please refer point no. v given below in notes)
3	Availability of lower/ nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate Specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted on or before August 1, 2021

No Tax Deductible at Source (TDS) on dividend payment to Resident Shareholders if the Shareholders submit following documents as mentioned in column no.4 of the below table with the Company /Cameo/ Depository Participant on or before August 1, 2021.

Sr No. (1)	Particulars (2)	Withholding Tax Rate (3)	Documents required (if any) / Remarks (4)
1	Submission of Form 15G/15H	NIL	Declaration in Form No. 15G (applicable to an individual who is below 60 years) / Form 15H (applicable to an individual who is 60 years and above), fulfilling certain conditions
2	Any resident shareholder exempted from TDS deduction as per the provisions of Income Tax Act or by any other law or notification	Nil	Necessary documentary evidence substantiating exemption from deduction of TDS

B. For Non Resident Shareholders

The table below shows the withholding tax on dividend payment to non-resident shareholders who submit, on or before August 1, 2021, the following document(s), as mentioned in column no.4 of the below table, to the Company / Cameo. In case all necessary documents are not submitted, then the TDS/ Withholding tax will be deducted @ 20% (plus applicable surcharge and cess).

Sr No. (1)	Particulars (2)	Withholding Tax Rate (3)	Documents required (if any) / Remarks (4)
1	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) / Other Non Resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate, whichever is beneficial	FPI registration certificate in case of FIIs / FPIs. To avail beneficial rate of tax treaty following tax documents would be required: 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received 2. PAN or declaration as per Rule 37BC of Income Tax Rules, 1962 in a specified format. 3. Form 10F filled & duly signed 4. Self-declaration for non-existence of permanent establishment/ fixed base in India (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non Resident shareholder and review to the satisfaction of the Company)
2	Availability of Lower/NIL tax deduction certificate issued by Income Tax Authority	Rate Specified in Certificate	Lower tax deduction certificate obtained from Income Tax Authority
3	Any non-resident shareholder exempted from Withholding Tax(WHT) deduction as per the provisions of Income Tax Act or any other law such as The United Nations (Privileges and Immunities) Act 1947, etc.	Nil	Necessary documentary evidence substantiating exemption from WHT deduction

The Company will issue soft copy of the TDS certificate to its shareholders through e-mail registered with Cameo post payment of the dividend. Shareholders will be able to download Form 26AS from the Income Tax Department's website <https://incometaxindiaefiling.gov.in>

The aforesaid documents such as Form 15G/ 15H, documents under sections 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be uploaded on the link www.cameoindia.com on or before August 1, 2021 to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/ deduction received after August 1, 2021 shall not be considered.

Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company/ Cameo.

In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.

No TDS will be deducted in case of resident individual shareholders who furnish their PAN details and whose dividend does not exceed Rs. 5,000/-. However, where the PAN is not updated in Company/ Cameo/ Depository Participant records or in case of an invalid PAN, the Company will deduct TDS u/s 194 without considering the exemption limit of Rs. 5,000/-.

All the shareholders are requested to update their PAN with their Depository Participant (if shares are held in electronic form) and Company / Cameo (if shares are held in physical form) against all their folio holdings on or before August 1, 2021.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

Explanatory Statement

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to Special Business mentioned under Item No. 4 of the accompanying Notice:

Item No. 4

Mr. VVR Babu (DIN: 07234186) was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting held on August 12, 2016 to hold office upto May 26, 2021 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.).

The Nomination & Remuneration Committee at its Meeting held on May 26, 2021 after taking into account the performance evaluation of Mr. VVR Babu during his first term of five years and considering the knowledge, acumen, expertise and experience in his respective field and the substantial contribution made by him during his tenure, has recommended to the Board that continued association of Mr. VVR Babu as an Independent Director would be in the interest of the Company.

Based on the above, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of Mr. VVR Babu as an Independent Director on the Board of the Company, to hold office for the second term

of five consecutive years commencing from May 27, 2021 to May 26, 2026 and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Mr. VVR Babu (DIN: 07234186) for his appointment to the office of Independent Directors

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the reappointment of Mr. VVR Babu as an Independent Director is now being placed before the Members for their approval by way of Special Resolution. The Board recommends the Special Resolution at Item No. 4 of this Notice for approval of the Members.

Except Mr. VVR Babu and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in the Resolution set out at Item No. 4 of the Notice.

The Board recommends the resolution set forth in Item no. 4 for the approval of members.

By order of the Board of Directors

For Saksoft Limited

Meera Venkatramanan
Company Secretary

Date: May 26, 2021
Place: Chennai

“ANNEXURE 1”

In terms of Regulation 36(3) of SEBI (LODR) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, a brief resume of the Directors who are proposed to be appointed / re-appointed at this AGM are given below:

Particulars	Kanika Krishna (DIN: 06954593)	VVR Babu (DIN: 07234186)
Age	33 years	66 years
Date of first appointment on the Board	26/09/2014	27/05/2016
Brief Resume	MBA in Financial Management from Pace University, New York, USA. Prior to this Kanika Krishna has completed the Master's program in International Business from the Manchester Business School, UK. She is also an alumna of Stella Maris College, Chennai where she completed her Bachelor of Commerce degree	Master of Science (M.Sc. Tech),Applied Mathematics and Operations Research from National Institute of Technology Warangal, Master of Philosophy (M.Phil.),Computer Science from Central University of Hyderabad, Executive Development Program, Business Administration and Management from Harvard Business School.
Nature of expertise in specific functional area	Kanika Krishna joined Sak Abrasives Limited in 2012 and is responsible for the company's growth in new markets and new areas. In the short time that she has been with the company, Kanika has grown the export business multi fold with focus on the UK and US markets. She has appointed manufacturer representatives and distributors in these markets to sell the company's products and established a fully stocked warehouse for the company's products in New Jersey, USA. She has demonstrated a quick understanding of the business and good leadership in her role with the Company. Prior to joining Sak Abrasives, Kanika worked with Deutsche Bank in India and Merrill Lynch in New York	VVR Babu has 36 years of experience in the ITC Group. He has held several strategic positions and was one of the key founder member of ITC Infotech India Limited (a 100% subsidiary of ITC Limited). In the last 15 years he held the positions of Senior Vice President and member of Management Committee of ITC Infotech and Chief Information Officer (CIO) of the ITC Group. He has also held several leadership positions in the IT Organisation including Divisional CIO of the FMCG and Agri Based divisions respectively.
Directorships held in other listed companies	Nil	Nil
Chairman/ Member of the Committees of the Boards of Listed Companies (Other than Saksoft Limited) in which he/ she is a Director	Nil	Nil

Particulars	Kanika Krishna (DIN: 06954593)	VVR Babu (DIN: 07234186)
No of shares held in the Company	Nil	Nil
Inter- se relationship with any Director	Ms.Kanika Krishna is the daughter of Mr. Aditya Krishna, Promoter and Managing Director of the Company.	Nil
The number of Meetings of the Board attended during the year	04	04

By order of the Board of Directors

For **Saksoft Limited**

Meera Venkatramanan
Company Secretary

Date: May 26, 2021
Place: Chennai

VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

The e-voting period commences on Friday, August 06, 2021 (9:00 a.m. IST) and ends on Monday, August 09, 2021 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialised form, as on Tuesday, August 03, 2021 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

Mr. V. Suresh, Practising Company Secretary, (CP No.6032) has been appointed as the Scrutinizer of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date -

Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut off date of August 3, 2021 may follow the instructions for login as provided in Annexure 2 to the Notice of AGM

The details of the process and manner for remote e-voting and joining the AGM are explained in Annexure 2 of this Notice.

ANNEXURE-2

- 1. The voting period begins on Friday, August 06, 2021 (9:00 a.m. IST) and ends on Monday, August 09, 2021 (5:00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of August 03, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- 2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- 3. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.
- 4. Currently, there are multiple E-voting Service Providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- 5. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- 6. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- 7. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(i) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

8. After entering these details appropriately, click on “SUBMIT” tab.
9. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
10. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11. Click on the EVSN for the relevant <Company Name> on
12. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
13. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
14. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
15. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
16. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

17. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

18. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company at the email address viz; vsscrutinizer@gmail.com; complianceofficer@saksoft.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after

successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request mentioning their name, demat account number, folio number, email id, mobile number at complianceofficer@saksoft.co.in on or before 5 PM IST on August 7, 2021.

Members can also post their questions on the chat feature during the AGM. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/ EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/ AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your

email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

