

Inch wide.
mile deep..



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 2022-23.

Contents

06 Corporate snapshot	12 Financial highlights	14 Chairman's overview	18 Financial perspective
22 Sales perspective	24 Saksoft's business model	30 Building our people	33 Employee testimonials: The Saksoft work culture
34 Saksoft's CSR commitment	36 Integrated value-creation report	41 Board of directors profile	44 Report of the Board of Directors
73 Report on Corporate Governance	90 Management Discussion & Analysis	103 Business Responsibility and Sustainability Report	
128 Financial Report	223 Notice to the Shareholders		

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

Chief Sales Officer

Avantika Krishna

Chief Customer Officer

Dhiraj Kumar Mangla

Chief Delivery Officer

Saswat Swain

Senior Vice President - India and APAC
Sales

Bhaskar Narayanan

Chief Commercial Officer - Acuma Solutions
(A Saksoft company)

Jonathan Eeley

Vice President,
Global Head - Testing Services

Soumya Sashi

Senior Vice President Sales - US Region

Swaraj Kumar Dash

Executive Vice President, Practice Head -
Transportation and Logistics

Amit Verma

Vice President, Practice Head- Fintech
Solutions

Rohan Pandya

Assistant Vice President- Data Analytics

Rahul Aggarwal

COMPANY SECRETARY & Group COMPLIANCE OFFICER

Meera Venkataramanan

WEBSITES

www.saksoft.com

www.acuma.co.uk

www.edprof.com

www.360logica.com

www.dreamorbit.com

www.faichi.com

www.mcconsulting.com

<https://terafastnet.com/>

EMAIL

info@saksoft.com

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

HSBC Bank

REGISTERED AND CORPORATE OFFICE

Global Infocity Park,

Block A, 2nd Floor,

#40, Dr. MGR Salai, Kandanchavadi,

Perungudi, Chennai - 600 096

Ph: +91 44 24543500

Fax: +91 44 24543510

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

Dreamorbit Softech Private Limited, India

Dreamorbit Inc, US

Saksoft Ireland Limited, Ireland

MC Consulting Pte Limited, Singapore

Terfast Networks Private Limited, India

MC Consulting Malaysia SDN Bhd

REGISTRAR AND SHARE TRANSFER AGENT

Cameo Corporate Services Limited

Subramanian Building,

No. 1, Club House Road, Chennai - 600 002

Ph: +91 44 28460390

Fax: +91 44 28460129

DEVELOPMENT CENTERS

INDIA

Chennai

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

Noida

B 35-36, Sector 80, Phase II,
Noida - 201305
Ph.: +91 120 428 6231 32
Fax: + 91 120 2462 179

Bengaluru

1st Floor, AMR Techpark,
Block -2, HOSUR Rd,
Hongsandra,
Bangalore - 560 068
Ph.: 080 4864 0840

Pune

504, 5th Floor,
Pride Purple Accord,
Baner Road, Pune,
Maharashtra - 411 045
Ph.: +91 20 4905 8127

Mumbai

Emgeen Chambers
II floor, 10,
Vidyanagari Marg
CST Road, Kalina
Santacruz (East)
Mumbai - 400 098
Ph.: 022 4015 3969

161 Sundarajan Salai,
Srinivasanagar, Madipakkam,
Chennai,
Tamil Nadu - 600091

UK

Stockport
Applicon House,
Exchange Street,
Stockport, United
Kingdom, SK3 0EY
Ph.: +44(0) 161 241 4321
Fax: +44 (0)161 241 4250

Singapore

2 Kallang Avenue
#07-20 CT Hub
Singapore 339407
Ph.: +65 6535 4007

Malaysia

#03-01 Afiniti Wellness
No. 3 Jalan Medini Utara 1
Bandar Medini Iskandar
Malaysia 79200,
Iskandar Puteri, Johor



key messages of this annual report

- 1 The company outperformed the sector in terms of percentage revenue growth
- 2 The company is optimistic that this revenue growth phase will sustain
- 3 The company's distinctive positioning as a digitalisation transformation specialist is beginning to translate into tangible outcomes
- 4 The company is optimistic of achieving its USD 500 Million revenue target by 2030
- 5 The company is likely to commission software development centres outside India, graduating its scale and respect



Our 'Inch wide. Mile deep!' approach generated accelerated returns in 2022-23

Saksoft outperformed across all available growth benchmarks in 2022-23.

The company reported a growth that was higher than India's software sector, the Indian economy and the global economy.

Saksoft's revenues grew by 38.5%, EBITDA by 36.9% and Profit after Tax by 29.6%, indicating that the company reported attractive growth.

This outperformance was the result of Saksoft's consistent focus on digital transformation.

The company is increasingly recognised as a specialist with an established competence in addressing challenges encountered by companies of a specific size across the verticals of its focus.

This distinctive positioning has translated into superior outcomes for the company's customers, as measured by an increase in their revenues, margins, surplus and respect, graduating Saksoft from a vendor into a long-term partner.

Saksoft is a digitalisation partner with a future-forward perspective. It works with mid-sized global companies.

The Company provides business transformation solutions in sectors such as fintech, retail and e-commerce, transportation and logistics, telecom, healthcare and the public sector.

The effectiveness of Saksoft's solutions is demonstrated by the increased competitiveness of their customers and their ability to progress in their businesses.

By helping customers become future-ready, Saksoft creates value for all stakeholders.

Values

The company professes a culture of Innovation, Customer Focus, Openness, Respect and Enterprising (iCORE).

Background

Saksoft is a leading provider of digital transformation solutions that help businesses keep pace with the rapidly changing digital landscape. Founded by the late Autar Krishna, the company has grown into a well-respected player in the global market, under the guidance of Aditya Krishna.

Presence

Saksoft has its headquarters in Chennai, India, and operates through 16 offices around the world, including India, Europe, Asia and the USA. The USA is the largest market for the company, accounting for 47% of its revenue, while Europe and the Asia-Pacific region contribute 25% and 28%, respectively.

Clientele

Saksoft's services cater to the evolving needs of various industries including fintech, e-commerce, transportation and logistics, healthcare, telecom, and the public sector.

Diversified services

Saksoft offers a wide range of digital transformation solutions that streamline, upgrade, and maintain IT systems, as well as domain-specific technology solutions and consultation services. The company provides services including analytics, strategic consulting, IoT and mobility, technology training, application development, robotic process automation, and digital testing. These services are backed by infrastructure and cloud services.

Employee base

The Company employed 1,967 full-time professionals as on March 31, 2023. The average age of the Company's workforce ranged between 28 and 38 years as on March 31, 2023.

Credibility

The credit rating for the long-term bank facilities taken by the Company was revised at A/Stable from A-/Positive by CARE.

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.1,531 Crore (March 31, 2023).

*The movement in market capitalisation is due to share split w.e.f from 23rd Sep 2023.

Compliance

Saksoft holds ISO 9001:2015 certification for its quality management system, ISO 27001:2013 certification for its information security management system, demonstrating its commitment to process excellence, and ISO 45001:2018 certification for provision of software development, testing and support services.

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
- On-premise to cloud
- User experience

Intelligent automation

- Robotics process automation
- Internet of things
- Data analytics
- Machine learning / Artificial intelligence
- Test automation

Managed analytics

- Reporting factory
- Scripting factory
- Data science factory
- System management

Managed infrastructure

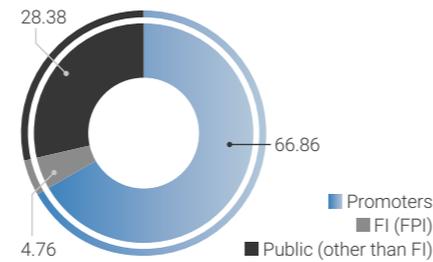
- IT infrastructure support; 24x7 monitoring
- End point management
- Application and DB operations
- Software asset management

The highlights of Saksoft's 2022-23 performance

Business highlights, 2022-23

- We were recognised as A Great Place to Work
- We increased revenues from our offshore business to 55% during 2022-23
- We strengthened our marketing by deepening our presence in select industry verticals

Our shareholding pattern as on March 31, 2023



Financial highlights, 2022-23

- Revenues increased 38.6% to Rs.665 Crore
- EBITDA increased by 37% to Rs.108.2 Crore
- RoCE was at an attractive 26.6%
- Debtors' turnover was at 61 days of turnover equivalent
- Net profit grew 29.5% to Rs.82 Crore
- EPS increased from Rs.6.33* to Rs.8.18

*Restated to reflect the stock split

Value dashboard

1,531
Rs. Crore, our market valuation as on March 31, 2023

Dividend

0.70
Rs. per share, dividend proposed for 2022-23 (including interim dividend of Rs.0.35)

Big numbers at Saksoft

1,967
Number of employees as on March 31, 2023

16
Number of strategic locations of the Company's presence

24
Number of years of track record

How we performed through 2022-23 (quarter-on-quarter journey)



First quarter

- Revenues were Rs.148.02 Crore as against Rs.102.14 Crore in Q1FY22, a growth of 44.9% on a YoY basis and 6.4% on a QoQ basis
- Top five and top 10 clients contributed 48% and 63% of revenues
- Operating EBITDA was Rs.22.47 Crore (Rs.15.55 Crore in Q1FY22), a growth of 44.5% on a YoY basis and 1.4% on a QoQ basis
- PAT (before minority interests) was Rs.17.80 Crore (Rs.17.69 Crore in Q1FY22), a growth of 0.6% on a YoY and 1.4% on a QoQ basis

Second quarter

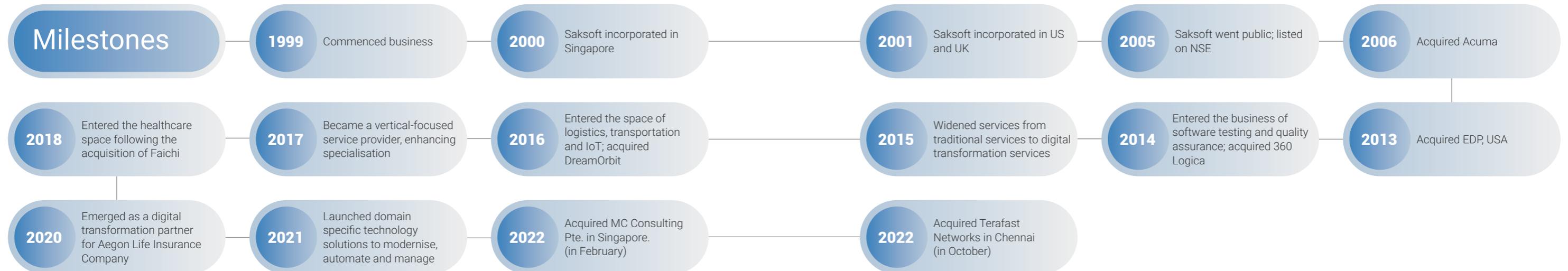
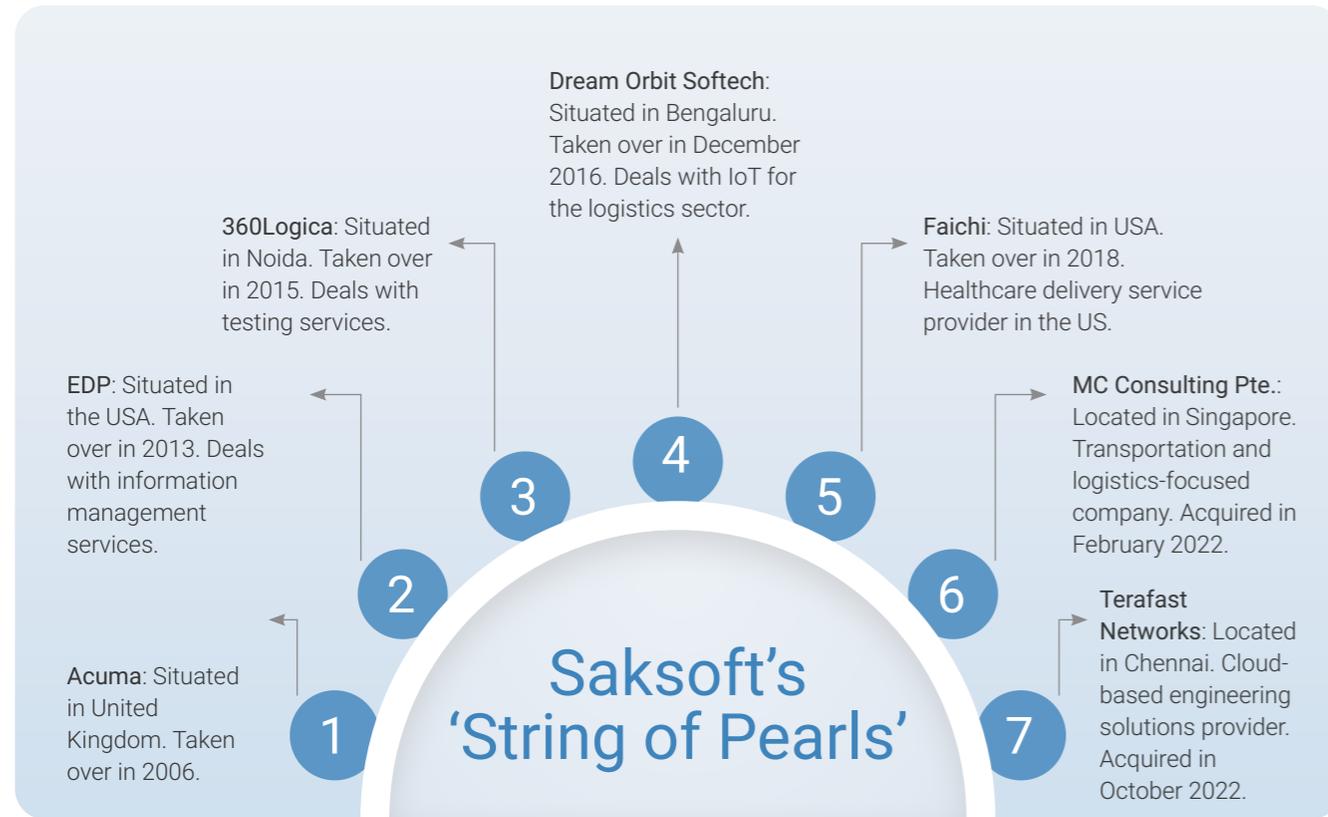
- Revenues were Rs.163.84 Crore, as against Rs.114.73 Crore in Q2FY22, a growth of 42% on a YoY basis and 10.7% on a QoQ basis
- Top five and top 10 clients contributed 47% and 61% of revenues respectively in H1FY23
- Operating EBITDA was Rs.25.73 Crore (Rs.19.27 Crore in Q2FY22), a growth of 33.5% on a YoY basis and 14.5% on a QoQ basis
- PAT (before minority interests) was Rs.19.32 Crore (Rs.13.09 Crore in Q2FY22), a growth of 47.6% on a YoY and 8.5% on a QoQ basis

Third quarter

- Registered highest ever quarterly revenue at Rs.171.68 Crore during Q3FY23, with a growth of 37.9% on a YoY and 4.8% on a QoQ basis
- Top five and top 10 clients contributed 47% and 61% of revenues respectively in 9MFY23
- Operating EBITDA was Rs.27.43 Crore (Rs.22.07 Crore in Q3FY22), a growth of 24.3% on a YoY basis and 6.6% on a QoQ basis
- PAT (before minority interests) was Rs.19.86 Crore (Rs.14.93 Crore in Q3FY22), a growth of 33% on a YoY and 2.3% on a QoQ basis

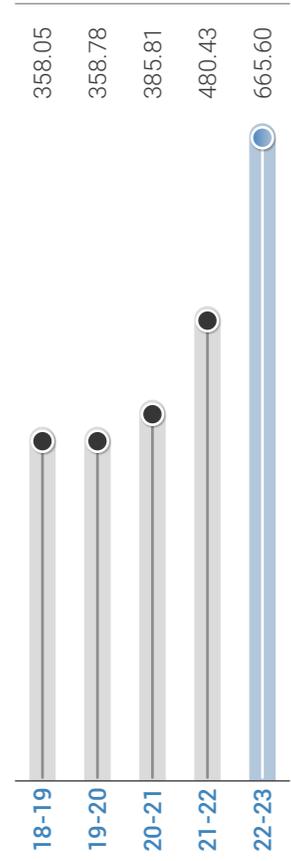
Fourth quarter

- Registered highest ever quarterly revenue at Rs.182.1 Crore during Q4FY23, with a growth of 30.9% on a YoY and 6.1% on a QoQ basis
- Top five and top 10 clients contributed 45% and 59% of revenues in 2022-23
- Operating EBITDA was Rs.32.5 Crore (Rs.22.20 Crore in Q4FY22), a growth of 46.4% on a YoY basis and 18.6% on a QoQ basis
- PAT (before minority interests) was Rs.25 Crore (Rs.17.6 Crore in Q3FY22), a growth of 42% on a YoY and 25.6% on a QoQ basis



Financial highlights, 2022-23

Revenue from operations (Rs. in Crore)



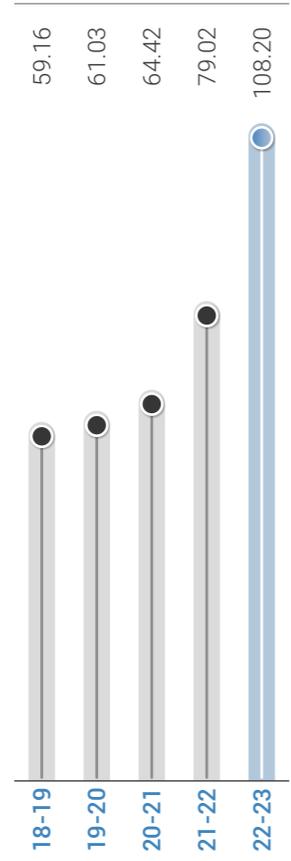
Why we measure

To assess the effectiveness of our product/solutions mix, prudence in geographic presence, sales focus efficiency, execution and network capability, brand equity and competitiveness.

What it discloses

Saksoft reported a 38.5% increase in revenues over the preceding year,

Operating profit (EBITDA) (Rs. in Crore)



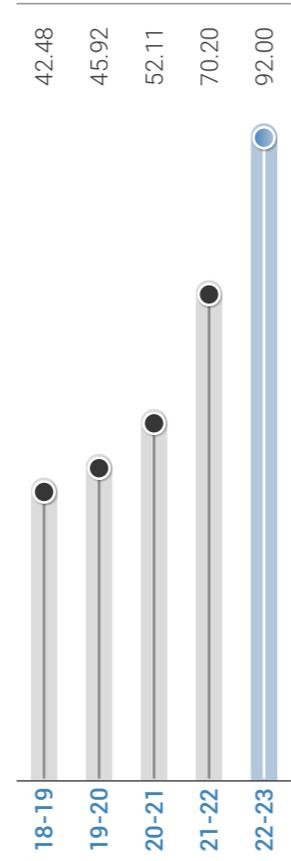
Why we measure

To ascertain business efficiency; an improvement in operating profit indicates a larger surplus for the Company, available for reinvestment or shareholder reward.

What it discloses

At Saksoft, we generated a 16.25% growth in EBITDA, arising from revenue growth, new customer engagement at better terms, higher resource utilisation and a better amortisation of fixed costs.

Cash profit (PAT+Depreciation) (Rs. in Crore)



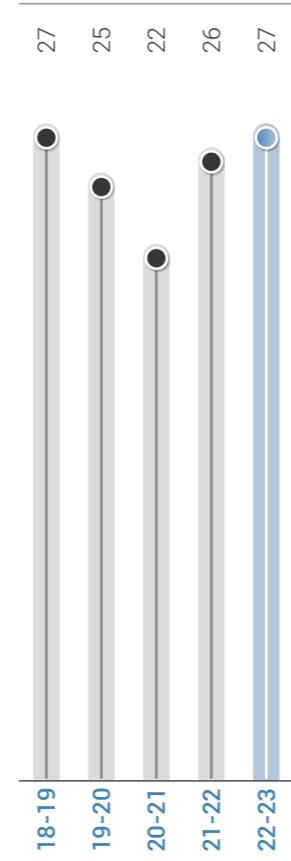
Why we measure

To arrive at an understanding of the Company's ability to grow the business through accruals.

What it discloses

At Saksoft, our cash profit was Rs.91.94 Crore, indicating our commitment to grow accruals and strengthen working capital management, including investment for perspective growth.

Return on capital employed (%)



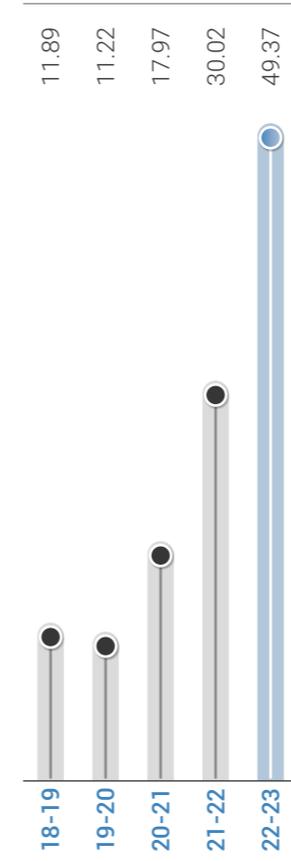
Why we measure

RoCE is a financial metric indicating business health – the percentage of surplus generated from the available funds pool of the Company.

What it discloses

There was a rise in RoCE by 80 bps due to growth in revenues and margins

Interest cover (x)



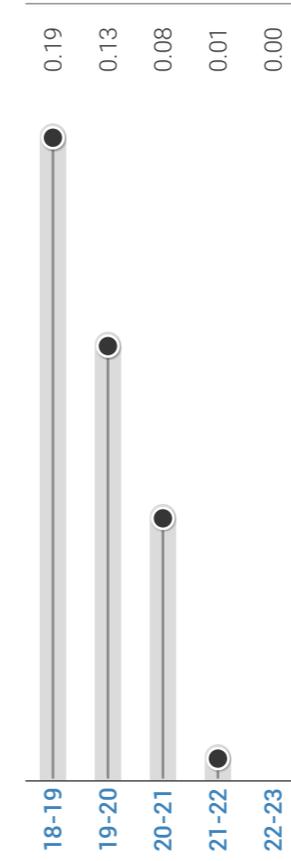
Why we measure

The interest coverage ratio determines how comfortably a company can pay its interest liabilities from its earnings.

What it discloses

Interest cover strengthened following an increase in surplus and decline in interest, enhancing liquidity

Debt-equity ratio (x)



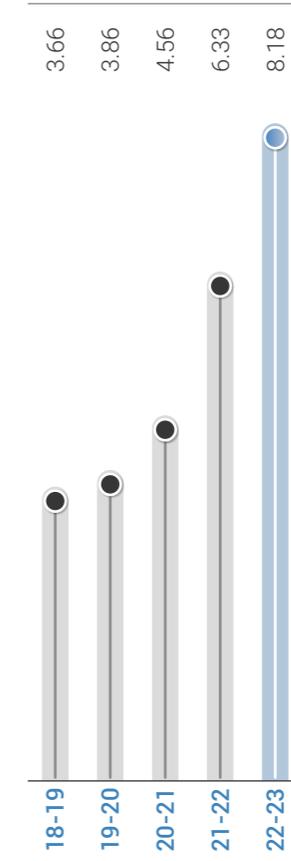
Why we measure

It indicates the Balance Sheet quality measured through indebtedness relative to shareholders' funds.

What it discloses

The repayment of debt and accretion of net worth strengthened the debt-equity ratio.

Earnings per share (Rs.)*



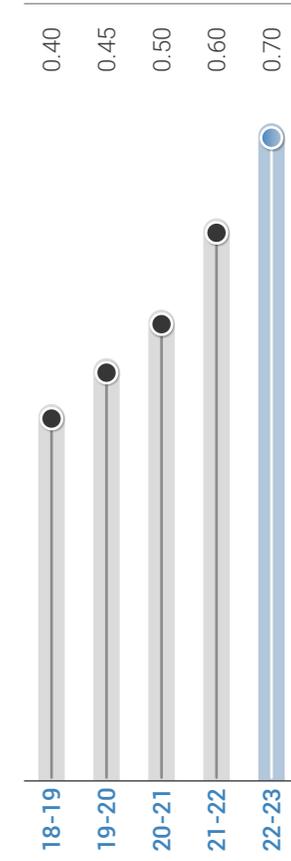
Why we measure

Earnings per share (EPS) serves as an indicator of a company's profitability (in terms of the portion of profit allocated to each outstanding share).

What it discloses

The increase in EPS was the result of increased profit after tax and unchanged number of shares outstanding.

Dividend per share (Rs.)*



Why we measure

Dividend per share (DPS) is the declared dividend for every ordinary share outstanding.

What it discloses

The increase in dividend per share (to be approved at the Annual General Meeting) was the outcome of a balancing of the company's need to reward shareholders for superior performance and retain earnings for reinvestment.

*The previous year's figures have been restated to reflect the stock split in converting shares of Rs.10 per share face value to Re 1 per share face value



CHAIRMAN'S OVERVIEW

The company is poised at the cusp of Saksoft 2.0, which is likely to graduate it into the next orbit



Aditya Krishna, Chairman

Overview

The financial year 2022-23 was the company's best performance till date.

This positive divergence will come as a surprise to those who have been tracking the slowdown in the country's IT and software services sector.

The company reported significant growth whereas the NiftyIT de-grew 21% (Source: BQPrime). Besides, the company reported revenue growth of 38.5% when compared with its ten-year compounded growth average of 11%; it reported EBITDA growth of 36.9%

when compared with its ten-year compounded growth average of 19%. These numbers indicate that we have grown faster in percentage terms even as we have got larger.

The one question I am being asked is the reason behind this outperformance. What did we change suddenly? What is the secret behind the jump? What mega deal did we win? What did we change in our cost structure that strengthened margins?

The answer is that there was virtually nothing that we changed in the last year that strengthened our operating numbers. We did what we had always done in terms of our go-to-market strategy in the last few years: instead of making a general pitch to new customers on who we were and where we came from, we refined our proposition. If we reached out to a prospective fintech customer, we would explain what we had done for similar customers in the past; we would highlight the 'before' and 'after' scenarios; we would explain our digital transformation impact on the customer's Profit & Loss account.

This consistent approach took time to translate into positive outcomes. The outcomes were catalyzed by a transfer of executives from one customer company to competing or peer organisations who carried a positive reference of Saksoft's intervention in the earlier company. Besides, the peer grapevine carried increasing references to our transformative interventions. The network effect resulted in a larger number of customer enquiries in the last couple of years; a large number were converted into projects during the last year, strengthening revenues.



Saksoft also positioned itself as more than a technology company. We positioned ourselves as a digital transformation company possessing a techno-commercial understanding of a customer's sector and business space.

Besides, we sustained the alignment between what we marketed and what we delivered. Gradually as the word began to go around that we under-promised and over-delivered, there was a groundswell of opinion that 'Saksoft is a safe company to go with' and 'Saksoft possesses a competent domain knowledge that takes a company's competitiveness ahead.'

Saksoft also positioned itself as more than a technology company. We positioned ourselves as a digital transformation company possessing a techno-commercial understanding of a customer's sector and business space. The result is that our teams spoke to customers in the latter's language; they focused on accelerating digital processes and moderating costs; they focused on initiatives that enhanced service effectiveness; they extrapolated initiatives into positive revenues and margins outcomes.

The result is that most companies entrusted us with larger and more challenging engagements drawn from their other segments, making it possible for us to carve away a larger customer wallet share. The result is that we did not just work for more customers during the last financial year; we also worked more for the

same. By extending our domain insight to knowledge of the customer's business, we were able to proactively suggest improvements, transforming our engagement from 'We have done what you asked us' to 'We are suggesting something outside our brief that could take your business ahead.'

The new question that analysts are now asking is if this growth will be abbreviated on account of the slowdown in USA, the world's largest technology destination. The answer is yes and no. In the face of a slowing market, we will need to run faster and longer, indicating that we will need to be alive to more opportunities within existing customers and within addressable sectors.

The company enjoys an advantage in this respect. Our longstanding focus has been on companies between USD 100 Million and USD 3 Billion by revenues; this segment has been relatively under-affected by the technology slowdown in USA. Much of the attrition has been visibly marked among the largest technology companies that over-invested in people and projects in the last few years and now see a need to moderate costs; this attrition has been less pronounced



in the mid-sized or smaller IT service providers.

However, this does not mean that the latter will remain insulated; we are seeing signs of slower and smaller spending by US customers and the general trend is likely to be more sluggish in the current financial year.

Saksoft's record performance during the last financial year has set the stage for the company to draw out a revised picture of where it is headed – Saksoft 2.0, if you may.

Saksoft is better prepared to resist the sectorial downcycle today than it was a few years ago. The company has a larger number of customers today with a commitment to sustain their digital transformation journey than it did some years ago. We are likely to achieve the USD 100 Million target we had set a year before schedule. The average revenue mean of Saksoft's customers is rising and closer to USD 3 Billion, a sweet spot of reasonable scale and inelastic technology spending.

The company intends to make a decisive leap in its geographic footprint to make this larger revenue target a reality. Until now, the company has principally been one of Indian origin with operations in India; the time has come to move towards a pan-global personality. Over the next few years, Saksoft will launch back-end operations in Eastern Europe and possibly Latin America, which are closer in terms of time zone with USA. Besides, by the virtue of being able to recruit around a superior cost-competence proposition, we expect to enhance our brand, increase the proportion of consulting within our offerings portfolio and enhance our billings. We believe that this extension holds the key to an increased proportion of our revenues being derived from non-commodity spaces and graduating to the middle niche – consulting cum technology - of global players.

Is there something unique that we have to offer the world? The answer is yes.

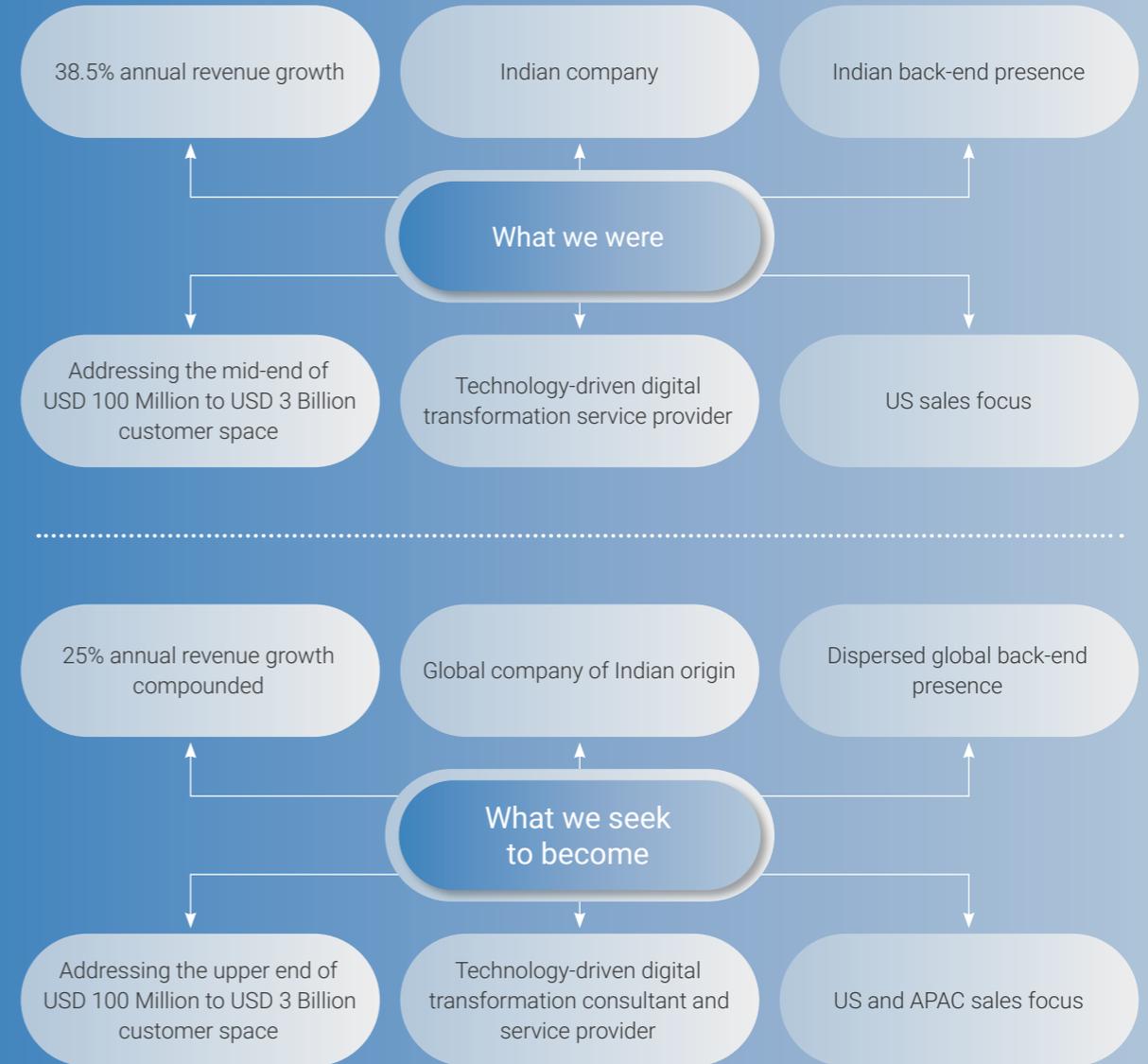
We possess a judicious combination of Asian values and global competence. This represents a new breed of companies that are proud, professional and yet personalised (reflected in our being recognised as a Great Place To Work and in our corporate social responsibility initiatives).

The result of this unique global Asian personality is that in Saksoft 2.0, the company's revenues would be increasingly derived from complex solutions, a mix of consulting and technology, addressed by a larger proportion of global (hence non-Indian) employees and sustaining our revenue growth at around 25% per annum, graduating us to USD 500 Million revenues across the medium-term.

We believe that Saksoft 2.0 presents a robust platform that will grow shareholder value across the foreseeable future.

Aditya Krishna
Chairman

How we are transforming to enter the next orbit





FINANCIAL
PERSPECTIVE

The company has entered a new zone and this is likely to translate into quicker growth

Niraj Ganeriwala
Chief Operating Officer
and Chief Financial Officer



Overview

I am pleased to communicate that Saksoft reported a record performance in 2022-23.

Your company reported a 38.5% growth in revenues from Rs.480.43 Crore in 2021-22 to Rs.665.60 Crore in 2022- 23. EBITDA moved from Rs.79.02 Crore in 2021- 22 to Rs.108.15 Crore in 2022-23. Net profit moved from Rs.63.26 Crore in 2021-22 to Rs.81.98 Crore in 2022-23. The company enhanced revenues and EBITDA in every successive quarter of the year under review. The company reported profitable growth at a time when the global economy began to slow.

The company reported a standout performance despite challenging realities at the customer end. The year was marked by inflation, coupled with an increase in interest rates across the countries where the company was present. This induced downstream sectors to defer their technology spending; a number of large technology service providers announced sizable employee attrition.

Despite the challenges, your company reported superior capital efficiency. Return on Capital Employed strengthened from 25.8% to 26.6%

The company's liquidity hygiene continued to be protected. The company's net cash position strengthened to Rs.166 Crore at

the end of the year. Interest cover increased from 30.02 to 49.37 through the year under review, indicating that the company continued to be cash rich.

Big message

It would be pertinent to step back and appraise the full picture. A couple of years ago, the management of your company had indicated a revenue target of USD 100 Million by 2025. The company is likely to achieve this a year ahead of schedule.

To appreciate the full import of this out-performance, it would be relevant to first begin with the context. This out-performance came in the face of a post-pandemic slowdown and recessionary US economy. To deliver growth when the entire industry was witnessing a de-growth would have been difficult because of similar realities for all. Besides, to deliver consistent quarter-on-quarter growth would have implied that the company would have needed to do something different. Besides, growing faster even as we got larger would have warranted a different strategy.

Right focus

The growth was not the result of something that we did only in the last couple of years; it was the result of a consistent strategic direction across the last half-a-dozen years. During this period, your company remained consistent in its positioning and messaging – 'Inch wide, mile deep' – and how most of our strategic initiatives converged around it.

Not once did the management shift focus from its identified verticals or respond to the fashion of the day; not once did the company add multiple domains. Even at the risk of sounding boring, the company kept plugging its consistent pitch. The only

plausible reason we can provide for our outperforming growth is that the messaging achieved its tipping point. By the virtue of focusing on a niche in an overcrowded space, we reaped two benefits: one, the vastness of the space provided us with a critical mass of projects and project size; the niche that we occupied created a competitive moat.

There is something else that worked in our favour. Your company responded to changes in the operating markets faster. We began to occupy a distinctive recall in the mind of the prospect. When a customer in the transportation and logistics vertical (say) needed a solution, the Chief Technology Officer of that company was likely to fish out Saksoft's reference, send a message and ask us for a pitch. By positioning ourselves as a company that could speak that Technology Officer's language and balance the Financial Officer's needs as well, we carved out the recall of a service provider that took customers ahead.

Active change responsiveness

I indicated our speed in responding to change. I will explain the initiatives of how we moved ahead of the curve.

We recognise that as customer needs become complex, the world will move

faster from generalists to specialists. When this happens, a company that professed it could do everything was less likely to evoke attention; on the other hand, a company that professed a specific competence was likely to evoke respect deserving of a specialist.

Specialisation is not easy; it warrants years of focus on a vertical, creating a distinctive team culture and building a critical mass of transformative projects. If we responded to this evolving climate with organic tools, we would have been perpetually behind the curve. Your company recognised that the only way to beat this trap was to acquire companies that specialised in our desired niche. Your company identified potential domain specialist targets – subject matter experts - that did not possess the one competence that would make them complete: the capacity to market their services worldwide. Your company acquired these companies, providing them with a shared services platform that would build growth pathways and transform their personalities.

There were two benefits from these acquisitions.

One, the acquired company could leverage the footprint and effectiveness of the Saksoft sales team, while continuing to focus on its competence. The acquired company now acquired



We recognise that as customer needs become complex, the world will move faster from generalists to specialists.



What you see in our financials of the last couple of years is a maturing of the businesses of the segregated identities. We flourished because we had multiple 'companies' within one company.

a completeness of personality that had long eluded them; their domain competence could not be taken to its logical conclusion without the Saksoft avatar.

Two, the acquired companies became 'Saksoft' and did not – a prudent balance of how their identities would be protected at one level and absorbed at another. The result is that for all visible purposes, they retained their original identity in the midst of customers who had known them for years; for all invisible purposes, they were a part of Saksoft and their numbers were pooled into our consolidated financials. The welcome irony is that in our largest market – USA – our customers recognise us by the brand we acquired and not by the name of the acquiring company (Saksoft). By retaining the erstwhile identity of the acquired company, we sent out a message: 'We respect all that has worked for you in the past and would like to retain status quo so that you grow faster with our help'. We also created a federal structure – you don't get that too often in the Indian corporate space - where the acquired and the acquirer worked with different identities and yet made things happen.

What you see in our financials of the last couple of years is a maturing of the businesses of the segregated identities. We flourished because we reconciled multiple 'companies' within one company. We flourished because we helped the acquired companies grow faster following 'Saksoftisation'. We flourished because each of our acquisitions has grown attractively and accounts for a sizable proportion of revenues, considerably larger than what they could have visualised for themselves had they remained standalone or independent.

It is with this perspective that your company completed its eighth acquisition – Terafast – during the 2022-23, possessing an expertise in Cloud Engineering, Networking Solutions and DevOps Automation.

Holistically maturing

The other principal driver of our performance in 2022-23 was of holistic maturing in the face of change. Your company has begun to appear as a well-rounded company.

Let me give you instances.

Following the pandemic, we disaggregated and began to work from home. During the last year, with the pandemic having waned, it would have been usual to get back to our offices. Interestingly, we continue to work disaggregated; less than a tenth of our workforce turns up in our physical offices. In most instances, this would have made us insecure on the grounds that intra-team effectiveness would have declined, and the customer would be under-served. On the contrary, our customers have affirmed that they are pleasantly surprised with our response; a number of them have given us more and larger projects; customers find that we are perpetually switched on. This work-from-home has generated other benefits: it has empowered us to recruit from anywhere as we do not require them to turn up at 9 am in our locations (the one request that our new attendees are making is that they would like to occasionally put an appearance in flesh and blood at our physical location, so we may consider setting up satellite offices in cities where we enjoy a critical employee mass). I can go on record saying that if someone had hinted of this in say, 2019, we would have dismissed the suggestion as impractical; but we changed with speed and seek to keep it that way.



We recognise the emergence of the Indian market as a potential revenue driver. Some large global entities are setting up large operating and research bases – not as much to service India but to utilise India as an adjunct to their US operations.

solutions will become increasingly business-critical; we intend to raise the proportion of revenues derived from digital solutions to more than the present 80%; we will continue to address cloud-centric services needed by most.

We recognise the emergence of the Indian market as a potential revenue driver. Some large global entities are setting up large operating and research bases – not as much to service India but to utilise India as an adjunct to their US operations. These companies are at an interesting point in their journey: from outsourcing non-critical services from Indian companies, they have mustered the confidence to commission operations on Indian soil and could, some day in the not-too-distant future, outsource business-critical support from Indian companies like ours. We feel that this revenue segment is now acquiring the seriousness of scale and scope: from around 8% of our overall revenues just three years ago, APAC accounts for 24% of our revenues and is likely to increase.

Outlook

Where do we go from here?

I would rather give out a qualitative guidance of where we are headed.

Given the context of the prevailing environment, we intend to add competencies, working with just-in-time hiring that minimises the bench and eliminates lay-offs (strengthening team confidence). By providing our members with a holistic job profile - which includes volunteering across our CSR projects in the area of women's empowerment and education – we are not merely enhancing their skills but also providing them with the opportunity to become a better version of themselves. We also provide our team members and their families with medical and mental health interventions cum counselling. We can never become family but the objective is that if our members are asked of a second home, 'Saksoft' should figure immediately.

In view these realities – hard and soft - our company is positioned to sustain its 1.5x sector growth across the foreseeable future, enhancing value in the hands of those associated with our company.

Niraj Ganeriwala
Chief Operating Officer
and Chief Financial Officer



CHIEF SALES OFFICER PERSPECTIVE

How we strengthened our sales engine in 2022-23

Overarching sales challenges

The principal sales challenge that Saksoft encountered during the year under review comprised enhanced competitive clutter, inability of new large customers to trust service providers of our size and the whisper of a slowdown in our largest market (USA) that could have deferred customer spending,

There were challenges related to the deployment of adequate professionals

to customer projects, matching the right project complexity with the corresponding talent, recruiting talent from across cities and towns in line with project growth and the ability to monitor dispersed employees (at a time when much of the company's operations worked from home). The company was also challenged by the need to present a wider global outsourcing proposition: nearshoring, offshoring and on-site deployment.

The biggest challenge was however one of brand. There was a premium on the company being able to generate the right recall across prospective customers for it to translate into a sales enquiry and probable engagement. This brand recall warranted a consistent positioning discipline that could then have translated into a distinctive recall of the company's capability and competence.

Building the brand

At Saksoft, we recognised that a cost-effective way of making a lasting impression was through a positioning consistency. In line with this, the company resolved to build its brand around the word 'specialist'. The company believes that this positioning will become increasingly relevant for the following reasons: one, transformative technologies are getting complex, warranting a need for subject matter experts; two, there is a greater premium for companies that are masters of their domains as opposed to companies that profess to do everything; three, there are a number of positive spinoffs arising out of specialisation, the most prominent being recalls around 'problem solver', 'partner' and 'solutions provider' leading to multi-year engagement cum annuity incomes.

As an extension of this desired brand identify, Saksoft will prospect specific customers. In the event that it encounters project requests from prospective customers within its desired profitability matrix but outside its desired customer mix, it will – and has – decline. The company values

its brand identity of a specialist; any dilution in this recall could compromise the power of the most value asset off the company's books – its brand.

Solutions

At Saksoft, while we are committed to deliver what our customers need, what makes us distinctive is the ability to extend beyond. By the virtue of a deep insight into a customer's IT architecture and the sectorial trend, we are equipped to advise our customers on what we could do for them in addition to their given brief, helping future-proof their businesses, enhance operating margins and strengthen business sustainability. By the virtue of selecting projects based on the life cycle potential – as opposed to the immediate ticket size of the project – Saksoft has evolved from vendor to consultant to solution provider to must-have partner. This indicates that customers who work once with us are better placed to give us more projects, enhancing our wallet share.

Customer selection

The company focused on a distinctive customer universe - between USD 100 Million and USD 3 Billion in revenues – for reasons of size and scope. This range is comfortable with the company's commitment to transform through digitalisation; companies larger than USD 3 billion in size are serviced by bigger IT vendors; companies smaller would comprise projects too small to justify talent allocation. Besides, this mid-segment addressed by Saksoft empowers it to grow the customer and grow with the customer.

Promise

The company marketed projects around outcomes – measurable and tangible – that strengthened a customer's business, visibility, respect and competitiveness. This promise strengthened customer traction: revenues from the Top 20 customers improved from 57% in 2017-18 to 71% in 2022-23. The company added 14 customer accounts to the USD 1 Million bracket and 8 customers to the USD 0.5-1 Million bracket.

Body language

The company strengthened its recall around 'easy professionals to work with.' This accessibility was reinforced through flexibility and nimbleness – a desire to please. This blend of formality and informality resulted in customer traction and project growth thereafter. The result is that two of the largest projects in USA commenced as two-member teams; these projects now entail 400 deployed professionals.

Vertical focus

The company continued to focus largely on three sectors - fintech, logistics and utilities. The company's presence in these verticals was marked by successful projects across geographies and customer sizes. The company engaged with C-Level executives in target companies for an understanding of their sectorial direction and corresponding three-year investment plan, around which Saksoft offered a transformation roadmap.

Reference value

At Saksoft, every successful project is intended to create a sectorial and employee reference – a reference that can be used when pitching for other companies within the same space and also by the customer's employees when they moved to other companies ('network effect'). The company conducted workshops within customers on how it could take their business ahead – extending a conventional approach to the unconventional perspective of how the customer could graduate utilising Saksoft's service proposition. The company empowered its deployed engineers to explore adjacent opportunities within the same customers.

Geographic focus

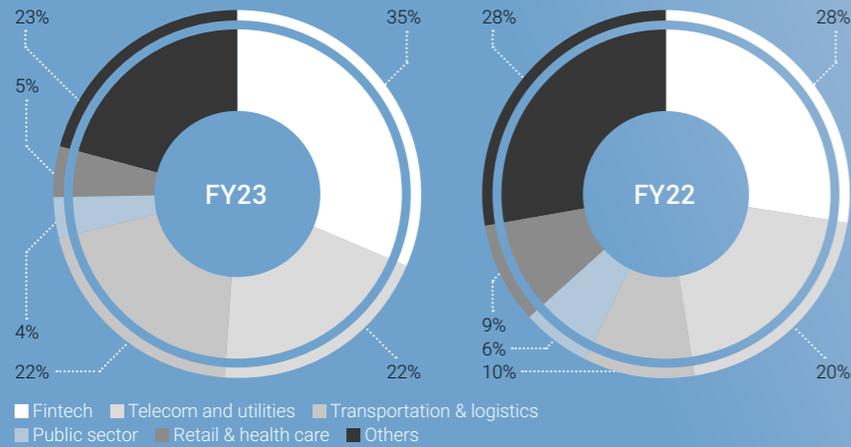
The company selected to focus on opportunities coming out of USA, Europe and Others (largely Asia-Pacific). The proportion of revenues derived from these geographies during the year under review was 47%, 25% and 28% compared with 45%, 32% and 23% during the previous year.

In Europe, the company focused on enhancing revenues from existing customers and providing customers with a near-shore solution. The company grew its utilities vertical in the geography attractively during the year under review.

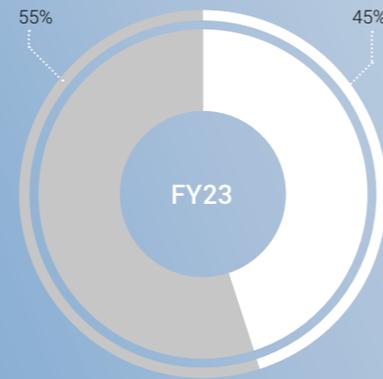
Avantika Krishna
Chief Sales Officer

How Saksoft's business model continued to deliver in 2022-23

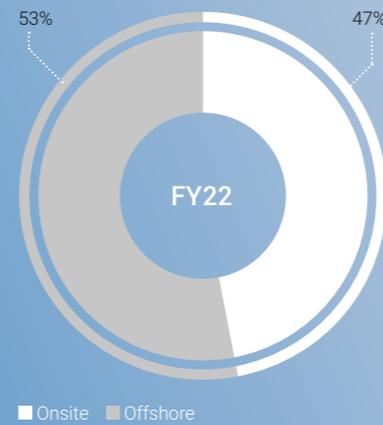
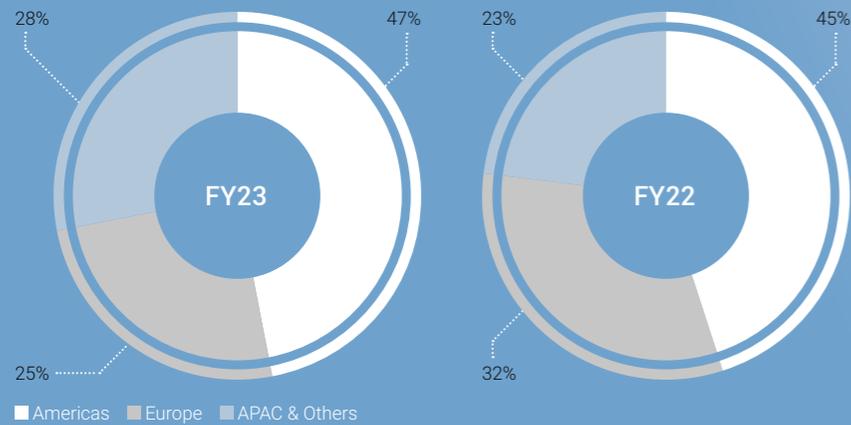
Revenue by verticals



Revenue mix



Revenue by geography



Customer metrics

Number of clients/customers per Million Dollars	FY23	FY22
>1 Million	14	11
>0.5 Million to 1 Million	8	7
Top 5	45%	48%
Top 10	59%	59%
Top 20	71%	70%

How Saksoft's business model is positioned to enhance shareholder value



Overview

- Saksoft believes that value is maximised when it stands for a distinctive recall in the mind of the prospect
- The three words that encapsulate Saksoft are 'Digital transformation partner'
- The company has deepened its competence in 'domain ownership', indicating specialisation
- The company's solutions are designed to take the business of its customers ahead
- The company's dividend payout reconciles the need to reinvest and reward shareholders

How our valuation has grown

377

Rs. Crore, market capitalisation, March 31, 2021

933

Rs. Crore, market capitalisation, March 31, 2022

1,531

Rs. Crore, market capitalisation, March 31, 2023

How we have rewarded shareholders

5.77

Rs. Crore, dividend outgo, 2020-21

6.32

Rs. Crore, dividend outgo, 2021-22

7.39

Rs. Crore, dividend outgo, 2022-23

Our strategic priorities directed to enhance shareholder value

Structural

- Positioned as a nimble and responsive mid-tier digital transformation company
- Multi-location Indian company now seeking to develop global centres
- Globalisation could result in a multi-time zone solution
- This could graduate the company into a visible global brand

Talent retention

- Saksoft is among few Indian companies to offer the 'work from home' option even after the pandemic
- This has enhanced employee productivity and holistic well-being
- This has enhanced employee satisfaction and retention. The company is acknowledged as a Great Place to Work
- The company facilitates role switches to enhance learning and role satisfaction

Verticals specialisation

- The company focuses on select verticals whose relevance is growing
- The growth of these verticals is being driven by evolving lifestyles
- The company possesses deepening capabilities within each vertical
- The verticals are being addressed by specific business units who work like centres of excellence

Geographies

- The company enjoys a significant presence in Europe and USA
- The company is present across enterprise and public sector customers
- The company's US and Europe revenues were at 72% of the entire company
- The company is growing its presence in Asia-Pacific

Customer-fit

- Focus on customers between USD 100 Million to USD 3 Billion revenues
- Not too large for the customer perspective to be lost
- Not too small to be unable to invest adequately
- Focus on emerging among the most respect in this niche

Brand

- Consistently messaged the 'inch wide, mile deep' positioning
- Positioning indicates specialisation around a theme (digitalisation)
- The domain 'ownership' is intended to send out a message of positive outcomes
- The positioning reflects partnership over vendorship and specialisation over generalisation
- The positioning carries the unspoken assurance of enhanced customer competitiveness

Digitalisation

- The company is consistently focused on digitalisation-driven transformation
- The company is recognised as a specialist for a middle sized global corporation
- The company's digitalisation initiatives for specific verticals represent case studies
- The company's delivered value is measured by positive financial outcomes at the customer's end

Acquisitions

- The company concluded eight acquisitions in ten years
- These companies were integrated into Saksoft with speed
- The acquisitions were made around complementary capabilities ('string of pearls')
- Each acquisition is delivering to Saksoft's topline and bottomline growth

Locations

- Presence across 16 Indian locations for software development centres
- Attractive cost and talent availability advantages
- Appraising international geographies for such centres
- Seeking nearshore, cost and talent availability advantages

Offshore approach

- Solutions are largely delivered out of India
- Majority of our employees are based in India
- Moderate costs; wider recruitment pool
- Model increasingly relevant following the pandemic
- Spread across locations in India

How our 'String of Pearls' approach is enhancing value for stakeholders

Overview

Saksoft is recognised as a dependable specialist. The company invested in select verticals with a growing relevance; this was complemented by timely acquisitions in complementary areas that widened the company's offerings bouquet. In turn, this portfolio deepened the company's respect as a digital transformation specialist, enhancing customer wallet share and enhancing customer outcomes.

Reasonable size

The company focuses on acquisition targets that are complementary, affordable, can be funded from

within and can grow faster following acquisition. The result is that all the company's acquisitions are now profitable and have grown attractively from the time they were acquired.

Brand accretion

The company acquires targets with the perspective to enhance the company's brand, strengthening its respect as a prospective employer or from a valuation perspective on the stock exchanges.

Complementary

The company acquires companies with complementarity capabilities that help complete the company's digital

transformation offerings, strengthening organisational recall.

Culture-agnostic

The company acquires targets and empowers them to retain the culture at the operational level. This aggregation of cultures has enriched Saksoft, enhancing emotional ownership and responsiveness.

Centre of excellence

The company positions each acquired constituent as a Centre of Excellence, attracting specialised talent.



Acquisitions that strengthened our business model

Company acquired	Geography/niche	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 and logistics focus	<ul style="list-style-type: none"> Specialised in IoT, adding enhanced capability in the applications 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	Pune. 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
MC Consulting PTE	Singapore. Seaport and public sector agencies	<ul style="list-style-type: none"> Reinforces our market position as a solution provider to logistics and transportation industry. Evidences our intention to invest more in Singapore Commitment to provide employment local talent Will optimise costs in Singapore
Electronic Data Professionals	USA, Information management	<ul style="list-style-type: none"> US-based business intelligence and information management company EDP will be instrumental in deepening the Company's US presence EDP will act as an additional channel for client acquisition and account management
Terafast Network	Chennai, Digital transformation	<ul style="list-style-type: none"> Terafast will strengthen Saksoft's focus on digital transformation.

How our business model strengthened our business

Revenue growth

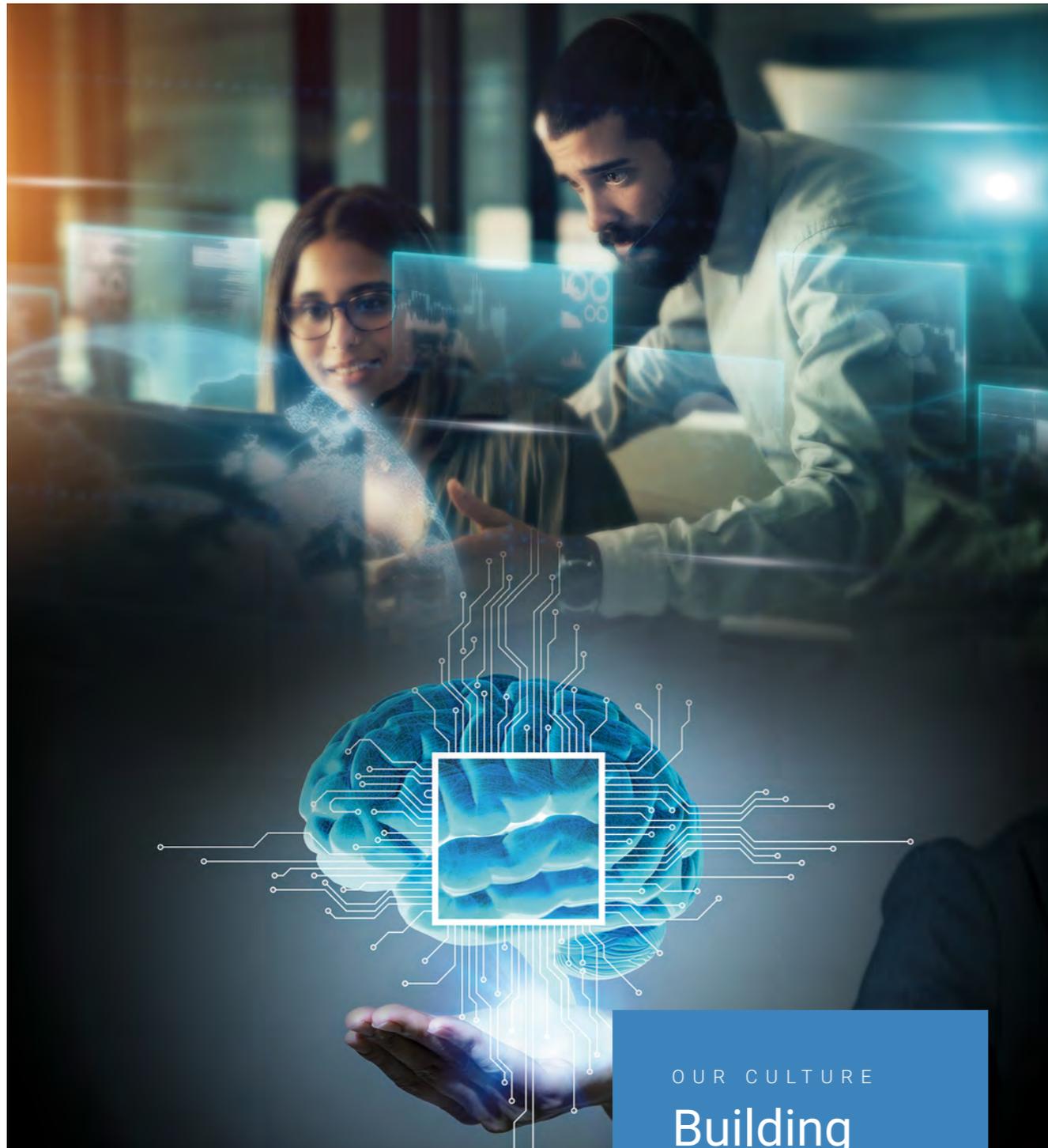


Margins



Earnings





OUR CULTURE
**Building
 our people**

Overview

Saksoft's talent plays a key role in business growth, given the company's presence across domains, technologies, businesses and geographies.

The passion and quality of service drives revenues, attracts customers, translates one-off transactions into repeat engagement and catalyses business sustainability.

However, what makes the subject of talent management challenging at Saksoft is that even though the company is one organisation at first glance, it represents a coming together of multiple constituents – a careful complement of companies aggregated through acquisitions.

Saksoft continues to respond to this uniqueness through a customised approach. Instead of forcing a culture of uniformity across these acquired constituents, the 'mother' organisation has arrived at a balance – empowered its constituents to retain their respective uniqueness while arriving at a shared Saksoft culture across all. This balance makes Saksoft's approach distinctive – a federal structure of ownership, accountability, empowerment and yet, belongingness.

Challenges and counter-initiatives

There was widespread attrition in the industry that impacted the company as well.

The company continued to focus on improving the existing employee policies to ensure a 360-degree employee well-being coverage. The company ensured that the employee's families were included in these policies. The company held a Great Place to Work survey for employees, which helped understand their expectations

Strengths

Equal opportunity
 The company is an equal opportunity organisation and has ensured that there is no discrimination based on gender and disability when it comes to giving employees the opportunity to perform.

Flexibility
 The company continued with its 'work from anywhere' policy even as other companies in the industry are calling employees back to offices. This, along with flexible office timings, have empowered employees to maintain a work-life balance.

Growth
 The company presents its employees with the opportunity to learn about the latest technologies that aids in their career growth within the organisation.

Open-door policy
 The company is a non-hierarchical organisation with an open-door policy, where employees, irrespective of their position or time in the company, can directly approach the senior management.

Hiring local
 The company strives to source and develop talent locally so that the time zones of its clients in those particular geographies are respected and they are serviced efficiently with speed.

better and work on the same. This helped the company reduce attrition rate by 800 bps in FY23.

Highlights, 2022-23

- The company was certified as a Great Place to Work, validating its commitment towards employee growth and well-being
- The company's attrition rate reduced significantly
- The company rolled out 212 iCore awards to commend employees for their out-performance

- The company conducted employee Townhall meetings at the acquired Terafast Networks with an assurance that its culture and values would be respected.

Employee initiatives, 2022-23

- The company extended its insurance facility to incorporate employee families
- The company doubled its insurance coverage without any additional cost to employees.
- The company tied up with Ekincare, a corporate health benefits platform

that partnered Fortune 500 companies to provide healthcare intervention recommendations.

- The company sent Diwali gifts for 2,000 employees across the organisation, including the newly-acquired Terafast Network, under the Dhamakedar Diwali programme. The company reached out to the families of all its employees with Diwali gifts being

directly delivered to their homes – an exercise undertaken for direct door delivery for about 2,000 employees and appreciated by each.

Outlook

The company revised its HR policies to make them relevant to the post-Covid world and across its acquired companies.



“When Saksoft acquired Dreamorbit, the company did not face any cultural shock, nor was there any effort from Saksoft to mould the employees into their culture. In these eight years, we have gained quicker growth, visibility and momentum.

Rajani Siddhartha
Vice President - HR

Employee cost

Year	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Employee cost (Rs. in Crore)	181.42	182.92	209.54	297.91

Employees

Year	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Employees	1,258	1,260	1,554	1,967

Employee productivity

Year	FY2019-20	FY2020-21	FY2021-22	FY2022-23
%	83	81	85	85

People cost

Year	FY2019-20	FY2020-21	FY2021-22	FY2022-23
People cost as % of revenues	51	47	41	45

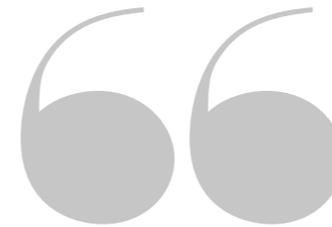
Loyalty milestone since inception

Milestone in years	Number of employees
5	174
10	75
15	16
20	7
25	4
	276

Loyalty Awards during 2022-23

Business Unit	5 years	10 years	15 years	20 years
Delivery	29	15	3	1
Support	8	6		3
Total	37	21	3	4

What Saksoft employees have to say about its work culture



“The Saksoft work culture is defined by flexibility and transparency. The flexible office timings have ensured that I can maintain a healthy-work life balance, while delivering quality work. Open dialogue and discussion on topics such as appraisal and team dissolution, which would be considered tricky, are encouraged, making the employee heard. In the two months that I have been with Saksoft, my cherished memory is of receiving the Spot Award for my service delivery, which was appreciated by the client.”

Aniket Shivare

“What makes Saksoft a great place to work is its dedication to employee development. The company provides internal training opportunities and encourages its employees to take up certifications and courses that help them advance in their careers. The company propagates an inclusive work culture where all employees are given equal scope to perform and are rewarded for their hardwork. In the last one-and-a-half years since I joined the company, I have been promoted twice - first to the position of a Senior Project Lead and recently to the role of Project Manager QA.”

Shailee Aswal

“Saksoft is an ideal workplace because it invests in the careers of its employees through regular skill development sessions, rewards and recognition programmes. I joined Saksoft as an Individual Contributor (IC). The company promoted me, recognising my dedication to work, timely delivery and prompt client response. Saksoft provided me a chance to undergo various training programs to upgrade my skills. My most cherished memory of Saksoft was when I was awarded for my exceptional service delivery.”

Vaishali Priyadarshinee

“Before joining the company, I did some due diligence and the general consensus was ‘You will love the company and work’. They were proved right. I have been with Saksoft Group for five years – the longest with any company. What keeps employees satisfied here are learning opportunities and support through one-to-one sessions, customised trainings, Growing as Leader sessions and communication skill sessions etc.”

Sunesh Chaudhary

“What sets Saksoft apart from other companies is its transparent practices across the organisation. The company’s work culture encourages open and effective communication, where all employees are encouraged to share ideas and grievances. In the 11 years I have been with Saksoft, it has given me growth opportunities, freedom to work and a number of rewards, recognising my contribution to the organisation.”

Archana Singh Chauhan

“My two-decade journey at Saksoft was made memorable by a number of things such as career growth opportunities (I started as a Test Engineer and I am now a Delivery Manager), freedom to express my voice, work the way I want and supportive seniors cum peers. All these makes Saksoft A Great Place to Work.”

Ravi Subramaniam

“My most memorable time at Saksoft was when I was facing medical issues and the company supported me - not just professionally but also personally, which is something that is unheard of for an organisation.”

Abhilash Bose

“Saksoft is the exact opposite of what one would expect of an IT company. The company prioritises employee well-being and growth. The company has a healthy work culture with a robust reward and recognition programme.”

Anjana K

Saksoft and its commitment to community development



Overview

Saksoft emphasises social responsibility through interventions that benefit a range of people with collective impact. Since inception, the company consistently prioritised community well-being, contributing to the economic development and improvement of life quality in the communities it served.

Saksoft's corporate citizenship is guided by key principles. The company conducts business in a sustainable manner, incorporating environmental and social considerations into its governance and

decision-making. Saksoft recognises the importance of extending social responsibility beyond its immediate area of influence, extending beyond financial contributions to make a lasting difference. It focuses on responsible engagement, empowering beneficiaries to take control of their lives.

The company's approach is defined by its CSR Policy, implemented under the guidance of a CSR Committee and senior management. The company undertakes CSR activities with NGOs based in Pune, Bengaluru and Chennai.

Our CSR partners

Tiara Haemophilia and Cancer Foundation (THCF)

It supports children with Haemophilia and Cancer from lower socio-economic backgrounds. Saksoft's financial assistance provides surgery for new-born children with congenital heart defects through a network of hospitals (Chennai, Hyderabad, Coimbatore, Madurai and Trichy).

Diya Ghar

It serves migrant workers by providing preschool education along with nutrition and medical care to their children by setting up pre-schools and daycare centres. It serves 800 children through 16 centres.

Sugan Thomas Foundation

It conducts a merit-based selection of students from 11th and 12th grade, as well second year college dropouts within Tamil Nadu and provides financial aid along with mentorship to the under-privileged students.

Lighthouse Communities Foundation

It is committed to help low-income youth get jobs. Its unique action model for skilling and livelihood brings together government, corporates, civil society organisations and citizens. Saksoft partners Lighthouse for its alumni outreach programme to help young job-seekers sustain jobs for over a year and help them find a second job in case they are not able to retain the first.

National Stem Education Foundation

It runs cyber security and internet governance programs through master training programmes in cyber safe schools and cyber safety and internet governance sensitisation workshops with government institutions such as corporation schools, district administration and the Central and State Education Department. The organisation aims to serve the economically underserved from lower and lower middle-income groups in a two-phase approach so that the schools can afford the programmes, starting with 20 schools in the first programme and 150 in the second.

Our sustainability development goals

Saksoft addressed the following SDGs through its CSR contribution



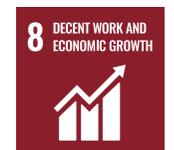
SDG 1: No Poverty



SDG 3: Good Health and Well-being



SDG 4: Quality Education



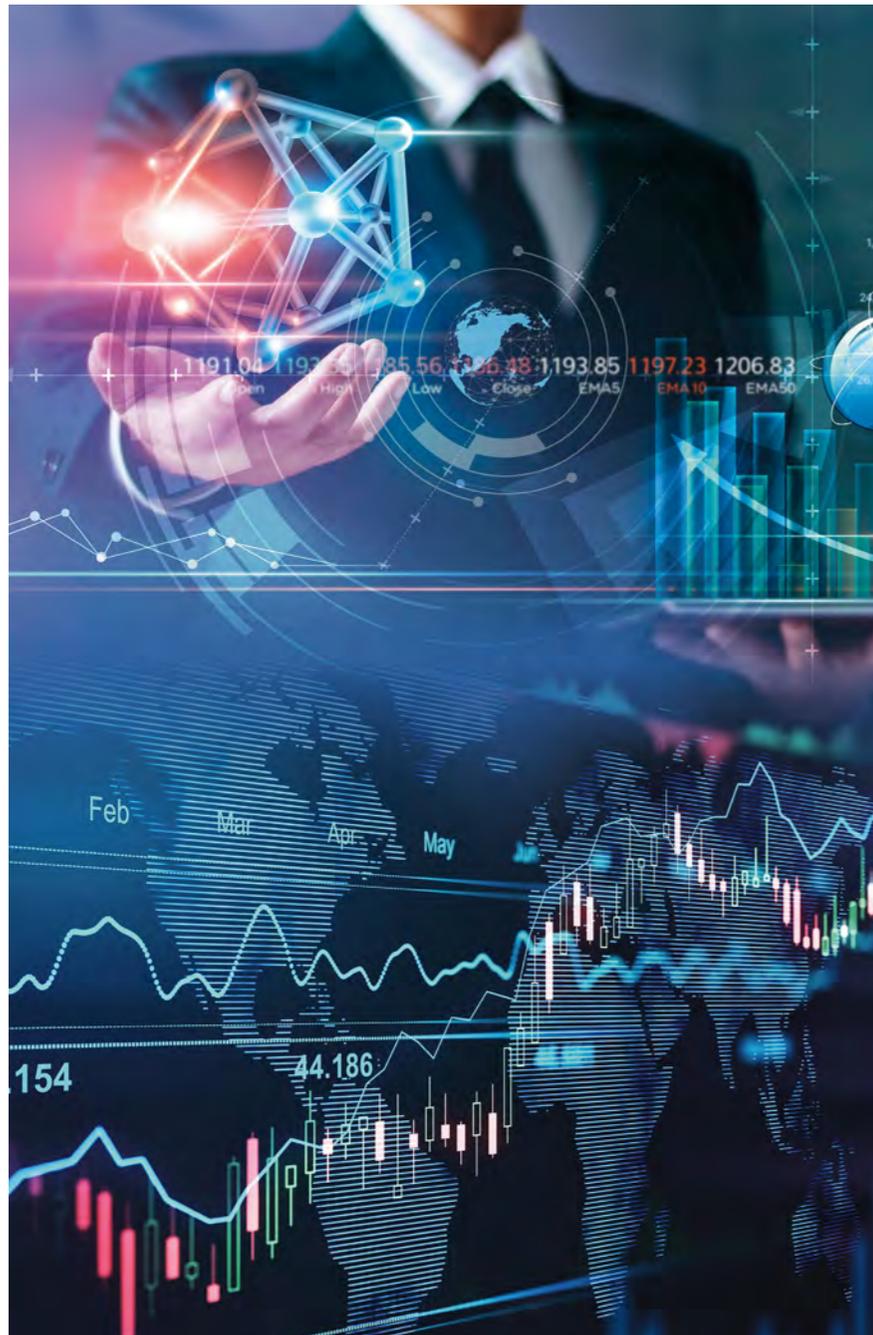
SDG 8: Decent Work and Economic Growth



SDG 10: Reduced Inequality

How Saksoft is committed to enhance stakeholder value in a sustainable way

Our report on how we have institutionalised our value-creation process



The scorecard

Employee value

297.91

Rs. Crore, salaries, 2022-23
(Rs.209.55 Crore, 2021-22)

Customer value

665.60

Rs. Crore, revenues, 2022-23
(Rs.480.43 Crore, 2021-22)

Vendor value

35.29

Rs. Crore. Payments (other than Employees and employee related expenses), 2022-23 (Rs.27.92 Crore, 2021-22)

Shareholder value

1,531

Rs. Crore market valuation, March 31, 2023 (Rs.933 Crore, March 31, 2022)

Community value

0.32

Rs. Crore, spending, 2022-23
(Rs.0.65 Crore, 2021-22) on CSR

Exchequer value

28.56

Rs. Crore, tax payment, 2022-23
(Rs.17.12 Crore, 2021-22)

Overview

There is a growing premium on the capacity to enhance value for all stakeholders. As a result, the capacity to enhance value has extended from conventional measures like an increase in revenue or profit to intangible measures that establish holistic value creation. Besides, the description of a stakeholder has evolved from one who owns shares in a company to one who is influenced by any aspect of the company's operations. The result is that stakeholder value creation has emerged as a holistic and comprehensive means of appraising the effectiveness of modern-day organisations.

The Integrated Value Creation Report draws on diverse realities (financial, management commentary, governance, remuneration and sustainability reporting) and explains how value is enhanced for diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers).

The extensive input and outcome explain why and how an enterprise is wired for holistic sustainability across market cycles. This makes the communication of this Integrated Value Creation Report imperative in an annual report.

Our sustainability framework

Brand

- Recall of a specialist
- Focused on digital transformation
- Brand reinforced by successful case studies

Commitment

- Graduate companies to the next level of competitiveness
- Provide a single-stop digitalisation solution
- Extend beyond the brief to consultative recommendations

Recruitment traction

- Deepen brand around 'String of pearls', enhancing recruitment traction
- Position the company as a complement (technology, sales, finance and management)
- Provide an invigorating workplace (work from home and global recruitment)

Customer footprint

- Consumers largely in US and UK (72% of revenues, 2022-23)
- Focus on enhanced presence in Asia-Pacific

Brand and customer capital

- Investment in the corporate brand
- Recall of a digitalisation transformation solutions provider
- Make customers opportunity-ready

Financial structure

- Build the war chest for prospective acquisitions
- Focus on enhancing Net Profit margin following revenue growth
- Achieve USD 100 Million revenue target by 2025

Environment integrity

- Digitalisation capability helping moderate the carbon footprint
- Focus on enhancing automation within customers
- Committed to enhance customer responsiveness

Community support

- Provide community support
- Focus on integrated development
- Engage in a sustainable way for extended impact

Our value-accretive strategy

Strategic focus

Innovate and excel

Robust people Practices

Responsible corporate citizenship

Cost leadership

Service provider of choice

Value-creation

Key enablers

- Saksoft focuses on process differentiation
- This approach (more from less) enhances process efficiency
- The company customises solutions around the customer's business

- Saksoft is an employer of 1,900-plus professionals
- The Company invested in training, reward, delegation, empowerment, responsibility and accountability.
- The company provides a career-enhancing engagement

- Saksoft is a responsible corporate citizen engaged in community development
- The Group invested Rs.0.32 Crore across CSR activities in 2022-23

- Saksoft invested in the offshore delivery model, a validated cost-effective approach
- The company has spread software development across cities
- The company has selected to specialise (digitalisation), reducing costs
- A superior price-value proposition enhances customer wallet share

- Saksoft's specialisation has deepened its distinctive recall
- The Company has invested in domain experts, technology bandwidth and complementary acquisitions
- The company appoints on-site professionals coupled with back-end offshore engineers – an effective solution
- The company's services have maximised customer uptime and business transformation

- Saksoft enhances value for all its stakeholders
- Its projects take the business of customers ahead
- It is an exciting workplace that enhances employee careers

Material issues / addressed

There is a need to sustain investments in cutting-edge technologies and a differentiated workplace culture

There is a need to deepen people practices, enhancing knowledge bandwidth, solutions quality and workplace productivity

There is a need to sustain community investment with transformative outcomes

There is a need to sustain an investment in processes, practices and business model that provides a platform for cost-effective business growth

There is a need to sustain a compelling customer value proposition, reflected in margin enhancing outcomes and multi-year customer engagement

There is a sustained priority in believing that the company is engaged in business to enhance value for all stakeholders

Capitals impacted

Financial, Intellectual

Intellectual, Human

Social and Relationship, natural

Financial, Intellectual, Natural, Social and Relationship

Intellectual, Social and Relationship

Intellectual, Social and Relationship

The resources through which we enhance value

Financial capital: The financial resources that we seek are based on the funds we mobilise from investors and promoters in the form of net worth and accruals; we have pared our debt and do not seek to grow through borrowings.

Manufactured capital: Our service-centric assets, technologies and equipment constitute our Manufactured capital.

Natural capital: We consume resources indirectly from nature, indicating our impact on the natural environment.

Intellectual capital: We possess proprietary knowledge that enhances our operational excellence and competitive advantage.

Human capital: Our management and employees form a part of our workforce, their experience and

competence enhancing organisational value.

Social and relationship capital: Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

Value created in 2022-23

Financial capital: Turnover of Rs.665.60 Crore 2022-23 (previous year Rs.480.43 Crore). Earnings per share of Rs.8.18 in 2022-23 (previous year Rs.6.33*). RoCE was 27% in 2022-23 (previous year 26%)

*Restated to reflect the stock split

Human capital: Number of employees increased to 1,967 in 2022-23 (previous year 1,554)

Intellectual capital: Cumulative senior management experience 260-plus

person-years in 2022-23 (250-plus person years in 2021-22)

Value shared with

Investors: The Company enriched investors through dividends and market capitalisation. The market capitalisation of the Company's equity shares listed on the exchanges was Rs.1,531 Crore as on March 31, 2023

Customers: The Company generated Rs.660.56 Crore in revenues from customers in 2022-23

Employees: The Company provided compensation worth Rs.297.91 Crore in 2022-23, coupled with stable and knowledge-enhancing employment

Government and regulations: The Company paid Rs.28.56 Crore to the exchequer in 2022-23; the employment catalysed the local community.

Profile of Board of Directors



Mr. Aditya Krishna
Chairman & Managing Director

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

From 1987 to 1990, Aditya was a member of the Business Analysis department of the Credit Card Business Citibank N.A, New York, USA. 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 founded the Nation Wide Finance Limited and was

the Managing Director of the Company from 1995 to 2001.

Mr. Aditya Krishna sold 74% of the Company to Citigroup, Inc in 2020. He managed the transition to Citigroup management team for about a year before selling the balance 26% to Citigroup in 2003.

The Company was renamed as Citifinancial Consumer Finance India Ltd and was the market leader in small ticket sub-prime lending. Citifinancial Consumer Finance India Ltd was a part of the global Citifinancial finance arm of Citigroup.

From 1991 to 2002, Mr. Aditya Krishna was a Director in Kennametal India Ltd (erstwhile Widia (India) Ltd) from 1991 to 2002 as a member of the promoter group.

From 2007 to 2013, he served as an Independent Director

on the Board of Ing Vysya Bank. Mr. Aditya Krishna, founded Saksoft Limited in 2000 and is currently serving as its Chairman and Managing Director. Saksoft Limited is a globally renowned for its advanced digital transformation solutions and helping businesses stay relevant in a highly connected, rapidly evolving world. Saksoft offers a wide range of services such as Strategic Consulting, Information Management, Application Development, Digital Testing, Robotic Process Automation (RPA), Cloud, Mobility and Internet of Things (IoT). Mr. Aditya Krishna is also a member of Corporate Social Responsibility (CSR) Committee of the Board.

The elements in our value chain

<p>Solutions provider: Saksoft focuses on transforming customer business through digital initiatives</p>	<p>Wide portfolio: Saksoft possesses a comprehensive range of frameworks/solutions focused on digital services, making it a preferred global vendor.</p>	<p>Efficient team: Saksoft is an employer of more than 2,000 talents possessing digital competencies that address business transformation capabilities.</p>
<p>Marquee clients: 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.</p>	<p>Global presence: Saksoft enjoys a strong presence in US, UK and APAC, each of these regions being proxies for attractive multi-year prospects.</p>	<p>Sustainable strategy: Saksoft focuses on growing acquisitions-led growth, extending customer relationships and enhancing business growth.</p>



Mr. VVR Babu
Independent Director

Mr. Babu has a 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 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 of his career in ITC, 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

Profile of Board of Directors Continued.

and further growth of the 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 the

Audit Committee and CSR Committee of the Board.



Mr. Ajit Thomas
Independent Director

Mr. Ajit Thomas, is the Chairman of the A.V.Thomas Group, which has interests in Consumer Products, Speciality Beverages, Natural Ingredients, Leather Products and Plantations.

Mr. Ajit Thomas is an Independent Director and the Chairman of Audit

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



Mr. Ganesh Chella
Independent Director

Mr. Ganesh Chella is the co-founder & Managing Director of CFI (Coaching Foundation India Pvt. Limited), (www.cfi.co.in) one of India's most preferred destinations for potential Coaches and clients for coach education and coaching-led leader development solutions. He pioneered the use of executive coaching for leader development in India.

Mr. Ganesh Chella is also the founder of totus consulting, a strategic Human Resource Consulting firm that has been

addressing the Organisation Development and HR needs of hundreds of clients since the year 2000. (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 large body of published

articles and blogs to his credit.

Mr. 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.

Profile of Board of Directors Continued.



Ms. Malini Thadani
Independent Director

With acumen gained in Sustainability, CSR and ESG, Ms Malini Thadani serves as Independent Director and Board Adviser to several companies and not-for-profits. She helps future-proof organisations by designing and operationalising the effective integration of ESG and Sustainability into their strategic vision. She is engaged with several high level stakeholder groups and has held positions on international and regional

Boards for industry bodies and not-for-profits.

An experienced civil servant of the Indian Revenue Service, with 14 years' experience in various Indian Government Ministries, and then over 22 years in a banking and financial services organisation, Ms. Malini is skilled in designing, developing and implementing complex, cross-border Sustainability projects, Communications and Investor Engagement.

She teaches Sustainability and the basics of ESG as visiting faculty at the Institute of Sustainable Development Management.

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



Ms. Kanika Krishna
Non-Executive Director

Ms. 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, Buffalo, New York and Philadelphia, Pennsylvania.

Ms. 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

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.

Ms. Kanika has an MBA in Financial Management from Pace University, New York, USA. Prior to this, she completed the Masters 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 Stakeholder Relationship Committee, Corporate Social Responsibility (CSR) Committee, and Risk Management Committee of the Board.

Report of the Board of Directors

Dear members

Your Directors take immense pleasure in presenting the Twenty Fourth (24th) Annual Report together with the Audited Accounts of the Company for the Financial Year ended March 31, 2023.

1. BUSINESS OPERATIONS AND STATE OF AFFAIRS

a. Business Operations – A Detailed overview

Financial Performance:

We are pleased to look back at yet another Year where we stayed true to our commitments. The revenue for Year stands at Rs. 6656.04 Mn, reflecting an increase of 38.54% compared to the previous Year. The Net Profit for the Year stands at Rs. 819.78 Mn, which shows a growth of 29.58% compared to last Year.

SAKSOFT JOURNEYING TO A JUBILANT QUARTER OF INDUSTRY PRESENCE:

Saksoft is marching into its “golden quarter” of a journey time in the industry with a steady growth in market cap and a notch up in the ranking of the listed entities group. This bodes well not only for the investors who have thrown in their hats and remained with the Company during its growing years, but the all-weather set of Clients who have placed their unwavering trust and association with Saksoft's capabilities, who have pushed and shaped the Company's stable delivery practices and partnered on the journey with us. The clients have entrusted their digital landscape transformation in the capable hands of Saksoft's expert team of thinkers and we ensure we come up with a solution plan that works to bring in the desired change in methodologies. This results in informed and improved decisions reflecting in better market preparedness for our Clients. The post-pandemic times seem to have reset the ecosystem and ushered in an era of challenges. Whilst on one hand we see technology ruling the minds and action of everything big and small, we are also witnessing the altered use of it to pose threats and impediments by dark actors in the

netherworld. Technology never stands still nor does the global economy and tech leaders and their teams are dealing with uncertainties in both areas in 2023. From trimming budgets to tackling ever changing and growing cyber-security threats, we are facing challenging times. Tech companies today are driving and living disruption. You are either the disruptor or the disrupted. Becoming a future ready organization is crucial for thriving in the age of digital disruption. At Saksoft we truly believe in adapting to changes and spotting opportunities in risks. This has led us to add service areas around Cloud Native Solutions, Modern data Architectures, Meta Data driven designs, API ingestion frameworks, IoT based solutions, Data Analytics, AI capabilities, Assurance Device labs, OTT & Codeless Web test automations, Cyber Security mapping & advisory and Integrated Networking Architecture to name a few. We have also expanded our delivery capabilities in Fin-Tech, Health-Tech and Reg-Tech verticals to deepen our services scope for clients and help us win new accounts.

2023 has been the year of tech lay-offs. With an uncertain economy and shrinking budgets companies are grappling with the aftershock for months and this has brought to the fore of making technology work more and address the gaps thrown by these global factors. Remote working is here to stay, but the crux lies in blending it with advanced tools and platforms to strengthen its robustness and enable productivity in the new realm. Achieving ease of operations and seamless employee interactions should be the center of the idea as this model continues to be a revenue generator. Companies are following hybrid models of working and the success lies in dissecting and nurture contributors to do more This would help build a culture of inclusiveness and walk along with the resources to chart growth stories using diverse delivery models. Saksoft has an employee friendly work culture that has led to it being certified as a 'Great Place to Work'. We don't believe in downsizing workforce, rather we would prefer to find ways to cross- skill and provide challenging opportunities to our resources.

We are staring down at a global slowdown and a possible recession hitting in the near future. It necessitates businesses to make wise financial investment decisions in the days to come with utmost prudence and get creative to add to the bottom-line. This would require Companies to look inwards and up their cross -sell quotient by staying client-obsessed and employee-focused. Customer experience should be the key driving each department's actions. It is also important to foster a strong culture while maintaining rapid growth by constantly clarifying the company's objectives and improving the communication between leadership and contributors.

With the perceived threats of economic downturn affecting businesses and individuals alike often featuring in leadership forums and analyst interactions, we are seeing a shift in the attitude and mindset of the market in general and the psychology of users. There is a lenience towards exercising caution and prioritizing budget spends. This has led businesses to balance innovations with a thrust on protecting the existing business models. It has re-shaped the methods of communicating value propositions to the users. We shall continue to keep Customers and their transformational needs as the focal points of our value chain by moderating our sales pitch as required to suit their budgetary plans without dropping the guard on technical quality.

This year also saw the new beast in the town -ChatGPT and other AI engines altering the tech-scape and changing the entire IT and tech ecosystems. It will be a challenge and opportunity for every IT organization to build and enhance their delivery points to provide conversation-led, structured responses. We are hearing noises in the market and cryptic opinions about AI as a threat to conventional operating models and humanity at large. If we look back down the technology lane, change seems to be the driver and as long as it is for the betterment of the larger society, such new advents have been lapped up by the global community. We shall be looking deep within into our AI capabilities and see how to strategically fit them in the solution build process.

The current challenging times have pushed companies to take a closer look at their vendors with budgets getting impacted and cyber security allocations gaining momentum. It has become imperative to assess vendors with overlapping capabilities and turn inwards to see if there is a possibility to leverage in-house talent to bridge the requirements.

Finally the road to the eons is not looking all bleak, there are newer and multiple ways of tapping technologies to upgrade the solutions and take the users into confidence towards adopting better methods of existing and doing business as a constant benchmark. We have to build an inclusive and diverse ecosystem that is futuristic, yet vigilant to present demands, but the soul of each endeavor should imbibe the interests and well-being of current and future generations. This would keep the industry alive and receptive to technology sways and pick the best ones for moving ahead. Saksoft shall constantly strive to grow its business and market presence with a mix of indigenous service innovations and strategic buy-outs from the market to connect with a large set of users. Our vision for growth is at the right pace and in the right direction which should help us break market barriers in terms of business and revenue size and put us in the league of long term trusted players

DATA-UNLOCKING GROWTH

This year has been great for the Data Analytics team especially in terms of increased foot print around Cloud solutions, Modern data Architectures, IOT bases data solutions, Data Engineering solutions, Business intelligence solutions, Data Science and AI capabilities. Our integrated team for Data engineering and Analytics has delivered technically evolved data projects across the world incorporating robust design, modern techniques and agile delivery framework.

Data Sources are no longer static. We have developed a meta data driven - Single Data Extract(SDE) framework to allow for rapid and dynamic ingestion of changing source feeds with minimal development effort and quick turnaround time. This cuts down the sprint with respect to development lifecycle and helps build aggressive project plans.

We have made progress on the AI/ML capabilities with our teams showcasing their extensive expertise across multiple machine learning methods like traditional machine learning, computer vision, natural language processing, product engineering and reinforcement learning. The team's proficient work on ML ecosystem and use of advanced ML algorithms combined with the right AI techniques have helped our customers across industries to enhance customer experience, drive innovation, take data driven decisions and formulate targeted marketing strategies.

CLOUD AND CYBER SECURITY PRACTICE-WARD OFF CYBER THREATS

We are seeing a lot of interest towards cloud enablement in the market. We have built capabilities and offerings around Cloud Solutions like Meta Data driven design and development, API ingestion framework. We help chart the on-prem to Cloud migration roadmap and devise Azure hub/Spoke configuration for BI & Data programmes which translates to an administratively light and economically sound model for our Clients. This has helped to position ourselves as the right solution partner for Cloud adoption. We have strategic partnerships with leading Cloud platform providers and are able to align the best option to our Clients.

The increased sophistication of Cyber Attacks is matter of concern for various industries in today's times. Attackers are using advanced mechanisms such as social engineering and ransomware to gain access to sensitive data. Companies have realized the need to implement advanced security technologies and invest in Cyber security infrastructure upgrades. This also involves educating the employees about cybersecurity periodically and designing a robust incident response plan. We have built a strong MDR team and practice around Cyber Security who are adept in Cyber security methodologies and strengthened the set up with workable solutions and tools like Cortex and Palo Alto. The best part is that we are operating it on a shared services model which enables Clients to enjoy the benefits of pay-per-use options without having to allocate funds for their own infrastructure set up.

CREDIT MANAGEMENT EXPERTISE -TO OUR CREDIT

Saksoft is a seasoned player in the Credit Management space. We have worked with leading Fintech and Credit Management companies and continue to service them with our strategic solutions in the areas of Application

development, Automation Testing ,Production Support, Cloud assessment and Cloud migration. These are aligned with SAFE Agile practices and principles. We have helped our clients restructure and integrate their systems through Cloud based initiatives covering identity & Access management, API gateways and platform migration. This optimises license spends, enhances overall data security and operate the environment on a lighter cost model. We also have capabilities to provide services around Live chat integration, CaaS Splunk integration for Micro Finance, platform based analytics for Debt Services and Dark web monitoring. We understand the regulatory implications and sensitivity of the Fintech line of business and this reflects in our overall solution build that stands testimony to the longevity of our Client relationships.

TESTING -AN ASSURANCE FROM OUR SIDE

Saksoft has an established Testing practice that combines advanced frameworks, reporting portals, Device labs, OTT Automation, Reusable regression packs and other evolving methodologies that can be blended into the solution bundles to strengthen the overall operating effectiveness and achieving a high level of customisation for our Clients. Our old workhorse UNITE is a pervasive framework that can co-exist with our Client's system architectures and solutions stack to watch over their productiveness and changing technology landscapes and ensure the core objectives and planned outcomes continue to be realised. Together with our other Testing frameworks STAQK and SAQAMA we offer an end-to-end solution lifecycle to help our clients plan their digital roadmap and continuous advancements to expand their business reach. Our Testing team assures quality of the highest levels in the industry bringing in their varied domain expertise into play and accelerate the development strategies to fructify by aligning the right set of methodologies to enhance the impact of client initiatives for business growth.

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, 2023 and March 31, 2022 are as follows:

	Consolidated Results (Rs. in mn)			Standalone Results (Rs. in mn)		
	Year ended March 31 2023	Year ended March 31 2022	Growth	Year ended March 31 2023	Year ended March 31 2022	Growth
Total Revenue	6656.04	4804.30		2093.93	1598.75	
Other Income	94.30	110.72		81.69	127.68	
Total Income	6750.34	4,915.02	37.34%	2175.62	1726.43	26.02%
Operating expenses	5574.51	4,014.04		1773.81	1318.05	
Operating Profits	1175.82	900.98	30.51%	401.81	408.38	(01.61)%
Depreciation	99.63	69.38		48.21	42.42	
Interest and Finance Charges	21.82	27.77		8.33	20.72	
Net Profit before Tax	1054.38	803.83		345.27	345.24	
Tax	234.61	171.21		66.79	73.01	
Net Profit after Tax	819.78	632.62	29.58%	278.49	272.23	2.30%

b. Results at a glance

(Amount in Rs. Million)

Particulars	Consolidated		Standalone	
	FY 22-23	FY 21-22	FY 22-23	FY 21-22
Total Income	6750.34	4,915.02	2175.62	1,726.43
Operating expenses	5574.51	4,014.04	1773.81	1,318.05
Net Profit after Tax	819.78	632.62	278.49	272.23
Basic EPS	8.18	6.34	2.64	2.59

c. Transfer to Reserves:

The Company has not made any transfer of amounts to General Reserve during the year.

d. Dividend

During the year under review, the Company recommended/declared dividend as under:

Particulars	FY 22-23	FY 21-22
	Dividend per share (Face Value per share Re. 1/-)*	Dividend per share (Face Value per share Rs. 10/-)
Interim Dividend	0.35	3
Final Dividend	0.35	3
Total	0.70	6

*During the second quarter of the Financial Year 2022-23, the equity shares of the Company were split such that each equity share having face value of INR 10/- (Rupees Ten only) fully paid-up, was subdivided into ten (10) equity shares having face value of INR 1/- (Rupee One only) each, fully paid-up with effect from the record date of September 26, 2022.

The Board of Directors had approved Interim Dividend on November 10, 2022 for FY 2022-23.

e. Share Capital

The paid up Equity Capital of the Company as on March 31, 2023 stood at Rs. 105,690,000/-.

f. Particulars of Loans, Guarantees or Investments

Loans, guarantees and 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 were no Deposits taken during the Financial year, hence the Company has not provided any details relating to this.

h. Particulars of contracts/arrangements made with Related Parties

None of the transactions with the related parties fall under the scope of section 188(1) of the Act. Accordingly the disclosure of related party transactions as required under section 134(3)(h) of the Act in form AOC-2 is not applicable to the company for FY 2022-23 and hence does not form part of this report.

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.

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	Particulars	FY 22-23	FY 21-22	Increase
US Subsidiary	Saksoft Inc & its subsidiaries	Revenue	30.09 Million USD	22.61 Million USD	33.08%
		Profit Before tax	1.49 Million USD	1.98 Million USD	-24.74%
Singapore Subsidiary	Saksoft Pte Ltd & its subsidiaries	Revenue	11.02 Million SGD	4.47 Million SGD	146.53%
		Profit before tax	0.91 Million SGD	0.08 Million SGD	1038%
UK Subsidiary	Saksoft Solutions Limited & its Subsidiaries	Revenue	17.06 Million GBP	14.33 Million GBP	19.05%
		Profit Before Tax	1.49 Million GBP	1.17 Million GBP	27.35%
Indian Subsidiaries	Three Sixty Logica Testing Services Private Limited & its Subsidiary	Revenue	718.58 Million INR	425.42 Million INR	68.91%
		Profit Before Tax	236.44 Million INR	156.30 Million INR	51.26%
	DreamOrbit Softech Private Limited& its Subsidiary	Revenue	1058.96 Million INR	718.42 Million INR	47.40%
		Profit Before Tax	231.01 Million INR	154.89 Million INR	49.14%

During the year under review, the Indian subsidiary 360 Logica Testing Services Private Limited acquired Terafast Networks Private Limited .

Terafast is an IT consulting service provider with nearly two decades of experience in Cloud engineering solutions. They provide a wide range of technology service offerings such as Cloud, Containerization, DevOps, Virtualisation Services to various industry verticals.

a. 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/financials/> .

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 organizational requirements.

HR continued its catalyst role and enabled the process of change over to focus on resource planning for mid and long term.

HR continued their support to protect the employees and employers interest by providing the Work from Home option to its employees. During the year the Company was certified as a Great Place to Work, validating its commitment towards employee growth and well-being. The Company has partnered with Ekincare to provide holistic physical and mental health assistance to employees at subsidized rates.

a. Particulars of Employees

During the financial year under review, the details of Employees who drew remuneration of Rs. 10.2 Million or more per annum or Rs. 0.85 Million or more per month 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 is provided in Annexure-2

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. The details of the Options granted up to March 31, 2023 and other disclosures as required under SEBI (Share Based Employee Benefits) Regulations, 2014 is available for view on the Company's website at <https://www.saksoft.com/investor/company-announcements/other/>

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

The Company always endeavors 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.

Disclosure in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review

Number of complaints received during the year: Nil

Number of complaints disposed off during the year: NA

Number of cases pending for more than 90 days: Nil

Number of Workshop or awareness Program: 2

Nature of Action taken by the employer or District Officer: Nil

5. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Directors' hereby confirm as follows:

- (a) In the preparation of the Annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for the year under review;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the Annual Accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022-23.

6. CORPORATE GOVERNANCE

a. Directors & Key Managerial Personnel

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.

Pursuant to the provisions of Section 149 of the Act, 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, 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, 2023 are: Mr. Aditya Krishna, Chairman and Managing Director, Mr. Niraj Kumar Ganeriwala, COO & CFO and Ms. 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 organization'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/investor/corporate-governance/>

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 10 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 5, 6 and Annexure 7 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, and any other applicable provisions 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 8. 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. Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Act, read with Rule 12 of the Companies (Management and

Administration) Rules, 2014, the Annual Return (MGT-7) of the Company as on March 31, 2023, will be available on the website of the Company at <https://www.saksoft.com/investor/company-announcements/annual-general-meetings/>. Accordingly this is not annexed herein.

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 31st March, 2023

There have been no material changes and commitments between 31st March 2023 and the date of this report having an adverse bearing on the financial position of the Company.

o. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The Company has not raised funds through preferential allotment or qualified institutions placement during the financial year 2022-2023.

p. Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India ("ICSI").

q. Insolvency Proceedings pending, if any under the Insolvency and Bankruptcy Code 2016

During the year no application has been made and there are no proceeding pending as per Insolvency and Bankruptcy Code 2016.

7. AUDIT REPORT AND AUDITORS

Statutory Auditors

At the Twenty Third Annual General Meeting (AGM) held on August 09, 2022 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 at the conclusion of AGM for the FY 2026-27.

Internal Auditors

M/s Finstein Advizory LLP are the Independent Internal Auditors of the Company. The Audit Committee

determines the scope of internal Audit in line with regulatory and business requirements.

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 for the FY 2023-24 of the Company.

Auditor's report and secretarial audit report

The Statutory Auditor's Report and the Secretarial Audit Report do not contain any material qualifications, reservations, adverse remarks or disclaimers.

Secretarial Audit Report of Saksoft Limited and its Indian Material subsidiaries is attached to this report as Annexure 4A and 4B respectively to this Report.

Reporting of frauds by auditors

During the year under review, neither the statutory auditors 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.

8. 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/>

9. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

Since the Company is one among the top 1000 Listed entities as per Market Capitalization, it is required to provide Business Responsibility and Sustainability Report as part of the Annual Report as required under Regulation

34(2)(f) of SEBI Listing Regulations which forms part of the Annual report in Annexure 9.

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

a. Conservation of Energy

We continue to strengthen our energy conservation efforts. We are always in lookout for energy efficient measures for operation, and value conservation of energy through usage of latest technologies for quality of services. 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. There are sensors installed in some of the office locations to save electricity.

b. Technology Absorption

Saksoft having been in existence for more than 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 (Rs. in Million)

Particulars	FY 22-23	FY 21-22
Foreign exchange earnings and Outgo		
Foreign Exchange earnings	1301.54	817.79
Expenditure in Foreign Currency	17.39	28.3

11.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 and their families for the excellent contributions extended at all levels in achieving growth and results.

For and on behalf of the Board

Place: Chennai
Date: May 25, 2023

Aditya Krishna
Chairman & Managing Director

ANNEXURE -I

ANNUAL REPORT ON CSR ACTIVITIES

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

CSR policy was approved by the Board of Directors on 26th September, 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 organizations focused on social welfare activities

Web Link: <https://www.saksoft.com/investor/corporate-governance/>

2. Composition of CSR Committee:

Sl. 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	3	3
2.	Mr. VVR Babu	Independent Director	3	3
3.	Ms. Kanika Krishna	Non - Executive Director	3	3

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 executive summary along with web link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. **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**

Sl. No.	Financial year	Amount available for set-off from preceeding 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. 263.63 Mn

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 5.27Mn

(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: Rs. 2.11 Mn

(d) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 3.16 Mn

8. (a) CSR amount spent for the financial year: Rs. 3.20 Mn

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.
3.20 Mn	-	-	-	-	-

(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	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1	Women on Wheels	(iii)	Yes	TN	TN	5 yrs	Rs. 10.75 Mn	Rs. 2.29 Mn	NIL	No	Azad Foundation	CSR000011157
2	National Stem Education Foundation	(ii)	Yes	TN	TN	3 yrs	Rs. 0.909 Mn	Rs. 0.909 Mn	NIL	No	National Stem Education Foundation	CSR00003690

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
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 implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
	TOTAL					Rs. _____			

(d) Amount spent in Administrative Overheads - Not applicable

(e) Amount spent on Impact Assessment, if applicable - Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Rs . 3.20 Mn

(g) Excess amount for set off, if any -

Sl. No.	Particular	Amount (in Mn.)
(i)	Two percent of average net profit of the company as per section 135(5)	5.27 Mn
(ii)	Total amount spent for the Financial Year	5.32 Mn
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.05 Mn
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.05Mn

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.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (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.)	Deficiency, if any
					Name of the Fund	Amount (in Rs.)	Date of transfer.		
1.	2021-22	Nil	Nil	Nil	-	-	-	Nil	Nil
2.	2020-21	1.7Mn	1.7Mn	1.7Mn	-	-	-	Nil	Nil
3.	2019-20	Nil	Nil	Nil	-	-	-	Nil	Nil
	TOTAL	1.7Mn	1.7Mn	1.7Mn					

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

(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.	CSR000011157	Women on Wheels	2019- 2020	5 years	Rs. 10.75 Mn	Rs. 2.29 Mn	Rs. 9.16 Mn	Ongoing
	TOTAL				Rs. 10.75 Mn	Rs. 2.29 Mn	Rs. 9.16 Mn	

b. 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 - NA (asset-wise details).

- i. Date of creation or acquisition of the capital asset(s).- NA
- ii. Amount of CSR spent for creation or acquisition of capital asset.- NA
- 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).

c. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - NA

Mr. Aditya Krishna
(CMD and Chairman CSR Committee)

Ms. Meera Venkatraman
(Company Secretary)

ANNEXURE-2

Particulars of Remuneration

The information required under Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial 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
Mr. Ajit Thomas	*
Mr. VVR Babu	*
Mr. Ganesh Chella	*
Ms Malini Thadani	*
Ms. Kanika Krishna	*
Executive Director	
Mr. Aditya Krishna	6.37

*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	-
Chairman & Managing Director	Nil
Mr. Niraj Kumar Ganeriwala, COO & CFO	17%
Ms Meera Venkatramanan, Company Secretary	8%

(*) The remuneration of the Non-Executive Directors comprises commission and sitting fees paid for attending the Board/Committee meetings.

The actual payment of sitting fee is based on the number of Meetings attended by the Director.

3. The percentage increase in the median remuneration of employees in the financial year: 5.6 %
4. The number of permanent employees on the rolls of Company: 1031
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 2022-23 was 10.02%. Percentage increase in the managerial remuneration (Senior Leadership Team) for the year was 16.86%

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.

7. Details of Employees drawing remuneration in excess of limits prescribed under Section 197(12) of Companies Act 2013;

Name: Niraj Kumar Ganeriwal; Designation– COO & CFO ; Remuneration Received – 13.57 Million (Does not include Stock Option); Nature of employment – Contractual or otherwise – Permanent ;Qualifications and Experience– CA – about 22 years of experience post qualification in the field of Finance; Date of commencement of employment – March 11, 2009; Age - 45 years ;Last employment– Finance Controller in a listed entity;% of equity shares held by employee in the Company – 1.01%; Relative of Director or Manager - No

Place: Chennai
Date: May 25, 2023

For and on behalf of the Board

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, 2015 as 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 26th September, 2014 and reviewed amended on 27th May, 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" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the 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 organization. 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, the 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:
 - The Services are rendered by such Director in his capacity as the professional; and
 - 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 organizational changes within the Company.

Annexure - 4 A

SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2023

(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 01 April, 2022 to 31 March, 2023 (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 authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management. The Company has during the audit period covering the financial year ended on March 31, 2023, 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, 2023 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules and the Regulations 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. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR");
 - b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI SAST");
 - 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 and Sweat Equity) Regulations, 2021;
 - f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to the extent of Listed Entity engaging the RTA;
 - g. Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009
 - h. Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
- (vii) The following material 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 31 March 2023 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 and generally the company has been filing the forms within the due dates except in few cases. The Company had re-appointed its Auditors' in the Annual General meeting held on 09 August 2022, however the disclosure prescribed under Regulation 36(5) of SEBI LODR was not provided in the explanatory statement annexed to the notice calling the said meeting.

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. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. Securities Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;
- c. Securities Exchange Board of India (Delisting of Equity Shares) Regulation, 2009;
- d. Securities Exchange Board of India (Buyback of Securities) Regulation, 2018;
- e. Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 and circulars/ guidelines issued thereunder;

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, Independent Directors during the Financial Year 2022-23.
- 2.2 There were no changes in the composition of the Board of Directors except for re-appointment of Non-executive director which was approved by the shareholders of the

Company, in compliance with the provisions of the Act during the period under review.

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 and views of the Board 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) The Company vide Circular resolution dated October 25th, 2022 allotted 50,000 equity shares to the eligible employee under the ESOP plan adopted by the company in terms of the ESOP Scheme 2009 to Mr. Dhiraj Mangla at a grant price of Rs. 9.30/-.
- b) The Company vide Circular resolution dated September 08th, 2022 allotted 25,000 equity shares to the eligible employee under the ESOP plan adopted by the company in terms of ESOP Scheme, 2009 to Mr. Niraj Kumar Ganeriwala at a grant price of Rs. 151.70

- c) Ms. Kanika Krishna (DIN 06954593), Director who was liable to retire by rotation in the Annual General Meeting for the FY 2021-22 held on August 09, 2022 was re-appointed in accordance with the approval of the shareholders.
- d) The promoter group company M/s Sonnet Trade & Investments Private Limited requested for reclassification from 'Promoter Group' category to 'Public' Shareholders Category and the approval for same was granted by NSE dated 1st March, 2023.
- e) Board of Directors approved the Split of Face Value of Shares from Rs. 10/- to Rs.1/- and the same was approved by the Shareholders in the Annual General Meeting held on 09th August, 2022. After obtaining the required approvals, the Articles of Association were duly amended.
- f) The Board was informed that one of the subsidiary company Threesixty Logica Testing Services Private Limited had acquired Terafast Networks Private Limited.
- g) The Company has re-appointed R.G.N. Price & Co, Chartered Accountants (Firm Registration No: 004785S) as the Statutory Auditor of the Company for a period of 5 years.

For **Lakshmmi Subramanian & Associates**

Swetha Subramanian

ACS: 10815

CP No: 12512

Place: Chennai

Date:25-05-2023

Peer Review No. 1670/2022

UDIN: F010815E000372957

Annexure

**(To the Secretarial Audit Report of M/s. SAKSOFT LIMITED
for the financial year ended 31.03.2023)**

To
The Members
SAKSOFT LIMITED

Our Secretarial Audit Report for the financial year ended 31 March 2023 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 basis 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.
7. We have also issued an Annual Secretarial Compliance Report under Regulation 24A of SEBI LODR which will be available on the website of the Stock Exchanges in which the company is listed.

For **Lakshmmi Subramanian & Associates**

Swetha Subramanian

ACS: 10815

CP No: 12512

Place: Chennai

Date:25-05-2023

Peer Review No. 1670/2022

UDIN: F010815E000372957

Annexure 4B

Form No. MR-3

SECRETARIAL AUDIT REPORT OF THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Regulation 24(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- The Company being a material unlisted subsidiary of M/s. Saksoft Limited]

To,
The Members,
M/s. Threesixty Logica Testing Services Private Limited.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED** (hereinafter called "the Company") bearing Corporate Identification Number **U72900TN2009PTC120672**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. Threesixty Logica Testing Services Private Limited's 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 authorized 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 March 31, 2023, ("Review period") 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 have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit

This Report is to be read with my testimony of even date which is annexed as **Annexure A** and forms an integral part of this report.

as the same falls under the review of statutory auditor and by other designated professionals.

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors.
- Adequate notice is 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.
- All decisions of the Board and Committees were unanimous and the same was captured and recorded as part of the minutes and hence no dissent is recorded in minutes.

further report that during the audit period (01.04.2022-31.03.2023), the following major transaction was identified:-

The Company along with its nominees have entered into a Share Purchase Agreement with the promoter group of M/s. Terafast Networks Private Limited and acquired 50,000 Equity shares of the Company, constituting 100 percent of the share capital of Terafast.

Composition of Board of Directors and Corporate Social Responsibility (CSR) Committee during the Financial Year is given in "**Annexure B**".

Sneha Mohan Kumar
Practicing Company Secretary
Membership Number: A62741

Certificate of Practice Number: 25698

Place: Chennai. (Peer review certificate No. 3172/2023)

Date: 24-05-2023 UDIN:A062741E000360324

Annexure A

To,
The Members,
M/s. Threesixty Logica Testing Services Private Limited.

My report of even date is to be read along with this letter.

- Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- I have followed the audit practices and process 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. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sneha Mohan Kumar
Practicing Company Secretary
Membership Number: A62741
Certificate of Practice Number: 25698

Place: Chennai.
Date: 24-05-2023

Annexure B

Composition of Board of Directors and Key Managerial Personnel as on 31.03.2023

S. No.	Name of the Director(s)	Designation	Original Date of Appointment	Date of Appointment at Current Designation	Date of Cessation
1.	Mr. Aditya Krishna	Director	31/12/2014	13/01/2015	-
2.	Mr. Nirajkumar Ganeriwala	Director	31/12/2014	13/01/2015	-
3.	Mr. Dhiraj Kumar Mangla	Director	31/12/2014	13/01/2015	-

Composition of Corporate Social Responsibility Committee as on 31.03.2023

S. No.	Name	Position held in the Committee
1.	Mr. Aditya Krishna	Chairman
2.	Mr. Nirajkumar Ganeriwala	Member
3.	Mr. Dhiraj Kumar Mangla	Member

B.CHANDRA & ASSOCIATES

PRACTISING COMPANY SECRETARIES

AG 3 RAGAMALIKA,
No.26, Kumaran Colony Main Road, Vadapalani,
Chennai - 600026

E-mail: bchandraandassociates@gmail.com
bchandracosecy@gmail.com
H/P:9840276313,9840375053

The Members,

Dreamorbit Softech Private Limited

AMR Tech Park II No 23 & 24, First Floor, Hongasandra,
Hosur Main Road Bangalore 560068

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- I have followed the audit practices and processes as were appropriate. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis regarding compliance with the applicable laws to the Company.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
- I further add due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Signature:

Place Chennai
Date: 24.05.2023

Name of partner signing: **BALASUBRAMANIAN CHANDRA**
ACS No.: 20879 C P No.: 7859

B.CHANDRA & ASSOCIATES

PRACTISING COMPANY SECRETARIES

AG 3 RAGAMALIKA,
No.26, Kumaran Colony Main Road, Vadapalani,
Chennai - 600026

E-mail: bchandraandassociates@gmail.com
bchandracosecy@gmail.com
H/P:9840276313,9840375053

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

To

The Members,

Dreamorbit Softech Private Limited

AMR Tech Park II No 23 & 24, First Floor, Hongasandra, Hosur
Main Road Bangalore 560068

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DREAMORBIT SOFTECH PRIVATE LIMITED bearing CIN U72100KA2010PTC052990 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 authorized 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 31.03.2023, 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 have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023, according to the provisions of:

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

- The Company being an unlisted Public Company, the provisions of Securities Exchange Board of India are not applicable to the said Company.

- In addition to the compliance with the generally applicable laws such as labour laws, revenue laws and others Laws as are applicable to a company, based on the study of the systems and processes in place and a review of the report of the representation provided by the Group Company Secretary of the Company, I report that the Company has systems and process in place for complying with the provisions of the following statutes and the rules made there under to the extent it is applicable to them:

- The Information Technology Act, 2000
- Software Technology Parks of India Scheme
- The Indian Copyright Act, 1957
- The Trademarks Act, 1999
- The Patents Act, 1970

I have also examined compliance with the applicable clauses of the following:

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

During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above, except that an omission to add the financials of the subsidiary incorporated outside India as required under Section 137 of the Act and placing the Register of Contracts as all the

B.CHANDRA & ASSOCIATES PRACTISING COMPANY SECRETARIES

AG 3 RAGAMALIKA,
No.26, Kumaran Colony Main Road, Vadapalani,
Chennai - 600026

E-mail: bchandraandassociates@gmail.com
bchandracosecy@gmail.com
H/P:9840276313,9840375053

transactions were in the ordinary course and at arm's length basis.

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Non Executive Directors and Independent Directors. One of the independent Director of the Listed Holding Company was appointed as a director but filed with the Registrar of Companies as an Independent Director.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, based on documents provided by the company 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.

- Based on the minutes made available to us, we report that the Majority decision was carried through and that there were no dissenting votes from any Board member which was required to be captured and recorded as part of the minutes.

I further report that the company is in the process of setting up adequate systems and processes in the company commensurate with the size and operations of the company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

Signature:

Name of partner signing: BALASUBRAMANIAN CHANDRA
ACS No.: 20879 C P No.: 7859 UDIN:A038746E000357735
Peer Review No 1711/2022

Place Chennai
Date: 24.05.2023

Annexure 5

REPORT ON CORPORATE GOVERNANCE

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

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Company has adopted a philosophy of Corporate Governance that emphasizes culture, transparency, accountability, and ethical behavior. Integrity and transparency are key to our Corporate Governance practices to ensure that we gain and retain the trust of our stakeholders at all times. We prioritize innovation and agility in our Corporate Governance approach, recognizing the need to adapt quickly to changes in the competitive landscape and emerging technologies.

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 Entreprising (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 Organization thereby ensuring delivery of fair output.

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, 2023, 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's include a Women Independent Director as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) 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 Members 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:

- Holds Directorships in more than ten public Companies;
- Serves as Director or as Independent directors in more than seven listed entities; and
- Who are the Executive Directors serve as Independent directors in more than three listed entities.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the

Management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

All the Directors have made necessary disclosures regarding their positions in Committees held by them in other Public companies as on March 31, 2023.

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 Operating Officer & 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, 2023.

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	Designation Category	
	Board Meetings	Last AGM
Aditya Krishna	4/4	YES
Ajit Thomas	4/4	YES
VVR Babu	4/4	YES
Ganesh Chella	3/4	NO
Malini Thadani	4/4	YES
Kanika Krishna	4/4	YES

(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	Neelamalai Agro Industries Limited (Chairman) AVT Natural Products Limited (Chairman)
VVR Babu	Nil	Nil	Nil	Nil	Nil
Ganesh Chella	Nil	Nil	Nil	Nil	Nil
Malini Thadani	Nil	2	Nil	1	AU Small Finance Bank Limited (Independent Non- Executive)
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 mobilization 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 2022-23, the Board met 4 times on May 26, 2022, August 9, 2022, November 10, 2022 and February 02, 2023.

(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

Ms. Kanika Krishna, Non-Executive Director of the Company holds 1000 shares as on March 31, 2023.

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:

	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)

(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 02, 2023. 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 10 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 10 of this Report.

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

Regulations, 2015 and Section 177 of the Companies Act, 2013 and its relevant rules notified thereunder.

(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 Financial Year 2022-23, the Audit Committee met four times on May 26, 2022, August 9, 2022, November 10, 2022 and February 02, 2023.

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	3/4
Malini Thadani	Member	4/4

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 9, 2022.

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 Regulation 19 read with Part D of the Schedule II of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and its relevant rules notified thereunder.

(b) Composition of Nomination and Remuneration 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.

During the year under review, the Committee met on May 26, 2022.

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

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	1/1
Ajit Thomas	Member	1/1
Ganesh Chella	Member	1/1
Malini Thadani	Member	1/1

The Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting held on August 9, 2022.

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.

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.

Apart from the Sitting fees and Commission as mentioned in point (d) below, there was no pecuniary relationship or transactions with the Non-Executive Directors during the Financial Year 2022-2023.

(d) Disclosures with respect to remuneration:

Executive Director:

(Rs. in Mn)			
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 23rd Annual General Meeting of the Company towards payment of commission upto 1% of the Net Profits of the Company. 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, 2023 to the Directors are as follows:

(Rs. in Mn)					
Sr. No	Name of the Director	Sitting Fees (Board Meetings)	Sitting Fees (Committee Meetings)	Managerial Commission	Total
1.	Ajit Thomas	0.20	0.06	0.25	0.51
2.	VVR Babu	0.20	0.10	0.25	0.55
3.	Ganesh Chella	0.15	0.08	0.25	0.48
4.	Malini Thadani	0.20	0.08	0.25	0.53
5.	Kanika Krishna	0.20	0.06	0.25	0.51

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 receive 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 24th Annual General Meeting of the Company which forms part of this Annual Report.

(iii) CSR COMMITTEE

(a) Terms of Reference

The Committee is constituted in line with the provisions of Section 135 of the Companies Act 2013.

The terms of reference of the committee, inter alia, includes:

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- Monitor the CSR Policy.

(b) Composition of CSR Committee:

Mr. Aditya Krishna, Chairman & Managing Director
Mr. VVR Babu, Independent Director
Ms. Kanika Krishna, Non-Executive Director

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

CSR Committee met three times on May 26, 2022, November 10, 2022 and February 02, 2023.

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 2022 – 23 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	3/3
Kanika Krishna	Member	3/3
VVR Babu	Member	3/3

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

(iv) STAKEHOLDER'S RELATIONSHIP COMMITTEE

(a) Terms of Reference

Stakeholder's Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

The terms of reference, inter alia, includes:

- Consider and resolve the grievances of Security holders.
- Consider and approve issue of share certificates, transfer and transmission of securities, etc.
- Review activities with regard to the Health Safety and Sustainability initiatives of the Company.

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.

(b) Composition of Committee

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

The Company Secretary acts as the Secretary to the Committee.

(c) Details of Meetings and attendance during the year

During the year, the Committee met once on May 26, 2022. The Members of the Stakeholders Relationship Committee and attendance record are as follows:

Name of the Member	Designation	No. of Meetings attended
VVR Babu	Chairman	1/1
Kanika Krishna	Member	1/1
Ganesh Chella	Member	1/1

(d) Other Details

Name, designation and address of Compliance Officer:

Ms. Meera Venkatramanan, Company Secretary
Global Infocity Park, 40 MGR Salai, Kandanchavadi, Perungudi, Chennai. Telephone: 044 2454 3500

Number of shareholders' complaints received

There were no investor complaints received through SCORES portal, or any other means for the year ended March 31, 2023.

V) RISK MANAGEMENT COMMITTEE

(a) Terms of Reference:

The terms of reference stipulated by the Board to the Risk Management Committee cover the matters specified under Regulation 21 read with Part D-Schedule II of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

(b) Composition of Risk Management Committee:

The Risk Management Committee of the Company consists of two Independent Directors, Managing Director, Non-Independent Non-Executive Director and two senior management personnel as Members of the Committee. The Composition of the Committee and the qualification prescribed for the Members are in compliance with the requirements of Regulation 21 of SEBI LODR Regulations.

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

During the year 2022 - 2023, the Risk Management Committee met twice – September 6, 2022 and February 21, 2023.

The attendance details are as follows:

Name of the Member	Designation	No. of Meetings Attended
Ms Malini Thadani	Chair Person	2/2
Mr Ganesh Chella	Member	2/2
Mr Aditya Krishna	Member	2/2
Ms Kanika Krishna	Member	2/2
Mr Niraj Ganeriwal	Member	2/2
Ms Avantika Krishna	Member	2/2

The Company Secretary acts as the Secretary to the Committee.

All the recommendations of Risk Management Committee were accepted by the Board of Directors.

4. GENERAL BODY MEETINGS

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

Year	Location	Date	Time
2019-20	Annual General Meeting through Video Conferencing or other Audio Visual Means (Virtual AGM) pursuant to the MCA Circular	10.08.2020	10.30 AM
2020-21	Annual General Meeting through Video Conferencing or other Audio Visual Means (Virtual AGM) pursuant to the MCA Circular	10.08.2021	10.30 AM
2021-22	Annual General Meeting through Video Conferencing or other Audio Visual Means (Virtual AGM) pursuant to the MCA Circular	09.08.2022	10.30 AM

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

Financial Year	General Meeting	No. of Special Resolutions
2019 – 20	21st Annual General Meeting	1
2020 – 21	22nd Annual General Meeting	1
2021 – 22	23rd Annual General Meeting	0

(c) Special Resolutions passed through Postal Ballot during the Financial Year 2022 - 2023: 1

(d) Person who conducted the postal ballot exercise: V Suresh, Practicing Company Secretary

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

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated August 12, 2022 to approve the alteration of Article 3 of the Articles of Association of the Company in the term of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which was duly passed and the results of which were announced on September 13, 2022. V Suresh, Practicing Company Secretaries (CP No. 6032), was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Item No. in the Notice	Total Valid Votes	Votes in favour of the resolution			Votes against the resolution			Abstained Votes
		No. of Share Holders (Folios)	No. of Shares	% of total number of valid votes cast	No. of Share Holders (Folios)	No. of Shares	% of total number of valid votes cast	
ITEM NO. 1: Special Resolution. Alteration of article 3 of the Articles of Association of the Company	74,60,458	152	74,60,367	99.99	21	91	0.01	-
Total E-Voting	74,60,458	74,60,367	99.99	21	91	0.01	-	-

Procedure for postal ballot:

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020,17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 3/2022, 11/2022 dated April 8, 2020, April 13, 2020, June 15,2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022, December 28, 2022 respectively issued by the Ministry of Corporate Affairs.

5. 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 and Annual 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 and annual 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.

6. GENERAL SHAREHOLDER INFORMATION

Particulars	Details
(a) Annual General Meeting	Date: August 14, 2023 Time: 10.30 A.M Venue : Annual General Meeting through other Audio Visual Means
(b) Financial Year Periodical results	The Financial Year of the Company is 1st April to 31st March Tentative details of the financial calendar for the year are as under Second week of August 2023 Second week on November 2023 First week of February 2023 Last week of May 2024 As mentioned in the Notice of this AGM
Results for I Quarter ending 30th June 2023	
Results for II Quarter ending 30th September 2023	
Results for III Quarter ending 31st December 2023	
Results for the IV Quarter and year ending 31st March 2024	
Book Closure Date	

(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:

Annual Standalone and Consolidated Financial results along with Limited Review Report 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) Official news releases:

The official news releases are displayed on the website of the Company. Web-link is given under Point 10 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 10 of this Report.

Particulars	Details
Payment of Dividend	An Interim Dividend of Rs. 0.35/- was declared on November 10, 2022. The final dividend, if approved, shall be paid within 30 days from the date of declaration
(c) Name and address of the each Stock Exchange(s) at which the listed entity's 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 DEMAT ISIN Number in NSDL and CDSL for Equity Shares.	NSE Stock code : SAKSOFT EQ BSE (under permitted trading category) - Stock code : 590051 ISIN : INE667G01023

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

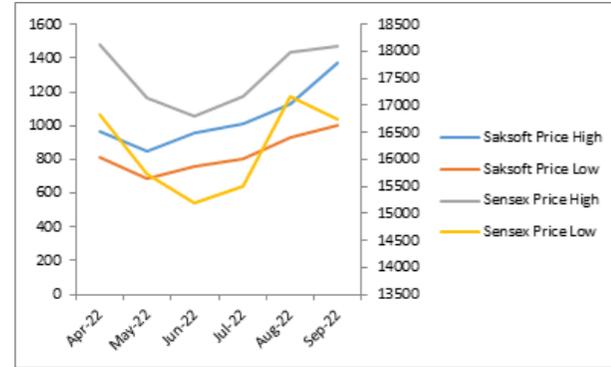
Name	National Stock Exchange		NIFTY		Bombay Stock Exchange		SENSEX	
	Saksoft Price High (Rs. Per share)	Saksoft Price Low (Rs. Per share)	Nifty Price High	Nifty Price Low	Saksoft Price High (Rs. Per share)	Saksoft Price Low (Rs. Per share)	Sensex Price High	Sensex Price Low
Apr-22	962.8	808.1	18114.65	16824.7	979	800	58530.73	60845.1
May-22	850	686.95	17132.85	15735.75	850	682.45	56429.45	57184.21
Jun-22	959	753.75	16793.85	15183.4	959.45	755.05	55588.27	56432.65
Jul-22	1010	800.45	17172.8	15511.05	1010	786	52863.34	57619.27
Aug-22	1132.4	932.4	17992.2	17154.8	1132.75	934.2	57823.1	60411.2
01-Sep 22 to 22-Sep 22	1374.35	1000.55	18096.15	16747.7	1376.55	991	58710.53	60676.12
23 Sep 22 to 30 Sep 22	130.90	96.85	18096.15	16747.7	131	97.45	58710.53	60676.12
Oct-22	107.95	94.05	18022.8	16855.55	107.9	92.55	57403.92	60786.7
Nov-22	118.5	96.2	18816.05	17959.2	118.65	97	61065.58	63303.01
Dec-22	132.65	104.5	18887.6	17774.25	133	103.25	63357.99	63583.07
Jan-23	155.5	121	18251.95	17405.55	155.5	120.8	60871.24	61343.96
Feb-23	157.4	135.65	18134.75	17255.2	157.2	136	60001.17	61682.25
Mar-23	153.75	139.45	17799.95	16828.35	153.7	138.65	59136.48	60498.48

* The Company has split the shares of the Company from FV Rs. 10 to Re. 1 w.e.f September 2022- hence the variation in price

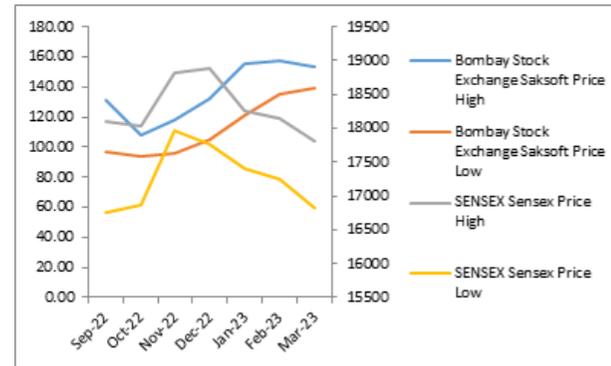
(f) Performance in comparison to broad-based indices such as NIFTY IT and BSE Sensex;

Saksoft Share Price Vs NSE Nifty movement

Saksoft's High and Low of the period 1st Apr22 to 22nd Sep22

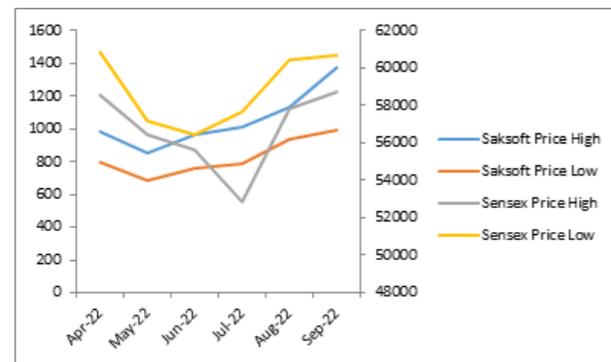


Saksoft's High and Low of the period 23rd Sep 22 to 31st Mar 23

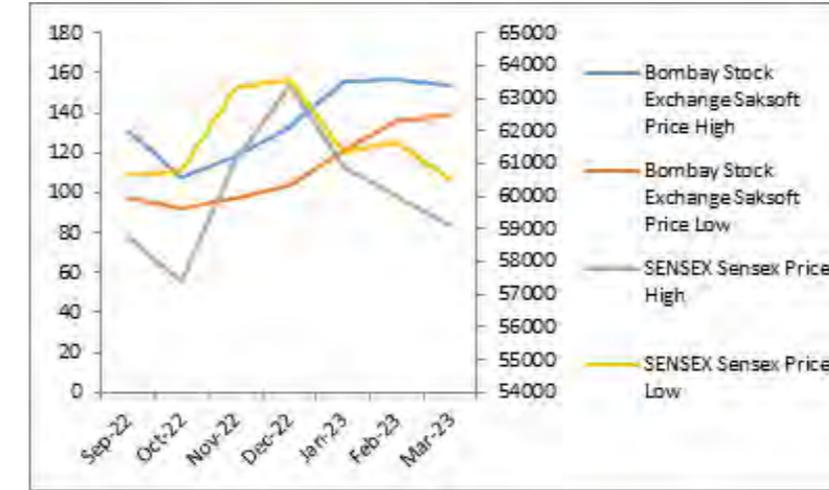


Saksoft Share Price Vs BSE Sensex movement

Saksoft's High and Low of the period 1st Apr22 to 22nd Sep22



Saksoft's High and Low of the period 23rd Sep 22 to 31st Mar 23



(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, 2023:

	Shareholders		Shares Amount	
	Number	%	Rs.	%
Upto 10 – 5000	51154	98.92	12029370	11.38
5001 – 10000	318	0.61	2360198	2.23
10001 – 20000	126	0.24	1817083	1.72
20001 – 30000	40	0.08	993210	0.94
30001 – 40000	19	0.04	690675	0.65
40001 – 50000	9	0.02	415843	0.39
50001 – 100000	18	0.03	1370454	1.30
100001 and above	29	0.06	86013167	81.38
Total	51713	100	105690000	100

(k) Dematerialization of Shares and Liquidity

As at March 31, 2023, 99.93% 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 2022 – March 2023	Amount of contracts cancelled with all Ads from April 2022 – March 2023	Amount utilized (by delivery of documents) from April 2022 – March 2023	Amount of contracts o/s with all Ads as on 31st March 2023	Available limits under past performance as on 31st March 2023
Export	544.68	Nil	287.67	257.01	542.99
Import	Nil	Nil	Nil	Nil	Nil

(n) Loans and advances

The Company has not given any loans and advances to firms / Companies in which Directors are interested.

(o) Plant Locations

In view of the nature of the Company's business viz. Information Technology (IT) Services and IT Enabled Services, the Company operates from various offices in India and abroad. The Company does not have any Manufacturing plants.

(p) 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

(r) Credit Ratings

During the Financial Year 2022 - 2023, the rating agency CARE had upgraded the rating from CARE A-Outlook to CARE A Stable, for its long term banking facilities to a tune of Rs. 12.00 crores and upgraded the rating from CARE A2 + to CARE A1, for its short term banking facilities to a tune of Rs. 3.00 crores.

7. 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 2022-2023 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 financial years:

There are no material 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 financial years on the Company.

(iii) Whistle Blower Policy and Vigil Mechanism

The Company has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee.

The said Policy has been uploaded on the website of the Company. Web link of the whistle blower policy is given under Point 10 of this report.

(iv) Discretionary requirements

The Company has disclosed and complied with all the mandatory requirements under Schedule II Part E of the SEBI Listing Regulations. The details of these compliances have been given in the relevant sections of this report.

(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 regularly.

(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 10 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 utilization 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) Recommendation of Committees

The Board has accepted recommendation of all Committees of the Board during the Financial Year which were mandatorily required.

(xi) Details of total fees paid to statutory auditors

Total fees of Rs. 1.95 Million was paid by the Company and its subsidiaries, on a consolidated basis to the statutory auditor of Saksoft Ltd and all entities in the network firm/network entity of which the statutory auditor is a part.

(xii) 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

(xiii) Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries are as under

Entity Name	Date of Incorporation	Place of incorporation	Statutory Auditors	Date of Appointment of Statutory Auditor
Dreamorbit Softech Private Limited	March 25, 2010	Bangalore	Suri & Co.	August 04, 2017
ThreeSixty Logica Private Limited	October 12, 2009	Delhi	Suri & Co.	August 09, 2018
Saksoft Solutions Limited	September 14, 2006	England	Butler & Co.	December 08, 2011
Acuma Solutions Limited	November 24, 2000	Whales	Butler & Co.	December 08, 2011
Saksoft Inc	September 22, 2000	Colorado	Balachandar Jayaraman CPA LLC	(Refer Note)

Note:

There is no requirement of Statutory audit to be carried out on the Financial Statements of Saksoft Inc. However, for the purposes of inclusion of the financial information of the entity into the consolidated financial statements of the Saksoft group for the year ended March 31, 2023, Balachandar Jayaraman CPA LLC have carried out audit procedures that they deem necessary for the purpose.

The Minutes of the meetings of the Board of Directors of the unlisted Indian subsidiaries were placed at the Meeting of the Board of Directors of the Company.

During the Financial Year 2022-2023 the Indian subsidiary Threesixty Logica Testing Services Private Limited had acquired a company Terafast Networks Private Limited

8. 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) Secretarial Audit Report

The Company has undertaken Secretarial Audit for the Financial Year 2022 - 2023 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.

(ii) Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2022-2023 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 2022-23.

9. 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/investor-contact-details/>

10.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; 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 familiarization 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;	https://www.saksoft.com/investor/corporate-governance/

Particulars	Weblink
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; Risk Management Policy Dividend Distribution Policy and other policies in line with SEBI(Listing Obligations and Disclosure Requirements) Regulations.	

The Company ensures that the contents of the website are correct and the Company 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.

The Managing Director hereby confirms that the Company has in respect of the year ended March 31, 2023, 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 25, 2023

Aditya Krishna
Chairman and Managing Director

Annexure 6

Auditor's Certificate on Corporate Governance

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 31st March 2023, 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.

We conducted our examination in accordance with the Guidance Note on certification of Corporate Governance issued 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 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
Firm Registration No.002785S

Mahesh Krishnan
Partner
M.No.206520
UDIN:23206520BGXGDJ1

Place : Chennai
Date : 25th May 2023

Annexure 7

Management discussion and analysis

Global economy

Overview: The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

Global FDI inflows – equity, reinvested earnings and other capital – declined 24% to nearly US\$1.28 trillion in 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023). (Source: OECD, WTO data)

The S&P GSCI TR(Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

Performance of major economies

United States: Reported GDP growth of 2.1% compared to 5.9% in 2021

China: GDP growth was 3% in 2022 compared to 8.1% in 2021

United Kingdom: GDP grew by 4.1% in 2022 compared to 7.6% in 2021

Japan: GDP grew 1.7% in 2022 compared to 1.6% in 2021

Germany: GDP grew 1.8% compared to 2.6% in 2021

[Source: PWC report, EY report, IMF data, OECD data]

Outlook: The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession and significant developments, including China's progressive departure from its strict zero-covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth (Source: IMF).

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economic growth was 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth(%)	13.1	6.2	4.5	6.1

According to the India Meteorological Department, the financial year 2023 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 Million metric tons (MMT) in FY2022-23 from 107 MMT in the preceding year. Rice production at 132 Million metric tons (MMT) was almost at par with the previous year. Pulses acreage grew to 31 Million hectares from 28 Million hectares. Due to a renewed

focus, the oilseed area increased by 7.31% from 102.36 lakh hectares in FY2021-22 to 109.84 lakh hectares in FY2022-23.

India's auto industry grew 21% in FY23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 Million units, crossing the previous high of 3.2 Million units in FY19. The commercial vehicles segment grew by 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

The total gross non-performing assets (NPAs) of the banking system fell to 3.9% from 6.5% a year ago. A further drop of 3.6% is expected in FY2023-24. (Source: RBI data)

As India's domestic demand remained steady amidst a global slowdown, import growth in FY23 was estimated at 16.5% to \$714 Billion as against \$613 Billion in FY22. India's merchandise exports were up 6% to \$447 Billion. India's total exports (merchandise and services) grew 14 percent to a record of \$775 Billion and is expected to touch \$900 Billion in FY2023-24. India's current account deficit, a crucial indicator of the country's balance of payments position, was US\$67 Billion or 2% of GDP. India's fiscal deficit was in nominal terms at ~ Rs 17.55 lakh crore, which is 6.4% of the country's GDP for the year ending March 31, 2023.

India's headline foreign direct investment (FDI) numbers rose to a record \$84.8 Billion in FY2021-22. However, during the fiscal year 2022-23, the country experienced a 16% decrease in foreign direct investment (FDI) inflows, amounting to \$71 Billion on a gross basis. This decline can be attributed to the unfavourable global economic conditions and stands as the first contraction in FDI in the past ten years.

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately \$70 Billion in FY2022-23, primarily influenced by rising inflation and interest rates. Starting from \$606.47 Billion on April 1, 2022, reserves decreased to \$578.44 Billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from Rs. 75.91 to a US dollar to Rs. 82.34 by March 31, 2023, driven by a stronger dollar and an increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022,

CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4 percent in FY2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in FY23. As of March 2023, India's unemployment rate was 7.8 percent.

In FY2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1 percent Y-o-Y in RE 2022-23. The government is also estimated to have addressed 77% of its disinvestment target in FY23 (Rs. 50,000 crore against a target of Rs. 65,000 crore).

Gross tax collection of goods and services (GST) for FY23 was Rs. 18.10 lakh crore, with an average of Rs. 1.51 lakh a month and up 22% from FY22, India's monthly GST collections hit the second highest ever in March 2023 to Rs. 1.6 lakh crore. For FY2022-23, the government collected Rs. 16.61 lakh crore in direct taxes, according to data from the Finance Ministry. This amount was 17.6 percent more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to Rs. 172,000 during the year under review, a rise of 15.8 percent over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure of \$2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3 percent in 2022-23.

Outlook: There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and an appreciable decline in consumer price index inflation to less than 5 percent in April 2023. India is expected to grow around 6-6.5 percent (as per various sources) in FY2024, catalysed in no small measure by the government's 35% capital expenditure. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This

unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in 2022-23 was 10,993 kilometers; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP growth of 7.2% and America and Europe is experiencing its highest inflation in 40 years.

India's production-linked incentive appears to catalyse the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in various sectors and emerge as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions and slowing external demand. (Source: IMF data, RBI data, Union budget 2023-24 data, CRISIL report, Ministry of Trade & Commerce, NSO data)

Union Budget FY 2023-24 provisions

The Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to Rs. 10 lakh crores, equivalent to 3.3% of GDP and almost three times the 2019-20 outlay, through various projects like PM Gati-shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of Rs. 5.94 lakh crore was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly Rs. 20,000 crores was made for the PM Gati-Shakti National Master Plan

to catalyse the infrastructure sector. An outlay of Rs. 1.97 lakh crore was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate road construction in FY24 by 16-21% to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

Global IT industry

In 2022, the global IT industry slowed, the optimism surrounding the long-term viability of digital advancements was now replaced by scepticism and uncertainty. Despite challenges, the global IT sector provided public healthcare solutions, accelerated business growth, maintained productivity in a new hybrid work culture and underlined its presence across a range of businesses and sectors. Through its innovative solutions and technology-driven approach, the industry continued to play a critical role in shaping businesses and societies. Despite a global economic weakness, businesses continued to invest in digital transformation. Global IT expenditure is expected to reach \$4.5 trillion in 2023, up from 2.4% in 2022.

The Middle East and Africa (MEA) and Asia Pacific (APAC) are expected to experience the fastest regional technology spending growth, despite macroeconomic challenges of slowing liquidity, tight labour markets and geopolitical turmoil. Technology spending in the European market is projected to grow, albeit slower in 2023 and more so than in the US.

Companies are responding to futuristic technologies quicker. As a result, purchasing and investing preferences in areas such as Cloud computing, Seamless Customer Experiences, Internet of Things (IoT), Artificial Intelligence (AI), Machine Learning (ML), Blockchain, Big Data Analytics, Robotics Process Automation (RPA), Data Security & Cyber Protection and many others could emerge as priorities in 2023.

According to the table below, the software and IT services segments could expand in 2023. Spending on core IT segments saw growth, including Enterprise software, grew 7.1% to \$783 Billion in 2022 and data center systems grew 12%. The gadgets category is expected to fall 5.1% this year as consumers and businesses extend device replacement periods.

Worldwide IT spending forecast (Millions of U.S. Dollars)

	2022 Spending	2022 Growth (%)	2023 Spending	2023 Growth (%)
Data Center Systems	2,12,376	12	2,13,853	0.7
Software	7,83,462	7.1	8,56,029	9.3
Devices	7,22,181	-10.6	6,85,633	-5.1
IT Services	12,44,746	3	13,12,588	5.5
Communications Services	14,22,506	-2.4	14,23,367	0.1
Overall IT	43,85,270	-0.2	44,91,471	2.4

(Source: Gartner and Forrester)

The rise of corporate application software, infrastructure software and data centre systems in the immediate and long-term confirms the systemic and long-term trend toward digital transformation.

IT service industry

The IT services segment is poised for sustained growth - 5.5%, in 2023. Spending on IT segments is likely to increase, strengthening digital transformation across businesses. Digital transformation comprises the use of artificial intelligence, process automation and data migration to cloud.

Digital technology is being used by businesses to reshape their income streams by introducing new products, altering cash flows of goods & services and enriching the value proposition. Companies will continue to migrate from capex-intensive spending on software to monthly opex SaaS and subscriptions. Software as a service (SaaS) is the leading category of cloud computing, representing the majority of overall revenues and is widely adopted by corporations for application delivery. Platform as a service (PaaS) is the next tier, a platform for application development that includes operating systems, web servers and databases. Infrastructure, as a service (IaaS) offers off-site storage, servers, virtual machines and networking and is increasingly replacing traditional IT infrastructure solutions.

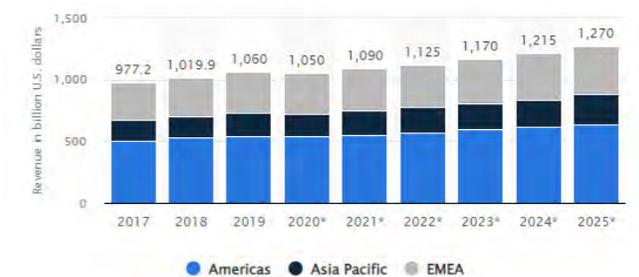
The increase in software spending resulted in a boom in the IT services sector. Businesses that require knowledge-driven personnel are outsourcing implementation and support. Consulting spending is predicted to reach USD 264.9 Billion in 2023, a 6.7% rise over 2022.

Companies moving workloads to the cloud are capitalising on cost savings. By 2027, technology software and IT services could account for 66% of worldwide technology spending, up from 60% before the pandemic. Its expansion could be catalysed by increased cloud applications and platform services. According to Forrester, the public cloud industry could be worth \$1 trillion by 2026, accounting for about a quarter of worldwide IT spending. The market is anticipated

to accelerate to more than 80% market share by 2025, capitalising on low-cost implementation.

In 2022, North America held a market share of over 40% in the IT services market, followed by Europe and APAC. APAC is expected to contribute 49% to the growth of the global market. The market in APAC is being driven by the rapid adoption of technology across industries and the influx of small and medium-sized businesses. Major vendors are expanding their IT service offerings through M&As and organizations in the region are outsourcing non-critical IT tasks to cut costs. The government, telecom and IT

Information technology (IT) services and business services revenue from 2017 to 2025, by region (in billion U.S. dollars)



industries in APAC are becoming increasingly aware of the benefits of outsourcing. Many manufacturers and retailers are entering the Asian market, particularly in India, Vietnam and China, which will require significant IT services and contribute to market growth. (Source: technavio.com, Forrester global IT forecast; Feb 2023, statista.com, Source: Gartner; January 2023)

The digital transformation

Digital transformation describes how digital technology is integrated into every aspect of a company or organization,

significantly altering how they function and provide value to clients. The market for digital transformation encompasses all the goods, services and options that assist businesses in putting their digital transformation plans into action, including cloud computing, AI, machine learning, big data analytics and the Internet of Things (IoT). This market is expanding quickly as a result of the rising need for automation and digitization across a variety of sectors, including healthcare, finance, retail, manufacturing and others.

The BFSI segment led the market and accounted for the biggest revenue share of more than 28.3% in 2022, as banks and other financial institutions shifted their focus to providing superior experiences. Banking firms' growing focus on providing seamless help and technical support to establish customer-centric approaches is fundamentally driving the market.

The global digital transformation market was valued at USD 731.13 Billion in 2022 and is expected to reach USD 4,617.78 Billion by 2030, growing at a CAGR of 26.7% between 2023 and 2030. The analytics sector held the biggest market share of 35.3% in 2022, owing to the rising need to integrate massive amounts of company data to provide significant insights.

The USA dominates the market, accounting for 43.2% of the market in 2022, owing to increased internet usage and widespread acceptance of various forms of online payment methods. Asia Pacific is expected to be the fastest-growing regional market with a CAGR of 29.4%, due to the significant expansion in the number of SMEs and the rising service sector.

For the past twenty years, Saksoft has been providing customised technology solutions and accelerators across domains. The company's expertise - consulting to support - has established it as a preferred partner for digital transformation projects among our global customers. The company's digital transformation solutions empower businesses to automate, modernize and manage IT systems, improving efficiency and focus. In a rapidly evolving IT industry, the company foresees significant opportunities and is positioned to capitalise. (Source: grandviewresearch.com)

Sectoral strengths

- India has a vast pool of skilled IT professionals, known for their technical expertise and problem-solving capabilities.
- The IT services industry in India offers cost-effective solutions compared to many other regions.
- Indian IT services companies have a strong presence in global markets.

- A diverse domain knowledge enables them to provide specialized IT services tailored to specific industry requirements.

Sectoral weaknesses

- India still faces infrastructure challenges, such as inadequate internet connectivity, power supply issues, and transportation limitations.
- Language and cultural differences can pose challenges in global client interactions.

Sectoral opportunities

- Increasing demand for cloud computing and big data analytics.
- Growing trend towards digital transformation across different industries.
- Emerging markets and untapped potential for IT products and services.
- Partnership and collaboration opportunities with other businesses.

Sectoral threats

- Growing competition in the market from other IT companies and emerging startups.
- Rapid technology change and uncertainty around trends.
- Government regulations and policies that could affect the IT sector.
- Cybersecurity threats and data breaches that could damage the reputation of IT companies.

Company overview

Saksoft Limited, established in 1999, is a global partner for digital transformation solutions, serving mid-tier companies primarily in the USA and Europe. The company provides services like application development, testing & quality control and solutions based on cloud, mobility and Internet of Things (IoT) along with Information Management (IM) and Business Intelligence (BI) solutions. At Saksoft, we have adapted our business model to cater to our clients' evolving needs and emphasize our 'Inch wide, mile deep' approach in creating mission-critical, vertical-specific solutions. Saksoft has five wholly-owned subsidiaries and seven step-down subsidiaries across various geographies, including the US, Europe and Singapore.

Revenue break-up (FY23)

Vertical-wise:

- Fintech – 35%
- Telecom and Utilities – 22%
- Transportation & Logistics – 11%
- Retail & Health Care – 5%
- Public Sector – 4%
- Others – 23%

Offshore vs onsite

- Offshore- 55%
- Onsite- 45%

Strengths

Promoter and team experience: Your company is led by an experienced founder with over 20 years of experience in the banking and financial services industry, as well as a team of skilled IT professionals who manage technologies and geographies within a defined organizational structure. The strong leadership ensures that the company is positioned to deliver quality services and solutions.

Digital transformation partner: Your company facilitates digital transformation by modernizing legacy systems and implementing intelligent automation, with an emphasis on applications development. In the last three years, the company reported a Compound Annual Growth Rate (CAGR) of 18% in this domain by prioritizing the delivery of exceptional service, the company fostered enduring customer partnerships, even though the typical contract duration was limited to a year.

Niche focus: Your company concentrates on niche verticals like Fintech, Transportation and logistics, e-commerce, healthcare, telecom, public sector and fintech. By extending into these sectors, the company serves clients whose annual revenues range from USD 200 Million to USD 3 Billion. Growth was observed across all sectors, with logistics, fintech and telecommunications experiencing significant expansion. The company cross-sells products and services to clients in inter-connected verticals.

Human resource: Your company's business growth is driven by a dedicated and passionate workforce who are experts in various fields. The diverse and advanced skillset of our workforce helps serve our customers better and enhances our competitiveness in the market.

Challenges

Client and geographic concentration: Saksoft's revenue is focussed on certain geographies, with a majority of its income (around 70%) generated from clients located in the USA and Europe during FY23. The company's top 20 clients accounted for a significant portion of its total operating income, with the top ten customers contributing around 59% during the same period. Saksoft established a reputable client base and retains repeat customers. The acquisition of MC Consulting Pte in Singapore is expected to increase revenue from APAC markets, enhancing the company's prospects.

Company verticals and overview

Fintech: The emergence of embedded finance is causing a shift in the fintech industry, moving it from a vertical market to a horizontal one. Businesses across multiple sectors, including retail, technology and banking are integrating fintech into their existing models to provide users with a more valuable and engaging experience. Fintech is no longer just a collection of separate products and services, but an infrastructure layer that established companies can utilize. This trend is expanding the fintech market and changing the way financial services are distributed.

By leveraging its domain expertise, Saksoft specializes in creating customized solutions for its clients, with a focus on enhancing customer experience through digital transformation. They ensure seamless integration of processes, operations, tools, technology and human interventions. This collaborative approach has enabled Saksoft to innovate and demonstrate leadership in the financial space. Although the company initially provided services aimed primarily at BFSI clients, they have since expanded to work with leading global banks and financial institutions.

The company's offerings in this segment comprise:

- Mobile cash disbursement solution
- API integration, mobile/web development
- Big data analytics
- Credit scoring, fraud prevention and risk assessment
- Anticipate or handle disruptions

The company's customers comprise the following:

- Cards and payment gateways
- Credit management agencies

- Regulatory and compliance
- Asset and wealth management
- SMB and consumer lending
- Mortgages

The key growth drivers of the company in this vertical comprise:

- Rising investments in tech-based solutions
- Widening internet penetration followed by growing traction of digital payments and wallets
- Growing digitization of business services
- Increasing adoption of smart devices
- Emergence of new technologies such as blockchain and decentralized finance
- Fintech as a service makes it easier to launch new fintech products or start-ups
- Growing need for digital data protection
- Rise of big data and artificial intelligence, enabling sophisticated financial analytics and personalized service
- Promotion of open banking and financial inclusion
- Growing interest from investors and venture capitalists in fintech start-ups and innovations

The opportunity for this vertical comprises the following:

- The global fintech market is estimated to be worth \$165.17 Billion
- The fintech space is set to surpass \$400 Billion by 2027
- The fintech market is growing at a CAGR of 25.18%
- Globally an estimated \$8.49 trillion of digital payments were made in 2022 (Source: marketdataforecast.com)

The operational matrix of this vertical comprises the following:

- Contributes 35% to total revenues
- Revenue mix is USA 20% and Asia-Pacific and others 15%
- 6 clients in the USD 1Million-plus and 2 clients in the USD 0.5 Million-plus account

Healthcare: Over the past few years, the healthcare industry has witnessed the rapid emergence of numerous trends. These include shifting consumer preferences, the integration of life sciences and healthcare, the fast-paced evolution of digital health technologies, innovative care delivery models and clinical advancements. Healthcare executives globally are focused on these trends as they strive to meet the ever-

changing needs of patients. Additionally, the demand for telemedicine, mHealth and eHealth segment has become more apparent, as healthcare providers increasingly require accurate patient data, linked records, interoperability and robust cybersecurity measures.

Saksoft's group company Faichi comprises a team of healthcare functional and technologists who spearheaded the development of revolutionary healthcare solutions and products for global clients. Saksoft is committed to provide clients with top-of-the-line predictive analytic solutions and services that leverage data to generate actionable insights. By leveraging solutions, clients can drive down costs, enhance outcomes and make informed decisions.

The vertical's offerings comprise the following:

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

The customer profile comprises the following:

- Healthcare providers
- Healthcare payers
- Healthcare compliance
- Clinical research and life sciences

The key growth drivers of this segment comprise the following:

- Growth in adoption of mHealth, telehealth and eHealth practices
- Increasing adoption of cloud technologies related to HCIT services
- Increasing demand for quality healthcare solutions and services
- Implementation of various healthcare reforms such as Patient Protection & Affordable Care Act (PPACA)
- Increasing number of clinical trials which demands the use of IT applications that provide ease to the researchers.
- Growing need for linked health solutions such as telemedicine, e-prescriptions, remote patient monitoring and other healthcare analytics
- Increasing adoption of big data and AI to improve patient care and clinical operations.

- Increasing demand for wearable devices like fitness trackers, smartwatches and medical gadgets

The market opportunity for this vertical has been estimated at the following:

- The global healthcare IT market was estimated to be worth \$394.6 Billion in 2022
- Estimated value by 2027 is \$974.5 Billion
- Poised to grow at a CAGR of 19.8% during forecast period 2022–2027

North America held a 52.0% share of the market in 2022, owing to factors such as strong economic development and the existence of hospitals, advanced research institutions, universities and medical device manufacturers in this region.

Asia Pacific is the fastest-growing geographical market, with increasing demand for healthcare IT services as government expenditure on healthcare increases. Moreover, an increase in healthcare expenditure in developing Asian nations, as well as improvements in healthcare infrastructure as a result of increased use of modern technologies to simplify hospital workflow and reduce medical expenses, are important drivers of demand in this area. (Source: globenewswire.com)

The operational matrix of this vertical comprise the following:

- Contributes to 5% to total revenues
- Revenue mix is 1% each in USA, Europe and Asia -Pacific
- 1 clients in the USD 1Million-plus and 1 client in the USD 0.5 Million-plus account

Retail e-commerce: The retail sector has been rapidly adopting various digital technologies like AI, IoT, blockchain and chatbots to enhance the overall customer experience. In recent years, the retail industry has been undergoing a transformation, with an increased focus towards online from offline business models. This has led to a surge in e-commerce growth, resulting from factors like technological advancements and shifting consumer behaviors. Retailers are adopting a more practical and transformative approach to their business models, which has led to increased investment in technologies that help them achieve digital transformation, operational agility and revenue growth. Additionally, retailers are embracing direct-to-customer(D2C) and ecosystem-driven models to accelerate growth and boost consumer engagement. The integration of these technologies aims to provide a seamless experience to customers.

Some notable trends in 2023 include personalized user experiences with AI, augmented and virtual reality, CRM for community building, social selling, headless eCommerce,

multiple payment options, voice and visual searches, marketing automation, fast and free delivery, sustainability practices and preparing for future data privacy policies with zero-party data.

The offerings of this vertical comprised the following:

- Social listening (micro-influencer)
- Customer 360
- Customer journey tracking
- E-commerce portal development

The customer profile comprised the following:

- Multi-store e-commerce solutions
- Store-front solutions
- Customer engagement solutions
- Order inventory management

The key growth drivers of this vertical comprised the following:

- Increased internet penetration and usage of smart devices
- Advanced technologies fuel the growth
- Introduction of cross-border and consumer protection policies
- Increased consumers shift toward online platforms for shopping
- Emergence of super apps are gaining popularity as they allow users to purchase at different retailers from a single app
- Proliferation of novel payment mechanisms like QR codes and biometric authentication systems boost customer comfort and convenience
- Emerging trends like live shopping and metaverse commerce provide more personalized experience for customers.

The market opportunities comprised the following:

- Global ecommerce sales are expected to total USD 5.7 trillion worldwide in 2022
- Projected to grow at a 10.4% yearly between 2023 and 2026.
- Global ecommerce sales are expected to total USD 6.3 trillion worldwide in 2023.
- Online purchases are estimated to account for 20.8% of total worldwide retail sales in 2023 i.e. more than \$0.20 of every \$1 spent on retail products this year will be done online.

- By 2026, global retail e-commerce sales are expected to surpass \$8.1 trillion, with e-commerce accounting for 24% of total retail sales. (Source: emarketer.com)

Telecommunication and utilities: The utilities sector witnessed a slowdown due to the Russia-Ukraine war, dampening the chances of a post-Covid economic recovery. The war resulted in economic sanctions, commodity price surges and supply chain disruptions, adversely affecting many markets worldwide. From 2022 to 2023, the global utilities market experienced a 6.9% compound annual growth rate, increasing from \$6,000.19 Billion to \$6,416.54 Billion.

During the forecast period, the utilities market is expected to be driven by the rapid growth of investments in renewable power generation capacities. Numerous power generation companies are investing in renewable energy sources, particularly in the USA and European countries. Governments worldwide are also incentivizing and subsidizing solar power generation companies to promote renewable energy sources.

The telecom sector is experiencing significant growth opportunities in cloud and networking, as well as in early investments in 5G deployment and rollout. The telecom services industry has remained stable and plays a crucial role in enabling people to communicate, work and entertain themselves. As the global economy recovers, the telecom market is experiencing higher-than-expected growth rates, benefitting from cloud architecture and automation, which will move from hype to a revenue generator.

Saksoft offers a comprehensive solution that include automation, customer engagement solutions, big data customer analytics solutions, cloud migration services and enterprise ERP. Through its innovative approach, Saksoft has helped leading telco operators create value chain for its customers and open up new opportunities.

The company's product offerings comprise the following:

- SharePoint development
- Advanced analytics to reduce customer churn
- Oracle support
- Testing CoE

The company's customers comprised the following profiles:

- Business support systems
- Operations support systems
- Enterprise resource planning
- IT strategy consulting

The key growth drivers of the vertical comprise the following:

- The availability of low-cost high-tech gadgets like computers and smartphones
- Low cost of data
- Increased deployment of 5G
- Rising mobile subscribers
- Soaring demand for high-speed data connectivity
- Cutting-edge technology adoption
- Rise in demand for connected cars
- Increasing smart homes
- Availability of OTT services
- Internet of Things (IoT)
- Cloud computing

The market opportunity for this vertical is influenced by the following realities:

- The global telecom services market size was valued at USD 1,805.61 Billion in 2022
- The market is expected to expand at a compound annual growth rate (CAGR) of 6.2% from 2023 to 2030

Expected to reach USD 2,467.01 Billion in 2028 (Source: grandviewresearch.com)

The operational matrix of this vertical comprise the following:

- Contributes 22% to total revenues
- Revenue mix is Europe is 17% and Asia-Pacific and others 5%
- 2 clients in the USD 1Million-plus and 1 clients in the USD 0.5 Million-plus account

Transportation and logistics: The transportation and logistics industry is evolving due to digitization and shifting customer expectations. Logistics companies need interconnected devices, real-time dashboards and analytics. Technologies like IoT, big data analytics, cloud solutions and AI are improving back-office operations and logistics processes. These advancements boost supply chain productivity, reduce costs and errors and benefit all sectors of the industry. In the real-time economy, customers expect deliveries to be provided on time. Nearly 77% of executives agree that the evolution towards a real-time economy impacts their business processes. Digitalization's impact on the industry will only add further.

Saksoft provides digital solutions for the transportation and logistics industry, including digital transportation and

management solution, network analytics, carrier compliance solution, digital freight matching application and asset utilization improvement solutions. They leverage the expertise of their group company, DreamOrbit, which specializes in IoT and mobility solutions, along with their own expertise in testing, cloud solutions and analytics, to offer insights and solutions that address complex industry needs. Their intelligent AI-based scheduling solutions maximize asset utility, providing near real-time visibility.

Saksoft acquired MC Consulting, a Singapore-based technology solutions provider for seaports and public sector agencies, in February 2022. With over 300 domain and technology experts and a dedicated offshore model, Saksoft offers custom software, accelerators and dedicated teams to address logistics and supply-chain management challenges. Their network effect is a testament to their capabilities and expertise in IoT, mobile apps, portal development, big data, RPA and blockchain technology.

The company's product offerings comprised the following:

- IoT solutions
- Freight management software
- Warehouse management
- Supply chain management
- EDI integration
- Logistics dashboard

The company's customers comprised the following profiles:

- Third-party logistics
- Shippers
- Carriers
- Independent Software Vendor
- Port operators

The market opportunity has been estimated as per the following realities:

- The global digital logistics market size was estimated at USD 35.15 Billion in 2022.
- The market is projected to grow at a CAGR 13.75% between forecast period of 2022-27
- The market is expected to reach a market size of USD 67.07 Billion by 2027

The operational matrix of this vertical comprise the following:

- Contributes 11%to total revenues
- Revenue mix is USA 9% and Asia-Pacific and others 2%
- 2 clients in the USD 1-Million-plus and 2 clients in the USD 0.5 Million-plus account (Source: businesswire.com)

Public sector: Regulatory technology (RegTech) refers to solutions that use machine learning (ML), artificial intelligence (AI), IoT, cloud computing and blockchain to streamline compliance processes, detect issues in digital payment platforms and monitor in-house regulatory requirements. It's used in banking and financial services for tasks like transaction monitoring, anti-money laundering (AML) screening and compliance risk analysis. RegTech can be deployed on-premises or on the cloud and it enables digitization of manual reporting and compliance processes, providing agility, speed, integration and analytics capabilities.

Taxonomies and knowledge graphs complement these solutions to ensure high reliability and explainability of information gathered. Embedded compliance merges regulatory technology with business processes, providing value-added technology that helps companies reduce costs, mitigate risks and seize business opportunities. Cross-border compliance and regulatory technology are becoming increasingly important for global financial institutions in the APAC region. These market trends are shaping the compliance landscape, bringing increased efficiency, accuracy and automation to regulatory compliance processes.

Saksoft is a leading technology company that has expertise in digital transformation enablement. With a focus on information management, optimized applications and analytics, the company helps public sector organizations achieve their goals of efficiency, cost savings and improved citizen services. With a track record of success, Saksoft has demonstrated its ability to integrate new technologies and solutions seamlessly into existing systems, resulting in positive outcomes for its clients.

The company's offerings comprise the following:

- Smart cities: Machine learning and facial recognition from IoT data feeds, predictive analytics and business intelligence to provide better healthcare, decrease crime rates and improve citizen's life
- People identity management

The company's customer profile comprises the following:

- City councils in UK
- Police departments
- Central government agencies
- Housing communities
- Public utilities

The company's business has been driven by the following realities:

- Technological advancements
- Rising occurrence of fraudulent cases
- Growth in BFSI industry
- Increasing regulatory requirements in various industries
- Rising demand for cost-effective and efficient regulatory solutions
- Advancements in technologies such as artificial intelligence (AI), machine learning (ML) and blockchain
- Growing adoption of cloud-based solutions and services
- Rising use of big data analytics for risk management and compliance purposes
- Increasing demand for cross-border compliance solutions due to globalization
- Growing number of partnerships and collaborations between regulatory technology companies and traditional financial institutions.

The major opportunities related to the space comprise the following:

- Regulatory technology market accounted for US\$ 8.2 Billion in 2022
- The market is estimated to be US\$ 57.5 Billion by 2032
- Anticipated to register a CAGR of 28.7%, during the forecast period of 2022-2032

The operational matrix of this vertical comprise the following:

- Contributes 4% to total revenues

Key financial ratios

Ratio	FY 22-23	FY 21-22
Operating profit margin (%)	16%	16%
PAT margin (%)	12%	13%
Debt-equity ratio	0	0.01
Interest cover (x)	49.37	30.02
Return on capital employed (%)	27%	26%
Return on net worth (%)	20%	20%

Ratio	FY 22-23	FY 21-22
Debtor's turnover ratio (days)	61	65
Earnings per share (Rs.)	8.18	6.33
Current Ratio (x)	2.46	2.30
Inventory Turnover Ratio	NA	NA

Risk management

Saksoft recognizes the paramount importance of risk management in today's business landscape. As an innovative IT services company, we understand the diverse range of risks that can impact our operations and objectives. These risks include talent retention challenges, geopolitical uncertainties, intense competition, currency fluctuations, information and cybersecurity vulnerabilities, regulatory compliance complexities and cloud computing risks. At Saksoft, we adopt a proactive approach to risk management, diligently assessing and mitigating potential threats. By identifying and addressing these risks, we strive to enhance our resilience, safeguard our assets and capitalize on opportunities with confidence. Our commitment to effective risk management underpins our long-term success and sustainability in the dynamic world of IT services. Some of the key risks we address and the corresponding mitigation measures we have in place include:

Talent retention risk: The competition for IT talent is increasing, resulting in higher attrition rates.

Mitigation: Saksoft is an employee-centric organisation which provides employee benefits, engagement and training and development programs.

Geo-political risk: Adverse political and geographical risks could cause service disruption, potentially impacting regions, customers or verticals that are important for the company.

Mitigation: Saksoft's entry into a new region, vertical or customer only takes place after passing through the risk assessment filter or framework.

Competition risk: The IT services industry is highly competitive in both domestic and international markets.

Mitigation: Saksoft is nimble and responds quickly to industry changes by adopting new digital tools that strengthens its competitiveness

Currency risk: The risk of currency fluctuations is an ongoing challenge depending on global and economic dynamics.

Mitigation: Saksoft's hedging strategies help mitigate this risk by hedging foreign currency earnings, helping the company to stay protected against any sudden forex fluctuations.

Information and cybersecurity risk: Cybersecurity breaches may lead to loss of critical assets and sensitive information.

Mitigation: Saksoft has strengthened its cybersecurity systems through measures such as regular security audits, penetration testing, vulnerability assessments, employee training and implementing advanced security technologies like intrusion detection and prevention systems, firewalls and encryption

Regulatory risk: Failure to comply with the local rules and regulations of countries where Saksoft operates can lead to business closure and/or penalties.

Mitigation: Saksoft monitors all policy changes and keeps real-time updates on all regulatory developments

Cloud computing risks: It includes service outages, data loss and lack of control over data, which can impact business continuity and reputation.

Mitigation: At Saksoft, we prioritize robust data backup and recovery procedures to prevent any loss in case of an outage

or other issue. We establish clear protocols for data access and control to ensure sensitive data is not compromised and we regularly test and update our disaster recovery and business continuity plans to stay prepared for any unforeseen situation.

Internal Financial Controls Systems and their adequacy

Saksoft's current system of controls are aligned with the requirements of Companies Act,2013 and is based on the lines globally accepted risk framework. The internal controls available in Saksoft are in commensurate with the size of our business and nature of our operations. All systems, process, operations, functions and activities are subject to evaluations of internal control systems. The overall results of such evaluations provide information on the efficiency and efficacy of Saksoft's overall system of control. The controls thereby are designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations

Annexure 8

MANAGING RISKS

Risk mitigation –

Technology Risk:- The need to be abreast of the ever changing technologies in the market has become more meaningful. The business units work towards their respective updates in their delivery capability and share with them via common knowledge vault

Employee Retention Risk- The resource attrition has a major impact on delivery of clients and has hence enhanced the risk of retaining resources. The resource recognition program has helped in making the resources feel valued.

Geo Political Risk- Any geographical and political risk if undetected may pose a problem for our offerings. Dependency on the revenue from a particular region, customer or a vertical is critically managed. Any new entry into a particular region, vertical, industry if governed strictly.

Environmental, Social and Governance risks - The possibility that any event related to environmental, social and governance factors that may create a bad / harmful reputation. The CSR activities taken up by the company are reviewed by the CSR committee on a regular basis.

Currency Risk- This risk has been a current and ongoing risk with every change in market scenario. Saksoft's hedging strategies to hedge the foreign currency we operate in helps us to mitigate such risk.

Information and Cyber Security Risk- Risk of losing critical assets and sensitive information is one of the major risk looming in the industry at such. Saksoft focusses on the continuous improvement of measures which are in place to mitigate such cyber risks.

Regulatory risk: Non compliance to Regulations, Rules in various countries where we operate can lead to closure of business and/or heavy penalty. These changes are very closely monitored and are reviewed on event basis so that we are not led into any unwanted situations.

Internal control systems and their adequacy-

The Company's robust and intricate internal control systems ensure there is efficient use and protection of resources and compliance with policies, procedures and statutory requirements. We have developed well-documented guidelines, procedures for authorization and approvals which include processes such as audits. Integral to the overall governance, we have a well-established internal audit frame work which extensively covers all aspects of financial and operational controls, covering all units, functions and departments. The Company also has an efficient financial reporting system in place. Our internal audit team consists of senior members across various functional departments some of whom are also Key Managerial Personnel of Saksoft. They actively engage in the evaluation and improvement of various functions and activities of the Company including restaurant operations and other support functions and departments. The Company also has an Internal Audit cell which supports the Audit Committee besides the independent review of internal controls, operating systems and procedures by external auditors.

Cautionary Statement

This Statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable Securities Laws and Regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual results could differ materially from those expressed in the statements or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

Annexure 9

FY2023 BRSR

Table of Content

BRSR Section A: General Disclosures

Details of the listed

Operations

Employees

Holding, Subsidiary and Associate Companies (including Joint Ventures)

CSR Details

Transparency and Disclosures Compliances

BRSR Section B: Management and Process Disclosures

BRSR Section C: Principle 1

Essential Indicators

BRSR Section C: Principle 2

Essential Indicators

BRSR Section C: Principle 3

Essential Indicators

BRSR Section C: Principle 4

Essential Indicators

BRSR Section C: Principle 5

Essential Indicators

BRSR Section C: Principle 6

Essential Indicators

BRSR Section C: Principle 7

Essential Indicators

BRSR Section C: Principle 8

Essential Indicators

BRSR Section C: Principle 9

Essential Indicators

Leadership Indicator is not mandatory. Hence, we are Reporting Essential Indicators only

BRSR Section A: General Disclosures

Details of the listed entity

- Corporate Identity Number (CIN):** L72200TN1999PLC054429
- Name of the Listed Entity:** Saksoft Limited
- Year of Incorporation:** 1999
- Registered Office Address:** Global Infocity Park, Block A, 2nd Floor, #40, Dr. MGR Salai, Kandanchavadi, Perungudi, Chennai-600096
- Corporate Address:** Global Infocity Park, Block A, 2nd Floor, #40, Dr. MGR Salai, Kandanchavadi, Perungudi, Chennai-600096
- E-mail:** complianceofficer@saksoft.co.in
- Telephone:** +91 44 24543500
- Website:** <http://www.saksoft.com/>
- Financial year for which reporting is being done:** April 2022 to March 2023
- Paid-up Capital:** Rs.10,56,90,000
- Name of the Stock Exchange(s) where shares are listed:** BSE Limited (permitted to trade category) and National Stock Exchange of India Limited (NSE)
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**
 Ms. Meera Venkatramanan
 Designation: Company Secretary & Compliance officer
 E-mail id: meera.v@saksoft.com
 Telephone: 044-24543500

13. Reporting boundary. Disclosures made in this report are on a Standalone basis

14. Details of business activities (accounting for 90% of the turnover):

Description of main activity	Description of business activity	% of turnover
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.	Computer Programming, Consultancy and Related Activities	100%

15. Products / Services sold by the entity (accounting for 90% of the entity's turnover):

Product/Service	NIC Code	% of total turnover contributed
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. Saksoft is headquartered in Chennai (India), and has 14 offices across the USA, Europe and Asia employing over 1,500+ people	62099	100%

Operations

16. Number of locations where plants and / or operations / offices of the entity are situated:

Locations	Number of plants	Number of offices	Total
National	Not Applicable	4	4
International	Not Applicable	0	0

17. Markets served by the entity:

a) Number of locations:

Locations	Number
National (no. of states)	(1 in TamilNadu, 1 in Uttar Pradesh, 2 in Maharashtra) In TamilNadu: 1. Global Infocity Park, Block A, II Floor, #40 Dr MGR Salai, Kandanchavadi, Perungudi, Chennai- 600096 In Uttar Pradesh: 2. B 35-36, Sector 80, Phase II, Noida - 201305 In Maharashtra: 3. Emgeen Chambers II floor, 10, Vidyanagari Marg CST Road, Kalina Santacruz (East) Mumbai - 400 098 4. 503, 5th Floor, Pride Purple Accord, Baner Road, Pune, Maharashtra - 411 045
International (no. of countries)	BRSR is Prepared on standalone basis and the report exclude foreign subsidiaries

b) What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as percentage of Saksoft's Standalone turnover is 62.41%.

c) A brief on types of customers: The Company operates in the key verticals of FinTech, Transportation and Logistics, Retail e-commerce, Healthcare, Telecom and Public Sector and has its customers around these verticals.

- Fintech: Mobile Cash Disbursement Solution, API Integration, Mobile/Web Development, Big data analytics, Credit Scoring, Fraud prevention & Risk Assessment, Anticipate / handle disruptions
- Healthcare: Telehealth, EHR integration, Imaging analytics, Integrated health monitoring via wearables,HL7/FHIR enabled provider apps
- Retail E-commerce: Social Listening (Micro Influencer), Customer 360, Customer Journey Tracking, eCommerce Portal Development
- Telecom: SharePoint development, Advanced analytics to reduce customer churn, Oracle Support, Testing CoE
- Transportation and Logistics: IoT Solutions, Freight Management Software, Warehouse Management, Supply Chain Management, EDI Integration, Logistics Dashboard
- 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

Employees

18. Details as at the end of financial year:

a) Employees and workers (including differently abled):

	No.	% of total
Employees		
Permanent	1180	100
Male	906	76.77
Female	274	23.23
Other than Permanent	95	100
Male	67	70.52
Female	28	29.48
Total Employees	1275	100
Male	973	76.31
Female	302	23.69
Workers		
Permanent		
Male		
Female		
Other than Permanent		
Male		
Female		
Total Workers		
Male		
Female		

b) Differently abled employees and workers:

	No.	% of total
Differently abled employees		
Permanent		
Male		
Female		
Other than permanent		
Male		
Female		
Total differently abled employees		
Male		
Female		

19. Participation / Inclusion / Representation of women:

	No.	% of total
Board of Directors	6	
Female	2	33%
Key Management Personnel	3	
Female	1	33%

20. Turnover rate for permanent employees and workers:

	Turnover rate in FY 23	Turnover rate in FY 22	Turnover rate in FY 21
Permanent employees			
Male	24.19%	37.72%	26%
Female			
Permanent workers			
Male	Not Applicable		
Female	Not Applicable		

Holding, Subsidiary and Associate Companies (including Joint Ventures)

21. Names of holding / subsidiary / associate companies / joint ventures:

	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / subsidiary / associate / joint venture	% of shares held by listed entity	Entity (A) participate in the business responsibility initiatives of the listed entity
1	Saksoft Inc.	Subsidiary	100%	The subsidiary / associates / joint ventures have their own business responsibility ('BR') initiatives which are predominantly in line with BR initiatives of the Company. However, there are cases where the Saksoft Group makes joint commitments to support BR initiatives.
2	Nanda Infotech Services Inc.	Subsidiary	Saksoft Inc. holds 100%	
3	Faichi Solutions Inc.,	Subsidiary	Saksoft Inc. holds 100%	
4	Saksoft Solutions Limited	Subsidiary	100%	
5	Acuma Solutions Limited	Subsidiary	Saksoft Solutions Limited holds 100%	
6	Saksoft Ireland Limited	Subsidiary	Saksoft Solutions Limited holds 100%	
7	Saksoft Pte Limited	Subsidiary	100%	
8	MC Consulting Pte Ltd	Subsidiary	Saksoft Pte holds 100%	
9	MC Consulting Malaysia	Subsidiary	MC Consulting Pte holds 100%	
10	Threesixty Logica Testing Services Private Limited	Subsidiary	100%	
11	Terafast Networks Private Limited	Subsidiary	Threesixty Logica Testing Services Private Limited holds 100%	
12	DreamOrbit Softech Private Limited	Subsidiary	100%	
13	DreamOrbit Inc.,	Subsidiary	DreamOrbit Softech Private Limited holds 100%	

CSR Details

22. CSR Activities

- I. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- II. Turnover: Rs. 20939.3 Lakhs
- III. Net worth: Rs. 1744.73 Lakhs (FY 2022-23) (As defined under Companies Act 2013.)
- IV. Total amount spent on CSR for FY 23: Rs. 32.04 Lakhs

Transparency and Disclosures Compliances

23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place If Yes, then provide web-link for grievance redress policy	FY 23			FY 22		
		Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks
Communities	Yes	NIL	NIL		NIL	NIL	
Investors (other than shareholders)	Yes						
Shareholders	Yes						
Employees and workers	Yes						
Customers	Yes						
Value Chain Partners	NA						
Other	NA						

Some of the policies guiding the Company's conduct with all its stakeholders, including grievance mechanisms are placed on the Company's website. The link is <https://www.saksoft.com/investor/corporate-governance> In addition, there are policies placed on the internal web of the Company.

24. Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
<p>No significant business conduct issues identified in the Financial Year under review. Few opportunities that helps the Company to mitigate the risk of material business conduct issues</p> <ul style="list-style-type: none"> - Improving Working Conditions - Use of Energy Efficient Equipment's - Transparency in Governance 				

BRSR Section B: Management and Process Disclosures

Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1 a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs.	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
b. Has the policy been approved by the Board?	Yes, the Business Responsibility Policy covering the above-mentioned principles has been approved by the Board.								
c. Web Link of the Policies	https://www.saksoft.com/investor/corporate-governance								
2 Whether the entity has translated the policy into procedures.	Yes, the Company has translated the policies as applicable and imbibed the same into procedures and practices in all spheres of activities that the Company undertakes.								
3 Do the enlisted policies extend to your value chain partners?	No. Currently the policies are not extended to value chain partners. The company would be taking initiatives to ensure that the policies are extended even to our value chain partners.								
4 Name of the national and international codes / certifications / labels / standards adopted by your entity and mapped to each principle	ISO 27001:2018- Information Security Management System ISO 9001: 2015- Quality Management System ISO 45001: 2018-Occupational Health & Safety Management System								
5 Specific commitments, goals and targets set by the entity with defined timelines	The Company is working continuously towards providing equal employment opportunities towards all class of people and also ensures that it follows the principle of gender inclusive environment at the workplace. The Company is also working towards ensuring greener workspace by reducing the travel needs, use of digital communication and taking efforts to run a paperless office whenever possible.								

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met:

P1	Code of Conduct for Board of Directors and Senior Management Policy for Determination of materiality of events for disclosure to Stock Exchanges Code of Practices and Procedures for Fair Disclosure of UPSI Whistle Blower Policy
P2	Business Code of conduct and Information Security Policy
P3	Code of Conduct and Business Ethics Information Security Policy HR Policies (including Prevention of Sexual Harassment Policy) HR Handbook
P4	Corporate Social Responsibility Policy Code of Conduct and Business Ethics Anti-Bribery Policy
P5	Code of conduct and Business Ethics Whistle Blower Policy HR Policies Prevention of Sexual Harassment Policy
P6	Environment Policy
P7	Not applicable to the activities of the Company
P8	Corporate Social Responsibility Policy HR Policies
P9	Code of Conduct and Business Ethics Privacy Policy

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).

Saksoft Limited's philosophy has always been to ensure the business is done keeping in mind the sensitivities of the people, transparent governance and importance of being sensitive to environment. It is with this reason that Saksoft has embraced BRSR reporting from the year ending 31 March 2022 and continues to do so for the year ending 31 March 2023. Our reporting would only be better off over a period of time when both regulatory provisions requires more disclosures and Saksoft would ensure they would meet the regulatory requirements accordingly.

The Company recognizes the fact that their greatest asset would be the human resources without which the success of this organization could not have been possible. Saksoft strives to ensure that the human resources are well trained, skilled, and utilized to the optimum to the benefit of the business without compromising on the work environment, compliance with labour laws. Saksoft is constantly looking out for resources which may be needed for the future growth of the organization and this regard, encourages the current staff to refer people from family and friend circles to be part of the success story which the employees cherish and further, this helps them to have a better bond as well, which reflects in a more pleasant work environment. Beyond the staff, the Saksoft also ensure that even their consultants and other support staff are given equal importance and facilities to ensure there is no discrimination at the work place. The Company's insurance policy ensures that the staff and their family are well covered through some of the adversities and it takes care of the employee's financial well being as well.

Governance has always been the cornerstone of success in Saksoft. It is an organization which ensures and gives credit to being transparent, ethical and integrity. The very fact that our attrition rate in the organization, of the top management, is so low by itself lends credibility to the quality of corporate governance of the organisation.

We, as a Company, also understand the impact made on the environment due to use of energy and other resources. Saksoft being an IT Company, by nature does not have any energy intensive operations which could lead to leaving a large carbon footprint. However, we have taken steps to ensure that our carbon footprint is kept to the minimum and would like to make it lesser as we go forward in the future. We do ensure use of energy efficient resources, minimize electronic waste, and ensuring we preserve the energy as much possible with both manual means and automated means etc., which helps us to reduce our energy cost over a period of time and also make our organization a greener one.

8. Details of the highest authority responsible for implementation and oversight of the business responsibility policy (ies):

The Board of Directors are responsible for implementation and oversight of the Business Responsibility and Sustainability Policy.

9. Does the entity have a specified committee of the board / director responsible for decision making on sustainability related issues? If Yes, provide details.

Yes, the Company Secretary and COO & CFO of the Company monitor various aspects of Environmental, Social and Governance aspects on a continuous basis. This activity is also assessed by Risk Management Committee to the extent of Environmental/Social/governance Risks.

10 Details of Review of NGRBCs by the Company.																			
	Subject for review	Indicate whether review was undertaken by director / committee of the board / any other committee									Frequency (annually / half yearly / quarterly / any other)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
a	Performance against above policies and follow up action	Each of the Policies and performance against the same are being reviewed by the respective Committees and by the Board as required under the relevant regulations.																	
B	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances																		

		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? If Yes, provide name of the agency.	The Company's policies and procedures are subject to internal scrutiny by the Management, Internal Auditors for the purposes of ensuring operating effectiveness of the policies and critical evaluation of the same. The Statutory Auditors would also refer to these policies, to the extent, relevant and applicable to assess the Entity Level Controls and Governance aspects.								
12	If principles not covered by a policy, provide reasons for the same.									
	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
A	The entity does not consider the Principles material to its business	Not Applicable								
B	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles									
C	The entity does not have the financial or / human and technical resources available for the task									
D	The entity does not have the financial or / human and technical resources available for the task									
E	Any other reason									

BRSR Section C:

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	The Board and KMP are experienced in core skill set areas namely Financial, Global Business, Board Service & Governance and Mergers & Acquisitions which are required for effective functioning of the company. There are constant discussions in the Board Meetings on Risk Mitigation Factors and Business responsibility and conduct on an on-going basis		
Employees other than BoD and KMPs	6	1. Training on Prevention of Sexual Harassment 2. Awareness Programme on Mental Health 3. Data Privacy and Cyber Security 4. Corporate Social Responsibility 5. Awareness on Environment Social Governance	100%
Workers	Not Applicable		

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30f SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred?
Monetary					
Penalty/ Fine					
Settlement					
Compounding fee		NIL			Yes/No
Non-Monetary					
Imprisonment					
Punishment					

3. Of the instances disclosed in question 2 above, details of the appeal / revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If Yes, provide details in brief and if available, provide a web-link to the policy.

The Company's Whistle Blower policy (<https://www.saksoft.com/wp-content/uploads/2022/10/Whistle-Blower-Policy.pdf>) takes care of ensuring discipline in terms of reporting of corruption and related cases.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 23	FY 22
Directors		
KMPs	NIL	NIL
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 23		FY 22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors				
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL		NIL	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

There have been no cases of fines/penalties/actions by regulators/law enforcement agencies/judicial institutions during the Financial year.

BRSR Section C:

Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current financial year (%)	Previous financial year (%)	Details of improvements in environmental and social impacts
R&D	The company as a part of Business as usual invests in R&D and Capex for Tech Improvements and these are not traded separately		
Capex			

2. Does the entity have procedures in place for sustainable sourcing? If Yes, what percentage of inputs were sourced sustainably?

Yes, Saksoft has a procedure in place for sustainable sourcing. We look at the following sustainability factors while procuring IT assets from their suppliers:

- (i) Vendor diversity
- (ii) MSMED status
- (iii) Yearly revenue
- (iv) Quality certification
- (v) POSH policies
- (vi) ISO certification
- (vii) Environmental management

While empanelment of our suppliers, we ensure that all the above-mentioned factors are thoroughly checked. This is done through a supplier registration form which the vendor must complete.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.

Saksoft believes in Say no to Plastic which helps to divert waste and reduce our effects on the Local Community. There are no Hazardous waste that are being generated for it to be disposed.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If Yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

The business of the Company is such that there is no Extended Producer Responsibility for the entity's activities.

BRSR Section C:

Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent employees											
Male	906	906	100%	906	100%	NA	NA	906	100%	NA	NA
Female	274	274	100%	274	100%	274	100%	NA	NA	NA	NA
Total	1180	1180	100%	1180	100%	274	100%	906	100%	NA	NA
Other than Permanent employees											
Male	NOT APPLICABLE										
Female											
Total											

1b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent workers											
Male	Not Applicable										
Female											
Total											

2. Details of retirement benefits, for current financial year and previous financial year:

Benefits	FY 23			FY 22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100%	Not Applicable	Y	100%	Not Applicable	Y
Gratuity	100%		NA (Contribution by Company)	100%		NA (Contribution by Company)
Employee State Insurance (ESI)	0.42%		Y	0.31%		Y
Others	NIL		Y	NIL		Y

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our workplaces / offices are located in places which is fairly accessible to all people including differently abled employees and workers. Our facilities are leased out properties in reputed information technology parks which have extended similar facilities to other tenants as well.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, There is an Equal Opportunity Policy that is part of the Employee Handbook and is available on the company's local intranet.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Return to work rate	Retention rate
Permanent employees		
Male	100%	100%
Female	100%	100%
Total	100%	100%
Permanent workers		
Male	Not Applicable	
Female		
Total		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If Yes, give details of the mechanism in brief:

	If Yes, then give details of the mechanism in brief
Permanent Employees	Employees reach out to respective HR's either on emails or directly to convey grievances and get it addressed. Based on the Grievance raised the HR Spoc will co-ordinate with the respective party to resolve the Grievance at the earliest. Also, Whistle Blower Policy encourages Directors and Employees to raise concerns regarding potential violations including unethical behaviour, actual or suspected fraud or violation of Company's code of conduct without any difficulties and free of any fear of retaliation. You are required to read this Policy and submit the attached certification that you will comply with it.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or unions recognised by the listed entity:

Category	FY 23			FY 22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	No Trade union or worker associations					
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

	FY 23				FY 22					
	Total (A)	Health and safety measures		Skill upgradation		Total (A)	Health and safety measures		Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees	The Company provides required training on Health and Safety and Skill upgradation. However no. of employees attended the training program has not been tracked during the year.									
Male										
Female										
Total										
Workers	Not Applicable									
Male										
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

	FY 23			FY 22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	906	906	100%	790	790	100%
Female	274	274	100%	253	253	100%
Total	1180	1180	100%	1043	1043	100%
Workers	Not Applicable					
Male						
Female						
Total						

10. Health and safety management system:

a) **Whether an occupational health and safety management system has been implemented by the entity? If Yes, the coverage such system?** a. As part of ensuring that the Company gives safe and hygienic work environment, it always ensures that OHS has been followed widely. The Company operates through leased premises and as part of safety measures the Building provides evacuation training and drills.

Saksoft recognizes and accords highest priority to safety and well-being of its employees and other relevant interested parties. Our Office in India are certified to ISO 45001:2018 standard, which covers 95% of the workforce.

At the remaining locations, we have implemented processes based on legal requirements / internal benchmarks. We have established numerous interventions to address occupational health-related topics including emotional well-being, mental health, ergonomics, safety, lifestyle diseases and more.

During the year, we ran programs for the wellbeing and the Mental Health of Employees. We also had doctors and physios helping employees and their dependents through virtual consultations leveraging our telemedicine portal.

b) **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Specific employees trained for first aid treatment and to attend to emergencies. Having first aid facilities at workplace Ensuring the furniture and equipment used are of best quality which do not endanger the employees.

c) **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.**

Since the Company is not engaged in any Manufacturing activity this requirement is not applicable to the Company.

d) **Do the employees / worker of the entity have access to non-occupational medical and healthcare services?**

Yes, employees have access to specific health care benefits and health insurance as well for them and their dependents family members.

11. Details of safety related incidents:

Safety Incident / Number	Category	FY 23	FY 22
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	NIL	NIL
	Workers	Not Applicable	
Total recordable work-related injuries	Employees	NIL	
	Workers	Not Applicable	
No. of fatalities	Employees	NIL	
	Workers	Not Applicable	
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	
	Workers	Not Applicable	

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Company gives utmost importance to its employees' health and ensuring a safe work environment

Saksoft recognizes that occupational, health & safety (OHS) and overall physical and mental wellbeing of its employees is integral to its success and growth aspirations as spelled out in its OHS Policy. Saksoft is committed to provide safe workplaces focusing on preventing injuries, illnesses, and continuously strives to eliminate hazards and reduce OHS risks.

Key occupational health related risks are associated with the key generic H&S risks identified typical to Saksoft's nature of operations include workplace ergonomics risks arising due to computer usage, indoor air quality, workplace illumination and noise and fire risk typical to an office building and general office risks including slips, trips, falls, electrical shock, etc. Hazard identification and risk assessment process is conducted to has helped identify each such risk and ensure that proper mitigation measures are put in place to create a healthy and safe work environment.

Some of the mitigation measures to prevent or mitigate significant occupational health & safety impacts include:

- Provision and maintenance of fire detection, alarm and suppression systems
- Regular site review, inspections and audits to assess safety preparedness
- Regular mock drills for fire as well as medical emergencies organised by the IT Park
- Provision of ergonomically designed chairs and workstations to prevent musculoskeletal disorders (MSD's) and low radiation computer monitors for better visual health
- Digital monitoring of indoor air quality and periodic cleaning of the HVAC ducts to avoid sick building syndrome
- Regular training on occupational health & safety training to sensitize employees on OHS aspects to inculcate a culture of safety
- Employee engagement campaigns on health & safety topics such as fire safety, road safety, emergency evacuation, ergonomics among others

There are no major H&S risks associated with Saksoft services as the company provides customized software solutions and IT services.

13. Number of Complaints on the following made by employees and workers:

Category	FY 23			FY 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil			NIL		
Health and Safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
	FY 23	FY 22
Health and safety practices	NIL	
Working Conditions		

15. Provide details of any corrective action taken or underway to address safety-related incidents and on significant risks / concerns arising from assessments of health and safety practices and working conditions.- No such incidents in the year under review

BRSR Section C:

Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company identifies key stakeholder groups by looking at the parameters such as Stakeholder's impact, diversity, influence and legitimacy.

The Company has mapped its stakeholders as required for performance of its business activities and complying with all applicable laws.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

	Stakeholder Group	Whether identified as vulnerable and marginalized group	Channels of communication	Frequency of engagement (annually / half yearly / quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Investors	No	Conference calls/Meetings	Quarterly/ half yearly	Post earnings calls``
2	Employee	No	Email/In person connect / Town hall meetings	Ongoing	Ongoing and as when required
3	Regulators	No	Statutory reporting to the regulators, participation in seminar/webinar	Ongoing	Timely disclosure of information

BRSR Section C:

Principle 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

	FY 23			FY 22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1180	1180	100%	1043	1043	100%
Other than permanent	95	95	100%	99	99	Nil
Total Employees	1275	1275	100%	1142	1142	100%
Workers	Not Applicable					
Permanent						
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers:

	FY 23				FY 22					
	Total (A)	Equal to Minimum Wage (B)	% (B / A)	More than Minimum Wage (C)	% (C / A)	Total (A)	Equal to Minimum Wage (B)	% (B / A)	More than Minimum Wage (C)	% (C / A)
Employees										
Permanent										
Male	906	0	0	906	100%	790	0	0	790	100%
Female	274	0	0	274	100%	253	0	0	253	100%
Other than Permanent										
Male	67	0	0	67	100%	68	0	0	68	100%
Female	28	0	0	28	100%	31	0	0	31	100%
Workers										
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration / salary / wages:

	Number	Median remuneration / salary /
Male		
Board of Directors (BoD)	4	*75.7
Key Managerial Personnel	1	*135
Employees other than BoD and KMP	904	#124
Workers	Not Applicable	
Female		
Board of Directors (BoD)	2	*10.4
Key Managerial Personnel	1	*21.42
Employees other than BoD and KMP	273	#102
Workers	Not Applicable	

*Actual remuneration details provided

#Average remuneration details provided

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

All issues relating to the above are addressed / handled by Human Resources department.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All issues relating to the above are addressed / handled by Human Resources department.

The Company also has a Prevention of Sexual Harrasment (POSH) Committee with an external consultant advising on POSH cases.

6. Number of Complaints on the following made by employees and workers:

	FY 23			FY 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment						
Discrimination at workplace						
Child Labour						
Forced Labour / Involuntary Labour						
Wages						
Other human rights related issues						

6. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

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.

The Company has a committee handling Prevention of Sexual Harassment cases. There are no cases of child labor or forced labor other related issues at the workplace.

7. Do human rights requirements form part of your business agreements and contracts?

Yes

8. Assessments for the year:

	% of plants and offices that were assessed
Child labour	NIL
Forced / involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL
Others – please specify	NIL

9. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

NA

BRSR Section C:

Principle 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 23 (TJ)	FY 22 (TJ)
Total electricity consumption (A)	2.96	3.19
Total fuel consumption (B)	0.106	0.161
Energy consumption through other sources(C)	0	0
Total energy consumption (A+B+C)	3.07	3.35
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0004	0.0007
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency	No	No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If Yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken.

Not Applicable.

3. Provide details of the following disclosures related to water:

Parameter	FY 23	FY 22
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	1156.45	172.81
(iii) Third party water	NIL	NIL
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1156.5	172.18
Total volume of water consumption (in kilolitres)	1156.5	172.18
Water intensity per rupee of turnover (Water consumed / turnover)	0.173	0.035
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	NO	NO

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If Yes, provide details of its coverage and implementation.

There is no mechanism for zero liquid discharge. A Sewage Treatment Plant (STP) is in place where used water is recycled (treated) and a water test is conducted. If the water test results are within an acceptable range, then water is reused in washrooms and for landscaping purposes.

5. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY 23	FY 22
NOx		NA	
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency			

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Safety Incident / Number	Break- up	Unit	FY 23	FY 22
Total Scope 1 emissions	CO2	Metric tonnes	31.01	47.72
	CH4	Metric tonnes	0	0
	N2O	Metric tonnes	0.39	0.67
	HFCs	Metric tonnes	0	0
	PFs	Metric tonnes	NIL	NIL
	SF6	Metric tonnes		
	NF3	Metric tonnes		
	Total	Metric tonnes	31.40	48.38
Total Scope 2 emissions	CO2	Metric tonnes	716.9	650.4
	CH4	Metric tonnes	NIL	
	N2O	Metric tonnes		
	HFCs	Metric tonnes		
	PFs	Metric tonnes		
	SF6	Metric tonnes		
	NF3	Metric tonnes		
	Total	Metric tonnes	716.9	650.4
Total Scope 1 and Scope 2 emissions per rupee of turnover			0.118	0.145
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		CO2 equivalent/ Metric tonnes	0.587	0.579
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.				NO

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

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.

8. Provide details related to waste management by the entity:

	FY 23	FY 22
Total waste generated (in metric tonnes)		
Plastic waste (A)	NA	NA
E-waste (B)	NA	NA
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other hazardous waste. Please specify, if any. (G)	NA	NA
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	NA	NA
Total (A+B + C + D + E + F + G + H)		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		
Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If Yes, name of the external agency.		NO

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company is not engaged in any manufacturing activity and hence there is no specific waste management practice required to manage hazardous waste. However, as part of its vision to support a low carbon economy, the Company operates out of a Leased Building which has been awarded LEED Platinum certificate for Operations & Maintenance (O&M), by the US Green Building Council (USGBC).

The entire Building's operational & maintenance practices are driven primarily with the intent of improving the energy, water & waste-recycling efficiencies of the assets of the Building in order to support the transition to a low carbon economy.

10. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency	Results communicated in public domain	Relevant web link
There were no Environmental Impact Assessment of Projects undertaken by the entity as required by any regulatory agency or law.					

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances:

The Company does not own any Premises. It is operating out of a Grade A Leased Premises which are compliant with applicable laws.

BRSR Section C:

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1a. Number of affiliations with trade and industry chambers / associations.

1b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to:

	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	NASSCOM	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

BRSR Section C:

Principle 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable					

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a whistle blower email ID whistleblower@saksoft.com. Any stakeholder or public who have any grievance can write an email to the whistleblower email ID and the same would be addressed by the Company immediately.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 23	FY 22
Directly sourced from MSMEs small producers	35.76%	39.67%
Sourced directly from within the district and neighbouring districts	Not assessed	Not assessed

BRSR Section C:

Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Going by the nature of the industry in which the Company operates, consumer satisfaction and feedback is given utmost importance by the Management. The business team ensures that the products and services delivered meet their expectations. If there are any issues in execution, then there are internal escalations which will ensure that the senior management is aware of any delays or issues.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NIL
Safe and responsible usage	NIL
Recycling and / or safe disposal	NIL

Our products are not sold off-the shelf or available in the market as such, hence it does not require the above labeling. Further, our service are intangibles which may not carry any physical packaging; hence Not Applicable.

3. Number of consumer complaints in respect of the following:

	FY 23			FY 22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL			NIL		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive trade practice						
Unfair trade practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	Not Applicable
Forced recalls	Not Applicable	Not Applicable

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.

The Company has policy for Information Security, Risk and Vulnerability Assessment which is available in the intranet of the Company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The Company keeps strengthening and upgrading its infrastructure and implementing various monitoring tools in line with the cyber security and data privacy requirements of individuals and customers.

The company only Reported Essential Indicator for the FY 2022-23 in the BRSR Report.

Financial Report

INDEPENDENT AUDITOR'S REPORT

To
The Members of
SAKSOFT LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of SAKSOFT LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year on that date, 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").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2023, and its 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 of the standalone financial statements 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 standalone 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 ICAI's 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 57% of the total assets) as at 31st March 2023. The recoverability of these amounts are 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 falls 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 to ascertain that the present values of such cash flows are not lower than the cost of investments carried in parent's books.

Information Other than the Financial Statements and Auditor's Reports Thereon:

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 reports 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 identified above when it becomes available 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.

Responsibilities of Management and Those Charged with Governance for the Standalone 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, the 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone 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. 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 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

- planning the scope of our audit work and in evaluating the results of our work; and
- 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 standalone 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

- As required by the Companies (Auditor's Report) Order 2020 ("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.
- As required by Section 143 (3) of the Act, we report that:
 - 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;
 - 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;
 - 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;
 - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - 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 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - With respect to the adequacy of the internal financial controls with reference to 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 with reference to 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.
- (B) 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:
- (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22 (a) to the standalone financial statements;
- (b) The Company has long-term contracts and derivative contracts for which there were no material foreseeable losses;
- (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- (d) (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security, or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material misstatement.
- (e) (i) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (ii) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- (iii) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- (f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For R.G.N. Price & Co.,
Chartered Accountants
Firm registration no. 002785S

Mahesh Krishnan
Partner

Place: Chennai
Date: 25th May 2023

M.No.: 206520
UDIN: 23206520BGXGEG5813

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SAKSOFT LIMITED of even date)

- I (a) (A) The Company has maintained proper records for its property, plant and equipment showing full particulars including quantitative details and situation of those assets.
- (B) The Company has maintained proper records for its intangible assets.
- (b) The Company has a policy of physically verifying its property, plant and equipment 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 2021-22.
- (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.
- (d) The Company has not revalued its Property, plant and equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- II (a) 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.
- (b) During the year, the Company has been sanctioned working capital limits in excess of five Crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial institutions is in accordance with the books of accounts.
- III In our opinion and according to the information and explanations given to us, during the year, the Company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, Clause 3(iii)(a) to Clause 3(iii)(f) of the Order is not applicable.
- 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 given guarantee or security to any Company, body corporate or to any person.
- V The Company has not accepted any deposits 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. Hence, reporting under clause 3(v) of the Order is not applicable.
- 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. Accordingly, clause 3(vi) of the Order is not applicable.
- VII (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, Income Tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. There are no arrears of undisputed statutory dues outstanding as at 31st March 2023 for a period of more than six months from the date they became payable.
- (b) There are no dues of Goods and Services Tax, provident fund, employees' state insurance, Income Tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues which have not been deposited on account of any dispute as at 31st March 2023, except for an amount of Rs. 15.26 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	8.61	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
Goods and Services Act, 2017	Goods and Services Tax	2.05	1.94	F.Y. 2018-19	Deputy Commissioner of State Tax

- VIII According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- IX (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanation given to us, and the records of the Company examined by us, no term loans were obtained by the Company during the year.
- (d) According to the information and explanation given to us, and the records of the Company examined by us, no funds on short term basis were raised by the Company during the year.
- (e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- X (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- XI (a) 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 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.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) In our opinion and according to the information an explanation given to us, no whistle blower complaints have been received during the year by the Company.
- 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 (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- 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 them.
- XVI (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- XVII The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- XVIII There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

- XIX According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

Place: Chennai
Date: 25th May 2023

Annexure B to the Independent Auditors' Report

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial reporting of Saksoft Limited ('the Company') as of 31st March 2023 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 with reference to 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 with reference to 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' 34) 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 with reference to 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 with reference financial reporting and their operating effectiveness.

Our audit of internal financial controls with reference to financial reporting included obtaining an understanding of internal financial controls with reference to 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 with reference to financial reporting.

Meaning of Internal Financial Controls With reference to Financial Reporting

A Company's internal financial control with reference to 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 with reference to 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 with reference to Financial Reporting

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial reporting to future periods are subject to the risk that the internal financial control with reference to 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 with reference to financial reporting and such internal financial controls with reference to financial reporting were operating effectively as at 31st March

2023 based on the internal control with reference to 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
Firm registration no. 002785S

Mahesh Krishnan
Partner
M.No.: 206520
UDIN: 23206520BGXGEG5813

Place: Chennai
Date: 25th May 2023

Balance Sheet as at 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Particulars	Note No	Balance As at 31-03-2023	Balance As at 31-03-2022
ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3	42.69	36.41
(b) Right of use assets	3	37.37	58.88
(c) Other Intangible assets	4	2.10	1.37
(d) Financial Assets			
(i) Investments	5.1	1,172.53	1,172.53
(ii) Loans	5.2	-	0.25
(iii) Others	5.3	15.46	14.09
(e) Deferred Tax Assets (net)	6	37.55	23.98
(f) Other non-current assets	7	15.42	2.49
2 Current Assets			
(a) Financial Assets			
(i) Trade and other receivables	8.1	323.79	221.80
(ii) Cash and cash equivalents	8.2	143.76	103.77
(iii) Bank balances other than (ii) above	8.3	40.00	-
(iv) Loans	8.4	1.22	0.29
(v) Others	8.5	117.10	93.20
(b) Current Tax Assets (Net of provisions)		77.99	45.21
(c) Other Current Assets	9	22.19	20.39
		2,049.17	1,794.66
TOTAL ASSETS			
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	10	105.69	105.39
(b) Other equity	11	1,639.04	1,408.22
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liability	12	5.19	32.82
(b) Provisions	13	52.28	36.86
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14.1	-	-
(ii) Lease liability		35.79	27.61
(iii) Trade payables	14.2		
Total outstanding dues of micro enterprises and small enterprises		5.64	8.87
Total outstanding dues of creditors other than micro enterprises and small enterprises		36.09	39.38
(iv) Other financial liabilities	14.3	4.49	0.66
(b) Other current liabilities	15	101.98	86.18
(c) Provisions	16	62.98	48.67
TOTAL EQUITY AND LIABILITIES		2,049.17	1,794.66

See accompanying Notes to Standalone 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

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Date: May 25, 2023

Place: Chennai

Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Particulars	Note No	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations		2,093.93	1,598.75
Other Income	18	81.69	127.68
Total income		2,175.62	1,726.43
Expenses:			
Employee benefits expense	19	1,395.11	991.66
Finance costs	20	8.33	20.72
Depreciation and amortization expense	3	48.21	42.42
Support / Third party charges		253.36	199.59
Other expenses	21	125.34	126.80
Total expenses		1,830.35	1,381.19
Profit before Tax		345.27	345.24
Tax expense:			
Current Tax	17	78.45	74.15
Deferred Tax	17	(11.66)	(1.14)
Profit / (Loss) for the period		278.48	272.23
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)		6.03	4.24
B. (i) Items that will be reclassified to Statement of Profit & Loss - Changes in fair value of derivative instrument (net of taxes)		(5.63)	2.66
Total Other comprehensive Income for the year		0.40	6.90
Total Comprehensive Income for the year		278.88	279.13
Total Profit attributable to Equity Shareholders		278.48	272.23
Earnings per equity share of Rs. 1.00 each	22		
(1) Basic		2.64	2.59
(2) Diluted		2.56	2.51

See accompanying Notes to Standalone 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

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Date: May 25, 2023

Place: Chennai

Statement of Cash Flow for the period April 2022 to March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
A. Cash Flow from Operating Activities:		
Profit before tax:	345.27	345.24
Adjustments for:		
Depreciation & amortisation	48.21	42.42
Expenses on employee stock based compensation	3.36	3.92
(Profit)/Loss on sale of Investments	(0.30)	-
Interest and other Income	(0.50)	(0.02)
Dividend Income	(68.51)	(121.53)
Interest and Finance charges	8.33	20.72
Net actuarial gain / loss on defined benefit plan	8.06	5.66
Operating Profit before Working Capital / Other Changes	343.92	296.41
(Increase) / Decrease in Trade receivables	(101.98)	(58.14)
(Increase) / Decrease in Other Assets	(31.12)	(50.93)
Increase / (Decrease) in Trade Payables	(6.52)	16.57
Increase / (Decrease) in Other liabilities	15.78	21.80
Increase / (Decrease) in Provisions	29.72	13.93
Cash Generated From Operations	249.80	239.64
Income tax paid	(113.28)	(87.46)
Net Cash Flow from Operating Activities	136.52	152.18
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	(22.84)	(56.22)
Proceeds from sale of Property, Plant and Equipment	0.30	0.42
Purchase of Intangible assets	(1.43)	(0.68)
Payment of Lease liabilities	(35.37)	-
Investment in Fixed Deposits	(40.00)	-
Interest and other Income	0.50	0.02
Dividend income Received	68.51	121.53
Net Cash Used in Investing Activities	(30.33)	65.07
C. Cash Flow from Financing Activities:		
Proceeds/ (repayment) of borrowings	-	(200.00)
Interest and Finance charges	(1.84)	(13.18)
Dividend paid (including Dividend Distribution Tax)	(68.61)	(57.88)
ESOP Exercised	4.26	6.67
Net Cash Used in Financing Activities	(66.19)	(264.39)
Net Increase/ (Decrease) in Cash and Cash Equivalents [A+B+C]	39.99	(47.14)
Cash and Cash Equivalents at the Beginning of the Year	103.77	150.91
Cash and Cash Equivalents as at End of the Year	143.76	103.77

Statement of Cash Flow for the period April 2022 to March 2023

(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:

Balance with Schedule banks in current accounts	143.71
Cash and Cheques on Hand and in-transit	0.05
Total	143.76

The notes form an integral part of the Statement of Cash Flow

This is the Statement of Cash Flow 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

Niraj Kumar Ganeriwal

COO and CFO

Meera Venkatramanan

Company Secretary

Date: May 25, 2023

Place: Chennai

Statement of changes in equity for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

(a) Equity Share Capital

Balance as at 1st April 2021	104.90
Add: Shares issued on exercise of employee stock options	0.49
Balance as at 31st March 2022	105.39
Balance as at 1st April 2022	105.39
Add: Shares issued on exercise of employee stock options	0.30
Balance as at 31st March 2023	105.69

(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 2021	0.21	46.44	93.58	18.82	1,015.66	0.75	1.32	1,176.77
Profit for the year	-	-	-	-	272.23	-	-	272.23
Other Comprehensive Income (Net of taxes)	-	-	-	-	-	1.86	4.23	6.10
Cost related to employee share based payments	-	-	9.87	1.13	-	-	-	11.00
Cash Dividends	-	-	-	-	(57.88)	-	-	(57.88)
Balance as at 31st March 2022	0.21	46.44	103.45	19.95	1,230.01	2.61	5.55	1,408.22
Balance as at 1st April 2022	0.21	46.44	103.45	19.95	1,230.01	2.61	5.55	1,408.22
Profit for the year	-	-	-	-	278.48	-	-	278.49
Other Comprehensive Income (Net of taxes)	-	-	-	-	-	(5.63)	6.03	0.40
Cost related to employee share based payments	-	-	6.35	14.19	-	-	-	20.54
Cash Dividends	-	-	-	-	(68.61)	-	-	(68.61)
Balance as at 31st March 2023	0.21	46.44	109.80	34.14	1,439.89	(3.02)	11.58	1,639.04

See accompanying Notes to Standalone 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

Niraj Kumar Ganerwal

COO and CFO

Meera Venkatramanan

Company Secretary

Date: May 25, 2023

Place: Chennai

Notes forming part of the Financial Statements for the year ended 31 March 2023

(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 authorized for issue by the Company's Board of Directors on 25th May 2023.

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 as amended.

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 relevant Ind AS:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value
- Share based payments; and
- 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 recognized 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 31 March 2023

(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 recognized 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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

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 recognized for each of the performance obligation of the contract.

The Company recognizes 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 recognized based on the time / efforts spent and billed to clients.

Fixed-Price Contracts:

In case of fixed-price contracts, revenue is recognized 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 recognized 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 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Annual Maintenance Contract:

Revenue from annual maintenance contracts are recognized proportionately over the period in which services are rendered.

Sale of products:

Revenue from sale of third party software products and hardware is recognized 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 recognized 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 recognized in the Statement of Profit and Loss using effective interest method at the time of accrual. Dividend income is recognized 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 / amortized 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 amortized 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 Rs.5,000/- or less are depreciated in full in the year of purchase.

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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 resultant gains or losses are recognized 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 amortized over their respective estimated useful lives on a straight line basis from the date they are available for use as follows:

Description	Useful Lives (in years)
Intellectual property	36 months
Software Costs	60 months

Self-generated intangible assets are generally not capitalized.

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 recognized on the date of initial application and the comparatives have not been retrospectively adjusted.

A lessee recognizes 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 recognized 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 recognized 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 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 recognized in the Statement of

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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 Company follows 'simplified approach' for recognition of impairment loss on trade receivables, whereby, it recognizes 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 recognized 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 recognized 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 recognized 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 recognized and measured at fair value. Attributable transaction costs are recognized 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 recognized 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 recognized 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 recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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 recognized in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

k. Non-derivative financial instruments

INITIAL MEASUREMENT:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables (that do not contain a significant financing component) which are initially measured 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 recognized on trade date.

SUBSEQUENT MEASUREMENT:

Financial assets at amortized cost

Financial assets are subsequently measured at amortized 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 amortized cost using effective interest method, less any impairment losses.

Amortized 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 amortized 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 recognized in the Statement of Profit and Loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized 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.

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

The Company derecognizes 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 derecognized 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 categorized 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 maximize the use of observable market data and minimize 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 recognized 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.

I. 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 recognized 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.

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

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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 recognized provident fund. The contributions are accounted for as defined contribution plans and recognized 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 recognized 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 recognized 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 recognized 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 recognized in the Statement of Profit and Loss.

Undiscounted liability of performance incentive is recognized during the period when the employee renders the services, based on management estimate.

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

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

of the grant arrived at by using the Black-Scholes Model valuation and recognizes 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 recognized 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 recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized 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 recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred Income Tax

Deferred income tax is recognized using the Balance Sheet Approach. The corresponding deferred income tax liabilities or assets are recognized 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 recognized 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 utilized. Deferred tax income liabilities are recognized 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 utilized.

Deferred income taxes are measured at the tax rates that are expected to apply in the period when the asset is realized 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.

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.

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

r. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred and subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized 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 capitalized 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 recognized 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 31 March 2023

(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	Leased Vehicles	Furniture & Fittings	Motor Vehicles Owned	Right of Use Asset	Total
Gross carrying value										
At April 1, 2021	9.09	27.79	60.56	13.39	11.27	-	18.02	0.22	125.44	265.78
Additions	-	-	26.33	1.57	-	-	1.70	3.59	23.03	56.22
Disposals / adjustments	0.05	1.38	-	0.51	-	-	-	-	29.84	31.78
At March 31, 2022	9.04	26.41	86.89	14.45	11.27	-	19.72	3.81	118.63	290.22
At April 1, 2022	9.04	26.41	86.89	14.45	11.27	-	19.72	3.81	118.63	290.22
Additions	-	-	21.49	1.16	-	2.12	0.10	0.09	7.55	32.51
Disposals / adjustments	-	-	0.05	-	-	-	1.28	-	3.39	4.72
At March 31, 2023	9.04	26.41	108.33	15.61	11.27	2.12	18.54	3.90	122.79	318.01
Accumulated depreciation										
At April 1, 2021	9.07	25.76	52.51	10.86	9.66	-	17.39	0.21	59.18	184.64
Depreciation expense	0.01	0.53	8.56	0.92	0.52	-	0.39	0.55	30.41	41.89
Disposals / adjustments	0.04	1.38	-	0.33	-	-	-	-	29.84	31.59
At March 31, 2022	9.04	24.91	61.07	11.46	10.18	-	17.78	0.76	59.75	194.94
At April 1, 2022	9.04	24.91	61.07	11.46	10.18	-	17.78	0.76	59.75	194.94
Depreciation expense	-	0.53	15.09	1.13	0.50	0.06	0.62	0.73	28.84	47.51
Disposals / adjustments	-	-	0.05	-	-	-	1.28	-	3.17	4.50
At March 31, 2023	9.04	25.44	76.11	12.59	10.68	0.06	17.12	1.49	85.42	237.95
Net carrying value March 31, 2023	-	0.97	32.22	3.02	0.59	2.06	1.42	2.41	37.37	80.06
Net carrying value March 31, 2022	-	1.50	25.82	3.00	1.09	-	1.94	3.05	58.88	95.29

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 31 March 2023

(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, 2021	4.50	25.73	30.23
Additions	-	0.68	0.68
Disposals / adjustments	-	-	-
At March 31, 2022	4.50	26.41	30.91
At April 1, 2022	4.50	26.41	30.91
Additions	-	1.43	1.43
Disposals / adjustments	-	-	-
At March 31, 2023	4.50	27.84	32.34
Accumulated amortization			
At April 1, 2021	4.50	24.50	29.00
Amortisation expense	-	0.54	0.54
Disposals / adjustments	-	-	-
At March 31, 2022	4.50	25.04	29.54
At April 1, 2022	4.50	25.04	29.54
Amortisation expense	-	0.70	0.70
Disposals / adjustments	-	-	-
At March 31, 2023	4.50	25.74	30.24
Net carrying value March 31, 2023	-	2.10	2.10
Net carrying value March 31, 2022	-	1.37	1.37

NON-CURRENT ASSETS

5.1. FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	Face value (fully paid up)	As at March 31, 2023		As at March 31, 2022	
		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 31 March 2023

(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, 2023	As at March 31, 2022
unsecured and considered good*		
Loan to related parties	-	0.25
	-	0.25

* Related party balances are presented in Note no. 22 (c)

5.3. FINANCIAL ASSETS - OTHERS

Particulars	As at March 31, 2023	As at March 31, 2022
unsecured and considered good		
Security Deposit	15.06	13.69
Bank deposits with more than 12 months maturity	0.40	0.40
	15.46	14.09

6. DEFERRED TAX ASSETS (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Arising from timing difference in respect of:		
Property, Plant and Equipment	4.10	4.32
Retirement Benefits	18.28	9.77
Financial instruments - FVTOCI	0.97	(0.92)
Lease liability	0.39	0.39
Other tax disallowances	13.81	10.42
	37.55	23.98

7. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Receivable from Subsidiaries on exercise of ESOPs	15.42	2.19
Prepaid expenses	-	0.30
	15.42	2.49

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

CURRENT ASSETS

8.1. FINANCIAL ASSETS - TRADE RECEIVABLES

Particulars	As at March 31 , 2023	As at March 31 , 2022
(Unsecured, considered good)*		
Considered good	323.79	221.80
Significant increase in credit risk	-	-
Credit Impaired	-	-
Less: Allowance for credit losses#	-	-
	323.79	221.80

* 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 2023

8.2. FINANCIAL ASSETS - CASH & CASH EQUIVALENTS

Particulars	As at March 31 , 2023	As at March 31 , 2022
a. Cash on hand	0.05	0.04
b. Balances with banks in current accounts and deposit accounts	143.07	103.04
c. Other bank balances #	0.64	0.69
	143.76	103.77

Other bank balances represent earmarked balances in respect of unclaimed dividends and Interest Accrued on such balances

8.3. FINANCIAL ASSETS - BANK BALANCES OTHER THAN (ii) ABOVE

Particulars	As at March 31 , 2023	As at March 31 , 2022
Bank deposits with original maturity of more than three months but less than 12 months	40.00	-
	40.00	-

8.4. FINANCIAL ASSETS - LOANS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Unsecured, considered good		
Employee loans and advances	1.22	0.29
	1.22	0.29

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

8.5. FINANCIAL ASSETS - OTHERS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Security Deposits	0.91	0.99
Forward Contract	-	3.67
Unbilled revenue	116.19	88.54
	117.10	93.20

9. OTHER CURRENT ASSETS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Balance with statutory Authorities	7.62	7.50
Prepaid expenses	13.62	12.32
Advance to suppliers	0.95	0.57
	22.19	20.39
Current Tax Assets (Net)	77.99	45.21

10. SHARE CAPITAL

Particulars	As at March 31 , 2023	As at March 31 , 2022
A) Authorised, Issued, Subscribed and Fully Paid up Share capital		
Authorised:		
20,10,00,000 Equity Shares of Rs.1 each	2,010.00	2,010.00
Issued & Subscribed & Fully Paid-up:		
10,56,90,000 Equity Shares of Rs.1 each (March 2023: 10,56,90,000 shares and March 2022: 10,53,90,000 shares)	1,056.90	1,053.90
Total	1,056.90	1,053.90

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31 , 2023	As at March 31 , 2022
Outstanding as at beginning of the year	10,53,90,000	10,49,00,000
Add: Shares allotted to employees pursuant to ESOP 2009	3,00,000	4,90,000
Outstanding as at the end of the year	10,56,90,000	10,53,90,000

(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

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

10. SHARE CAPITAL (contd.)

(D) Shares in the company held by each shareholder holding more than 5% shares

S. No.	Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
		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	2,21,86,400	20.99%	2,21,86,400	21.05%
2	Sak Industries Private Limited	4,84,77,150	45.87%	4,84,77,150	46.00%
3	Saksoft Employees Welfare Trust	53,24,600	5.04%	53,24,600	5.05%
	Total	7,59,88,150	71.90%	7,59,88,150	72.10%

(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 2022-2023 grant of options were 11,00,000 (Net of surrender of options)	Employees	ESOP 2009

(F) Share holding of Promoters and Promoter Group

AT THE END OF THE YEAR				% Change during the year
S.No	Promoters Name	No of Shares	% of total shares	
1	Aditya Krishna	2,21,86,400	20.99%	0.06%
2	Sak Industries Private Limited	4,84,77,150	45.87%	0.13%
AT THE BEGINNING OF THE YEAR				% Change during the year
S.No	Promoters Name	No of Shares	% of total shares	
1	Aditya Krishna	2,21,86,400	21.05%	0.10%
2	Sak Industries Private Limited	4,84,77,150	46.00%	0.21%
3	Sonnet Trades & Investments Private Limited	13,32,760	1.27%	0.48%

(G) The Board of Directors at their Meeting held on May 26, 2022 approved the sub-division of each equity share of face value of Rs. 10/- fully paid up into 10 equity shares of face value of Rs. 1/- each fully paid up. The same was approved by the Members at the Annual General Meeting held on August 09, 2022. The effective date for the subdivision was September 26, 2022. Accordingly, Equity Shares, Earnings Per Share and ESOPS have been adjusted for the Subdivision and the same has accordingly been reflected wherever the Shares/Options have been reported in the Financial Statements."

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

11. OTHER EQUITY

Particulars	As at March 31, 2023	As at March 31, 2022
a) Capital reserve Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.	0.21	0.21
b) Securities premium reserve Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.	109.80	103.45
c) General reserve This represents appropriation of profit by the Company.	46.44	46.44
d) Retained earnings Retained earnings comprise of the Company's undistributed earnings after taxes.	1,439.89	1,230.01
e) Share option outstanding account 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.	34.14	19.95
f) Financial Instruments through other comprehensive income Changes in the fair value of equity instruments is recognized in equity instruments through other comprehensive income (net of taxes), and presented within other equity.	(3.02)	2.61
g) Other items of other comprehensive income Other items of other comprehensive income consist of re-measurement of net defined liability/asset.	11.58	5.55
	1,639.04	1,408.22

NON- CURRENT LIABILITY

12. FINANCIAL LIABILITIES- OTHERS

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liability	5.19	32.82
	5.19	32.82

13. PROVISIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity Payable (Net)*	52.28	36.86
	52.28	36.86

* Refer Note 22 (d) for details of gratuity plan as per Ind AS 19

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

CURRENT LIABILITIES

14.1. FINANCIAL LIABILITIES- BORROWINGS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Cash Credit From Bank - Secured	-	-
Secured by exclusive charge on the assets of the company.		
Rate of interest linked to MCLR of the bank.		
Period and amount of continuing default: NIL		
	-	-

14.2. FINANCIAL LIABILITY- TRADE PAYABLES

Particulars	As at March 31 , 2023	As at March 31 , 2022
Trade Payables-Micro,small enterprises*	5.64	8.87
Trade payables - Others #	36.09	39.38
	41.73	48.25

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 , 2023	As at March 31 , 2022
Unclaimed Dividends	0.64	0.66
Forward Contract	3.85	-
	4.49	0.66

15. OTHER CURRENT LIABILITIES

Particulars	As at March 31 , 2023	As at March 31 , 2022
Unearned income from customers	22.04	10.19
Statutory dues	30.21	35.45
Others - Ascertained liabilities for expenses	49.73	40.54
	101.98	86.18

16. PROVISIONS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Provision for compensated absences	10.37	4.57
Provision for contractual liability towards currency fluctuation	52.61	41.1
Provision for gratuity*	-	3
	62.98	48.67

* Refer Note 22 (d) for details of gratuity plan as per Ind AS 19

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

17. INCOME TAX

Income tax expense in the statement of profit and loss consists of:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current income tax:		
In respect of the current year	78.45	74.15
Deferred tax:		
In respect of the current year	(11.66)	(1.14)
Income tax expense recognised in the statement of profit or loss:	66.79	73.01
Income tax recognised in other comprehensive income		
Current tax arising on income and expense recognised in other comprehensive income	2.03	1.42
Deferred tax arising on income and expense recognised in other comprehensive income	(1.89)	0.90
Total	0.12	2.32

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, 2023	Year ended March 31, 2022
Profit before tax	345.28	345.24
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expenses	86.90	86.89
Effect of:		
Income that is exempt from tax	(17.24)	14.32
Expenses that are not deductible in determining taxable profit	(2.97)	1.13
Income subject to different taxes	-	6.47
Depreciation allowance / disallowance under IT Act	-	1.06
CSR Expenses and Other Donations	0.81	1.64
Provision for contractual liability towards currency fluctuation	-	4.52
Adjustments for IND AS 116	-	(0.14)
Taxes recognised in OCI	2.03	1.42
Others	(2.62)	(41.98)
Income tax expenses recognized in the Statement of Profit and Loss	66.91	75.33

Calculation of Applicable Tax Rate:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
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%

Notes forming part of the Financial Statements for the year ended 31 March 2023

(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, 2023

Particulars	As at April 1, 2022	Recognized in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2023
Property, Plant and Equipment	4.32	(0.23)		4.10
Retirement and employee Benefits	9.28	8.99		18.28
Financial instruments - FVTOCI	(0.92)		1.89	0.97
Lease Liability	0.39	-		0.39
Provision for currency devalue	10.91	2.90		13.81
Total	23.98	11.66	1.89	37.55

Deferred tax assets / liabilities as at March 31, 2022

Particulars	As at April 1, 2021	Recognized in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2022
Property, Plant and Equipment	5.44	(1.12)		4.32
Retirement and employee Benefits	10.19	(2.33)	1.42	9.28
Derivative financial instruments - FVTOCI	0.34	(2.16)	0.90	(0.92)
Lease Liability	0.23	0.16		0.39
Provision for currency devalue	6.64	4.27		10.91
Total	22.84	(1.18)	2.32	23.98

Note: Long term capital loss as computed under the provisions of Income Tax Act, 1961 carried forward amounted to Rs.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, 2023	Year ended March 31, 2022
(A) Income from investments		
Dividends	68.51	121.53
	68.51	121.53
(B) Others		
Exchange Fluctuation (net)	11.55	5.15
Interest income	0.50	0.02
Interest on fair valuation of security deposits	0.71	0.70
Profit / Loss on Sale of assets	0.30	0.23
Miscellaneous Receipts	0.12	0.05
	13.18	6.15
	81.69	127.68

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

19. EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	1,306.51	921.68
Contribution to Provident and other funds	59.32	43.96
Share based compensation to employees	3.36	3.92
Staff Welfare Expenses	25.92	22.10
	1,395.11	991.66

20. FINANCE COSTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expense		
- on finance lease for vehicles	0.06	-
- on loans from a related party	-	11.03
- on fair valuation of security deposits	0.71	0.70
- on fair valuation of lease liability	6.49	7.54
Other borrowing cost	1.07	1.45
	8.33	20.72

21. OTHER EXPENSES

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	0.35	0.49
Travel and conveyance	17.71	4.67
Insurance	6.69	4.83
Rates and Taxes	1.67	1.22
CSR Expenditure	3.20	6.52
Power and Fuel	7.55	8.52
Repairs to Buildings	17.65	22.38
Repairs to Plant & Machinery	12.75	6.47
Communication Expenses	5.11	4.75
Payment to statutory auditors		
- As Auditors	1.95	1.95
- For Certification	0.10	0.18
- reimbursement of expenses	0.05	0.00
Legal, Professional and consultancy charges	31.69	35.93
Advertisement, Publicity and Sale Promotion	0.73	0.46
Miscellaneous expenses	18.14	28.43
	125.34	126.80

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes

(a) Contingent Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
1. Income-tax matters	34.62	34.55
2. GST matters	2.05	-

The future cash outflows on items 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.

(b) Disclosure under 116.

For leased buildings

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation charge for ROU Asset	28.84	30.41
Interest expense on lease liability	6.49	7.54
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)	0.35	0.42
Expenses relating to variable lease payments	-	-
Income from sub-leasing of ROU Asset	-	-
Total Cash Outflow for leases	35.32	37.31
Additions to ROU Assets during the year	7.55	23.03
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	37.37	58.88

For leased vehicles

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation charge for leased vehicles	0.06	-
Interest expense on lease liability for vehicles	0.06	-
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)	-	-
Expenses relating to variable lease payments	-	-
Income from sub-leasing of ROU Asset	-	-
Total Cash Outflow for leases	0.05	-
Additions to leased vehicles during the year	2.12	-
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	2.06	-

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

(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
Subsidiaries and step down subsidiaries and Joint Venture	The Sakserve Private Limited
	The General Talkies (P) Ltd
	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
Terafast Networks Private Limited	
DreamOrbit Softech Pvt Ltd, India	
DreamOrbit Inc, USA	
MC Consulting Malaysia SDN	
MC Consulting Pte Ltd, Singapore	
Key management personnel	Mr Aditya Krishna- CMD
	Mr Niraj Kumar Ganeriwal- COO & CFO
	Mr Meera Venkatramanan - Company Secretary
Relatives of Key Managerial Personnel	Ms Kanika Krishna – Director
	Ms Avantika Krishna – Employee

Transactions entered during the year

Description	Year ended March 31, 2023	Year ended March 31, 2022
Revenues		
Acuma Solutions Limited, United Kingdom	280.27	274.57
Saksoft Inc, USA	556.90	384.02
Saksoft Pte Limited, Singapore	22.94	31.96
DreamOrbit Softech Private Limited India	21.18	2.70
DreamOrbit INC	67.94	40.52
ThreeSixty Logica Testing Services Pvt Ltd	18.00	18.00

Dividend Income

	Year ended March 31, 2023	Year ended March 31, 2022
DreamOrbit Softech Private Limited India	68.51	33.25
ThreeSixty Logica Testing Services Pvt Ltd	-	24.62
Saksoft Inc, USA	-	49.61
Saksoft Pte Limited, Singapore	-	14.05

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

Reimbursement of expenses (Net)	Year ended March 31, 2023	Year ended March 31, 2022
Saksoft Solutions Limited, United Kingdom	0.28	0.40
Acuma Solutions Limited, United Kingdom	0.78	-
Saksoft Inc, USA	0.95	0.94
Saksoft Pte Limited, Singapore	0.23	-
Sak Industries Pvt Ltd	0.76	0.66
ThreeSixty Logica Testing Services Pvt Ltd	1.42	1.44
Support & Third Party Expense		
DreamOrbit Softech Private Limited India	58.90	35.67
ThreeSixty Logica Testing Services Pvt Ltd	32.81	17.63
Dividend paid		
Sak Industries Private Limited	31.51	26.66
Chairman and Managing Director	14.42	12.20
COO & CFO	0.68	0.50
Saksoft employees welfare Trust	3.46	2.93
Interest on loan		
Sak Industries Private Limited	-	11.03
Borrowings/(Repayment), net		
Sak Industries Private Limited	-	(200.00)
Payment towards lease liability		
Sak Industries Private Limited	(9.24)	(9.24)
Investment/(Redemption) made during the year		
Investment in DreamOrbit Softech India Pvt Ltd		-
Remuneration of Key Managerial Personnel	22.09	19.20
Non-Executive Director Commission	0.25	0.15
Non-Executive Director - Sitting Fees	0.26	0.20
Remuneration to relative of KMP	7.33	4.97
Shares allotted under ESOP(2009 Scheme)		
COO & CFO (number of shares)	25,000	25,000

Year end balances

Description	Year ended March 31, 2023	Year ended March 31, 2022
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	12.44	20.11

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

Description	Year ended March 31, 2023	Year ended March 31, 2022
Receivables		
Acuma Solutions Limited, United Kingdom	27.94	23.11
Saksoft Inc, USA	103.23	66.05
Saksoft Pte Limited, Singapore	1.98	3.05
Dreamorbit Inc	11.99	10.21
ThreeSixtyLogica Testing Services Pvt Ltd, India	-	-
DreamOrbit Softech Pvt Ltd	0.32	0.27
Payables		
DreamOrbit Softech Pvt Ltd	5.56	3.97
Sak Industries Pvt Ltd	-	-
ThreeSixtyLogica Testing Services Pvt Ltd, India	6.37	5.08
Loans and advances		
Saksoft employees welfare trust	-	0.25
Borrowings		
Lease Liability- Sak Industries Private Limited	13.26	20.42

(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	
	31-Mar-23	31-Mar-22
Current service cost	18.01	11.96
Past service cost	-	-
Administration expenses.	-	-
Interest on net defined benefit liability / (asset)	2.63	2.15
(Gains) / losses on settlement	-	-
Total expense charged to Statement of profit and loss	20.64	14.11

FINANCIAL ASSUMPTIONS AT THE VALUATION DATE:

Particulars	Period Ended	
	31-Mar-23	31-Mar-22
Discount rate (p.a.)	7.45%	6.95%
Salary escalation rate (p.a.)	8.00%	8.00%

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 Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 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	
	31-Mar-23	31-Mar-22
Opening amount recognized in OCI outside profit and loss account	(7.46)	(1.80)
Remeasurements during the period due to:		
Changes in financial assumptions	(2.44)	(3.09)
Changes in demographic assumptions	(2.22)	2.63
Experience adjustments	(3.61)	(5.41)
Actual return on plan assets less interest on plan assets	0.20	0.20
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized in OCI outside profit and loss account	(15.51)	(7.46)

The following table sets out the status of the gratuity plan.

Particulars	Period Ended	
	31-Mar-23	31-Mar-22
Opening of defined benefit obligation	47.25	42.59
Current service cost	18.01	11.96
Past service cost	-	-
Interest on defined benefit obligation	3.12	2.53
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	(2.44)	(3.09)
Actuarial loss / (gain) arising from change in demographic assumptions	(2.22)	2.63
Actuarial loss / (gain) arising on account of experience changes	(3.61)	(5.41)
Benefits paid	(3.13)	(3.97)
Liabilities assumed / (settled)*	-	-
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	56.98	47.25

Particulars	Period Ended	
	31-Mar-23	31-Mar-22
Opening fair value of plan assets	7.39	6.48
Employer contributions	0.17	4.70
Interest on plan assets	0.49	0.38
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(0.20)	(0.20)
Benefits paid	(3.13)	(3.97)
Assets acquired / (settled)*	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	4.72	7.39

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

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 summarizes 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, 2023	
	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-3.99%	3.55%
Impact of decrease in 50 bps on DBO	4.27%	-3.42%

Disaggregation of Plan Assets

Particulars	Total
Property	-
Government Debt Instrument	-
Other Debt Instrument	-
Equity Instruments	-
Insurer managed funds	4.72
Others	-

Maturity Profile of Assets:

Maturity Year	31-Mar-23
2024	6.26
2025	4.81
2026	4.61
2027	5.19
2028	5.65
2029-2034	95.70

(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 58,24,600 equity shares of Re.1 each to the Trust to give effect to the ESOP Plan. As at the balance sheet date, the employees have exercised 5,00,000 options under this Plan and accordingly, 53,24,600 equity shares of Re. 1 each represent shares held by the Trust. During the year no options have been granted or outstanding under this plan.

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

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 1,50,00,000 options to be granted and exercised in accordance with the ESOP 2009 plan as approved by the Nomination and Remuneration Committee. The outstanding options available for exercise under the ESOP 2009 as on 31st March 2023 is 50,60,000 options, of which 26,00,000 options being unvested.

During the year, the Board of Directors have allotted 3,00,000 equity shares consequent to the exercise of options by certain eligible employees of the Company who were granted options on 25th May 2015 at grant price of Rs.15.17 per option (2,50,000 equity shares), on 8th July 2014 at a grant price of Rs. 9.30 per option (50,000 equity shares) under ESOP 2009 plan. Subsequent to the exercise, the listing and trading approval was obtained from National Stock Exchange on 19th September 2022 for 2,50,000 shares and 18th November 2022 for 50,000 shares. The paid up share capital of the Company after allotment of 3,00,000 equity shares stands at 10,56,90,000 Equity Shares as of 31st March 2023. During the year, 11,00,000 options have been granted under this plan at an exercise price of Rs. 76.44 per option.

The details of the ESOP 2009 Plan are

Particulars	Year ended March 31,			
	2023		2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Options outstanding at the beginning of the year	42,60,000	13.86	49,00,000	13.77
Options granted during the year	11,00,000	76.44	-	-
Options exercised during the year	(3,00,000)	14.19	(4,90,000)	13.60
Options lapsed during the year	-	-	(1,50,000)	13.88
Options outstanding at the end of the year	50,60,000	13.73	42,60,000	13.86
Options vested and exercisable at the end of the year	24,60,000	13.59	20,10,000	13.58

(f) Earnings Per Share (EPS)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Earnings (Net profit for the year (Rs. In million))	278.48	272.23
Shares		
Equity shares as at the balance sheet date	10,56,90,000	10,53,90,000
Total number of equity shares the end of the year – Basic	10,56,90,000	10,53,90,000
Weighted average number of equity shares outstanding as at the end of the year – Basic	10,55,52,055	10,51,52,959
Diluted Shares		
Weighted average number of equity shares outstanding as at the end of the year.	10,55,52,055	10,51,52,959
Add: Weighted average number of equity shares arising out of outstanding stock options that have dilutive effect on the EPS	33,68,606	33,68,400

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average number of equity shares outstanding during the year – Diluted	10,89,20,661	10,85,21,359
Earnings per share of par value Rs.1 – Basic (Rs.)	2.64	2.59
Earnings per share of par value Rs.1 – Diluted (Rs.)	2.56	2.51

(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.

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:

	March 31, 2023	March 31, 2022
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 2022-23 amounting to Rs. 0.35 per equity share. This has resulted in a cash flow of Rs. 36.99 Million.

The Board of Directors at its meeting held on 25th May 2023 had further recommended a final dividend of 0.35 % (Rs. 0.35 per equity share of Rs.1/- 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 Rs. 36.99 Million.

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

(i) Disclosure under Ind AS 115

The entire revenue from operations for the year ended 31st March 2023 and 31st March 2022 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 23 (d) to the consolidated financial statements.

Information about contract balances

The company classifies the right to consideration as Trade receivables and unbilled revenue.

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 recognized as at the reporting date and expected timelines to recognize 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 optimization 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	Year ended March 31, 2023	Year ended March 31, 2022
Total equity attributable to equity share holders of the Company	1,744.73	1,513.61
Current borrowings	-	-
Non-current borrowings	-	-
Total debt held by the Company	-	-
Total capital (Equity and Debt)	1,744.73	1,513.61
Equity as a percentage of total capital	100%	100%
Debt as a percentage of total capital	-	-

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

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.

(k) Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2023, March 31, 2022 is as follows:

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
Financial Assets		
Amortized Cost		
Trade and other receivables	323.79	221.80
Cash and cash equivalents	143.76	103.77
Loans	1.22	0.54
Others financial assets	136.41	103.62
FVTOCI		
Derivative instruments in hedging relationship	(3.85)	3.67
At Cost		
Investments in subsidiaries, associates and joint ventures	1,172.53	1,172.53
TOTAL ASSETS	1,773.85	1,605.94
Financial Liabilities		
Amortized Cost		
Borrowings	-	-
Trade Payables	41.73	48.25
Other financial liabilities	45.47	61.10
Others	-	-
TOTAL LIABILITIES	87.20	109.34

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, 2023 and March 31, 2022 amounts to (Rs. 3.85 million) and Rs. 3.67 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

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

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.

The following table represents the details of Company's forward contracts outstanding:

Particulars	Balance Sheet Exposure - Asset / (Liability)	
	As at March 31, 2023	As at March 31, 2022
Foreign currency forward - USD/INR	(0.00)	1.12
Foreign currency forward - GBP/INR	(2.38)	2.55
Foreign currency forward - EURO/INR	(1.47)	(0.00)
Total	(3.85)	3.67

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, 2023	As at March 31, 2022
Foreign currency forward - USD/INR	2.30	1.70
Foreign currency forward - GBP/INR	0.38	0.60
Foreign currency forward - EURO/INR	0.35	-
Total	3.03	2.30

(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 minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks as summarized 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 31 March 2023

(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, 2023	Balance as at March 31, 2022
Investments	1,172.53	1,172.53
Trade receivables	323.79	221.80
Cash and cash equivalents	143.76	103.77
Bank balances other than (iii) above	40.00	-
Loans	1.22	0.54
Other financial assets	132.56	107.29
TOTAL	1,813.86	1,605.93

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, 2023			
Borrowings	-	-	-
Trade Payables	41.73	-	-
Other financial liabilities	40.28	5.19	-
As at March 31, 2022			
Borrowings	-	-	-
Trade Payables	48.25	-	-
Other financial liabilities	28.27	32.82	-

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

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 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, 2023	Balance as at March 31, 2022
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	-	-
In Pound Sterling	-	-
Trade receivables		
In US Dollars	1.51	1.12
In Singapore Dollars	0.03	0.05
In Pound Sterling	0.28	0.23
In Euro	0.85	0.61
Trade payables		
In Euro	0.01	0.02

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 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

(n) Ageing Schedule - Trade Payables

Particulars	Outstanding as at 31st March 2023 from the due date of payment					Unbilled
	Not due	< 1 year	1-2 years	2-3 years	>3 years	
MSME	5.64	-	-	-	-	-
Others	22.27	8.42	5.40	-	-	-
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Particulars	Outstanding as at 31st March 2022 from the due date of payment					Unbilled
	Not due	< 1 year	1-2 years	2-3 years	>3 years	
MSME	8.87	-	-	-	-	-
Others	30.16	4.32	(0.10)	5.00	-	-
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

(o) Ageing Schedule - Trade Receivables

Particulars	Outstanding as on 31st March 2023 from the due date of payment					TOTAL
	< 6 months	6 months -1 year	1-2 years	2-3 years	>3 years	
Undisputed - Considered good	322.27	1.27	0.25	-	-	323.79
Undisputed - having significant increase in credit risk	-	-	-	-	-	-
Undisputed - Credit impaired	-	-	-	-	-	-
Disputed - Considered good	-	-	-	-	-	-
Disputed - having significant increase in credit risk	-	-	-	-	-	-
Disputed - Credit impaired	-	-	-	-	-	-

Particulars	Outstanding as on 31st March 2022 from the due date of payment					TOTAL
	< 6 months	6 months -1 year	1-2 years	2-3 years	>3 years	
Undisputed - Considered good	213.37	8.23	0.20	-	-	221.80
Undisputed - having significant increase in credit risk	-	-	-	-	-	-
Undisputed - Credit impaired	-	-	-	-	-	-
Disputed - Considered good	-	-	-	-	-	-
Disputed - having significant increase in credit risk	-	-	-	-	-	-
Disputed - Credit impaired	-	-	-	-	-	-

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

22 Additional notes (contd.)

(p) Analysis of Ratios

Particulars	As at 31-03-2023	As at 31-03-2022	% Change
1. Current Ratio (Note 1)	2.62	2.08	26.21%
Current Assets	648.04	439.46	
Current Liabilities	246.97	211.37	
2. Debt Equity Ratio (Note 2)	0.00	0.02	-86.30%
Non current Liabilities	5.19	32.82	
Equity	1,744.73	1,513.61	
3. Debt Service Coverage Ratio (Note 3)	42.45	17.67	140.31%
EBIT	353.60	365.95	
Interest Expenses	8.33	20.72	
4. Return on Equity %	16%	18%	-11.25%
Profit attributable to equity share holders	278.48	272.23	
Equity	1,744.73	1,513.61	
5. Trade Receivable Turnover Ratio	7.68	8.30	-7.47%
Net sales	2,093.93	1,598.75	
Average trade receivables	272.79	192.73	
Receivables turnover in days	47.55	44.00	
6. Trade Payable Turnover Ratio	8.42	8.17	3.07%
Purchase of Services and Other expenses	378.70	326.39	
Average trade payables	44.99	39.97	
Payable turnover in days	43.36	44.69	
7. Net Capital Turnover Ratio (Note 4)	5.22	7.01	-25.51%
Net Sales	2,093.93	1,598.75	
Working Capital	401.07	228.09	
8. Net Profit Ratio %	13%	16%	-18.82%
Net Profit	278.48	272.22	
Total Income	2,175.62	1,726.43	
9. Return on Capital Employed %	20%	24%	-14.61%
EBIT	353.60	365.94	
Capital Employed	1,749.92	1,546.43	
10. Return on Investment %	16%	18%	-11.25%
PAT	278.48	272.23	
Net Worth	1,744.73	1,513.60	

Note 1: Increase in Trade Receivables balances and deposits with bank accounts due to increased turnover and Cash Flows.

Note 2: Decrease In Lease liabilities due to lease payments during the year

Note 3: Decrease due to Interest on borrowings which were repaid during the previous year

Note 4: Increase in Trade Receivables balances due to increased sales during the end of the year.

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23 Corporate Social Responsibility (CSR) Expenditure

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Gross amount required to be spent by the company during the year	5.27	4.40
(b) Amount spent during the year on :	3.20	6.52
(c) (Shortfall) / Excess at the end of the year	0.04	2.11
(d) Amount spent in the current year relating to previous years shortfall (excess amount adjusted from previous year)	(2.11)	1.7
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	Promoting education among children, women, elderly and the differently abled and livelihood enhancement projects.	
(g) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	
(h) Details of related party transactions (contribution to a trust controlled by the company in relation to CSR expenditure)	Nil	

Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), provision has been made at the year end for the unspent amount and the same has been transferred to a separate bank account subsequently.

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

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Date: May 25, 2023

Place: Chennai

INDEPENDENT AUDITOR'S REPORT

To
The Members of
SAKSOFT LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

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, 2023, 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").

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, 2023, 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.

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. 1930.32 million as Goodwill in its consolidated financial statements as at 31st March 2023. The assessment of impairment on Goodwill is considered a Key Audit Matter due to its size of balance (33.50% 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.

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. 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 ascertain that recoverable value of investments is not below their respective carrying values.

Other Matters

- We did not audit the financial statements / financial information of ten subsidiaries and a trust, whose financial statements reflect total assets of Rs. 5362.68 million as at 31st March 2023, total revenues of Rs. 6349.89 million and net cash flows amounting to Rs. 95.30 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.
- We did not audit the financial statements / consolidated financial statements / financial information of two subsidiaries, whose financial statements reflect total assets of Rs.125.15 million as at 31st March 2023, total revenues of Rs.171.27 million and net cash flows amounting to Rs.4.80 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and 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 this subsidiary 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 unaudited financial statements. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is based on the unaudited financial statements certified by the Management. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information are not material to the Group.

Information Other than the Financial Statements and Auditor's Reports Thereon:

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 reports 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.

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

- With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
- (A) 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:

- 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;
- 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.
- 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.
- In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- On the basis of the written representations received from the directors of the respective Company 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, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- With respect to the adequacy of the internal financial controls with reference to 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 with reference to 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 Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(B) 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:

(a) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 24 (a) to the consolidated financial statements;

(b) The Company has long-term contracts including derivative contracts for which there were no material foreseeable losses;

(c) 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.

(d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security, or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material misstatement.
- (e) (i) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (ii) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

(iii) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

(f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, reporting

under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For R.G.N. Price & Co.,
Chartered Accountants
Firm registration no. 002785S

Mahesh Krishnan
Partner
M.No.: 206520
UDIN: 23206520BGXGEH7307

Place: Chennai
Date: 25th May 2023

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 with reference to Consolidated Financial Statements 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, 2023, we have audited the internal financial controls with reference to 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 with reference to 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 with reference to 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 with reference to 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 with reference to financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to financial reporting included obtaining an understanding of internal financial controls with reference to 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 with reference to financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to Financial Reporting

A Company's internal financial control with reference to 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 with reference to 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to Financial Reporting

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial reporting to future periods are subject to the risk that the internal financial control with reference to 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 with reference to financial reporting and such internal financial controls with reference to financial reporting were operating

effectively as at March 31, 2023, based on the internal control with reference to 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 matter.

For R.G.N. Price & Co.,
Chartered Accountants
Firm registration no. 002785S

Mahesh Krishnan
Partner

Place: Chennai
Date: 25th May 2023

M.No.: 206520
UDIN: 23206520BGXGEH7307

Consolidated Balance Sheet as at 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Particulars	Note No	Balance As at 31-03-2023	Balance As at 31-03-2022
ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	3	146.92	120.76
(b) Right of Use Asset		127.57	166.65
(c) Goodwill on consolidation	4	1,903.32	1,665.10
(d) Other Intangible assets	4	4.96	3.37
(e) Financial Assets			
(i) Loans	5.1	-	-
(ii) Investments	5.2	-	70.15
(iii) Others	5.3	170.21	23.87
(f) Deferred Tax Assets (net)	6	73.02	47.25
(g) Other non-current assets	7	-	0.30
2 Current Assets			
(a) Financial Assets			
(i) Investments	8.1	90.34	104.93
(ii) Trade and other receivables	8.2	1,164.18	1,061.96
(iii) Cash and cash equivalents	8.3	878.63	738.57
(iv) Bank Balance other than(iii) above		556.98	209.90
(v) Loans	8.4	2.04	0.80
(vi) Others	8.5	248.97	199.67
(b) Current Tax Assets (Net of provisions)		32.99	14.91
(c) Other Current Assets	9	280.49	187.22
TOTAL ASSETS		5,680.62	4,615.41
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	10	100.37	100.07
(b) Other equity	11	3,944.97	3,084.92
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12.1	-	38.80
(ii) Lease liabilities		80.90	119.17
(iii) Other financial liabilities	12.2	40.88	48.83
(b) Provisions	13	101.82	62.48
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14.1	-	1.62
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	14.2	12.38	25.44
Total outstanding dues of creditors other than micro enterprises and small enterprises		244.41	269.67
(iii) Lease liabilities		54.37	47.20
(iv) Other financial liabilities	14.3	153.49	70.37
(b) Other current liabilities	15	857.62	678.65
(c) Provisions	16	89.41	68.19
TOTAL EQUITY AND LIABILITIES		5,680.62	4,615.41

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

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Date: May 25, 2023
Place: Chennai

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Particulars	Note No	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations		6,656.04	4,804.30
Other Income	18	94.30	110.72
Total income		6,750.34	4,915.02
Expenses:			
Employee benefits expense	19	2,979.10	2,095.35
Finance costs	20	21.82	27.77
Depreciation and amortization expense	22	99.63	69.38
Support / Third party charges		2,242.53	1,639.49
Other expenses	21	352.88	279.20
Total expenses		5,695.96	4,111.19
Profit before Tax		1,054.38	803.83
Tax expense:			
Current Tax	17	258.09	172.79
Deferred Tax	17	(23.48)	(1.58)
Profit / (Loss) for the period		819.77	632.62
Other Comprehensive Income, Net of Taxes			
A. Items that will not be reclassified to Statement to Profit or Loss			
Remeasurement of defined benefit plan		(1.35)	8.69
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		(4.96)	1.86
Differences on account of translation of foreign operations		91.20	(7.56)
Total Other comprehensive Income for the year		84.89	2.99
Total Comprehensive Income for the year		904.66	635.61
Total Profit attributable to Equity Shareholders		819.77	632.62
11. Profit for the period attributable to:			
Shareholders of Saksoft Limited		819.77	632.62
Non-controlling interest		-	-
		819.77	632.62
12. Total Comprehensive income for the period attributable to:			
Shareholders of Saksoft Limited		904.66	635.61
Non-controlling interest		-	-
		904.66	635.61
Earnings per equity share of Re 1/- each			
(1) Basic	24	8.18	6.34
(2) Diluted		7.53	5.83

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

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Date: May 25, 2023
Place: Chennai

Consolidated Statement of Cash Flow for the period April 2022 to March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
A. Cash Flow from Operating Activities:		
Profit before tax:	1,054.38	803.83
Adjustments for:		
Depreciation & amortisation	99.63	69.38
Expenses on employee stock based compensation	16.47	4.65
Interest and other Income	(16.02)	(8.87)
Dividend Income	(3.74)	(2.94)
Interest and Finance charges	21.82	27.77
Net actuarial gain / loss on defined benefit plan	5.03	5.03
Unrealised Derivatives	-	1.86
PPP Loan Waiver written off	-	(67.12)
Profit on sale of PPE	(0.44)	(0.24)
Operating Profit before Working Capital / Other Changes	1,177.13	833.35
(Increase) / Decrease in Trade receivables	(102.22)	(418.00)
(Increase) / Decrease in Other Assets	(153.18)	(133.58)
Increase / (Decrease) in Trade Payables	(38.32)	24.63
Increase / (Decrease) in Other liabilities	182.70	548.74
Increase / (Decrease) in Provisions	60.57	17.22
Cash Generated From Operations	1,126.68	872.36
Income tax paid	(285.64)	(171.19)
Net Cash Flow from Operating Activities	841.04	701.17
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	(74.11)	(193.61)
Proceeds from sale of Property, Plant and Equipment	0.44	0.49
Purchase of Intangible assets	(3.62)	(2.14)
Interest and other Income	16.02	8.87
Sale / (Purchase) of Current Investments , (net)	14.59	(0.36)
Investment of Fixed Deposits	(487.44)	(209.90)
Sale / (Purchase) of Non-Current Investments , (net)	70.15	
Payment of Lease Liability	(68.89)	
Payment towards acquisition of business and (Increase)/Decrease on account of goodwill on consolidation/ Exchange differences in translations	(64.49)	(233.32)
Dividend income Received	3.74	2.94
Net Cash Used in Investing Activities	(593.61)	(627.02)

Consolidated Statement of Cash Flow for the period April 2022 to March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
C. Cash Flow from Financing Activities:		
Proceeds/ (repayment) of borrowings	(40.42)	(159.58)
Interest and Finance charges	(6.06)	(27.77)
Dividend paid (including Dividend Distribution Tax)	(65.15)	(54.95)
ESOP Exercised	4.26	6.67
Net Cash Used in Financing Activities	(107.37)	(235.63)
Net Increase in Cash and Cash Equivalents [A+B+C]	140.06	(161.50)
Cash and Cash Equivalents at the Beginning of the Year	738.57	900.07
Cash and Cash Equivalents as at End of the Year	878.63	738.57

Note:

- 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.
- Cash and Cash Equivalents comprise of:

Particulars	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
i) Balance with Schedule banks in current accounts	878.47	738.44
iii) Cash and Cheques on Hand and in-transit	0.16	0.13
Total	878.63	738.57

Statement of Cash Flow

This is the Statement of Cash Flow referred to in our Report of even date.

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

Niraj Kumar Ganeriwal
COO and CFO

Meera Venkatramanan
Company Secretary

Date: May 25, 2023
Place: Chennai

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

(a) Equity Share Capital

Balance as at 1st April 2021	99.58
Add: Shares issued on exercise of employee stock options	0.49
Balance as at 31st March 2022	100.07
Balance as at 1st April 2022	100.07
Add: Shares issued on exercise of employee stock options	0.30
Balance as at 31st March 2023	100.37

(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	Equity instruments through Other Comprehensive Income		Remeasurement of Defined benefit plans through Other Comprehensive Income
Balance as at 1st April 2021	0.21	48.93	93.58	18.82	2,116.57	215.12	0.75	(0.70)	2,493.28
Profit for the year	-	-	-	-	632.62	-	-	-	632.62
Other Comprehensive Income (Net of taxes)	-	-	-	-	-	(7.56)	1.86	8.69	2.99
Cost related to employee share based payments	-	-	9.86	1.14	-	-	-	-	11.00
Cash Dividends	-	-	-	-	(54.97)	-	-	-	(54.97)
Balance as at 31st March 2022	0.21	48.93	103.44	19.96	2,694.22	207.56	2.61	7.99	3,084.92
Balance as at 1st April 2022	0.21	48.93	103.44	19.96	2,694.22	207.56	2.61	7.99	3,084.92
Profit for the year	-	-	-	-	819.77	-	-	-	819.77
Other Comprehensive Income (Net of taxes)	-	-	-	-	-	91.20	(4.96)	(1.35)	84.88
Cost related to employee share based payments	-	-	6.36	14.18	-	-	-	-	20.54
Cash Dividends	-	-	-	-	(65.15)	-	-	-	(65.15)
Balance as at 31st March 2023	0.21	48.93	109.80	34.14	3,448.84	298.76	(2.35)	6.64	3,944.97

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

Niraj Kumar Ganerwal
COO and CFO

Meera Venkatramanan
Company Secretary

Date: May 25, 2023

Place: Chennai

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(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 authorized for issue by the Company's Board of Directors on 25th May 2023.

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%
Step down subsidiaries of Saksoft Pte Limited		
MC Consulting Malaysia SDN	Malaysia	100%
MC Consulting Pte Ltd	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	
ThreeSixty Logica Testing Services Pvt Ltd	India	100%
Step down Subsidiary of ThreeSixty Logica Testing Services Pvt Ltd:		
Terafast Networks Private Limited	India	100%
DreamOrbit Softech Pvt Ltd	India	100%
Step down Subsidiary of DreamOrbit Softech Pvt Ltd:		
DreamOrbit Inc	United States of America	100%

Note-2: Significant 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 31 March 2023

(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:

- g. Derivative financial instruments;
- h. Certain financial assets and liabilities measured at fair value
- i. Share based payments; and
- j. 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 recognized 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 recognized 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 31 March 2023

(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 unrealized 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 recognized 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 recognized 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 recognized in the Statement of Profit and Loss as and when the same is incurred.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss

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

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

f. Revenue recognition

The Group derives revenue primarily from software development and related services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

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 recognized for each of the performance obligation of the contract.

The Group recognizes 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 recognized based on the time / efforts spent and billed to clients.

Fixed-Price Contracts:

In case of fixed-price contracts, revenue is recognized 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 recognized 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 recognized proportionately over the period in which services are rendered.

Sale of products:

Revenue from sale of third party software products and hardware is recognized 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 recognized 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 recognized in the Statement of Profit and Loss using effective interest method at the time of accrual. Dividend income is recognized 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.

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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Property, plant and equipment are depreciated / amortized 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 amortized 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 Rs. 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 recognized 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 amortized over their respective estimated useful lives on a straight line basis from the date they are available for use as follows:

Description	Useful Lives (in years)
Intellectual property	36 months
Software Costs	60 months

Self-generated intangible assets are generally not capitalized.

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

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

before the date of initial application has been recognized on the date of initial application and the comparatives have not been retrospectively adjusted.

A lessee recognizes 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 recognized 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 recognized 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 recognized 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 recognizes 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 recognized 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 recognized in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

- 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 recognized in the Statement of Profit and Loss.

I. 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 recognized and measured at fair value. Attributable transaction costs are recognized 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 recognized 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 recognized 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 recognized 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 recognized in the Statement of Profit and Loss and reported within foreign exchange gains / (losses).

m. Non-derivative financial instruments

INITIAL MEASUREMENT:

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables (that do not contain a significant financing component) which are initially measured 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 recognized on trade date.

SUBSEQUENT MEASUREMENT:

Financial assets at amortized cost

Financial assets are subsequently measured at amortized 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 amortized cost using effective interest method, less any impairment losses.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

Amortized 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 amortized 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 recognized in the Statement of Profit and Loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized 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 derecognizes 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 derecognized 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 categorized 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 maximize the use of observable market data and minimize 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 recognized 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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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 recognized 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 recognized 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.

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 recognized provident fund for the parent company and the Indian subsidiaries. The contributions are accounted for as defined contribution plans and recognized as employee benefit expense in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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 recognized 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 recognized 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 recognized 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 recognized in the Statement of Profit and Loss.

Undiscounted liability of performance incentive is recognized during the period when the employee renders the services, based on management estimate.

Contributions to other foreign defined contribution plans are recognized as expense when the employees have rendered services entitling them to such benefits.

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 recognizes 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 recognized 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

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized 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 recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred Income Tax

Deferred income tax is recognized using the Balance Sheet Approach. The corresponding deferred income tax liabilities or assets are recognized 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 recognized 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 utilized. Deferred tax income liabilities are recognized 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 utilized.

Deferred income taxes are measured at the tax rates that are expected to apply in the period when the asset is realized 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.

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 recognized at fair value, net of transaction costs incurred and subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized 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 capitalized 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 expensed in the period in which they are incurred.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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 recognized 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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(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	Buildings	Leasehold improvements	Computers	Office equipments	Electrical Installations	Leased Vehicles	Furniture & Fittings	Motor Vehicles Owned	Right of Use Asset	Total
Gross carrying value											
At April 1, 2021	9.08	-	33.47	159.88	27.95	11.32	-	22.59	1.15	172.29	437.73
Additions	-	49.20	2.47	59.65	6.30	-	-	5.03	3.59	130.57	256.81
Disposals / adjustments	0.05	-	1.38	0.05	0.98	-	-	0.02	-	32.95	35.43
Translation/Consolidation adjustment	-	-	(0.05)	5.03	(1.04)	-	-	(0.39)	-	-	3.55
At March 31, 2022	9.03	49.20	34.51	224.51	32.23	11.32	-	27.21	4.74	269.91	662.66
At April 1, 2022	9.03	49.20	34.51	224.51	32.23	11.32	-	27.21	4.74	269.91	662.66
Additions due to acquisition	-	-	4.36	3.94	1.56	-	-	1.57	-	-	11.43
Additions	-	-	1.32	47.48	4.08	-	2.12	0.57	0.09	18.45	74.11
Disposals / adjustments	-	-	-	2.25	-	-	-	1.28	-	3.39	6.92
Translation/Consolidation adjustment	-	5.32	0.19	2.59	0.29	-	-	0.16	-	1.00	9.55
At March 31, 2023	9.03	54.52	40.38	276.27	38.16	11.32	2.12	28.23	4.83	285.97	750.83
Accumulated depreciation											
At April 1, 2021	9.06	-	30.68	144.96	24.26	9.66	-	21.40	1.14	89.63	330.79
Additions due to acquisition	-	2.48	-	9.05	0.92	-	-	0.61	-	-	13.06
Depreciation expense	0.01	-	0.57	16.61	1.91	0.52	-	0.50	0.55	46.58	67.26
Disposals / adjustments	0.04	-	1.38	0.03	0.72	-	-	0.02	-	32.95	35.14
Translation/Consolidation adjustment	-	-	0.69	0.51	(2.07)	0.02	-	0.13	-	-	(0.72)
At March 31, 2022	9.03	2.48	30.56	171.10	24.30	10.20	-	22.62	1.69	103.26	375.24
At April 1, 2022	9.03	2.48	30.56	171.10	24.30	10.20	-	22.62	1.69	103.26	375.24
Additions to Accumulated depreciation due to acquisition			0.46	3.43	1.19	-	-	1.35	-	-	6.42
Depreciation expense	-	0.67	1.31	31.80	2.59	0.50	0.06	1.69	0.73	58.21	97.56
Disposals / adjustments	-	-	-	2.25	-	-	-	1.28	-	3.17	6.70
Translation/Consolidation adjustment	-	0.31	0.12	2.98	0.20	-	-	0.11	-	0.10	3.82
At March 31, 2023	9.03	3.46	32.44	207.06	28.28	10.70	0.06	24.49	2.42	158.40	476.34
Net carrying value March 31, 2023	-	51.06	7.94	69.21	9.88	0.62	2.06	3.74	2.41	127.57	274.49
Net carrying value March 31, 2022	-	46.72	3.95	53.41	7.93	1.12	-	4.59	3.05	166.65	287.41

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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, 2021	1,483.12	34.95	4.50	53.19	1,575.76
Additions	193.55	-	-	2.14	195.69
Disposals / adjustments		-	-	-	-
Translation/Consolidation adjustment	(11.57)	-	-	0.85	(10.72)
At March 31, 2022	1,665.10	34.95	4.50	56.18	1,760.73
At April 1, 2022	1,665.10	34.95	4.50	56.18	1,760.73
Additions due to acquisition	179.37	-	-	-	179.37
Additions	-	-	-	3.62	3.62
Disposals / adjustments	-	-	-	-	-
Translation/Consolidation adjustment		-	-	0.32	0.32
At March 31, 2023	1,844.47	34.95	4.50	60.12	1,944.04
Accumulated amortization					
At April 1, 2021	-	34.95	4.50	49.34	88.79
Amortisation expense	-	-	-	2.83	2.83
Disposals / adjustments	-	-	-	-	-
Translation/Consolidation adjustment	-	-	-	0.64	0.64
At March 31, 2022	-	34.95	4.50	52.81	92.26
At April 1, 2022	-	34.95	4.50	52.81	92.26
Additions to Accumulated depreciation due to acquisition					-
Amortisation expense	-	-	-	2.07	2.07
Disposals / adjustments	-	-	-	-	-
Translation/Consolidation adjustment	(58.85)	-	-	0.28	(58.56)
At March 31, 2023	(58.85)	34.95	4.50	55.17	35.77
Net carrying value March 31, 2023	1,903.32	-	-	4.96	1,908.28
Net carrying value March 31, 2022	1,665.10	-	-	3.37	1,668.47

b) Assessment of Impairment

The changes in the carrying value of Goodwill balances

Particulars	Amount
Opening balance as at 1st April 2021	1,483.12
Additions on Acquisition through business combinations:	193.55
Reversal of Goodwill relating to reversal of contingent consideration in Faichi Solutions Inc	-
Effect of translation differences	(11.57)
Closing balance as at 31st March 2022	1,665.10
Opening balance as at 1st April 2022	1,665.10
Additions on Acquisition through business combination	179.37
Effect of translation differences	(58.85)
Closing balance as at 31st March 2023	1,903.32

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(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, 2023, 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	
	31st March 2023	31st March 2022
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.

NON-CURRENT ASSETS

5.1. FINANCIAL ASSETS-LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
(unsecured and considered good)*		
Loan to related parties	-	-
	-	-

* Related party balances are presented in Note no. 24 (c)

5.2. FINANCIAL ASSETS- INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
In Securitised Debt Instruments	-	70.15
	-	70.15

5.3. FINANCIAL ASSETS- OTHERS

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit	29.46	23.47
Bank deposits with more than 12 months	140.75	0.40
	170.21	23.87

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

6. DEFERRED TAX ASSETS (Net)

Particulars	As at March 31 , 2023	As at March 31 , 2022
Arising from timing difference in respect of:		
Property, Plant and Equipment	3.94	5.08
Retirement Benefits	43.40	22.07
Other tax disallowances	22.93	20.35
Lease liability	1.68	0.67
Financial instruments - FVTOCI	1.07	(0.92)
	73.02	47.25

7. OTHER NON CURRENT ASSETS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Prepaid expenses	-	0.30
	-	0.30

CURRENT ASSETS

8.1. FINANCIAL ASSETS- INVESTMENTS

Particulars	As at March 31 , 2023		As at March 31 , 2022	
Opening balance	1,885,112.00	104.93	104,467.00	104.57
Additions during the year	118,836.12	121.66	1,941,971.00	161.86
Deletions during the year	153,456.78	153.68	161,326.00	161.50
Total	1,850,491.34	72.91	1,885,112.00	104.93

Particulars	As at March 31 , 2023	As at March 31 , 2022
In Securitised Debt Instruments	17.43	-

8.2. FINANCIAL ASSETS- TRADE AND OTHERS RECEIVABLES

Particulars	As at March 31 , 2023	As at March 31 , 2022
(Unsecured, considered good)		
Considered good	1,164.18	1,061.96
Significant increase in credit risk	-	-
Credit Impaired	6.06	10.56
Less: Allowance for doubtful debts	(6.06)	(10.56)
	1,164.18	1,061.96

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(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 , 2023	As at March 31 , 2022
a. Cash on hand	0.16	0.13
b. Balances with banks in current accounts and deposit accounts#	877.83	737.78
c. Other bank balances ##	0.64	0.66
	878.63	738.57

Balances with banks in Current accounts and deposit accounts includes interest accrued on deposits

Other bank balances represent earmarked balances in respect of unclaimed dividends

8.4. FINANCIAL ASSETS- LOANS

Particulars	As at March 31 , 2023	As at March 31 , 2022
(unsecured, considered good)		
Employee Loans	2.04	0.80
Amount due from customers	-	-
	2.04	0.80

8.5. FINANCIAL ASSETS- OTHERS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Security Deposits	15.15	20.35
Forward Contract	-	3.67
Unbilled revenue	233.82	175.65
	248.97	199.67

9. OTHER CURRENT ASSETS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Balance with statutory Authority	46.19	6.29
Prepaid expenses	233.35	180.24
Advance to suppliers	0.95	0.69
	280.49	187.22

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

10. SHARE CAPITAL

Particulars	As at March 31 , 2023	As at March 31 , 2022
A) Authorised, Issued, Subscribed and Fully Paid up Share capital		
Authorised:		
20,10,00,000 Equity Shares of Rs.1 each	201.00	201.00
Issued & Subscribed & Fully Paid-up:		
10,03,65,400 Equity Shares of Rs.1.00 each (March 2022 :10,00,65,400 shares) (Equity shares have been disclosed as net of shares held by the trust)	100.37	100.07
Total	100.37	100.07

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31 , 2023	As at March 31 , 2022
Outstanding as at beginning of the year	10,53,90,000	10,49,00,000
Add: Shares allotted to employees pursuant to ESOP 2009	3,00,000	4,90,000
Outstanding as at the end of the year	10,56,90,000	10,53,90,000
Less: Elimination on account of consolidation of Saksoft Employee Welfare Trust	(53,24,600)	(53,24,600)
Outstanding as at the end of the year	10,03,65,400	10,00,65,400

(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, 2023		As at March 31, 2022	
		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	2,21,86,400	20.99%	2,21,86,400	21.05%
2	Sak Industries Private Limited	4,84,77,150	45.87%	4,84,77,150	46.00%
3	Saksoft Employees Welfare Trust	53,24,600	5.04%	53,24,600	5.05%
	Total	7,59,88,150	71.90%	7,59,88,150	72.10%

(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 2022-2023 grant of options were 11,00,000 (Net of surrender of options).	Employees	ESOP 2009

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

10. SHARE CAPITAL (contd.)

(F) Share holding of Promoters and Promoter Group

AT THE END OF THE YEAR				% Change during the year
S.No	Promoters Name	No of Shares	% of total shares	
1	Aditya Krishna	2,21,86,400	20.99%	0.06%
2	Sak Industries Private Limited	4,84,77,150	45.87%	0.13%

AT THE BEGINNING OF THE YEAR				% Change during the year
S.No	Promoters Name	No of Shares	% of total shares	
1	Aditya Krishna	2,21,86,400	21.05%	0.10%
2	Sak Industries Private Limited	4,84,77,150	46.00%	0.21%
3	Sonnet Trades & Investments Private Limited	13,32,760	1.26%	0.48%

11. OTHER EQUITY

Particulars	As at March 31 , 2023	As at March 31 , 2022
a) Capital reserve Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.	0.21	0.21
b) Securities premium reserve Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.	109.80	103.44
c) General reserve This represents appropriation of profit by the Company.	48.93	48.93
d) Retained earnings Retained earnings comprise of the Company's undistributed earnings after taxes.	3,448.84	2,694.22
e) Share option outstanding account 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.	34.14	19.96
f) Financial Instruments through other comprehensive income Changes in the fair value of equity instruments is recognized in equity instruments through other comprehensive income (net of taxes), and presented within other equity.	(2.35)	2.61
g) Foreign currency translation reserve	298.76	207.56
h) Other items of other comprehensive income Other items of other comprehensive income consist of re-measurement of net defined liability/asset.	6.64	7.99
	3,944.97	3,084.92

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

NON CURRENT LIABILITIES

12.1 FINANCIAL LIABILITIES- BORROWINGS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Term Loans From Bank - Secured	-	38.80
Secured by the exclusive charge of the asset mortgaged		
Repayment Terms:		
Repayable in 317 monthly installments commencing from December 2019		
Rate of interest - 2.70% over the 3 months Singapore Inter Bank Offered rate		
Period and amount of continuing default: NIL		
Unsecured, From Related Parties		
From Sak Industries Private Limited*	-	-
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		
	-	38.80

* Please refer Note 24(c) related party transactions

12.2. FINANCIAL LIABILITIES- OTHERS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Liability towards acquisition of business	40.88	48.83
	40.88	48.83

13. PROVISIONS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Gratuity Payable (Net)*	101.82	62.48
	101.82	62.48

* Refer Note 24 (e) for details of gratuity plan as per Ind AS 19

14.1.FINANCIAL LIABILITIES- BORROWINGS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Cash Credit From Bank - Secured		
Secured by exclusive charge on the assets of the company	-	-
Rate of Interest: Linked to MCLR of the bank		
Period and amount of continuing default: NIL		
Current maturities of term loan	-	1.62
	-	1.62

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

14.2. FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	As at March 31 , 2023	As at March 31 , 2022
Trade Payables-Micro,small and medium enterprises	12.38	25.44
Trade payables - Others #	244.41	269.67
	256.79	295.11

Related Party Balances are presented in Note no 24 (c)

14.3. FINANCIAL LIABILITIES-OTHERS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Liability towards acquisition of business	124.74	48.83
Forward contract	3.48	-
Unclaimed Dividends	0.64	0.66
Others	24.63	20.88
	153.49	70.37

* The details of interest rates, repayment and other terms are disclosed under Note 12.1

15. OTHER CURRENT LIABILITIES

Particulars	As at March 31 , 2023	As at March 31 , 2022
Unearned income from customers	458.11	297.43
Statutory dues	49.39	48.28
Others	350.12	332.94
	857.62	678.65

16. PROVISIONS

Particulars	As at March 31 , 2023	As at March 31 , 2022
Provision for compensated absences	36.48	19.09
Provision for contractual liability towards currency fluctuation	52.61	41.10
Provision for gratuity *	0.32	8.00
	89.41	68.19

* Refer Note 24 (e) for details of gratuity plan as per Ind AS 19

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

17. INCOME TAX

Income tax expense in the statement of profit and loss consists of:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current income tax:		
In respect of the current year	258.09	172.79
Deferred tax:	-	
In respect of the current year	(23.48)	(1.58)
Income tax expense recognised in the statement of profit or loss:	234.61	171.21
Income tax recognised in other comprehensive income		
Current tax arising on income and expense recognised in other comprehensive income	(0.45)	0.94
Deferred tax arising on income and expense recognised in other comprehensive income	(1.67)	-
Total	(2.12)	0.94

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, 2023	Year ended March 31, 2022
Profit before tax	1,054.38	803.83
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expenses	265.37	202.31
Effect of:		
Differential tax rates of branches/subsidiaries operating in other jurisdiction	(24.15)	(23.23)
Income that is exempt from tax	(8.04)	(14.57)
Income considered under other heads	-	(0.01)
Expenses that are not deductible in determining taxable profit	(3.57)	6.46
Income subject to different taxes	-	4.90
CSR Expenses and Other Donations	1.86	
Disallowance under 14A	-	(1.14)
Depreciation allowance / disallowance under IT Act	-	(1.62)
Reversal of tax provisions of previous year	(0.33)	(0.94)
Taxes recognised in OCI	0.53	-
Others	0.82	-
Income tax expenses recognized in the Statement of Profit and Loss	232.48	172.16

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(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, 2023	Year ended March 31, 2022
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, 2023

Particulars	As at April 1, 2022	Recognized in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2023
Property, Plant and Equipment	5.08	(1.14)		3.94
Retirement and employee Benefits	22.07	18.31	0.41	40.79
Other tax disallowances	20.35	5.11		25.46
Financial instruments - FVTOCI	0.67	-	1.88	2.55
Lease Liability	(0.92)	1.20	-	0.28
Total	47.25	23.48	2.29	73.02

Deferred tax assets / liabilities as at March 31, 2022

Particulars	As at April 1, 2021	Recognized in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2022
Property, Plant and Equipment	7.15	(2.07)	-	5.08
Retirement and employee Benefits	24.01	(2.88)	0.94	22.07
Other tax disallowances	12.54	7.81	-	20.35
Financial instruments - FVTOCI	0.63	(0.86)	0.90	0.67
Lease Liability	0.34	(1.26)	-	(0.92)
Total	44.67	0.74	1.84	47.25

18. OTHER INCOME

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Income from investments		
Dividends	3.74	2.94
	3.74	2.94
(B) Others		
Exchange Fluctuation (net)	50.98	12.86
Interest income	16.02	8.87
Interest on fair valuation of security deposits	1.46	1.09
Gain on remeasurement of liability	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

18. OTHER INCOME (contd.)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Loss on Sale of assets (fixed assets and investments)	0.44	0.24
Miscellaneous Receipts	21.66	84.72
	90.56	107.78
Total Other Income	94.30	110.72

19. EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	2,805.79	1,980.06
Contribution to Provident and other funds	114.34	83.17
Share based compensation to employees	16.47	4.65
Staff Welfare Expenses	42.50	27.47
	2,979.10	2,095.35

20. FINANCE COSTS

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expense		
- on loans from banks	2.15	0.17
- on finance lease for vehicles	0.06	-
- on loans from a related party		11.03
- on fair valuation of security deposits	0.71	0.80
- on fair valuation of lease liability	15.76	12.64
Other borrowing cost and Bank charges	3.14	3.13
	21.82	27.77

21. OTHER EXPENSES

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Licence cost	30.05	33.11
Rent	15.10	20.33
Travel and conveyance	44.79	18.64
Insurance	25.43	19.31
Rates and Taxes	5.50	5.87
CSR Expenditure	8.79	10.87
Power and Fuel	12.61	13.45
Repairs to Buildings	33.05	39.66
Repairs to Plant	16.81	13.74
Communication Expenses	12.56	11.93

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

21. OTHER EXPENSES (contd.)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Provision for doubtful debts	0.40	0.01
Legal, Professional and consultancy charges	44.62	43.73
Advertisement, Publicity and Sale Promotion	47.59	4.08
Provision for Currency Devalue		
Miscellaneous expenses	55.58	44.47
	352.88	279.20

22. Depreciation and amortization expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation	99.63	69.38
Amortisation expense	-	-
	99.63	69.38

23. Additional notes

a Contingent Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
1. Income-tax matters	72.56	65.69
2. GST matters	2.05	-

The future cash outflows on the items 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	58.21
Interest expense on lease liability	15.76
Expenses relating to short term leases (need not include the expense relating to leases with a lease term of one month or less)	8.11
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)	0.44
Expenses relating to variable lease payments	-
Income from sub-leasing of ROU Asset	-
Total Cash Outflow for leases	68.85
Additions to ROU Assets during the year	18.45
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	127.57

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

c Related party disclosures

Enterprises which has significant influence	Sak Industries Private Limited and its subsidiaries.
Enterprises in which key management personnel exercise significant influence	Saksoft Employees Gratuity Trust Sakserve Private Limited 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 Ms Kanika Krishna – Director
Relatives of Key managerial Personnel	Ms Avantika Krishna- Employee

Transactions entered during the year

Description	Year ended March 31, 2023	Year ended March 31, 2022
Dividend paid		
Sak Industries Private Limited	31.51	26.66
Chairman and Managing Director	14.42	12.20
COO & CFO	0.68	0.50
Interest on loan		
Sak Industries Private Limited	-	11.03
Payment towards Lease Liability		
Sak Industries Private Limited	19.74	15.24
Reimbursement of expenses		
Sak Industries Pvt Ltd	0.71	0.66
Remuneration of Key Managerial Personnel	22.09	19.20
Non-Executive Director Commission	0.25	0.15
Non-Executive Director - Sitting Fees	0.26	0.20
Remuneration to relative of KMP	7.33	4.97

Year end Balances

Description	Year ended March 31, 2023	Year ended March 31, 2022
Borrowings		
Sak Industries Private Limited	-	-
Lease Liability- Sak Industries Private Limited	20.95	26.76
Right to Use Asset		
Sak Industries Private Limited	19.76	25.92

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. 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	Year ended March 31, 2023	Year ended March 31, 2022
Revenue		
Europe	1,664.01	1,537.38
USA	3,128.34	2,161.93
Asia Pacific and Others	1,863.69	1,104.99
Total	6,656.04	4,804.30

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 2023 and 31 March 2022, two customers, each of them contribute to 10% or more of the Group's total revenue and the top five customers accounted for 45% and 48% 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	
	31-Mar-23	31-Mar-22
Current service cost	28.00	19.86
Past service cost	-	-
Administration expenses.	-	-
Interest on net defined benefit liability / (asset) (Gains) / losses on settlement	5.02	3.76
Total	33.03	23.62

FINANCIAL ASSUMPTIONS AT THE VALUATION DATE:

Particulars	Period Ended	
	31-Mar-23	31-Mar-22
Discount rate (p.a.)	7.45%	6.95%
Salary escalation rate (p.a.)	8.00%	8.00%

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 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. 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	
	31-Mar-23	31-Mar-22
Opening amount recognized in OCI outside profit and loss account	(5.79)	(0.76)
Remeasurements during the period due to Changes in financial assumptions	(2.68)	(4.23)
Changes in demographic assumptions	(0.65)	0.25
Experience adjustments	4.71	(1.60)
Actual return on plan assets less interest on plan assets	0.43	0.55
Closing amount recognized in OCI outside profit and loss account	(3.98)	(5.79)

The following table sets out the status of the gratuity plan.

Particulars	Period Ended	
	31-Mar-23	31-Mar-22
Opening of defined benefit obligation Consolidation Adjustment	94.27	61.91
Current service cost	28.00	19.86
Past service cost	-	-
Interest on defined benefit obligation	6.19	4.92
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	(2.68)	(4.23)
Actuarial loss / (gain) arising from change in demographic assumptions	(0.65)	0.25
Actuarial loss / (gain) arising on account of experience changes	4.71	(1.60)
Benefits paid	(7.78)	(10.63)
Liabilities assumed / (settled)*	-	23.79
Closing of defined benefit obligation	122.06	94.27

Particulars	Period Ended	
	31-Mar-23	31-Mar-22
Opening fair value of plan assets	18.04	17.58
Employer contributions	8.93	10.47
Interest on plan assets	1.17	1.17
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(0.43)	(0.55)
Benefits paid	(7.78)	(10.63)
Assets acquired / (settled)*	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	19.93	18.04

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

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 summarizes 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, 2023	
	Discount Rate	Salary Escalation Rate
Impact of increase in 50 bps on DBO	-3.99%	3.55%
Impact of decrease in 50 bps on DBO	4.27%	-3.42%

Maturity profile of assets

Maturity in	31-Mar-23	31-Mar-22
2022	12.31	10.40
2023	10.00	7.26
2024	9.30	6.57
2025	10.68	6.61
2026	9.72	5.94
2027-2031	259.90	176.74

Disaggregation of plan assets:

Investment	Total
Property	-
Government Debt Instrument	8.40
Other Debt Instrument	-
Equity Instruments	4.11
Insurer managed funds	7.41
Others	-
Total	19.92

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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

The Company had allotted 58,24,600 equity shares of Rs.1.00 each to the Trust to give effect to the ESOP Plan. As at the balance sheet date, the employees have exercised 500,000 options under this Plan and accordingly, 53,24,600 equity shares of Rs.1.00 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 1,50,00,000 options to be granted and exercised in accordance with the ESOP 2009 plan as approved by the Nomination and Remuneration Committee. The outstanding options available for exercise under the ESOP 2009 as on 31st March 2023 is 50,60,000 options, of which 26,00,000 options being unvested. "

During the year, the Board of Directors have allotted 3,00,000 equity shares consequent to the exercise of options by certain eligible employees of the Company who were granted options on 25th May 2015 at grant price of Rs.15.17 per option (2,50,000 equity shares), on 8th July 2014 at a grant price of Rs. 9.30 per option (50,000 equity shares) under ESOP 2009 plan. Subsequent to the exercise, the listing and trading approval was obtained from National Stock Exchange on 19th September 2022 for 2,50,000 shares and 18th November 2022 for 50,000 shares. The paid up share capital of the Company after allotment of 3,00,000 equity shares stands at 10,56,90,000 Equity Shares as of 31st March 2023. During the year, 11,00,000 options have been granted under this plan at an exercise price of Rs. 76.44 per option.

The details of the ESOP 2009 Plan are:

Particulars	Year ended March 31,			
	2023		2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Options outstanding at the beginning of the year	42,60,000	13.86	49,00,000	13.73
Options granted during the year	11,00,000	76.44	-	-
Options exercised during the year	(3,00,000)	14.19	(4,90,000)	13.60
Options lapsed during the year	-	-	(1,50,000)	13.88
Options outstanding at the end of the year	50,60,000	13.73	42,60,000	13.86
Options vested and exercisable at the end of the year	24,60,000	13.59	20,10,000	13.58

g Earnings Per Share (EPS)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Earnings		
Net profit for the year	819.77	632.62
Shares		
Equity shares as at the balance sheet date	10,03,65,400	10,00,65,400
Total number of equity shares outstanding at the end of the year – Basic	10,03,65,400	10,00,65,400

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average number of equity shares outstanding as at the end of the year – Basic	10,02,27,455	9,98,28,360
Diluted Shares		
Weighted average number of equity shares outstanding as at the end of the year.	10,02,27,455	9,98,28,360
Add: Weighted average number of equity Shares held by Saksoft employees welfare trust	53,24,600	53,24,600
Add: Weighted average number of equity shares arising out of outstanding stock options that have dilutive effect on the EPS	33,68,606	33,68,400
Weighted average number of equity shares outstanding during the year – Diluted	10,89,20,661	10,85,21,360
Earnings per share of par value Rs.1.00 – Basic (Rs.)	8.18	6.34
Earnings per share of par value Rs.1.00 – Diluted (Rs.)	7.53	5.83

h Dividend

The Board of Directors had recommended interim dividend during the financial year 2022-23 amounting to Rs. 0.35 per equity share. This has resulted in a cash flow of Rs. 36.99 Million.

The Board of Directors at its meeting held on 25th May 2023 had further recommended a final dividend of 35% (Rs. 0.35 per equity share of Rs.1.00/- 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 Rs. 36.99 Million

i Disclosure under Ind AS 115

General:

The entire revenue from operations for the year ended 31st March 2023 and 31st March 2022 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 23 (d) to the financial statements.

Information about contract balances

The company classifies the right to consideration as Trade receivables and unbilled revenue.

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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

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 recognized as at the reporting date and expected timelines to recognize 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 total equity of the Company as tabled below:

Particulars	As at	
	31-03-2023	31-03-2022
Total equity attributable to equity share holders of the Company	4,045.33	3,184.98
Current borrowings	-	1.62
Non-current borrowings	-	38.80
Total debt held by the Company	-	40.42
Total capital (Equity and Debt)	4,045.33	3,225.40
Equity as a percentage of total capital	100%	99%
Debt as a percentage of total capital	0.0%	1.2%

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.

k Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2023 and March 31, 2022 is as follows:

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
Financial Assets		
Amortized Cost		
Trade and other receivables	1,164.18	1,061.96
Cash and cash equivalents	878.63	738.57
Other Bank Balances	556.98	209.90
Loans	2.04	0.80
Others financial assets	419.18	290.02
Fair value through Other Comprehensive Income (FVTOCI)		
Derivative instruments in hedging relationship	(3.48)	3.67

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
Fair value through Profit and Loss (FVTPL)		
Investments	90.34	104.93
TOTAL ASSETS	3,107.87	2,409.85
Financial Liabilities		
Amortized Cost		
Borrowings	-	40.42
Trade Payables	256.79	295.11
Lease Liability	135.27	166.37
Other financial liabilities	190.89	119.20
TOTAL LIABILITIES	582.95	621.10

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, 2023 and March 31, 2022 amounts to (Rs. 3.48 million) and Rs. 3.67 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.

The following table represents the details of Company's forward contracts outstanding:

Particulars	Balance Sheet Exposure - Asset / (Liability)	
	As at March 31, 2023	As at March 31, 2022
Foreign currency forward - USD/INR	0.37	1.12
Foreign currency forward - GBP/INR	(2.38)	2.55
Foreign currency forward - EUR/INR	(1.47)	-
Total	(3.48)	3.67

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

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, 2023	As at March 31, 2022
Foreign currency forward - (USD in Million)	8.20	2.80
Foreign currency forward - (GBP in Million)	0.38	0.70
Foreign currency forward - (EUR in Million)	0.35	-
Total	8.93	3.50

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 minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks as summarized 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.

The maximum amount of exposure to credit was as follows:

Particulars	Balance as at March 31, 2023	Balance as at March 31, 2022
Investments	90.34	104.93
Trade receivables	1,164.18	1,061.96
Cash and cash equivalents	878.63	738.57
Other Bank Balances	556.98	209.90
Loans	2.04	0.80
Other financial assets	419.18	293.69
TOTAL	3,111.35	2,409.85

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

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, 2023			
Borrowings	-	-	-
Trade Payables	256.79	-	-
Other financial liabilities	207.86	121.78	-
As at March 31, 2022			
Borrowings	1.62	38.80	-
Trade Payables	295.11	-	-
Other financial liabilities	117.57	168.00	-

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 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.

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

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, 2023	Balance as at March 31, 2022
Cash and cash equivalents		
In US Dollars	6.44	5.64
In Singapore Dollars	0.62	0.81
In Pound Sterling	4.29	1.65
In Euro	0.35	0.28
In MYR	0.10	0.06
Trade receivables		
In US Dollars	11.54	5.68
In Singapore Dollars	2.29	1.68
In Pound Sterling	2.32	4.44
In Euro	1.30	-
In MYR	0.53	0.54
In CAD	0.02	-
Trade payables		
In US Dollars	3.60	3.41
In Singapore Dollars	0.84	0.83
In Pound Sterling	1.24	1.31
In Euro	0.02	-
In MYR	0.02	0.01

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.

(n) Ageing Schedule - Trade Payables

Particulars	Outstanding as at 31st March 2023 from the due date of payment					
	Not due	< 1 year	1-2 years	2-3 years	>3 years	Unbilled
MSME	12.73	(0.35)	-	-	-	12.38
Others	163.11	81.30	-	-	-	244.41
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	175.84	80.95	-	-	-	256.79

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

23. Additional notes (contd.)

Particulars	Outstanding as at 31st March 2022 from the due date of payment					
	Not due	< 1 year	1-2 years	2-3 years	>3 years	Unbilled
MSME	25.44	-	-	-	-	25.44
Others	222.67	41.81	-	5.19	-	269.67
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	248.11	41.81	-	5.19	-	295.11

(o) Ageing Schedule - Trade Receivables

Particulars	Outstanding as on 31st March 2023 from the due date of payment						TOTAL
	< 6 months	6 months - 1 year	1-2 years	2-3 years	>3 years		
Undisputed - Considered good	1,149.43	13.76	(1.43)	-	2.42	1,164.18	
Undisputed - having significant increase in credit risk							
Undisputed - Credit impaired					6.06	6.06	
Disputed - Considered good						-	
Disputed - having significant increase in credit risk						-	
Disputed - Credit impaired						-	
Total	1,149.43	13.76	(1.43)	-	8.48	1,170.24	

Particulars	Outstanding as on 31st March 2022 from the due date of payment						TOTAL
	< 6 months	6 months - 1 year	1-2 years	2-3 years	>3 years		
Undisputed - Considered good	1,038.85	22.85	0.26	-	-	1,061.96	
Undisputed - having significant increase in credit risk	-	-	-	-	-	-	
Undisputed - Credit impaired	-	-	-	-	-	-	
Disputed - Considered good	-	-	-	-	-	-	
Disputed - having significant increase in credit risk	-	-	-	-	-	-	
Disputed - Credit impaired	-	-	-	-	-	-	
Total	1,038.85	22.85	0.26	-	-	1,061.96	

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 25, 2023
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

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

S.No.		1	2	3	4	5
	Name of the Subsidiary	Saksoft Inc & its subsidiaries	Saksoft Pte Ltd and its subsidiaries	Saksoft Solutions Ltd and its subsidiaries	Three Sixty Logica Testing Services Pvt Ltd & its subsidiary	DreamOrbit Softech Private Limited & its subsidiary
1	Reporting Period for the Subsidiary	1st April - 31st March 2023	1st April - 31st March 2023	1st April - 31st March 2023	1st April - 31st March 2023	1st April - 31st March 2023
2	Reporting Currency and exchange rate as on the last date of the relevant Financial year	USD , Ex Rate 82.16 /USD	SGD, Ex Rate 61.80 /SGD	GBP, Ex Rate 101.61/GBP	INR	INR
3	Share Capital	INR 9.35 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
4	Reserves & Surplus	539.41	142.34	1,072.03	522.61	480.08
5	Total Assets	1,020.90	570.81	2,550.87	857.53	837.89
6	Total Liabilities	472.12	393.85	1,044.39	334.31	357.67
7	Investments					
8	Turnover	2,451.33	643.63	1,648.66	718.58	1,058.96
9	Profit Before Taxation	119.67	53.35	143.66	236.44	231.01
10	Provision for Taxation	32.18	6.28	16.07	54.43	57.63
11	Profit After Taxation	87.49	47.08	127.59	182.01	173.39
12	Interim Dividend + Tax	-	5.84	-	-	68.51
13	Proposed Dividend	-	-	-	-	-
14	% of Shareholding	100	100	100	100	100

Notes forming part of the Consolidated Financial Statements

for the year ended 31 March 2023

(All amounts are in Indian rupees Millions, except share data and as otherwise stated)

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	34.92%	1,744.73	31.08%	(278.48)	-6.34%	(0.40)	31.35%	(278.89)
Indian Subsidiaries								
ThreeSixty Logica Testing Services Pvt Ltd and its subsidiary	10.52%	525.77	20.31%	(182.01)	22.29%	1.41	20.30%	(180.60)
DreamOrbit Softech Pvt Ltd and its subsidiary	9.72%	485.66	19.35%	(173.39)	84.05%	5.30	18.89%	(168.08)
Foreign Subsidiaries								
Saksoft Inc and its Subsidiaries	11.08%	553.67	9.76%	(87.49)	0.00%	-	9.83%	(87.49)
Saksoft Pte	3.60%	179.60	5.25%	(47.08)	0.00%	-	5.29%	(47.08)
Saksoft Solutions and its subsidiaries	30.15%	1,506.48	14.24%	(127.59)	0.00%	-	14.34%	(127.59)
Subtotal	100.00%	4,995.92	100.00%	(896.03)	100.00%	6.31	100.00%	(889.72)
Employee Welfare Trust	-	27.75	-	(2.21)	-	-	-	(2.21)
Adjustment arising out of consolidation	-	(978.33)	-	78.45	-	(91.20)	-	(12.76)
Total		4,045.34		(819.80)		(84.89)		(904.69)



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 25, 2023

Dear members

You are cordially invited to attend the 24th Annual General Meeting of the Members of Saksoft Limited ("the Company") to be held on Monday, the 14th day of August, 2023 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 24th (Twenty Fourth) Annual General Meeting (AGM) of the Members of the Company will be held on Monday, the 14th day of August, 2023 at 10.30 A.M (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt
 - a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of Board of Directors and the Auditors thereon.
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Report of the Auditors thereon.
2. To consider and approve a Final Dividend of 35% (Re. 0.35/- per Equity Share) on the Paid-up Equity Share Capital of the Company for the Financial Year 2022- 2023 in addition to the Interim Dividend of Re. 0.35/- per share paid during the year.
3. To appoint a Director in place of Ms. Kanika Krishna (DIN: 06954593) who retires by rotation and being eligible, seeks re-appointment.

By order of the Board of Directors
For **Saksoft Limited**

Date: May 25, 2023

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)" and circular no 2/2022 dated May 5, 2022 in relation to "Clarification of holding of Annual General Meeting through Video Conferencing or Other Audio Visual Means" and General Circular No 10/2022 and General Circular No 11/2022 dated December 12, 2022 (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" and circular no SEBI/ HO/CFD/CMD2/ CIR/P/2022/62 dated - May 13, 2022 (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 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 serve 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 serve basis.
3. 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.
4. Participation of Members through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. 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/Authorization etc, authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote evoting by email to vsassociates16@gmail.com from their registered email address.
6. The following documents will be available for inspection by the Members electronically during the 24th AGM. Members seeking to inspect such documents can send an email to complianceofficer@saksoft.co.in on or before August 13, 2023, 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.
7. At the Twenty Third Annual General Meeting held on August 9th, 2022 the Members approved reappointment 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- Eighth Annual General Meeting.
8. In terms of the provisions of Section 152 of the Act, Ms. Kanika Krishna, Director retires by rotation at the Meeting. Details of the Director retiring by rotation/seeking appointment or re-appointment at this Meeting are provided in the "Annexure 1" to the Notice. 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 3 of the Notice.
9. The Register of Members and Share Transfer Books of the Company is closed from Tuesday, August 08, 2023 to Monday, August 14, 2023 for the purpose of Declaration of Dividend and Annual General Meeting of the Company.
10. Members may note that the Board, at its meeting held on May 25, 2023, has recommended a final dividend of Re. 0.35/- 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 dematerialized 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.
11. 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 dematerialized 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.
12. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/65 dated 18th May 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website of the Company and RTA
13. The Board has appointed Mr. V Suresh, Practicing Company Secretary, and Mr. Udaya Kumar K R, Partner of V Suresh Associates, Practicing Company Secretaries, Chennai as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
14. Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Monday, August 07, 2023 may cast their votes electronically. The e-voting period commences on Thursday, August 10, 2023 (9:00 AM IST) and ends on Sunday, August 13, 2023 (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 07, 2023. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.
15. 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.
16. 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 07, 2023, may refer to the Notice of the AGM uploaded on the company's website and the website of the recognized Stock Exchanges i.e. www.nseindia.com and www.bseindia.com for evoting instructions.
 17. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and reldged 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 dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents- Cameo Corporate Services Private Limited for assistance in this regard.
 18. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2022-23 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 2022-23 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 <https://www.evotingindia.com>.
 19. 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.
 20. 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.
 21. 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.
 22. 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.
 23. 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.
 24. 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 11, 2023 5.00 PM (IST) through email to Complianceofficer@saksoft.co.in. The same will be replied by the Company suitably.
 25. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized 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, NSDL and RTA, and will also be displayed on the Company's website, www.saksoft.com.
 26. 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.
 27. **IEPF RELATED INFORMATION**
 1. 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.
 2. 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.
 3. 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 Transfer Agents, Cameo Corporate Services Limited.
 4. Members may note that the shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF Authority.
 28. **DIVIDEND RELATED INFORMATION**
 - 1) Members may note that the Board, at its meeting held on May 25, 2023, has recommended a final dividend of Re. 0.35/- 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 dematerialized 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.
 - 2) 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.
 - 3) 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.
 - 4) 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.

29. **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

Sr No.	Particulars	Withholding Tax Rate	Documents required (if any) / Remarks
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 07 2023, 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.
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 07, 2023

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 07, 2023.

Sr No.	Particulars	Withholding Tax Rate	Documents required (if any) / Remarks
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 07, 2023 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.)

Sr No. (1)	Particulars (2)	Withholding Tax Rate (3)	Documents required (if any) / Remarks (4)
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.cameo.com on or before August 07, 2023 to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received after August 07, 2023 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 07, 2023.

For resident shareholder, irrespective of updation of PAN, TDS is to be applied at higher rates where the shareholder has not filed Income Tax Return (ITR) for the previous financial year and TDS/TCS credit on their income exceeded Rs. 50,000/- per annum.

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.

By order of the Board of Directors
For **Saksoft Limited**

Meera Venkatraman
Company Secretary

Date: May 25, 2023
Place: Chennai

“ANNEXURE 1”

In terms Regulation 36(3) of LODR and Secretarial Standard on General Meetings (SS-2) 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:

Followings shall be included under SS-2

1. Age of the Director
2. Terms and conditions of appointment or re-appointment
3. Date of first appointment on the Board
4. The number of Meetings of the Board attended during the year and other Directorships

Particulars	Kanika Krishna (DIN: 06954593)
Age	35 years
Date of first appointment on the Board	26/09/2014
Brief Resume	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
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
Directorships held in other listed companies	Nil
Chairman/ Member of the Committees of the Boards of Listed Companies (Other than Saksoft Limited) in which he/ she is a Director	Nil
No of shares held in the Company	1000 shares
Inter- se relationship with any Director	Ms. Kanika Krishna is the daughter of Mr. Aditya Krishna, Promoter and Managing Director of the Company.

Terms and Condition of appointment or re-appointment

For other details such as number of Meetings of the Board attended during the year and remuneration drawn, please refer to the Corporate Governance report which is a part of this report.

By order of the Board of Directors
For **Saksoft Limited**

Date: May 25, 2023
Place: Chennai

Meera Venkatramanan
Company Secretary

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 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 Thursday, August 10, 2023 (9:00 a.m. IST) and ends on Sunday, August 13, 2023 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Monday, August 07, 2023 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) failing Mr. Udaya Kumar K R, (CP No.21973) Partner of V Suresh Associates, Practising Company Secretaries, Chennai 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 of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/ her existing User ID and password for casting the vote.

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

- The voting period begins on Thursday, August 10, 2023 (9:00 a.m. IST) and ends on Sunday, August 13, 2023 (5:00 p.m. IST). During this period Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- 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.
- 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.
- 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.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- 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.
- 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 Depository	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. 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 is 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) Visit www.cdslindia.com and click on Login icon and select New System Myeasi and click on New Registration

Type of shareholders	Login Method
	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.
Individual Shareholders holding securities in Demat mode with CDSL Depository	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 toll free no – 1800225533
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.: 18001020990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of Shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (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) 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.

- 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 which you choose to vote.
- 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. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- 19. 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 will be mapped automatically & can be delink in case of any wrong mapping.

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 mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; vsscruinizer@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 THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- 1. The procedure for attending meeting & e-Voting on the day of the AGM 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.
- 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.

