



SSIL: SEC: BSE: 2021-22

November 10, 2021

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

Scrip Code: 540143

Dear Sir

**Regulation 33 of SEBI (LODR) Regulations, 2015 – Furnishing of Un-audited standalone and consolidated Financial Results for the second quarter and half year ended September 30, 2021**

Further to our letter dated 29<sup>th</sup> October, 2021, we are pleased to forward herewith our un-audited standalone and consolidated financial results for the second quarter and half year ended September 30, 2021, which were taken on record and approved by our Board at their meeting held on today, after review by its Audit Committee. We are also forwarding herewith the Limited Review Report furnished by our Statutory Auditors on the above results, which was also taken on record by our Board at its said meeting.

The meeting of the Board of Directors commenced at 4.15 pm and concluded at 5.45 pm.

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: 1. Un-audited financial Results  
2. Auditors' Certificate



**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 six months ended September 30, 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.

The preparation of this statement in accordance with the recognition and measurement principles laid down in 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 is the responsibility of the company's management and has been approved by the Board of Directors of the Company. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

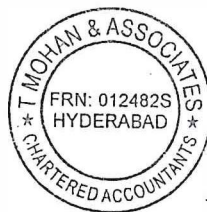
Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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: November 10, 2021



**For T MOHAN & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 012482S

**MOHAN REDDY T**  
Partner  
Membership No. 239635  
UDIN: 21239635AAAAFK5864



**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 six months ended on September 30, 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.

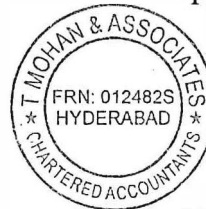
Our conclusion is not modified in respect of this matter.

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 assets of Rs. 2938.22 Lakhs as at September 30, 2021 and total revenues of Rs. 1941.33 Lakhs, total net profit after tax of Rs. 13.56 Lakhs for the half year ended September 30, 2021, and cash flows (net) of Rs. (2.48) Lakhs for the half year ended September 30, 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: November 10, 2021

**For T MOHAN & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 012482S



**MOHAN REDDY T**

Partner

Membership No. 239635

UDIN: 21239635AAAAFL1796

**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 HALF YEAR ENDED SEPTEMBER 30, 2021**

(In Indian rupees lakhs)



S.No	Particulars	Standalone						Consolidated	
		Quarter ended			Half year ended		Year ended	Quarter ended	Half year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021	September 30, 2021	September 30, 2021
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited	Un-audited	Un-audited	
I	<b>Income</b>								
	(a) Revenue from operations	1,290.78	1,126.28	1,001.18	2,417.06	1,919.85	4,102.58	3,231.99	4,358.27
	(b) Other income	26.70	33.27	28.70	59.97	51.85	84.41	26.82	60.09
	<b>Total Income</b>	<b>1,317.47</b>	<b>1,159.55</b>	<b>1,029.88</b>	<b>2,477.02</b>	<b>1,971.70</b>	<b>4,186.99</b>	<b>3,258.81</b>	<b>4,418.36</b>
II	<b>Expenses</b>								
	(a) Employee benefits expense	857.81	725.96	669.99	1,583.77	1,341.30	2,787.90	2,481.35	3,207.31
	(b) Depreciation and amortisation expense	53.67	52.93	38.25	106.60	75.64	215.12	54.29	107.22
	(c) Other expenses	209.03	188.70	127.97	397.73	201.01	457.58	460.03	648.74
	<b>Total expenses</b>	<b>1,120.51</b>	<b>967.59</b>	<b>836.21</b>	<b>2,088.10</b>	<b>1,617.95</b>	<b>3,460.60</b>	<b>2,995.67</b>	<b>3,963.27</b>
III	<b>Profit/(Loss) before exceptional items and tax (I-II)</b>	<b>196.97</b>	<b>191.96</b>	<b>193.67</b>	<b>388.93</b>	<b>353.75</b>	<b>726.39</b>	<b>263.13</b>	<b>455.08</b>
IV	<b>Exceptional Items</b>	-	-	-	-	-	-	-	-
V	<b>Profit/(Loss) before tax (III-IV)</b>	<b>196.97</b>	<b>191.96</b>	<b>193.67</b>	<b>388.93</b>	<b>353.75</b>	<b>726.39</b>	<b>263.13</b>	<b>455.08</b>
VI	<b>Tax expense</b>								
	(a) Current tax	52.13	49.47	51.94	101.60	96.04	190.41	65.70	115.17
	(b) Deferred tax	(0.88)	(5.06)	(0.46)	(5.94)	0.63	0.96	(0.88)	(5.94)
	<b>Total tax</b>	<b>51.25</b>	<b>44.41</b>	<b>51.48</b>	<b>95.66</b>	<b>96.67</b>	<b>191.37</b>	<b>64.82</b>	<b>109.23</b>
VII	<b>Profit/(Loss) for the period from continuing operations (V-VI)</b>	<b>145.72</b>	<b>147.55</b>	<b>142.19</b>	<b>293.27</b>	<b>257.08</b>	<b>535.02</b>	<b>198.32</b>	<b>345.85</b>
VIII	<b>Profit/(Loss) from discontinued operations</b>	-	-	-	-	-	-	-	-
IX	<b>Tax expense of discontinued operations</b>	-	-	-	-	-	-	-	-
X	<b>Profit/(Loss) from discontinued operations (after tax) (VIII-IX)</b>	-	-	-	-	-	-	-	-
XI	<b>Profit/(Loss) for the period (VII+X)</b>	<b>145.72</b>	<b>147.55</b>	<b>142.19</b>	<b>293.27</b>	<b>257.08</b>	<b>535.02</b>	<b>198.32</b>	<b>345.85</b>
XII	<b>Other Comprehensive Income</b>								
	(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	<b>Total Comprehensive Income for the period (XI+XII)</b>	<b>145.72</b>	<b>147.55</b>	<b>142.19</b>	<b>293.27</b>	<b>257.08</b>	<b>546.49</b>	<b>198.32</b>	<b>345.85</b>
XIV	<b>Equity</b>	<b>639.22</b>	<b>556.00</b>	<b>556.00</b>	<b>639.22</b>	<b>556.00</b>	<b>556.00</b>	<b>639.22</b>	<b>639.22</b>
XV	<b>Other Equity</b>	-	-	-	-	-	2,141.58	-	-
XVI	<b>Earnings per share in Rupees (for continuing operations)</b>								
	(a) Basic	2.28	2.65	2.56	4.59	4.62	9.83	3.10	5.41
	(b) Diluted	2.28	2.65	2.56	4.59	4.62	9.83	3.10	5.41



**Sagarsoft (India) Limited**  
**Balance Sheet as at September 30, 2021**

(In Indian rupees lakhs)

Particulars	Standalone		Consolidated
	As at September 30, 2021	As at March 31, 2021	As at September 30, 2021
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property, Plant and Equipment	283.16	294.71	293.71
(b) Intangible asset- Goodwill on consolidation	-	-	868.64
(b) Right of use assets	257.41	323.55	257.41
(c) Financial Assets			
(i) Investments	1,618.38	-	-
(ii) Loans and Advances	887.83	878.88	901.62
(d) Deferred Tax Asset (net)	35.18	29.24	35.18
<b>Total Non Current Assets</b>	<b>3,081.97</b>	<b>1,526.38</b>	<b>2,356.56</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	1,318.35	827.14	3,423.73
(ii) Cash and Cash Equivalents	951.82	709.00	1,739.32
(iii) Other Financial Assets	5.26	6.27	5.26
(b) Other Current Assets	296.71	351.42	317.71
<b>Total Current Assets</b>	<b>2,572.14</b>	<b>1,893.83</b>	<b>5,486.02</b>
<b>Total Assets</b>	<b>5,654.11</b>	<b>3,420.21</b>	<b>7,842.59</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	639.22	556.00	639.22
(b) Other Equity	4,326.51	2,141.58	4,374.38
<b>Total Equity</b>	<b>4,965.73</b>	<b>2,697.58</b>	<b>5,013.60</b>
<b>Non Current Liabilities</b>			
(a) Other Non Current Liabilities	307.99	374.30	307.99
(b) Long Term Provisions	43.05	33.02	43.05
<b>Total Non Current Liabilities</b>	<b>351.04</b>	<b>407.32</b>	<b>351.04</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
Trade Payables	23.00	7.04	937.65
(b) Other Current Liabilities	40.91	38.19	1,266.88
(c) Provisions	273.42	270.09	273.42
<b>Total Current Liabilities</b>	<b>337.33</b>	<b>315.32</b>	<b>2,477.95</b>
<b>Total Liabilities</b>	<b>688.37</b>	<b>722.63</b>	<b>2,828.99</b>
<b>Total Equity and Liabilities</b>	<b>5,654.11</b>	<b>3,420.21</b>	<b>7,842.59</b>

**Sagarsoft (India) Limited**  
**Cash Flow Statement for the Half year ended September 30, 2021**

(In Indian rupees lakhs)

Cash flow statement for the period ended	Standalone			Consolidated
	30.09.2021	30.09.2020	31.03.2021	30.09.2021
<b>Cash flow from operating activities</b>				
Net profit before tax and extraordinary items	388.93	353.75	726.39	455.09
Adjustment for:				
Provision for Tax	(95.66)	(96.67)	(191.37)	(109.23)
<b>Non Operating Expenses/Items</b>				
Depreciation for PPE	40.46	39.02	82.85	41.09
Depreciation for Leased assets	66.13	36.62	132.27	66.13
Adjustment for OCI	-	-	11.47	-
Financial Charges under lease agreement	-	-	37.09	-
<b>Operating profit before working capital changes</b>	<b>399.86</b>	<b>332.72</b>	<b>798.70</b>	<b>453.08</b>
Adjustment for:				
Sundry debtors	(491.21)	42.49	(62.23)	(828.36)
Other Financial Assets	49.78	(3.22)	(149.24)	49.78
Trade Payables	63.78	(2.56)	(5.49)	(177.28)
Prepaid Taxes and Expenses	-	-	-	(14.16)
Accrued Expenses	-	-	-	348.09
Other Loans and advance	-	-	-	7.30
Other Financial Liabilities	(98.04)	32.22	34.20	(98.04)
<b>Cash generated from operation</b>	<b>(75.82)</b>	<b>401.64</b>	<b>615.94</b>	<b>(259.58)</b>
<b>Cash flow from Investing activities</b>				
Purchase of fixed assets and Adjustments	(28.91)	(16.67)	(39.02)	(29.46)
Deposits and Advances made	(8.95)	(300.00)	(315.62)	(8.95)
Cost of Investments	(12.50)	-	-	(12.50)
<b>Net cash flow from investing activities</b>	<b>(50.36)</b>	<b>(316.67)</b>	<b>(354.64)</b>	<b>(50.91)</b>
<b>Cash flow from financing activities</b>				
proceeds from issue of shares	508.00	-	-	508.00
Payment of Dividend	(139.00)	(83.40)	(83.40)	(139.00)
Adjustment towards Lease liabilities	-	(31.97)	(33.23)	-
<b>Net cash from In financing activities</b>	<b>369.00</b>	<b>(115.37)</b>	<b>(116.63)</b>	<b>369.00</b>
<b>Net increase in cash and cash equivalents</b>	<b>242.82</b>	<b>(30.41)</b>	<b>144.68</b>	<b>58.51</b>
Cash and equivalents as at 01-04-2021	709.00	564.33	564.33	1680.82
<b>Cash and equivalents as at 30-09-2021</b>	<b>951.82</b>	<b>533.92</b>	<b>709.00</b>	<b>1739.32</b>




## 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 November 10, 2021. 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 premium of Rs.244/- per equity share on preferential basis.
- 5 The consolidated financial results include 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 company's 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: 10th November, 2021



For Sagarsoft (India) Limited

  
M. Jagadeesh  
Managing Director