



SSIL:SEC:BSE: 2022-23

September 21, 2022

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

Script Code: 540143

Sub: Regulation 33 of SEBI (LODR) Regulations 2015 - Furnishing of Un-audited Standalone and Consolidated Financial Results for the first quarter ended 30th June, 2022

Dear Sir,

Further to our letter dated 14th September, 2022, we are pleased to forward herewith our unaudited stand-alone and consolidated financial results for the first quarter ended 30th June, 2022, 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 4.15 p.m. and concluded at 6.15 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

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Sagarsoft (India) Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Sagarsoft (India) Limited ('the Holding Company') and IT CATS LLC, USA, its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') for the quarter ended 30 June 2022, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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. A review of interim financial information consists of making inquiries, primarily of persons 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 the Standards on Auditing specified under section 143(10) of the Act, 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.

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Dehradun, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandiook & Co LLP

4. Based on our review conducted as 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 Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.
5. The audit of consolidated financial results for the quarter and year ended 31 March 2022 included in the Statement was carried out and reported by T Mohan & Associates who have expressed an unmodified opinion vide their audit report dated 16 May 2022, whose report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

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SANJAY KUMAR JAIN
KUMAR JAIN Date: 2022.09.21
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Sanjay Kumar Jain

Partner

Membership No. 207660

UDIN: 22207660ATNZFB9129

Place: Hyderabad

Date: 21 September 2022

Chartered Accountants

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SAGARSOFT (INDIA) LIMITED

CIN: L72200TG1996PLC023823

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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

(Amount in Lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended		
		30.06.2022 (Unaudited)	31.03.2022 (Audited) (refer note 4 and 6)	31.03.2022 (Audited) (refer note 6)
1	Revenue			
	a. Revenue from operations	4,031.18	3,663.54	11,778.16
	b. Other income	97.26	40.39	136.12
	Total income	4,128.44	3,703.93	11,914.28
2	Expenses			
	a. Employee benefits expenses	2,614.22	2,378.71	7,486.73
	b. Finance cost	24.43	-	-
	c. Depreciation and amortization expense	41.91	58.25	222.74
	d. Other expenses	1,223.95	905.56	3,118.39
	Total expenses	3,904.51	3,342.52	10,827.86
3	Profit before tax	223.93	361.41	1,086.42
4	Tax expense			
	a. Current tax expense	93.15	102.74	284.55
	b. Deferred tax benefit	(51.22)	(0.93)	(6.52)
	c. Tax for earlier period/year	24.26	12.66	12.66
	Total taxes	67.19	114.47	290.69
5	Profit for the period/year	156.74	246.94	795.73
6	Other comprehensive income (OCI)			
	(a) Items that will not be reclassified to profit or loss			
	- Remeasurement of the net defined benefit plan, net of tax	5.66	-	22.63
	(b) Items that will be reclassified to profit or loss			
	- Exchange differences on translation of foreign operations, net of tax	35.28	-	-
7	Total comprehensive income for the period/year	197.68	246.94	818.36
8	Paid up Equity share capital (face value of ₹10 each)	639.22	639.22	639.22
9	Other equity			4,864.18
10	Earnings per equity share ("EPES")			
	Basic and Diluted EPES (in absolute ₹ terms)	2.45	3.86	13.35





Notes:

1. The unaudited consolidated financial results for the quarter ended 30 June 2022 was reviewed by the Audit Committee and approved by the Board of Directors of the Group at their Board meeting held on 21 September 2022. The statutory auditors have carried out a limited review of the standalone financial results.
2. The consolidated financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated 5th July, 2016.
3. The consolidated financial results for the quarter ended 30 June 2022, includes the results of Sagarsoft (India) Limited (the 'Holding Company') and its wholly owned subsidiary, IT CATS LLC, which was acquired on 26 July 2021. Accordingly, no comparative information for the quarter ended 30 June 2021 has been included in these financial results.
4. The figures for the quarter ended 31 March 2022 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2022 and the unaudited year to date figures up to the nine months ended 31 December 2021, which were subjected to limited review by the predecessor statutory auditors.
5. The Group is primarily engaged in staffing and Information Technology related services to its customers in India and Overseas, which is being considered as a single reportable business segment, by the management.
6. The comparative financial information for the quarter and year ended 31 March 2022 included in these consolidated financial results has been restated in accordance with the requirements of Ind AS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" to rectify classification of employee benefit expense amounting to INR 1,358.40 lakhs and INR 255.54 lakhs respectively, erroneously disclosed earlier under 'Other expenses'.
7. During the quarter ended 30 June 2022, the Group has recognized allowances for credit losses aggregating to INR 54.92 lakhs towards receivables outstanding for more than a year and has been classified under 'Other expenses'

For and on behalf of the Board of Directors


M. Jagadeesh
Managing Director
DIN: 01590689



Date: 21 September 2022
Place: Hyderabad

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP

Unit No – 1, 10th Floor,
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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Sagarsoft (India) Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Sagarsoft (India) Limited ('the Company') for the quarter ended 30 June 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The 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 Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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. A review of interim financial information consists of making inquiries, primarily of persons 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 the Standards on Auditing specified under section 143(10) of the Act, 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.

Chartered Accountants

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4. Based on our review conducted as 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 Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.
5. The review of standalone unaudited financial results for the quarter ended 30 June 2021 and audit of standalone financial results for the quarter and year ended 31 March 2022 included in the Statement was carried out and reported by T Mohan & Associates who have expressed an unmodified conclusion vide their review report dated 26 July 2021 and unmodified opinion vide their audit report dated 16 May 2022, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

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KUMAR
JAIN

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Date: 2022.09.21
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Sanjay Kumar Jain

Partner

Membership No. 207660

UDIN: 22207660ATNWWY1652

Place: Hyderabad

Date: 21 September 2022

Chartered Accountants

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SAGARSOFT (INDIA) LIMITED

CIN: L72200TG1996PLC023823

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

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

(Amount in Lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended		Year ended	
		30.06.2022 (Unaudited)	31.03.2022 (Audited) (refer note 4)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
1	Revenue				
	a. Revenue from operations	1,229.73	1,243.95	1,126.28	4,926.46
	b. Other income	97.23	40.20	33.27	134.56
	Total income	1,326.96	1,284.15	1,159.55	5,061.02
2	Expenses				
	a. Employee benefits expenses	998.77	869.50	725.96	3,348.60
	b. Finance cost	22.95	-	-	-
	c. Depreciation and amortization expense	33.65	56.60	52.93	217.22
	d. Other expenses	244.57	149.98	188.70	752.97
	Total expenses	1,299.94	1,076.08	967.59	4,318.79
3	Profit before tax	27.02	208.07	191.96	742.23
4	Tax expense				
	a. Current tax expense	31.84	70.23	49.47	211.60
	b. Deferred tax benefit	(33.71)	(0.93)	(5.06)	(6.52)
	c. Tax for earlier period/year	24.26	-	-	12.66
	Total tax	22.39	69.30	44.41	217.74
5	Profit for the period/year	4.63	138.77	147.55	524.49
6	Other comprehensive income (OCI)				
	(a) Items that will not be reclassified to profit or loss				
	- Remeasurement of the net defined benefit plan, net of tax	5.66	-	-	22.63
	(b) Items that will be reclassified to profit or loss	-	-	-	-
7	Total comprehensive income for the period/year	10.29	138.77	147.55	547.12
8	Paid up Equity Share Capital (face value of ₹10 each)	639.22	639.22	556.00	639.22
9	Other equity				4,580.35
10	Earnings per equity share ("EPES")				
	Basic and Diluted EPES (in absolute ₹ terms)	0.07	2.17	2.65	8.93

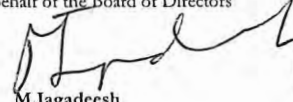
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Notes:

1. The unaudited standalone financial results for the quarter ended 30 June 2022 was reviewed by the Audit Committee and approved by the Board of Directors of the Company at their board meeting held on 21 September 2022. The statutory auditors have carried out a limited review of the standalone financial results.
2. The standalone financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI circular dated 5th July, 2016.
3. The Company is primarily engaged in staffing and Information Technology related services to its customers in India and Overseas, which is being considered as a single reportable business segment, by the management.
4. The figures for the quarter ended 31 March 2022 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2022 and the unaudited year to date figures up to the nine months ended 31 December 2021, which were subjected to limited review by the predecessor statutory auditors.
5. During the quarter ended 30 June 2022, the Company has recognized allowances for credit losses aggregating to INR 54.92 lakhs towards receivables outstanding for more than a year and has been classified under 'Other expenses'

For and on behalf of the Board of Directors


M. Jagadeesh

Managing Director
DIN: 01590689



Date: 21 September 2022
Place: Hyderabad