



SIL: SEC: BSE: 2021-22

February 07, 2022

**The Secretary
BSE Limited
P J Towers
Dalal Street
Mumbai – 400 001**

Scrip Code: 540143

Dear Sir

Sub: Regulation 33 of SEBI (LODR) Regulations 2015 - Furnishing of Un-audited Standalone and Consolidated Financial Results for the third quarter and Nine months period ended 31st December, 2021.

Further to our letter dated 27th January, 2022, we are pleased to forward herewith our un-audited stand-alone and consolidated financial results for the third quarter and nine months period ended 31st December, 2021, which were taken on record and approved by our Board at their meeting held on today, after review by the Audit Committee.

We are also forwarding herewith the Limited Review Report furnished by our Statutory Auditors on the above financial results, which was also taken on record by our Board at the said meeting.

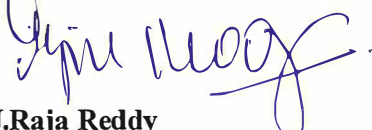
The above said meeting of the Board of Directors commenced at 02.00 p.m. and concluded at 5.50 p.m.

We would request you to kindly take the above information/ documents on record.

Thanking you

Yours faithfully

for **Sagarsoft (India) Limited**


**J.Raja Reddy
Company Secretary**

encl:



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF SAGARSOFT (INDIA) LIMITED

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SAGARSOFT (INDIA) LIMITED** ("the Company") for the quarter and nine months ended December 31, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

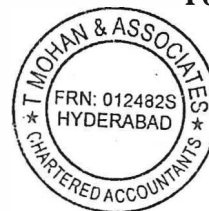
Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

We draw your attention to note no.6 dealing with uncertainties thrown up as a consequence of COVID 19 pandemic, management's assessment of impact on financial reporting and future operations of the company and the remedial measure put in place to mitigate adverse effects. However, the actual impact of COVID-19 on the financial statements may differ from that estimated.

Our conclusion is not modified in respect of this matter.

Place: Hyderabad
Date: 07/02/2022



For T MOHAN & ASSOCIATES
Chartered Accountants
FR No. 012482S

MOHAN REDDY.T
Partner

Membership No. 239635

UDIN: 22239635AASGSN5201



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF SAGARSOFT (INDIA) LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SAGARSOFT (INDIA) LIMITED** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") for the quarter and nine months ended on December 31, 2021 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:
 - a. Sagarsoft (India) Limited, India (Parent Company)
 - b. IT CATS LLC DBA INFOWAY SOFTWARE , USA (Wholly Owned Subsidiary)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. Emphasis of Matter

We draw your attention to Note No.6 dealing with uncertainties thrown up as a consequence of COVID 19 pandemic, management's assessment of impact on financial reporting and future operations of the company and the remedial measure put in place to mitigate adverse effects. However, the actual impact of COVID-19 on the financial statements may differ from that estimated.

Our conclusion is not modified in respect of this matter

7. We did not review the interim financial statements of one subsidiary included in the consolidated unaudited financial results, whose interim financial statements reflect total revenues of Rs. 4433.48 Lakhs, total net profit after tax of Rs. 150.5 Lakhs for the period from 26th July 2021 to 31 December 2021, as considered in the consolidated unaudited financial results. These interim financial statements have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the unaudited financial results and information thereon.

Our conclusion on the Statement is not modified in respect of the above matters.

Place: Hyderabad
Date: 07/02/2022



For T MOHAN & ASSOCIATES
Chartered Accountants
FR No. 012482S

A handwritten signature in black ink, appearing to read "Mohan Reddy.T".

MOHAN REDDY.T
Partner
Membership No. 239635

UDIN: 22239635AASHDP2295

SAGARSOFT (INDIA) LIMITED

CIN: L72200TG1996PLC023823

Plot No.111, Road No.10, Jubilee Hills, Hyderabad - 500 033.

STATEMENT OF UN-AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2021

(In Indian rupees lakhs)

| S. No | Particulars | Standalone | | | | | | Consolidated | |
|-------|---|-------------------|--------------------|-------------------|-------------------|-------------------|-----------------|-------------------|-------------------|
| | | Quarter ended | | | Nine Months ended | | Year ended | Quarter ended | Nine Months ended |
| | | December 31, 2021 | September 30, 2021 | December 31, 2020 | December 31, 2021 | December 31, 2020 | March 31, 2021 | December 31, 2021 | December 31, 2021 |
| | Un-audited | Un-audited | Un-audited | Un-audited | Un-audited | Audited | Un-audited | Un-audited | |
| I | Income | | | | | | | | |
| | (a) Revenue from operations | 1,265.45 | 1,290.78 | 1,070.83 | 3,682.51 | 2,990.68 | 4,102.58 | 3,750.85 | 8,114.62 |
| | (b) Other income | 34.39 | 26.70 | 23.73 | 94.36 | 75.58 | 84.41 | 35.65 | 95.73 |
| | Total income | 1,299.84 | 1,317.48 | 1,094.56 | 3,776.87 | 3,066.26 | 4,186.99 | 3,786.49 | 8,210.35 |
| II | Expenses | | | | | | | | |
| | (a) Employee benefits expense | 895.33 | 857.81 | 729.70 | 2,479.10 | 2,071.00 | 2,787.90 | 2,998.97 | 6,210.88 |
| | (b) Depreciation and amortisation expense | 54.02 | 53.67 | 38.11 | 160.62 | 113.75 | 215.12 | 57.27 | 164.49 |
| | (c) Other expenses | 205.26 | 209.03 | 142.94 | 602.99 | 343.95 | 457.58 | 460.52 | 1,109.97 |
| | Total expenses | 1,154.62 | 1,120.51 | 910.75 | 3,242.72 | 2,528.70 | 3,460.60 | 3,516.76 | 7,485.34 |
| III | Profit/(Loss) before exceptional items and tax (I-II) | 145.23 | 196.97 | 183.81 | 534.16 | 537.56 | 726.39 | 269.73 | 725.01 |
| IV | Exceptional Items | - | - | - | - | - | - | - | - |
| V | Profit/(Loss) before tax (III-IV) | 145.23 | 196.97 | 183.81 | 534.16 | 537.56 | 726.39 | 269.73 | 725.01 |
| VI | Tax expense | | | | | | | | |
| | (a) Current tax | 39.77 | 52.13 | 46.55 | 141.37 | 142.59 | 190.41 | 66.61 | 181.81 |
| | (b) Deferred tax | 0.35 | (0.88) | (0.41) | (5.59) | 0.22 | 0.96 | 0.34 | (5.59) |
| | Total tax | 40.12 | 51.25 | 46.14 | 135.78 | 142.81 | 191.37 | 66.95 | 176.22 |
| VII | Profit/(Loss) for the period from continuing operations (V-VI) | 105.10 | 145.72 | 137.67 | 398.37 | 394.75 | 535.02 | 202.78 | 548.79 |
| VIII | Profit/(Loss) from discontinued operations | - | - | - | - | - | - | - | - |
| IX | Tax expense of discontinued operations | - | - | - | - | - | - | - | - |
| X | Profit/(Loss) from discontinued operations (after tax) (VIII-IX) | - | - | - | - | - | - | - | - |
| XI | Profit/(Loss) for the period (VII+X) | 105.10 | 145.72 | 137.67 | 398.37 | 394.75 | 535.02 | 202.78 | 548.79 |
| XII | Other Comprehensive income | | | | | | | | |
| | (a) (i) Items that will not be reclassified to Profit or Loss | - | - | - | - | - | 15.33 | - | - |
| | (ii) Income tax relating to items that will not be reclassified to Profit or Loss | - | - | - | - | - | (3.86) | - | - |
| | (b) (i) Items that will be reclassified to profit or loss | - | - | - | - | - | - | - | - |
| | (ii) Income tax relating to items that will be reclassified to Profit or Loss | - | - | - | - | - | - | - | - |
| XIII | Total Comprehensive Income for the period (XI+XII) | 105.10 | 145.72 | 137.67 | 398.37 | 394.75 | 546.49 | 202.78 | 548.79 |
| XIV | Equity | 639.22 | 639.22 | 556.00 | 639.22 | 556.00 | 556.00 | 639.22 | 639.22 |
| XV | Other Equity | - | - | - | - | - | 2,141.58 | - | - |
| XVI | Earnings per share in Rupees (for continuing operations) | | | | | | | | |
| | (a) Basic | 1.64 | 2.28 | 2.48 | 6.23 | 7.10 | 9.83 | 3.17 | 8.59 |
| | (b) Diluted | 1.64 | 2.28 | 2.48 | 6.23 | 7.10 | 9.83 | 3.17 | 8.59 |



Notes

- 1 The above un-audited standalone and consolidated financial results were reviewed by the Audit Committee and later approved by the Board of Directors at their respective meetings held on February 07, 2022. The statutory Auditors have carried out a Limited Review of the financial results.
- 2 The financial results of the company have been prepared in accordance with the Indian Accounting Standards notified by the MCA.
- 3 The Company is engaged in the Software Development and Consultancy, which is considered by the management as a single reportable business segment.
- 4 As per the approval accorded by the shareholders at their Annual General Meeting held on 7th July, 2021, the Company at its meeting held on 26th July, 2021 had allotted 8,32,238 equity shares of Rs.10/- each at a price of Rs.254/- per equity share.
- 5 The consolidated financial results includes the results of Sagarsoft (India) Limited and its wholly owned subsidiary IT CATS LLC, USA., which was acquired on 26th July, 2021.
- 6 The spread of COVID 19 pandemic across the globe and the consequent remedial measures against the virus taken by the governments of various countries and the Indian Government are having impact on the operations of the various economies, all of which has led to substantial contraction of demand.

In view of the above pandemic, its impact on the companys operations has been considered and a sensitivity analysis based on current estimates in assessing the recoverability of receivables also has been performed. However, the actual impact of COVID-19 on the financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

- 7 Previous period/ year figures have been regrouped/ reclassified wherever necessary.

Place: Hyderabad
Date: February 7, 2022



For Sagarsoft (India) Limited


M. Jagadeesh
Managing Director