Sagarsoft

SSIL: SEC: BSE: 2023-24 13th June, 2023

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

Scrip Code : 540143

Dear Sir,

Sub: Submission of Annual Report under Regulation 34 (1) of the SEBI (LODR) Regulations 2015

Pursuant to Regulation 34 (1) read with other applicable Regulations of SEBI (LODR) Regulations, 2015, we are submitting herewith our Annual Report for the year ended 31st March 2023, which, inter-alia contains the Notice of the 27th Annual General Meeting of the company to be held on Wednesday, the 05th July, 2023. Copies of this Report are being mailed to our shareholders and others entitled to receive it and the same is also available on our website viz., www.sagarsoft.in.

Thanking you

Yours faithfully
For Sagarsoft (India) Limited

J. Raja Reddy
Company Secretary

Encl.: as above

Sagarsoft (India) Limited, Registered Office : Plot # 111, Road #10, Jubilee Hills, Hyderabad - 500 033, Telangana, India. Tel : +91-40-67191000 Fax : +91-40-23114607
www.sagarsoft.in info@sagarsoft.in CIN : L72200TG1996PLC023823 GSTIN : 36AACCS8305F1ZH

27th
Annual Report
2022-23

Navigating the Technology Landscape

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BOARD OF DIRECTORS

Sammidi Sreekanth Reddy
Chairman – Non-Executive Director

Manupati Jagadeesh
Managing Director
AC CSRC

K Pradeep Kumar Reddy
Executive Director & CFO

Kalva Satish Chander Reddy
Non-Executive Director

Nalamati Harimohan
Independent Director
NRC SRC CSRC

Kondrella Roopesh
Non-Executive Director

Keerthi Anantha
Independent Director
NRC SRC

Neelima Kaushik
Independent Director
SRC CSRC

V. Venkat Ramana
Independent Director
AC NRC

K. V. Ramananda Rao
Independent Director
AC

J. Raja Reddy
Company Secretary &
Compliance Officer

Audit Committee .... AC

Nomination and Remuneration Committee .... NRC

Stakeholders' Relationship Committee .... SRC

CSR Committee .... CSRC

Chairperson

Member

Board of Directors

Shri S. Sreekanth Reddy	Chairman - Non-Executive Director
Shri M. Jagadeesh	Managing Director
Shri K. Pradeep Kumar Reddy	Executive Director & CFO
Shri K. Satish Chander Reddy	Non-Executive Director
Shri N. Hari Mohan	Independent Director
Smt. Neelima Kaushik	Independent Director
Shri Kondrella Roopesh	Non-Executive Director
Smt. Keerthi Anantha	Independent Director
Shri V. Venkat Ramana	Independent Director (w.e.f 02.05.2022)
Shri K. V. Ramananda Rao	Independent Director (w.e.f 02.05.2022)

Company Secretary

Shri J.Raja Reddy

Auditors

M/s Walker Chandiok & Co LLP
Unit No.1 10th floor, My HomeTwitza,
Hyderabad Knowledge city, Raidurg,
Hyderabad- 5000 081.

Bankers

Axis Bank Ltd.,
Banjara Hills Branch, Hyderabad

HDFC Bank Ltd.,
Lakdikapool Branch, Hyderabad

Registered Office

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

Corporate Identity Number

L72200TG1996PLC023823

Registrars and Share transfer agents

M/s. KFin Technologies Limited

Plot No. 31-32, Selenium Building
Tower - B, Gachibowli, Financial District
Nanakramguda, Serilingampally Mandal
Hyderabad - 500 032. Telangana

SAGARSOFT (INDIA) LIMITED

CIN: L72200TG1996PLC023823
Registered Office Address: Plot No.111, Road No.10,
Jubilee Hills, Hyderabad-500033 Telangana, India
e-mail id: info@sagarsoft.in, website: www.sagarsoft.in

NOTICE

Notice is hereby given that the 27th Annual General Meeting ("AGM") of the Members of Sagarsoft (India) Limited will be held on wednesday the 5th day of July, 2023 at 4.00 p.m. through Video Conference ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt:

    a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Directors' and the Auditors' thereon and

    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.

    In this regard, to pass the following resolution as an ordinary resolution:

    "Resolved that the Audited Standalone Financial Statements of the Company for the year ended March 31, 2023 together with the Reports of the Directors' and the Auditors' thereon and the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2023 together with the Report of the Auditors' thereon be and are hereby received, considered, approved and adopted."

2. To declare dividend of Rs. 2.00 per share (20%) on the equity shares of the company for the financial year ended March 31, 2023 and, in this regard, to pass the following resolution as an ordinary resolution:

    "Resolved that a dividend of Rs. 2.00 per share (20%) on the 63,92,238 equity shares of Rs.10/- each of the company be and is hereby declared for the financial year ended March 31, 2023.

3. To re-appoint the retiring Director Shri M. Jagadeesh (DIN: 01590689), who retires by rotation and being eligible, offers himself for re-appointment and, in this regard, to pass the following resolution as an ordinary resolution:

    "Resolved that Shri M. Jagadeesh (DIN: 01590689) who retires by rotation in accordance with section 152 of the Companies Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

4. To re-appoint the retiring Director Shri K. Pradeep Kumar Reddy (DIN: 02598624), who retires by rotation and being eligible, offers himself for re-appointment and, in this regard, to pass the following resolution as an ordinary resolution:

    "Resolved that Shri K. Pradeep Kumar Reddy (DIN: 02598624) who retires by rotation in accordance with section 152 of the Companies Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

By Order of the Board of Directors

J. Raja Reddy
Company Secretary
M.No. A31113

Place: Hyderabad
Date: May 24, 2023

Registered Office:
Plot No.111, Road No.10,
Jubilee Hills, Hyderabad – 500 033,
Telangana.

NOTES:

1. This AGM is convened through Video Conferencing ("VC")/Other Audio-Visual Means("OAVM") pursuant to General Circular number 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 20/20 dated 05.05.2020, 28/2020 dated 17.08.2020, 02/2021 dated 13.01.2021, 19/2021 dated 08.12.2021, 21/2021 dated 14.12.2021, 02/2022 dated 05.05.2022 and 10/2022 dated 28.12.2022 issued by the Ministry of Corporate Affairs (MCA Circulars) and SEBI Circular number SEBI / HO / CFD / CMD2 / CIR /P / 2022 / 62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 which allow the companies to hold AGMs through VC/OAVM holding of the Annual General Meeting of companies through Video Conferencing or Other Audio Visual Means ("VC / OAVM"), without the physical presence of the Members at a common venue.

2. In compliance with applicable provisions of the Companies Act, 2013 ("Act") read with the MCA Circulars and SEBI Circulars, the 27th Annual General Meeting of the Company is being conducted through Video Conferencing or Other Audio Visual Means ("VC / OAVM") (hereinafter referred to as "AGM' or "e-AGM"). In accordance with the Secretarial Standard - 2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/ Clarification dated 15th April, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the e-AGM.

3. **e-AGM:** The Company has appointed M/s KFin Technologies Limited ("KFIN"), Registrar and Transfer Agent of the Company, as the authorized agency to provide the VC/ OAVM facility for conducting AGM electronically and for voting through remote e-voting or through e-voting at the e-AGM.

4. Pursuant to the provisions of the Act, normally, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf who may or may 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. Further as per the MCA and SEBI Circulars, the facility for appointment of proxies by the Members will not be available for the e-AGM.

5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) 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 e-AGM on its behalf and to vote either through remote e-voting or during the e-AGM. The said Resolution/ Authorization should be sent electronically through their registered email address to the Scrutinizer at **cs@bssandassociates.com** with a copy marked to **evoting@kfintech.com** and company's email id at **info@sagarsoft.in**

6. The Board of Directors of the Company at its meeting held on May 24, 2023 considered all the businesses mentioned in the notice of the AGM as being unavoidable, and needed to be transacted at the 27th AGM of the Company.

7. The relevant details required to be given under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment / re-appointment at this AGM are given in the Annexure-1.

8. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is KFin Technologies Limited having office at Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana - 500 032.

9. **Attendance at the e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may access the same at https://evoting.kfintech.com by clicking "e-AGM - Video Conference & Streaming" and access the shareholders'/ members' login by using the remote e-voting credentials which shall be provided as per Note No.20 below. Kindly refer to Note No.19 below for detailed instructions for participating in the e-AGM through Video Conferencing.

10. The Members can join the e-AGM 15 minutes before the meeting or within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.

11. As per the MCA Circular, facility of joining the e-AGM through VC/OAVM shall be available for 1000 members on a first-come-first-served basis. However, this restriction shall not apply to 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.

12. A member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance of such member for the e-AGM and such member attending the meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 (the Act).

13. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through Company's Registrar

and Transfer Agent KFin Technologies Limited. Kindly refer Note No.20 below for detailed instruction for remote-voting.

14. **Voting during the AGM:** Members who are present at the e-AGM through VC and have not cast their vote on resolutions through remote e-voting, may cast their vote during the e-AGM through the e-voting system provided by KFin Technologies Limited in the Video Conferencing platform during the e-AGM. Kindly refer Note No.21 below for instruction for e-voting during the AGM.

15. The Company has fixed 27th June, 2023 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the e-AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the e-AGM.

16. The Register of Members and Transfer Book of the Company will be closed from 28th June, 2023 to 5th July, 2023 (both days inclusive).

17. In compliance with the aforesaid MCA Circulars and SEBI Circulars, notice of the e-AGM along with the Annual Report for the financial year ended on March 31, 2023 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. The Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.sagarsoft.in. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The same is also available on the website of KFin Technologies Limited at their website address https://evoting.kfintech.com.

18. **Procedure for registering the email addresses and obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form).**

i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.

b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFin Technologies Limited by sending an e-mail request at the email ID **einward.ris@kfintech.com** along with scanned copy of the duly signed request letter by first holder providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, AGM Notice and the e-voting instructions.

ii. Those members who have not registered their email and in consequence the Annual Report, Notice of e-AGM and e-voting notice could not be served, may temporarily get their email address and mobile number provided with the Company's Registrar and Share Transfer Agent, KFin Technologies Limited by clicking the link:https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx for sending the same. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the Annual Report, Notice of e-AGM and e-voting instructions along with the User ID and Password. In case of any queries, shareholder may write to **einward.ris@kfintech.com**.

iii. Those members who have registered their e-mail address, mobile no., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company, in case of shares held in physical form.

19. **Instructions to the Members for attending the e-AGM through Video Conference.**

i. **For attending the e-AGM:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may login into its website link https://emeetings.kfintech.com by using the remote e-voting credentials. After logging in, click on "Video Conference" option and the Name of the Company can be selected.

ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in remote e-voting in Note No.20 below.

iii. Members are encouraged to join the Meeting through Desktops, Laptops, Smartphones, Tablets and iPads with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22 for better experience.

iv. Further, Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.

v. Please note that participants using Mobile Devices or Tablets or Laptops or accessing the internet via "Mobile Hotspot" may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

vi. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come-first-served basis. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM.

vii. Submission of Questions / Queries prior to e-AGM:

a) Members desiring any additional information with regard to Accounts/ Annual Report or has any question or query are requested to write to the Company Secretary on the Company's investor email-id i.e., **info@sagarsoft.in** and marking a copy to **evoting@kfintech.com** mentioning their name, DP ID - Client ID/ Folio number atleast 2 days before the date of the e-AGM so as to enable the Management to keep the information ready. Please note that, members' questions will be answered only if they continue to hold the shares as of cut-off date.

b) Alternatively, shareholders holding shares as on cut-off date can also post their questions by logging on to the https://emeetings.kfintech.com/loginv2.aspx by mentioning their name, demat account number/folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the e-AGM.

viii. Speaker Registration before e-AGM: In addition to above, speaker registration may also be allowed during the remote e-voting period. Shareholder who wish to register as speakers are requested to visit https://emeetings.kfintech.com/loginv2.aspx and click on 'Speaker Registration' during this period. Shareholders shall be provided with a 'queue number' before the e-AGM. Shareholders are requested to remember the same and wait for their turn to be called by the Chairman of the meeting during the Question Answer Session. Due to limitations of transmission and coordination during the e-AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance as provided in Note No.19 (vii) above.

ix. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013, can send an email to **info@sagarsoft.in.**

20. Instructions for members for remote e-Voting:

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 and the provisions of Regulation 44 of the Listing Regulations the Members are provided with the facility to cast their vote remotely on all resolutions set-forth in this notice through remote e-voting platform provided by KFin Technologies Limited ('remote e-voting'). Members attending the e-AGM who have not already cast their vote by remote e-voting shall be able to cast their vote electronically during the meeting (e-voting) when window for e-voting is activated upon instructions of the Chairman.

However, in pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

i. The remote e-voting facility will be available during the following period:

a. Day, date and time of commencement of remote e-voting 1st July, 2023 (9.00 A.M. IST) and ends on 4th July, 2023 (5.00 P.M. IST).

b. Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed 4th July, 2023 at 5:00 P.M.

ii. Details of Website: https://evoting.kfintech.com

iii. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date being tuesday, 27th June, 2023. A person who is not a Member as on the cut-off date should treat Notice of this Meeting for information purposes only.

iv. The Company is sending through email, the AGM Notice and the Annual Report to the shareholders whose name is recorded as on 9th June, 2023 in the Register of Members or in the Register of Beneficial Owners maintained by the depositories. Any person who acquires Shares of the Company and becomes Member of the Company after 9th June, 2023 being the date reckoned for sending through email, the AGM Notice & Annual Report and who holds shares as on the cut-off date i.e. 27th June, 2023 may obtain the User Id and password in the manner as mentioned below:

a) If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD <space> 'e-voting

Event Number + Folio number or DP ID Client ID to +91-9212993399.

Example for NSDL:
MYEPWD<SPACE>IN12345612345678

Example for CDSL:
MYEPWD<SPACE>1402345612345678

Example for Physical:
MYEPWD<SPACE>XXXX1234567890

b) If e-mail address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

c) Member may call KFin's Toll free number 1800-3094-001. Member may send an e-mail request to **evoting@kfintech.com.**

v. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin Technologies Limited upon expiry of aforesaid period.

vi. Details of persons to be contacted for issues relating to e-voting:

Mr. K. Raj Kumar, Assistant Vice President - Corporate Registry, KFin Technologies Limited, Unit: Sagarsoft (India) Limited, Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032. Contact Toll Free No.: 1800-3094-001.

vii. Details of Scrutinizer: Shri S.Srikanth, Practicing Company Secretary (M.No. 22119), partner representing M/s. B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.

viii. A Member can opt only for single mode of voting i.e., through remote e-voting or voting at the e-AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and vote at the e-AGM shall be treated as invalid.

ix. The procedure and instructions for the remote e-voting facility for Individual shareholders holding securities in demat mode are provided as follows.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** Visit URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under Login" under 'IDeAS' Section. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting" Click on company name or e-voting service provider and you will be re-directed to e-voting service providers' website for casting the vote during the remote e-voting period.
	2. User not registered for IDeAS e-Services To register click on link: https://eservices.nsdl.com Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields. Follow steps given in point 1
	3. Alternatively by directly accessing the e-Voting website of NSDL Open URL: https://www.evoting.nsdl.com 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. Post successful authentication, you will be requested to select the name of the company and the e-voting Service Providers' name, i.e. KFintech. On successful selection, you will be redirected to KFintech e-voting page for casting your vote during the remote e-voting period.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** Visit URL: https://web.cdslindia.com/myeasinew/home/login Or URL: https://www.cdslindia.com Click on New System Myeasi Login with your registered user id and password. The user will see the e-voting Menu. The Menu will have links of ESP i.e. KFintech e-voting portal. Click on e-Voting service providers' name to cast your vote.
	2. User not registered for Easi/Easiest Option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration Proceed with completing the required fields. Follow the steps given in point 1
	3. Alternatively, by directly accessing the e-Voting website of CDSL Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin Provide your demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP, i.e KFintech where the e-voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-voting facility. Once logged-in, 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 options available against company name or e-voting service providers' name- KFintech and you will be redirected to e-voting website of KFintech for casting your vote during the remote e-voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at **evoting@nsdl.co.in** or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at 022-23058738 or 022-23058542-43

ix. The procedure and instructions for remote e-voting facility for shareholders other than individual shareholders holding securities in demat mode and shareholders holding shares in physical mode are provided as follows:

a. Open your web browser during the remote e-voting period and navigate to https://evoting.kfintech.com

b. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. or DP ID /Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.

c. After entering these details appropriately, click on "LOGIN".

You will now reach password change menu wherein you are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

d. You need to login again with the new credentials.

e. On successful login, the system will prompt you to select the e-voting Event Number for Sagarsoft (India) Limited.

f. If you are holding shares in Demat form and had logged on to https://evoting.kfintech.com and casted your vote earlier for any other Company, then your existing login id and password are to be used.

g. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e., 27th June, 2023 under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut- off date.

h. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

i. Members holding multiple folios/ demat accounts shall choose the voting process separately for each of the folios/demat accounts.

j. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

k. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.

l. During the voting period, Members can login any number of times till they cast their vote on the Resolution(s).

m. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: **cs@bssandassociates.com** with a copy to **evoting@kfintech.com** and **info@sagarsoft.in.** They may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_ EVENT NO."

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual for Members available at the download Section of https://evoting.kfintech.com or contact Mr. K. Raj Kumar, Assistant Vice President of KFin Technologies Limited at 1800-3094-001 (toll free).

n. The Scrutinizer's decision on the validity of the vote shall be final.

o. Once the vote on a resolution stated in this notice is cast by Member through remote e-voting, the Member shall not be allowed to change it subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the e-AGM, however such Member shall not be allowed to vote again during the e-AGM.

p. The Scrutinizer after scrutinizing the votes cast by remote e-voting and e- voting during the e-AGM will make a consolidated Scrutinizer's Report and submit the same forthwith not later than 2 working days of conclusion of the e- AGM to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

q. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e. www.sagarsoft.in and on the website of KFin Technologies Limited i.e. https://evoting.kfintech.com. The results shall simultaneously be communicated to BSE Limited, where the shares of the Company are listed. The result shall also be displayed on the Notice Board at the Registered Office of the Company.

r. The Resolutions shall be deemed to be passed at the registered office of the Company on the date of the e-AGM, subject to receipt of the requisite number of votes in favour of the Resolutions.

21. Instructions for members for Voting during the e-AGM session

i. The e-voting window shall be activated upon instructions of the Chairman of the meeting during the e-AGM.

ii. e-voting during the AGM is integrate with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.

iii. Members / shareholders, attending the e-AGM through Video Conference, who have not cast their vote on resolutions through Remote e-voting alone shall be eligible to cast their vote through e-voting system available during the e-AGM.

iv. Members who have voted through Remote e-voting will be eligible to attend the e-AGM. However, they shall not be allowed to cast their vote again during the e-AGM.

GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS

22. As per the Central Board of Direct Taxes (CBDT), it is mandatory to link PAN with Aadhaar number by March 31, 2023. Post March 31, 2023 or any other date as may be specified by the CBDT, RTAs shall accept only valid PANs and the ones which are linked to the Aadhar number. The folios in which PAN is / are not valid as on the notified cut-off date of March 31, 2023 or any other date as may be specified by the CBDT, shall also be frozen.

23. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 01st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.

The shareholders are requested to update their PAN with the Company / KFin Technologies Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to **info@sagarsoft.in** by 5.00.p.m IST on 27th June, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to the RTA / Company. The aforesaid declarations and documents need to be submitted by the shareholders by 5.00.p.m IST on 27th June, 2023.

24. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred, under Section 124 of the Companies Act, 2013, to the Investor Education and Protection Fund ("IEPF"), established under Section 125 of the Companies Act, 2013. Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

25. Members who have not yet encashed the dividend warrants in respect of the dividend declared for subsequent years as detailed below are requested to make their claims to the Company or Company's Registrar and Share Transfer Agent.

Year	Nature of Dividend	Rate of Dividend on share of par value of Rs.10/- each
2017-18	Final	25% (Rs.2.50 per share)
2018-19	Interim	10% (Rs.1.00 per share)
2018-19	Final	15% (Rs.1.50 per share)
2019-20	Final	15% (Rs.1.50 per share)
2020-21	Final	25% (Rs.2.50 per share)
2021-22	Final	30% (Rs.3.00 per share)

26. The details of dividend lying unclaimed in respect of these years are available in the website of the Company at www.sagarsoft.in. Members are requested to contact KFin Technologies Limited, the Registrar and Share Transfer Agents of the Company at the address mentioned in Note No. 8 to claim the unclaimed /unpaid dividends.

    It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount.

27. The Company has fixed 27th June, 2023 as the 'Record Date' for determining entitlement of members to the dividend of Rs. 2/- per share for the financial year ended 31st March, 2023, if approved at the ensuing AGM.

28. The dividend(s), if any, approved by the Members or declared by the Board of Directors of the Company from time to time, will be paid to the eligible members as per the mandate registered with the Company or with their respective Depository Participants.

29. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft as the case may be to such Member.

30. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made within 30 days from the date of AGM, subject to deduction of tax at source, as under:

    i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on 27th June, 2023.

    ii. To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on 27th June, 2023.

31. Updation of Members' details: Pursuant to the SEBI Circular No(s). SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 Company/Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, KYC details, Nomination details, bank mandate details for payment of dividend etc., Members holding shares in physical form are requested to furnish the above details to the Company or KFintech, its Registrars and Share Transfer Agents. Members holding shares in electronic form are requested to furnish the details to their respective DP.

    The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to KFin Technologies Limited.

    Members are requested to note that, in order to avoid any loss/ interception in postal transit and also to get prompt credit of dividend through National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS), they should update their NECS / ECS details with the Company's Registrar and Share Transfer Agents i.e., KFin Technologies Limited (for the shares held in physical form) and their respective Depository Participants (for the shares held in electronic form).

    Members who are holding the shares in physical form are requested to execute the ISR Form-1 & ISR Form-2 to update the changes, if any, in their registered address, signature, contact details, Bank Mandate etc., and to update their PAN number, Phone number, Email address, demat account details etc., and send to the Company's Registrar and Share Transfer Agents indicating their Folio number therein at the address mentioned in Note No. 8.

    Members can execute the Form No. SH-13, Form ISR-3 & Form No. SH-14 in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 for registration of nomination, declaration Form for opting-out of Nomination and cancellation or variation of nomination respectively and send to the Company's Registrar and Share Transfer Agents indicating their Folio number therein at the address mentioned in Note No. 8.

    The requisite ISR Forms and nomination forms can be downloaded from the website of the Company at www.sagarsoft.in & also from the website of its Registrar and Share Transfer Agents i.e., KFin Technologies Limited at https://ris.kfintech.com/clientservices/isc/default.aspx.

    Members holding shares in electronic form are therefore, requested to furnish their details to their respective Depository Participant ("DP") with whom they are maintaining their demat accounts for updating their PAN, KYC details, Nomination and Bank mandate details etc.,

32. The members / investors may send their complaints/ queries, if any to the Company's Registrar and Share Transfer Agents' E-mail id: **einward.ris@kfintech.com** or to the Company's official E-mail id: **info@sagarsoft.in**

33. The information/documents referred to in the Notice with regard to the accounts or any other matter to be placed at the AGM are available for inspection up to the date of AGM and members are also requested to write to the Company on or before 27th June, 2023 through email to **info@sagarsoft.in** for seeking information, If any, and the same will be replied by the Company suitably.

34. As per Regulation 40 of SEBI (LODR) Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition and relodged 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-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode.

35. To enhance ease of dealing in securities markets by investors, SEBI has decided that listed companies shall henceforth issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/LADNRO/GN/2022/66 dated January 24, 2022) while processing the service request mentioned in the above notification (viz., Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Transmission and Transposition etc). 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. The Members who are desirous to convert their physical holdings into dematerialized form, may contact the Depository Participant of their choice for dematerializing the same. Members may also contact the Company or its Registrars and Transfer Agents, KFin Technologies Limited (KFIN) for assistance in this regard.

36. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, 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 the requisite changes.

37. Members may note that the Annual Report for the year 2022-23 is also available on the Company's website www.sagarsoft.in for their download.

38. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-voting facility to its Members in respect of the business to be transacted at the 27th AGM and facility for those Members to participate in the AGM to cast vote through e-voting system during the AGM.

39. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or casting vote through e-Voting system during the meeting.

40. In case of joint holders, 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 at the e-AGM.

41. During the 27th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the e-AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the e-AGM.

42. The transcript of this meeting, shall be made available on the website of the company.

43. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.sagarsoft.in and on the website of KFin Technologies Limited at https://evoting.kfintech.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai, where the shares of the company are listed.

44. Since the AGM will be held through VC / OAVM, the Route Map, proxy form and attendance slip are not annexed to this Notice.

By Order of the Board of Directors

Place: Hyderabad
Date: May 24, 2023

J. Raja Reddy
Company Secretary
M.No. A31113

Registered Office:
Plot No.111, Road No.10,
Jubilee Hills,
Hyderabad – 500 033,
Telangana.

Annexure to the Notice of the 27th Annual General Meeting

Annexure 1

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard-2)

Details of Directors seeking re-appointment at the Annual General Meeting

S.No.	Particulars	Name of the Director	
		Shri M. Jagadeesh	Shri K. Pradeep Kumar Reddy
1	DIN	01590689	02598624
2	Date of birth	26.07.1971	03.05.1973
3	Age	52 Years	50 Years
4	Qualification	-	Bachelor's Degree in Technology and Masters in Business Management.
5	Experience in specific functional areas	Has been on the Board since 13.06.2002 and appointed as Managing Director w.e.f. 31.10.2008. He has wide experience in Information Technology and Business Administration.	Appointed as Whole-time Director (w.e.f. 06.11.2015). He has wide experience in Information Technology and Business Administration.
6	Brief Resume	Shri. M.Jagadeesh is Managing Director of the company. He has wide experience in Information Technology and Business Administration.	Shri K. Pradeep Kumar Reddy is Executive Director and CFO of the company. He has wide experience in Information Technology and Business Administration
7	Nature of Appointment	Retires by rotation and offers himself for re-appointment.	Retires by rotation and offers himself for re-appointment.
8	Terms and Conditions of Reappointment	Appointment as a director subject to retirement by rotation under Section 152 of the Companies Act, 2013	Appointment as a director subject to retirement by rotation under Section 152 of the Companies Act, 2013
9	Date of first appointment on the Board	13.06.2002	06.11.2015
10	Directorships in other Public Companies	Nil	Nil
11	Membership of Audit / Shareholders / Investors Grievances Committees of other Public Limited Companies	Nil	Nil
12	Shareholding in the Company	11,400	365
13	Number of Board Meetings attended	5	5

S.No.	Particulars	Name of the Director	
		Shri M. Jagadeesh	Shri K. Pradeep Kumar Reddy
14	Details of Remuneration last drawn	An amount of Rs.76,89,312/- was paid towards remuneration as Managing Director for the financial year 2022-23	An amount of Rs.76,89,312/- was paid towards remuneration as Executive Director and CFO for the financial year 2022-23
15	Details of remuneration sought to be paid	An amount of Rs.6,00,000/- per month and 2% on the Net profit of the company as calculated under applicable sections of the Companies Act, 2013, for each financial year or a part thereof as approved by the shareholders.	An amount of Rs.6,00,000/- per month and 2% on the Net profit of the company as calculated under applicable sections of the Companies Act, 2013, for each financial year or a part thereof as approved by the shareholders.
16	Inter-se relationship with other directors, Managers Other Key managerial Personnel of the company	Nil	Nil
17	Information as required pursuant to BSE Circular no. LIST/COMP/14/2018-19 and Circular of National Stock exchange of India Limited having Ref No. NSE/CML/2018/24 dated June 20, 2021.	We affirm that Shri M.Jagadeesh is not debarred from holding the office of director by virtue of any order of SEBI or any other such authority. Nomination and Remuneration Committee and the Board of directors of the Company has also verified that Shri M.Jagadeesh is not debarred from holding the office of director pursuant to any SEBI Order.	We affirm that Shri K.Pradeep Kumar Reddy is not debarred from holding the office of director by virtue of any order of SEBI or any other such authority. Nomination and Remuneration Committee and the Board of directors of the Company has also verified that Shri K. Pradeep Kumar Reddy is not debarred from holding the office of director pursuant to any SEBI Order.

By Order of the Board of Directors

Place: Hyderabad
Date: May 24, 2023

J. Raja Reddy
Company Secretary
M.No. A31113

Registered Office:
Plot No.111, Road No.10,
Jubilee Hills,
Hyderabad – 500 033,
Telangana.

DIRECTORS' REPORT
AND
MANAGEMENT DISCUSSION ANALYSIS REPORT

Dear Members

Your Directors' are pleased to present their 27th Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2023.

FINANCIAL RESULTS

The discussion on the financial condition and results of operations of your Company should be read in conjunction with the Company's Audited Standalone and the Consolidated Financial Statements containing financials and notes thereto of Sagarsoft (India) Limited and its subsidiary IT CATS LLC DBA INFOWAY SOFTWARE, USA for the year ended March 31, 2023 which are summarized below:

(Rs.in Lakhs, unless otherwise stated)

Particulars	Standalone		Consolidated	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Income from operations	**4948.75**	4926.46	**16415.30**	11778.16
Other Income	**235.59**	134.56	**243.68**	136.13
Total Income	**5184.34**	5061.02	**16658.98**	11914.29
Total Expenditure	**4759.54**	4101.56	**15339.58**	10605.09
Profit before depreciation, interest and tax	**424.80**	959.46	**1319.40**	1309.20
Depreciation	**220.30**	217.23	**259.99**	222.74
Profit before tax	**204.50**	742.23	**1059.41**	1086.46
Provision for Tax	**110.10**	211.60	**342.64**	284.55
Prior period taxes	**1.43**	12.66	**1.43**	12.66
Deferred Tax Asset / (Liability) for the year	**(43.97)**	(6.52)	**(47.37)**	(6.52)
Net Profit	**136.94**	524.49	**762.71**	795.77

DIVIDEND

Dividend is recommended by your Board in the context of the Company's overall profitability, free cash flow, capital requirements and other business needs as well as the applicable regulatory requirements.

Your Board of Directors is pleased to recommend a dividend of Rs.2.00 (20%) per share on the 63,92,238 equity shares of Rs.10/- each for the year 2022-23. This would result in a total outflow of Rs.127.84 Lakhs.

TRANSFER OF UNCLAIMED / UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION 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 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").

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

TRANSFER TO RESERVES

As no transfer to any reserve is proposed, the entire balance available in the statement of Profit and Loss is retained in it.

SHARE CAPITAL

AUTHORISED SHARE CAPITAL

The Authorised Share Capital of the Company is Rs.10,00,00,000/- comprising of 1,00,00,000 Equity Shares of Rs. 10/- each.

PAID-UP SHARE CAPITAL

The paid up capital of the company is Rs.6,39,22,380/- consisting of 63,92,238 equity shares of Rs.10/- each and there was no change in the share capital of your company during the year under report.

During the period under review, your Company has not issued any shares with differential rights, sweat equity shares and equity shares under employee's stock option scheme except the above allotments. Your Company has also not bought back its own shares during the period under review.

UTILISATION OF FUNDS COLLECTED THROUGH PREFERENTIAL ISSUE

Pursuant to the approval accorded by you at the 25th Annual General Meeting held on 07th July, 2021, your board had allotted 8,32,238 Equity shares at an issue price of Rs.254/- per share. Out of which, 6,32,238 equity shares were allotted for consideration other than cash for acquisition of IT CATS LLC and balance 2,00,000 shares for cash and accordingly raised a sum of Rs.5.08 crores through the above allotment and the same will being utilized, inter-alia, for investment.

Further details as required under Regulation 32(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time (hereinafter to be referred as "Listing Regulations") regarding the collection and utilization of the funds referred to, have been given elsewhere in the Report on Corporate Governance, which forms part of the Annual Report.

VARIATIONS IN NET WORTH

The Net worth of the Company as at the Financial Year ended March 31, 2023 is Rs.5176.93 Lakhs as compared to Rs.5219.57 Lakhs as at the end of previous financial year ended on March 31, 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

To avoid repetition in the Directors' Report and the Management Discussion and Analysis Report, the information under these reports is furnished below, as a composite summary of the performance of the various aspects of the business of your Company.

INDUSTRY REVIEW AND OVERVIEW

The growth of emerging economies has been more resilient, with India leading the economic revival at a rate much higher than the rest of the world though the current year also saw ongoing concerns around recession as the global economies saw slower growth.

Among businesses, the Technology industry was the silver lining as enterprises reshaped and accelerated their digital transformation agenda, and as a result, sourcing, and talent strategies for 2023. Increasingly, enterprises, including traditional enterprises, are leaning on technology for scaling automation while humanising UX, streamlining supply chain, enhancing cyber resilience, and delivering their sustainability goals towards becoming purpose-driven businesses.

While FY2022 was a year of milestones and resurgence-an outlier for the Indian technology industry, FY2023 has been the year of continued revenue growth with a focus on strengthening industry fundamentals and building on trust and competencies. The volatile global economic scenario and impending recession continues to support the demand for technology adoption and digital acceleration. Consequently, technology continues to be a strategic imperative that is a critical component of business innovation and transformation, as well as a source of improving operational and cost efficiencies.

The industry continues to be a net hirer, adding nearly 3 lakh employees, strengthening its position as the 'Digital Talent Nation' for the world.

India, has grown from being the tenth largest economy ten years ago to the fifth largest today. India has been the fastest growing major economy for the third year in a row—poised for further growth, driven strongly by, among other factors, a robust and diverse technology ecosystem. Diverse and inclusive new-age skilled talent pool with strong entrepreneurial mindset people first innovation, responsible & ethical tech & governance built on trust, commitment to Environmental, Social & Governance (ESG) goals, & Corporate Social Responsibility (CSR), form the cornerstones of this vibrant ecosystem.

Cost competitiveness and efficiencies, stable and trusted Government consistently building a conducive business environment and infrastructure through reforms and policies, along with the largest and youngest working population and consumer market, makes the industry's foundation even stronger. India's inherent leadership skills have ensured Indian origin leaders occupy a seat at the table in global organizations, fronting global charters across various verticals

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As you are aware, your Company has acquired 100% stake in IT CATS LLC DBA INFOWAY SOFTWARE, USA engaged in the business of staffing and information technology related services with a broad range of technical skills, including but not limited to ERP, client/server and web based application and database development.

IT CATS LLC, USA is the material unlisted subsidiary. your Company has formulated a policy for determining material subsidiaries. The policy is available on the website of the Company, https://www.sagarsoft.in/community-outreach/.

Salient features of the financials of the above mentioned wholly-owned subsidiary have been given in Form AOC-1 as Annexure 1 to this report.

Your Company does not have any Joint Ventures or Associate Companies.

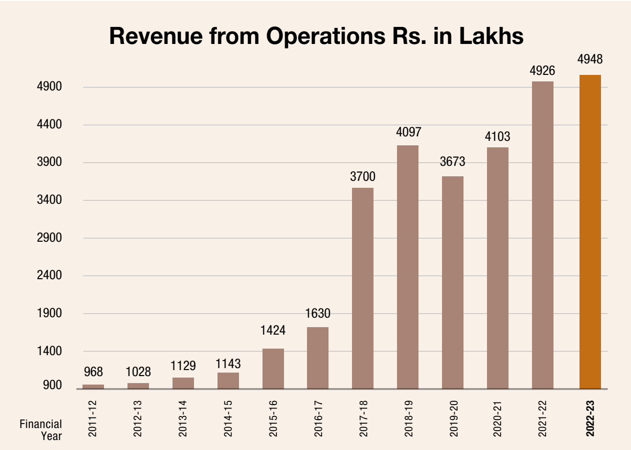
COMPANY'S PERFORMANCE

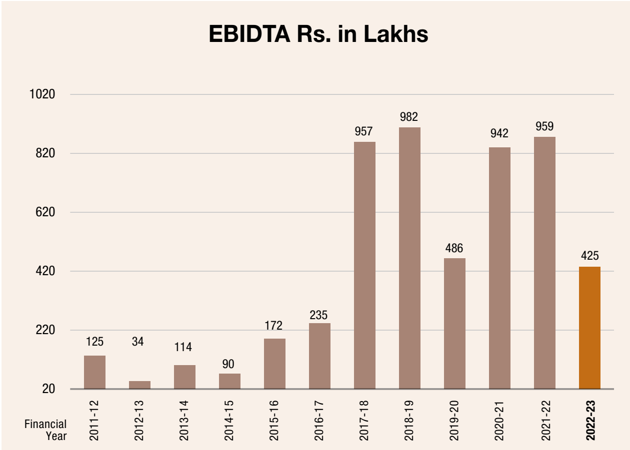
During the year, your Company earned a revenue of Rs.4948.75 Lakhs as against Rs. 4926.46 Lakhs in the previous year, registering an increase of around 0.45%. Earnings before interest, tax, depreciation and amortization (EBITDA) was Rs.424.80 Lakhs against Rs. 959.46 Lakhs in the previous year. Profit after tax (PAT) for the year was Rs.136.94 Lakhs as against Rs. 524.49 Lakhs in the previous year.

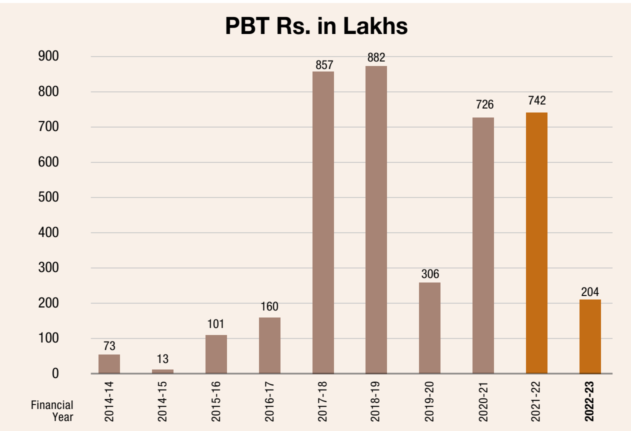
PERFORMANCE AND CONTRIBUTION OF THE SUBSIDIARY

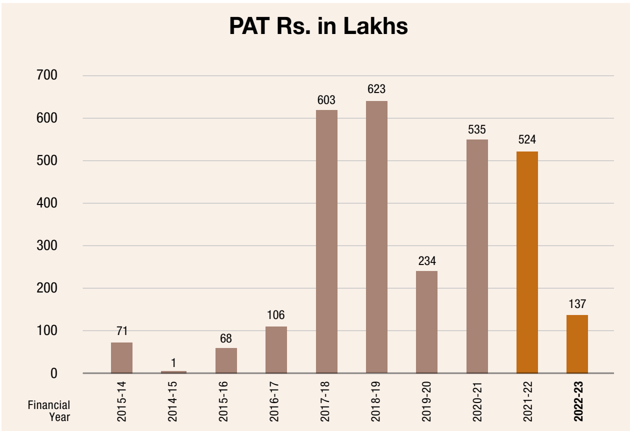
During the year, IT CATS LLC, USA, wholly-owned subsidiary of the Company earned a revenue of Rs.13262.20 Lakhs as against Rs.7182.49 Lakhs in the previous year, registering an increase of around 84.64%. Profit after tax (PAT) for the year was Rs.635.96 Lakhs as against Rs.271.24 Lakhs in the previous year. (Comparitive fugures are from the date of acquisition i.e., 26.07.2021)

PERFORMANCE HIGHLIGHTS









KEY RATIOS

S.No.	Ratio	2022-23	2021-22
1	Current ratio = current assets / current liabilities	6.99	8.05
2	Debt equity ratio = (Long-term borrowings + short term borrowings + lease liabilities) / Equity	0.19	0.04
3	Debt service coverage ratio = (Profit after tax + finance cost + depreciation + other adjustments like loss on sale of PPE etc) / (finance cost + total debt)	0.51	3.22
4	Return on equity ratio / return on investment ratio = net profit after tax divided by average equity	2.63%	13.25%
5	Inventory turnover ratio = cost of goods sold divided by average inventory	Not applicable	Not applicable
6	Trade receivables turnover ratio = sales divided by average trade receivables	3.62	4.59
7	Trade payables turnover ratio = Purchases of services and other expenses (excluding other adjustments like loss on sale of PPE etc) divided by average trade payables	73.45	51.98
8	Net capital turnover ratio = sales divided by (current assets less current liabilities)	1.52	1.60
9	Net profit ratio = Net profit after tax divided by sales	2.77%	10.65%
10	Return on capital employed = (earnings before finance cost, other income and taxes) divided by capital employed	0.89%	11.56%

There was decrease in the profit margins and Net worth due to increase in the operational expenses.

DISCLOSURE OF ACCOUNTING TREATMENT

The applicable Accounting Standards as notified from time to time under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2016 issued by the Ministry of Corporate Affairs, have been followed in preparation of the financial statements of the company.

TRANSACTIONS WITH RELATED PARTIES

None of the transactions with related parties falls under the scope of Section 188 (1) of the Act. Information on transactions with related parties pursuant to Section 134 (3) (h) of the Act read with rule 8 (2) of the Companies (Accounts) Rules, 2014 are given in Annexure-2 in Form AOC-2, which forms part of this report.

All related party transactions entered into during the financial year were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions entered into by the company with the promoters, key managerial personnel or other designated persons that may have potential conflict with the interests of the Company at large. All related party transactions had prior approval of the Audit Committee and were later ratified by it and the Board.

During the year 2022-23 your Company had not entered into transactions with any person or entity belonging to its promoter / promoter group, which holds 10% or more shareholding in the Company

OPPORTUNITIES AND THREATS

We believe the investments we have made, and continue to make, in our people, skillsets & technology as part of our strategy, will enable us to advise and help our clients as they tackle these challenging market conditions.

OUR STRATEGY

Sagarsoft responsiveness on Pandemic disruption highlights the need for operational resilience and enterprise adaptability and also looking for market share expansion.

At a very broad level, our focus areas are: Applications (+ platforms/ products), Infrastructure, Data (& Analytics) and Security. Bringing those 4 components together, we crafted a unique and holistic approach to Digital transformation which we call as Digital DAIS™. Digital DAIS delivers Data and Technology services in a 'Business first' manner; amplifying Business capabilities of our customers and enabling enhanced Business Performance.

OUTLOOK, RISKS AND CONCERNS

The year 2023 has started with hopes of moderation – with worldwide growth expected at 2.9%. Even as the global economic climate will continue to remain uncertain, volatility and business resilience will co-exist and that will define the 'No Normal' world that we embark on. Globally, enterprises are likely to see headwinds - demand contraction in some markets, and this uncertainty may result in delayed decision-making.

While enterprises digital transformation remains core strategic priority for 2023, cost takeout and optimization requirements are also in demand given the macro environment. Cybersecurity, cloud, AI and analytics continue to be the main focus but with more integrated use cases and higher value realization. Hyper-automation and virtual experiences are new themes, driving optimization and new business growth. End-user enterprises are demanding greater domain specialization as also purpose-driven partnerships from their technology partners.

As such, for technology providers, CY2023 is expected to be a year of rationalization (improving utilization & lower attrition), as they consolidate and strengthen current expertise, while making early moves into new business opportunities. The growth areas of technology segments will continue to focus on digital CX, digitization, cloudification, building SaaS-enabled products, cybersecurity and platformization - digital components that are increasingly being built into all deals, partnerships and M&As. An underlying theme that will emerge stronger is 'Focus on Quality Talent' - strengthening capabilities in niche and pure tech areas like cloud, AI/ML/NLP through reskilling/upskilling, improved and increased thrust on employee engagement, culture, health and wellness.

RISK MANAGEMENT

Sagarsoft (India) Limited has identified a suitable approach and framework for risk management which meets its business, legal and regulatory requirements. The management has decided to adopt the same framework for entire organization. It has a Security Management Group with representatives from all functional team and a representative of the senior management team leads the group. Its steering committee meets at least once in 6 months to identify the risks throughout the organization. Your Company attaches utmost importance to the assessment of internal risks and the management thereof in all its dealings. The Company is constantly on the lookout for identifying opportunities to enhance its enterprise value and keeping the need to minimize the risks associated with such efforts, every proposal of significant nature is screened and evaluated for the risks involved and then approved at different levels in the organisation before implementation.

Based on severity level of the risk, corrective action is identified and implemented with prior approval from the risk owners and Top Management, wherever applicable. Controls are identified in the Risk Assessment and Risk Treatment. The first step in risk assessment procedure is to identify the list of information and critical information assets in each function. After identification, these information assets are identified with the Owner and they are classified based on the functions. The steering committee or CISO meets and reviews the implementation status once in every 2 months. To conduct the review, at least one representative from each function is present.

Your Company has adequate system to manage the financial risks of its operations. The system is implemented through imposition of checks and balances of customers, audits like internal audit, statutory and secretarial audit, all of which are periodically carried out through external firms and by adequate insurance coverage for the Company's facilities

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Board of Directors are satisfied with the adequacy of the internal control system in force in all its major areas of operations of the Company. The Company has an external firm of Chartered Accountants as Internal Auditors to observe the Internal Controls, whether the work flows of organization is being done through the approved policies of the Company and similar matters. Internal Auditors present its report to the Audit Committee. The audit committee assists the board of directors in monitoring the integrity of the financial statements and the reservations, if any, expressed by the Company's auditors including, the financial, internal and secretarial auditors and based on their inputs, the board is of the opinion that the Company's internal controls are adequate and effective.

HUMAN RESOURCE DEVELOPMENT

Your Company continues to enjoy cordial relationship with its personnel at all levels and focusing on attracting and retaining competent personnel and providing a holistic environment where they get opportunities to grow and realise their full potential. Your Company is committed to providing all its employees with a healthy and safe work environment.

Your Company is organizing training programmes wherever required for the employees concerned to improve their skills. Employees are also encouraged to participate in the seminars organized by the external agencies related to the areas of their operations.

SEXUAL HARASSMENT

Regarding the Sexual Harassment of Women at the work place (Prevention, Prohibition & Redressal) Act, 2013, the Company has an Internal Complaints Committee. No complaints were received or disposed off during the year under the above Act and no complaints were pending either at the beginning or at the end of the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) The Directors have selected such accounting policies and applied them consistently and made judgement and estimates that were 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 period;

(iii) 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;

(iv) The Directors have prepared the annual accounts on a going concern basis;

(v) The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

(vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri M. Jagadeesh and Shri K. Pradeep Kumar Reddy will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Necessary resolutions seeking the approval of the members for the above said appointment / re-appointment have been incorporated in the notice of the Annual General Meeting of the Company.

Except Shri S. Sreekanth Reddy, Promoter of the Company and also who is a Director in Sagar Cements Limited, whose transactions with the Company have been reported under the related parties disclosure under notes to the accounts and Shri. N. Hari Mohan and Shri K. Satish Chander Reddy, to the extent of shares held by them, details of which have been given elsewhere as annexure to the report, none of the other non-executive/ Independent directors has had any pecuniary relationship or transactions with the Company, other than the receipt of sitting fee for the meetings of the Board and Committees thereof attended by them.

INDEPENDENT DIRECTORS DECLARATION

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149 (7) of the Companies Act 2013, that they meet the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act 2013 and Regulation 16(1) (b) of the Listing Regulations. There has been no change in the circumstances affecting their status as an Independent Director during the year.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Companies Act, 2013 and the Company's Code of Conduct.

The Board of Directors is of the opinion that all the Independent Directors possess requisite qualifications, experience & expertise in industry knowledge, financial & corporate governance and they hold highest standards of integrity.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on February 06, 2023, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

AUDITORS

M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were appointed as the statutory auditors of the Company by the shareholders at their 26th Annual General Meeting held on 20th June, 2022, to hold office from the conclusion of the said Annual General Meeting till the conclusion of the 31st Annual General Meeting to be held in the year 2027.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

AUDITORS' REPORT

The auditors' report on the financial statements of the Company which is part of this report does not contain any qualifications, reservations or any adverse remarks.

SECRETARIAL AUDITORS' REPORT

In accordance with Section 204 (1) of the Companies Act, 2013, the report furnished by the Secretarial Auditors, who carried out the secretarial audit of the Company under the said Section is given in the Annexure-3, which form part of this report and the observations made by them are self-explanatory and therefore do not call for any further comments.

SECRETARIAL STANDARDS

Your 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 from time to time and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

ANNUAL RETURN

Annual Return in the prescribed Form MGT-7 is available on the Company's website https://www.sagarsoft.in/investors/

NUMBER OF MEETINGS OF THE BOARD

Five Board meetings were held during the financial year 2022-23 and the gap between two consecutive meetings did not exceed one hundred and twenty days. Details of these meetings of the Board as well as its committees have been given in the Corporate Governance Report, which forms parts of the Annual Report.

SUB COMMITTEES OF THE BOARD

The Board has Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

The composition and other details of these committees have been given in the report on the Corporate Governance which forms part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company along with the initiative taken by it are set out in Annexure-4 of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company, https://www.sagarsoft.in/community-outreach/.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

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

Under Section 178 (3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the board has adopted a policy for nomination, remuneration and other related matters for directors and senior management personnel. A gist of the policy is available in the Corporate Governance Report.

BOARD EVALUATION

The Board of directors have carried out an evaluation of its own performance and of its committees as well as its individual directors on the basis of criteria such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues and functioning etc.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

The Company has not made any application under The Insolvency and Bankruptcy Code, 2016, during the year under report.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes or commitments between the end of the financial year and the date of this report and no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules are given below.

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

Particulars	Ratio to Median Remuneration
Non-Executive Directors*	-
Executive Directors	
Shri. M. Jagadeesh, Managing Director	6.08
Shri. K. Pradeep Kumar Reddy, Executive Director & CFO	6.08

*Non-Executive Directors are not paid any remuneration, other than sitting fee.

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Director, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Shri. S. Sreekanth Reddy	These Directors were not paid any Remuneration, other than sitting fee.
Shri. K. Satish Chander Reddy	
Shri. N. Hari Mohan	
Smt. Neelima Kaushik	
Shri K. Roopesh	
Smt. A. Keerthi	
Shri. K. V. Ramananda Rao	
Shri. V. Venkat Ramana	
Shri. M. Jagadeesh, Managing Director	6.80
Shri. K. Pradeep Kumar Reddy, Executive Director & CFO.	6.80
Shri. J. Raja Reddy, Company Secretary	18.00

c. The percentage increase in the median remuneration of employees in the financial year: 4.12%.

d. The number of permanent employees on the rolls of Company: 187

e. Average percentage 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 annual increase was around 8% for personnel other than managerial personnel.

Increase in the managerial remuneration for the year was 6.80%.

f. 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.

There are no employees drawing remuneration in excess of the limits set out in the Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy to provide Vigil Mechanism for directors and employees of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177 (9) of the Act and Regulation 22 of Listing Regulations.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

INSURANCE

All the properties of the Company have been adequately insured.

INDUSTRIAL RELATIONS

Industrial relations continued to be cordial throughout the year under review.

REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 34 read with Schedule V(C) of Listing Regulations, the Report on Corporate Governance is given as part of this report.

COMPLIANCE CERTIFICATE

A certificate as stipulated under Schedule V (E) of the Listing Regulations from the Practicing Company Secretary regarding compliance with the conditions of Corporate Governance is attached to this Report along with a report on Corporate Governance.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

Your Company has put in place adequate internal financial controls with reference to the financial statements. The Internal Audit of the Company is regularly carried out by an external firm of chartered accountants to review the internal control systems and processes. The Internal Audit Reports along with recommendations contained therein and their implementations are periodically reviewed by Audit Committee of the Board.

REPORTING OF FRAUDS BY AUDITORS

During the year, there were no instances of frauds reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013.

MAINTENANCE OF COST RECORDS

The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act, for any of the services rendered by the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014:

CONSERVATION OF ENERGY

The Company makes conscious efforts to reduce its energy consumption though its nature of operations are not energy intensive. Some of the measures undertaken by the Company on a continuous basis during the year are stated below:

(i) Steps taken or impact on conservation of energy:

i. Rationalization of usage of electrical equipments – air-conditioning system, office illumination, desktops.

ii. Regular monitoring of temperature inside the buildings and controlling the air-conditioning System.

(ii) Steps taken for utilizing alternate sources of energy:

Usage of energy efficient illumination fixtures.

(iii) Capital investment on energy conservation equipments: Nil

(a) Technology absorption, Adoption and Innovation : Nil

(b) Foreign Exchange Earnings and Outgo :

Details of foreign exchange earnings and outgo as per the Companies Act, 2013, are given below.

(Rs.in lakhs, unless otherwise stated)

Foreign Exchange Earning and Outgo	2022-23	2021-22
Foreign Exchange inflow	4630.25	4414.09
Foreign Exchange outflow	3.48	60.16

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company takes proactive measures in the development and implementation of a Risk Management Policy with due consideration of the elements of risks which, in the opinion of the Board, may threaten the very existence of the Company's business being;

(i) Financial;

(ii) Legal and regulatory;

(iii) Operating and

(iv) Commercial risks.

CAUTIONARY STATEMENT

Statements in these reports describing Company’s projections statements, expectations and hopes are forward looking. Though, these expectations etc., are based on reasonable assumption, the actual results might differ.

ACKNOWLEDGMENT

Your Directors wish to place on record their appreciation of the valuable co-operation extended to the Company by all the Investors, Clients / Customers, Vendors, Bankers, Regulatory and Government Authorities and Business associates for their continues support and cooperation extended to the Company. Your Board also takes this opportunity to place on record its appreciation of the contributions made by its employees at all levels and last but not least, of the continued confidence reposed by you in the Management.

For and on behalf of the Board

Place: Hyderabad
Date: May 24, 2023

S. Sreekanth Reddy
Chairman
(DIN: 00123889)

Form No. AOC – 1

(Pursuant to first proviso to Sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / Joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lakhs)

Sl. No	Particulars	Details
1.	Name of the subsidiary	IT CATS LLC, USA
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	US Dollars Exchange rate 1US $=INR 82.15
4.	Share Capital	50.56
5.	Reserves & surplus	1605.54
6.	Total assets	4616.90
7.	Total Liabilities	4616.90
8.	Investments	Nil
9.	Turnover	13262.20
10	Profit before taxation	868.50
11.	Provision for taxation	232.54
12.	Profit after taxation	635.96
13.	Proposed Dividend	-
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: Nil.
2. Names of subsidiaries which have been liquidated or sold during the year: Nil.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Details
Latest audited Balance Sheet Date	Nil
Shares of Associate/Joint Ventures held by the company on the year end	Nil
No.	Nil
Amount of Investment in Associates/Joint Venture -INR	Nil
Extend of Holding%	Nil
Description of how there is significant influence	Nil
Reason why the associate/joint venture is not consolidated	Nil
Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
Profit/Loss for the year	Nil
Considered in Consolidation	Nil
Not Considered in Consolidation	Nil

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of the Board

Sagarsoft (India) Limited

Place: Hyderabad
Date: May 24, 2023

M.Jagadeesh
Managing Director
(DIN 01590689)

K. Pradeep Kumar Reddy
Executive Director and CFO
(DIN 02598624)

J. Raja Reddy
Company Secretary
(M.No.A31113)

Form No. AOC – 2

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and
Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered in to by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sagarsoft (India) Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2022-23.

2. Details of material contracts or arrangements or transactions at arm's length basis:

There were no material contracts or arrangements or transactions on related parties during the financial year 2022-23.

On behalf of the Board of Directors

S. Sreekanth Reddy
Chairman
(DIN: 00123889)

Hyderabad
May 24, 2023

Form No. MR – 3

Secretarial Audit Report
For the Financial Year ended March 31, 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,
M/s. Sagarsoft (India) Limited,
Plot No.111, Road No.10,
Jubilee Hills,
Hyderabad-500033.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sagarsoft (India) Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also 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 maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the audit period)

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; (Not applicable to the Company during the audit period)

(vi) Laws specially applicable to the industry to which the Company belongs, as identified by the Management:

   (a) Information Technology Act, 2000 and the rules made thereunder;

   (b) The Indian Copy Rights Act, 1957

   (c) The Patents Act, 1970; and

   (d) The Trade Marks Act, 1999.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except to the extent as mentioned below:

The Company has not complied with the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for quarter ended 30.06.2022 for delay submission of standalone & consolidated financial results by 37 days and consequently BSE has levied penalty of Rs. 1,80,000/- for non-compliance and the same was paid by the company.

The Company has not complied with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 – The gap between two audit committee meetings (i.e.16.05.2022 & 21.09.2022) was exceeded 120 days, accordingly there was a delay of 7 days.

We further report that on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by respective department heads / Company Secretary of the Company, in our opinion, there exist adequate systems and processes and control mechanism in the Company to monitor and ensure compliance with applicable general laws.

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit.

We further report that the Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that adequate notice was given to all Directors to schedule the Board Meetings and agenda with detailed notes there on were sent to them at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications as may be required by them on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, all the decisions of the Board were without any dissent.

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

We further report that during the audit period there was no events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **B S S & Associates**
Company Secretaries

S. Srikanth
Partner
ACS No.: 22119 | C.P. No.: 7999
UDIN: A022119D000328216

Place: Hyderabad
Date: May 24, 2023

This Report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

Annexure – A

To,

The Members,
M/s. Sagarsoft (India) Limited,
Plot No.111, Road No.10,
Jubilee Hills,
Hyderabad - 500033.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed by the Company 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 the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. 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.

For **B S S & Associates**
Company Secretaries

S. Srikanth
Partner
ACS No.: 22119 | C.P. No.: 7999
UDIN: A022119D000328216

Place: Hyderabad
Date: May 24, 2023

Annual Secretarial Compliance Report of Sagarsoft (India) Limited for the year ended March 31, 2023

To,

Sagarsoft (India) Limited,
Plot No.111, Road No.10
Jubilee Hills, Hyderabad
Telangana - 500033.

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Sagarsoft (India) Limited (hereinafter referred as 'the listed entity'), having its Registered Office at Plot No.111, Road No.10, Jubilee Hills, Hyderabad - 500033, Telangana, India. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

We, B S S & Associates, Company Secretaries, have examined:

(a) all the documents and records made available to us and explanation provided by Sagarsoft (India) Limited ("the listed entity"),

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

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this report,

For the year ended March 31, 2023 ("Review Period") in respect of compliance with the provisions of:

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

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

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

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable during the Review Period;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable during the Review Period;

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not applicable during the Review Period;

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not applicable during the Review Period;

(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued thereunder;

and based on the above examination, we hereby report that, during the Review Period:

I. (a) The listed entity has compiled with the provisions of the above regulations and circulars / guidelines issued thereunder, except in respect of matters specified below:

S. No.	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation / Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Remarks
1	The listed entity shall submit quarterly financial results to the stock exchange within forty-five days of end of each quarter.	Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The Company has submitted standalone & consolidated financial results for the quarter ended 30.06.2022, on 21.09.2022 - Delay of 37 days.	BSE Limited	Levied penalty	The Company has submitted standalone & consolidated financial results for the quarter ended 30.06.2022, on 21.09.2022 – Delay of 37 days.	Rs.1,80,000/-	No further comments, as the Company has paid the levied penalty to BSE Limited.	The Company has taken note of the same and assured to strict compliance in future.	-
2	The audit committee of listed entity shall meet at least 4 times in a year and not more than 120 days shall elapse between two meetings	Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The gap between two audit committee meetings was more than 120 days - Delay of 7 days	-	-	The gap between two audit committee meetings (i.e.16.05.2022 & 21.09.2022) was more than 120 days - Delay of 7 days	-	The Company convened its audit committee meeting after 120 days from its earlier meeting and informed that lapse was due to unexpected delay in obtaining data from its foreign subsidiary to consider the finalized consolidated financials.	The Company has taken note of the same and assured to strict compliance in future.	-

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

S. No.	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations / Remarks by PCS
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	Not Applicable during the period under review
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	NA	
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year	NA	
	*No Resignation of Statutory Auditor during the Review Period.		
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	NA	Not Applicable during the period under review
	a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA	Not Applicable during the period under review
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.	NA	
	c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.	NA	
	ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	NA	Not Applicable during the period under review

III. We hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations / Remarks by PCS
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013, and mandatorily applicable.	Yes	Nil

2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	Yes	Nil
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes	Nil
4.	**Disqualification of Director:** None of the Director(s) of the Company is / are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	Nil
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t:** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	Nil
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	Yes	Nil
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/ during the financial year as prescribed in SEBI Regulations.	Yes	Nil
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	Nil
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	Nil
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.	No	BSE levied penalty of Rs.1,80,000/- for non-submission of the financial results within the prescribed period for the quarter ended 30.06.2022.
12.	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/ guidance note etc.	Yes	Nil

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity

For **B S S & Associates**
Company Secretaries

S. Srikanth
Partner
ACS No.: 22119C.P. No.: 7999
UDIN: A022119E000364221
Peer Review No.: P2012AP026600

Place: Hyderabad
Date: May 24, 2023

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company.

A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken is given below and the same is also available on the website of the company, https://www.sagarsoft.in/community-outreach/

Sagarsoft is committed to operate and grow its business in a socially responsible way, while reducing the environmental impact of its operations and increasing its positive social impact.

It aims to achieve growth in a responsible way by encouraging people to take small every day actions that will impact a big difference. Sagarsoft CSR Policy is guided by the following principles:

i. It conducts its operations with integrity and responsibility keeping in view the interest of all its stakeholders.

ii. It believes that growth and environment should go in hand and hand.

iii. It looks formal collaboration with different stakeholders including Governments, NGOs, IGOs, Suppliers, Farmers and Distributors to tackle the challenges faced by the society.

The activities undertaken / to be undertaken by the company as CSR activities are not expected to lead to any additional surplus beyond what would accrue to the company in the course of normal operations.

The company has a structured governance procedure to monitor its CSR activities, for which purpose, it has constituted a CSR Committee with an independent director as its Chairman.

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	Shri N. Hari Mohan	Chairman / Independent	01	01
2	Shri M. Jagadeesh	Member / Executive	01	01
3	Smt. Neelima Kaushik	Member / Independent	01	01

During the year, meeting of the Committee was held on 06.02.2023

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:

The details are available on our website at: https://www.sagarsoft.in/community-outreach/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) : NA

5. (a) Average net profit of the Company as per section 135(5): Rs.593.68 lakhs

(b) Two percent of average net profit of the company as per section 135(5) : Rs.11,87,358/-

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

(d) Amount required to be set off for the financial year, if any – Rs.23,973/-

(e) Total CSR obligation for the financial year (5b+5c-5d). - Rs.11,63,385/-

6. (a) (i) Details of CSR amount spent against ongoing projects for the financial year: Nil

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

(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
1.	Preventive health care and promotion for safe drinking water	Preventive health care and promotion of sanitation and making available safe drinking water.	Yes	Telangana	Hyderabad	4,50,000	Yes	–	–
			No	Andhra Pradesh	Srisailam	4,04,805			
2.	Eradicating hunger, poverty and malnutrition	Eradicating hunger	Yes	Telangana	Hyderabad	3,51,000	Yes	-	-
	TOTAL					**12,05,805**			

b) Amount spent in Administrative Overheads: Nil

c) Amount spent on Impact Assessment, if applicable: NA

d) Total amount spent for the Financial Year (6a+6b+6c): Rs.12,05,805/-

e) CSR amount spent or unspent for the financial year:

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

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)		11,87,358
(ii)	(a) Total amount spent for the Financial Year	12,05,805	
	(b) Excess amount spent for the previous financial year	23,973	12,29,778
(iii)	Excess amount spent for the financial year [(ii)-(i)]		42,420
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any		-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]		42,420

7. a) Details of Unspent CSR amount for the preceding three financial years: Nil

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

8. 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

9. 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.

For and on behalf of the Board

Sagarsoft (India) Limited

Place : Hyderabad, Date: May 24, 2023	Sd/- **M. Jagadeesh** Managing Director DIN: 01590689	Sd/- **N. Hari Mohan** Chairman CSR Committee DIN: 01808491

SAGARSOFT (INDIA) LIMITED

Corporate Governance Report for the year 2022-23

Pursuant to Schedule V read with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), compliance with the requirements of Corporate Governance is set out below

1. Company's philosophy on code of governance:

Sagarsoft (India) Limited ("The Company") believes that adherence to good corporate practice leads to transparency in its operations and improvement in the quality of its relationship with all its stakeholders.

2. Board of Directors:

Composition:

As on 31st March, 2023, the Board of Directors had an optimum combination of Executive and Non-Executive Directors and its composition was in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 ("Act"). All the Directors have made the requisite disclosures regarding directorships and Committee positions held by them in other Companies.

(i) As on 31st March, 2023, the Company had ten Directors.

(ii) The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on 31st March, 2023 are given hereunder. Other directorships do not include their directorships if any in private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships / Memberships of Audit Committee and Stakeholders' Relationship Committee are alone considered for the purpose.

Name of the Director	Category	Number of board meetings during the year 2022-23		Whether attended last AGM held on 20.6.2022	Number of Directorships in other Unlisted Public Companies		Number of Committee positions held in other Public Companies	
		Entitled to attend	Attended		Chairman	Member	Chairman	Member
Shri S. Sreekanth Reddy	Non-Executive Director (Promoter)	5	5	Yes	-	5	-	1
Shri M. Jagadeesh	Managing Director	5	5	Yes	-	-	-	-
Shri K. Pradeep Kumar Reddy	Executive Director and CFO	5	5	Yes	-	-	-	-
Shri K. Satish Chander Reddy	Non-Executive Director	5	4	Yes	-	-	-	-
Shri N. Hari Mohan	Independent Director	5	5	Yes	-	1	-	1
Smt. Keerthi Anantha	Independent Director	5	5	Yes	-	-	-	-
Shri K.Roopesh	Non-Executive Director	5	4	Yes	-	-	-	-
Smt. Neelima Kaushik	Independent Director	5	5	Yes	-	-	-	-
Shri K.V.Ramananda Rao	Independent Director	5	5	Yes	-	-	-	-
Shri V. Venkat Ramana	Independent Director	5	4	Yes	-	-	-	-

(iii) Directorships and their category in other listed entities:

S. No.	Name of the Director	Category of Directorship	Names of the other Listed Entities where the person is a director and the category of such directorship		Chairmanship / Membership in other Listed Entities
			Company	Category	
1	Shri S.Sreekanth Reddy	Executive Director (Promoter)	Sagar Cements Limited	Joint Managing Director	-
		Non-Executive Director	Andhra Cements Limited	Director	-

(iv) As on 31st March, 2023, none of the Directors on the Board held directorships in more than seven listed companies and independent directorships in more than seven listed companies and none of them was a member of more than ten committees or chairman of more than five committees across all the listed companies in which he/she was a Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2023 have been made by the Directors.

(v) All the Independent Directors are non-executive directors in accordance with Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act. The Independent Directors whose first term has been completed were re-appointed for a period of 5 years. The Independent Directors have confirmed that they meet with the criteria mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act.

(vi) The Board held five meetings during the year under report and the gap between any such two consecutive meetings did not exceed one hundred and twenty days. The dates of these meetings are:

16.05.2022, 25.05.2022, 21.09.2022, 04.11.2022 and 06.02.2023.

(vii) None of the Directors have any inter-se relationship among themselves

(viii) During the year under report, all the information as applicable and falling under Part A of the Schedule II of Listing Regulations, were placed before the Board for its consideration.

(ix) The terms and conditions of appointment of the Independent Directors are available on the website of the Company.

(x) During the year, the Independent Directors separately held a meeting on 06.02.2023

(xi) The Board periodically reviews the reports furnished to it by the company on compliance with laws applicable to the Company.

(xii) The details of the familiarization programme of the Independent Directors are available on the website of the Company (https://www.sagarsoft.in/wp-content/uploads/2023/03/Familiarization-Programme.pdf).

(xiii) In the opinion of the Board, the independent directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

(xiv) Skill, competence and expertise of the Board of Directors identified by the Board for its effective functioning:

The company's present Board is a skill-based one, comprising of Directors who collectively have the skills directly relevant to performing the function as a member of the Board and the personal attributes or qualities that are identified and considered desirable to be an effective Director like, integrity (ethics), effective communicator, constructive questioner, contributor and team player, commitment and leadership skills. Apart from the above, the whole-time directors of the company have the technical skill / managerial experience, expertise and an in-depth knowledge of the company and Information Technology for discharging their responsibilities.

Board Skill Matrix:

In terms of the requirement of the Listing Regulation, the Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company, which are currently available with the Board along with the names of the Directors, who have such skill/expertise/competence, are given below:

Business & Industry	Domain Knowledge in Business and understanding of business environment, Optimising the development in the industry for improving Company's business
Financial Expertise	Financial and risk management, Internal control, Experience of complex financial reporting processes, capital allocation, resource utilisation, Understanding of Financial policies and accounting statement and assessing economic conditions
Governance & Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values

S.No.	Name of the Director	Skill/Expertise/Competence
1	Shri S. Sreekanth Reddy, Chairman	Business & Industry, Governance & Compliance
2	Shri M. Jagadeesh	Business & Industry, Financial Expertise and Governance & Compliance
3	Shri K. Pradeep Kumar Reddy	Business & Industry, Financial Expertise and Governance & Compliance
4	Shri K. Satish Chander Reddy	Business & Industry
5	Shri K. V. Ramananda Rao	Financial Expertise, Governance & Compliance
6	Shri N. Hari Mohan	Business & Industry, Governance & Compliance
7	Shri K. Roopesh	Business & Industry, Governance & Compliance
8	Smt. Keerthi Anantha	Business & Industry, Governance & Compliance
9	Smt. Neelima Kaushik	Business & Industry, Governance & Compliance
10	Shri. V. Venkat Ramana	Business & Industry, Governance & Compliance and Financial Expertise

(xv) Details of equity shares of the Company held by the Non-Executive Directors as on 31st March, 2023 are given below:

Name	Category	Number of equity shares
Shri S. Sreekanth Reddy	Non-Executive Director, Promoter	1167950
Shri N. Hari Mohan	Independent Director	52110
Shri K. Satish Chander Reddy	Non-Executive Director	632238

None of the Directors hold any convertible instruments.

(xvi) Detailed reasons for the resignation of an independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided: If any - Nil

3. Audit Committee

i. The composition of the audit committee of the Board is in line with the provisions of Regulation 18 of Listing Regulations, read with Section 177 of the Act.

ii. The terms of reference of the audit committee is as per Part C of the Schedule II of the Listing Regulations and include:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;

- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:

  > Matters required to be included in the Directors' Responsibility Statement for inclusion in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.

  > Changes, if any, in the accounting policies and practices and reasons for the same.

  > Major accounting entries involving estimates based on the exercise of judgment by management.

  > Significant adjustments made in the financial statements arising out of audit findings.

  > Compliance with listing and other legal requirements relating to financial statements.

  > Disclosure of related party transactions

  > Qualifications in the draft audit report.

- Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process;

- Approval or any subsequent modifications of transactions with related parties;

- Scrutiny of inter-corporate loans and investments;

- Evaluation of internal financial controls;

- Establishment of vigil mechanism for directors and employees to report their genuine concerns.

- Calling for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of quarterly and annual financial statements before their submission to the Board and discussions on any related issues with the internal and statutory auditors and the management of the Company;

- Review of the information that is required to be carried out mandatorily or otherwise as per Listing Regulations.

iii. The audit committee invites to its meetings such of the executives, as it considers appropriate particularly the head of the finance function and representatives of the statutory auditors and internal auditors. The Company Secretary acts as the Secretary to the Committee.

iv. Shri J.Raja Reddy, Company Secretary, has been appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.

v. The previous Annual General Meeting ("AGM") of the Company was held on June 20, 2022 and the Chairman of the audit committee was present at the said meeting.

vi. The composition of the Audit Committee as on 31st March, 2023 and the details of attendance at its meetings held during the year 2022-23 are given below:

Name of the Member	Category of Directors	Number of meetings held during the financial year 2022-23	
		Entitled to attend	Attended
Shri K.V. Ramananda Rao, Chairman (w.e.f 16.05.2022)	Independent Director	3	3
Shri M. Jagadeesh, Member	Managing Director	4	4
Shri V. Venkat Ramana, Member (w.e.f 16.05.2022)	Independent Director	3	3
Shri N. Hari Mohan (Chairman up to 16.05.2022)	Independent Director	1	1
Smt. Neelima Kaushik (Member up to 16.05.2022)	Independent Director	1	1

vii. The Audit committee met 4 times during the year 2022-23 and the dates of such meeting are:

16.05.2022, 21.09.2022, 04.11.2022 and 06.02.2023.

4. Nomination and Remuneration Committee

i. Composition of the Nomination and Remuneration Committee (NRC) of the Board is in line with the Regulation 19 of Listing Regulations, read with Section 178 of the Act.

ii. The terms of reference of the NRC are available on the company's website https://www.sagarsoft.in/wp-content/uploads/2023/03/Nomination-and-Remuneration-Policy.pdf as part of the Nomination and Remuneration Policy adopted by the company.

Nomination and Remuneration policy:

The Policy on Nomination and Remuneration adopted by the company is aimed at attracting, retaining, developing and motivating workforce. Individual performance is assessed and rewarded through an annual appraisal process. Details of this policy are available on the company's website, https://www.sagarsoft.in/wp-content/uploads/2023/03/Nomination-and-Remuneration-Policy.pdf.

iii. The details of the composition of the Nomination and Remuneration Committee as on 31st March, 2023, the attendance at its meetings during the year 2022-23, are given below:

Name of the Member	Category of Directors	Number of meetings held during the financial year 2022-23	
		Entitled to attend	Attended
Shri N. Hari Mohan, Chairman	Independent Director	1	1
Shri. V. Venkat Ramana, member (w.e.f. 16.05.2022)	Independent Director	-	-
Shri Keerthi Anantha, Member	Independent Director	1	1
Smt. Neelima Kaushik, Member (up to 16.05.2022)	Independent Director	1	1

The NRC met once during the year 2022-23, and the date of such meeting is: 16.05.2022

iv. The Company presently does not have any Employee Stock Option Scheme.

v. Performance Evaluation Criteria / Policy for Independent Directors:

The company has adopted a Policy for evaluating the performance of its Independent Directors, and the same is available on the company's website.

5. Remuneration of Directors

Remuneration to Non-Executive Directors:

Non-Executive Directors are not paid any remuneration other than the sitting fee of Rs.25,000/- (sitting fee increased from Rs.5,000/- to Rs.25,000/- with effective from 17th May, 2022) for each meeting of the Board and Committees thereof attended by them.

Details of sitting fees paid to the non-executive directors during the year 2022-23 are given below:

S.No.	Name of the Director	Sitting Fee (In Rupees)
1	Shri S. Sreekanth Reddy, Chairman	105000
2	Shri K. Satish Chander Reddy	80000
3	Shri K.V. Ramananda Rao	280000
4	Shri N. Hari Mohan	190000
5	Shri K. Roopesh	150000
6	Smt. Keerthi Anantha	185000
7	Smt. Neelima Kaushik	290000
8	Shri V. Venkat Ramana	180000
	Total	**1460000**

There are no other pecuniary relationship or transactions between the Non-Executive Directors and the Company.

Remuneration to the Managing Director and Whole time Director:

The Company pays remuneration to its Managing Director (MD) and Whole-time Director and/or Manager by way of salary and perquisites, which are fixed components and by way of commission, a variable component. Remuneration to Whole-time Directors is paid in accordance with the recommendation made by the Nomination and Remuneration Committee and the approval as accorded by the Board of Directors, which is subject to further approval of the shareholders, wherever required.

The whole-time directors were paid the following remuneration for the year 2022-23.

Description	Shri M. Jagadeesh (MD)	Shri K. Pradeep Kumar Reddy (Executive Director & CFO)
Salary	72,00,000	72,00,000
Commission	4,89,312	4,89,312
Total	**76,89,312**	**76,89,312**

Services of the Whole-time Directors with the company may be terminated by either party, giving the other party six months' notice. No severance fee is contemplated. The company has not issued any stock options to anyone.

6. Stakeholders' relationship committee

i. The stakeholders' relationship committee is in line with the provisions of Regulation 20 of Listing Regulations read with section 178 of the Act.

ii. The broad terms of reference of the stakeholders' relationship committee are as under:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/notice/ annual reports, and other related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

iii. This composition of the committee and the details of the attendance at the meeting is given below:

Name of the Member	Category of Directors	Number of meetings held during the financial year 2022-23	
		Entitled to attend	Attended
Shri N.Hari Mohan, Chairman	Independent Director	1	1
Smt. Neelima Kaushik Member	Independent Director	1	1
Smt. Keerthi Anantha, Member	Independent Director	1	1

Shri J. Raja Reddy, Company Secretary, is the compliance officer for the above purpose. Based on the information obtained from the Company's Registrars, the Company had received the following complaints from the investors during the year 2022-23.

S.No.	Particulars	Opening	Received	Resolved	Pending
1	Non-receipt of shares after transfer / transmission	0	0	0	0
2	Non-receipt of dividend warrants	0	10	10	0
3	Non-receipt of Annual Report	0	2	2	0
4	Non-receipt of Securities	0	1	1	0
5	Non-receipt of duplicate / transmission / deletion of share certificates	0	0	0	0
6	SEBI/BSE/NSE/CSE complaints	0	0	0	0
	Total	**0**	**13**	**13**	**0**

During the year, one meeting of the Stakeholders' Relationship Committee was held on 06.02.2023.

iv. Name, designation and address of Compliance Officer:

Shri J. Raja Reddy
Company Secretary
Sagarsoft (India) Limited
Regd. Office: Plot No.111, Road No.10
Jubilee Hills, Hyderabad-500 033
Telephone: 91 40 67191000 Fax: 91 40 23114607

Other Committees

Corporate Social Responsibility Committee

CSR Committee of the Company has been constituted in line with the provisions of Section 135 of the Act.

The company is committed to operate and grow its business in a socially responsible way, by, inter-alia, reducing the environmental impact of its operations and increasing its positive social impact. It aims to achieve growth in a responsible way by encouraging people to take small every day actions that will make a big difference. This CSR Policy of the company is guided by the following principles:

1. To conduct its operations with integrity and responsibility keeping in view the interest of all its stakeholders.
2. Growth and environment should go hand in hand.
3. Availing of opportunities for collaborating with different stakeholders including Governments, NGOs, Suppliers and Distributors to tackle the challenges faced by the society.

During the year, one meeting of the Committee was held on 06.02.2023.

The composition of the CSR Committee and details of the attendance at the meeting is given below:

Name of the Member	Category of Director	Number of meetings held during the financial year 2022-23	
		Entitled to attend	Attended
Shri N. Hari Mohan, Chairman	Independent Director	1	1
Shri M. Jagadeesh, Member	Managing Director	1	1
Smt. Neelima Kaushik, Member	Independent Director	1	1

7. General Body Meetings

I. General Meeting

The details of the time, venue and the date of the last three Annual General Meetings of the Company are given below:

AGM	Date	Time	Venue
26th AGM	20th June, 2022	4.30 p.m.	Video Conference ("VC") / Other Audio Visual Means ("OAVM")
25th AGM	07th July, 2021	4.00 p.m.	
24th AGM	15th July, 2020	3.30 p.m.	

Following are the details of Special Resolutions passed in the above said Annual General Meetings:

At the 24th AGM, following special resolutions was passed:

1. To borrow money for the purpose of business, as per section 180(1)(c) of the Companies Act, 2013.
2. To mortgage the assets of the company as per section 180(1)(a) of the Companies Act, 2013.
3. To make Investments as per section 186 of the Companies Act, 2013.

At the 25th AGM, following special resolutions was passed:

1. Amendment to the Articles of Association consequent to the proposed increase in the Authorised Share Capital.
2. Acquisition of IT CATS LLC USA by issue of Equity Shares on a preferential basis to the owner of IT CATS LLC as consideration other than cash.
3. Issue of Equity Shares on Preferential basis.
4. Appointment of Smt. Neelima Kaushik as Independent Director of the company.

At the 26th AGM, following special resolutions was passed:

1. Re-appointment of Shri M. Jagadeesh (DIN: 01590689) as Managing Director of the Company
2. Re-appointment of Shri K. Pradeep Kumar Reddy (DIN: 02598624) as Whole-time Director of the Company
3. Appointment of Mrs. Keerthi Anantha (DIN: 09379678) as an Independent Director of the company
4. Appointment of Shri. K.V. Ramananda Rao (DIN: 09170522) as an Independent Director of the Company
5. Appointment of Shri. V. Venkat Ramana (DIN:09587429) as an Independent Director of the Company

ii. No postal ballot was conducted during the financial year 2022-23.

iii. There is no proposal to pass any special resolution exclusively through postal ballot.

iv. Procedure for Postal Ballot – when conducted

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders in electronic form to the email addresses, where available, or in physical form through permitted mode where email addresses are not available. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced within 48 hours of conclusion of the e-voting period. The results are displayed on the website of the Company (www.sagarsoft.in), and communicated to the Stock Exchange, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for exercising e-voting.

8. Means of communication

Quarterly results:

As part of compliance with Regulation 33, 10 and 47 of the Listing Regulations, the Company furnishes its quarterly and annual financial results to the Stock Exchanges where its shares have been listed, followed by publication in the newspapers in accordance with the said Regulations.

Newspapers in which the results were published:

Details of newspapers in which quarterly results relating to the Financial Year 2022-23 were published are given below:

Quarter ended	Date of Publication	Name of the newspapers carrying the publication
June 30, 2022	23/09/2022	Financial Express and Andhra Prabha news papers
September 30, 2022	06/11/2022	Financial Express and Andhra Prabha news papers
December 31, 2022	08/02/2023	Financial Express and Andhra Prabha news papers
March 31, 2023	26/05/2023	Financial Express and Andhra Prabha news papers

Website where displayed:

The Financial Results and the Shareholding pattern of the Company are made available on the Company's website 'www.sagarsoft.in' and also on the website of BSE as part of corporate filing made by the Company from time to time with the said stock exchange.

Press Release

Press Releases as and when issued by the company in respect of financial results are also made available at the company's website.

Presentation made to Institutional Investors and Financial Analysts:

Excepting on occasions when the Company had to respond in a general way to the queries now and then received from investors / analysts regarding the affairs of the company, there were no specific presentations made to any of them during the year 2022-23. Copies of the press-release, as and when issued by the Company, mostly after submission of financial results to the Stock Exchanges, are simultaneously made available to the Stock Exchanges and the transcriptions of conference call held with the analysts / investors following the declaration of financial results are also put up on the company's website.

Management Discussion and Analysis Report

The Annual Report of the Company contains the Management Discussion and Analysis as part of the Directors' Report.

Subsidiary companies

The company has one wholly owned subsidiary viz., IT CATS LLC DBA INFOWAY SOFTWARE, USA. The audit committee reviews the consolidated financial statements of the company containing the financials of the said subsidiary.

9. General Shareholder information:

a. Annual General Meeting:

Date & Time	5th July, 2023 at 4:00 pm
Venue	Through Video Conferencing / other Audio Visual Means as set out in the Notice convening the Annual General Meeting

b. Financial Year: April 01, 2022 to March 31, 2023

c. Book Closure Dates:

From 28th June, 2023 to 5th July, 2023 (both days inclusive)

d. Dividend payment date:

The Board has recommended a dividend @20% i.e., Rs. 2.00 per share, subject to its declaration by the members at the Annual General Meeting and the same will be paid to the eligible shareholders within 30 days of the said declaration.

e. Listing on Stock Exchanges:

The paid up share capital of the company as on 31st March, 2023 was Rs. 6,39,22,380/- consisting of 63,92,238 equity shares of Rs.10/- each. All these shares have been listed on the BSE Ltd. Mumbai. There are no dues against listing fee payable to the stock exchange.

f. Stock and ISIN Codes for the Company's shares:

Name of the Stock Exchange	Scrip Code
BSE Limited, P J Towers, Dalal Street, Mumbai – 400 001	SAGARSOFT 540143
ISIN	INE184B01012

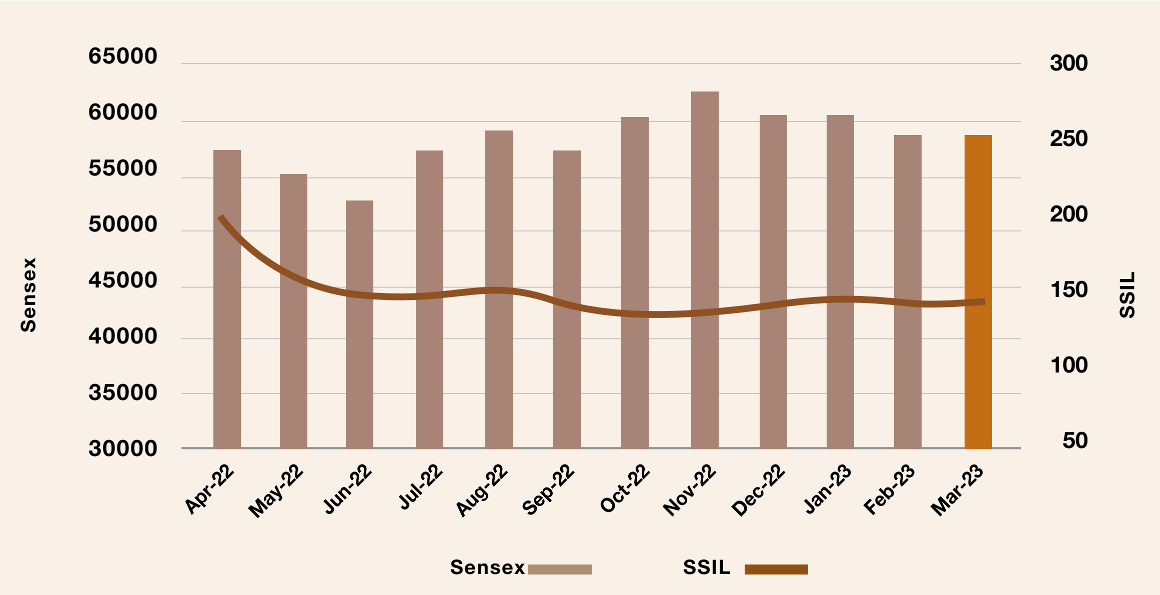
g. Market price details:

Monthly High, Low and closing prices for the Company's shares during the Financial Year as traded on the BSE Limited (BSE) are given below:

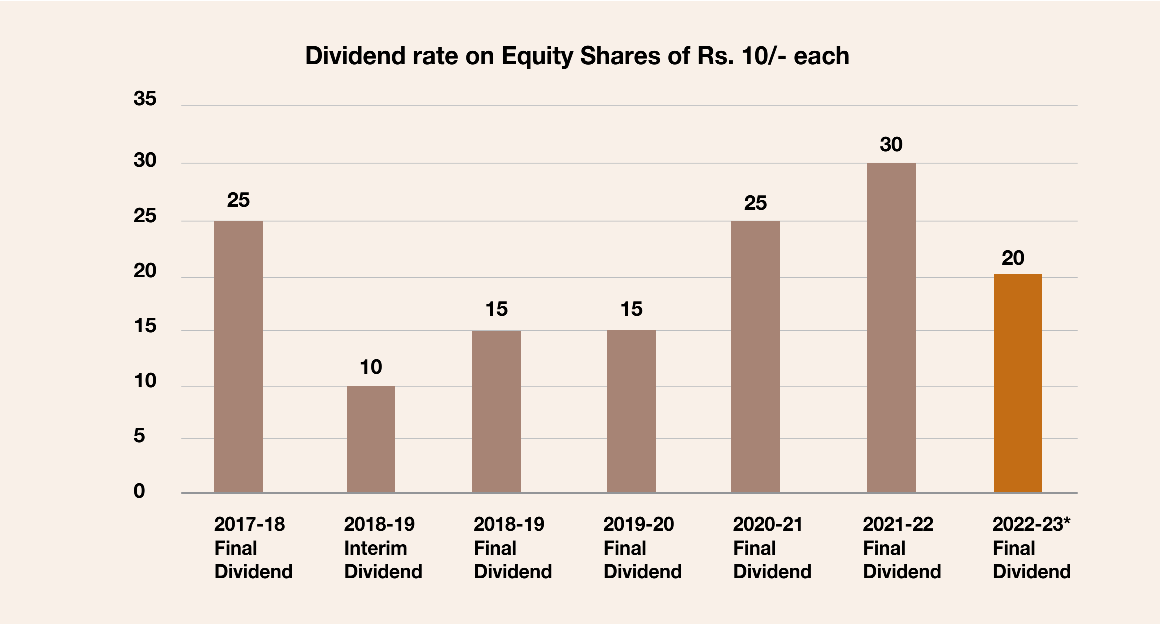
Month	BSE		
	High	Low	Close
April 2022	223.85	168.00	198.35
May 2022	199.65	140.00	165.85
June 2022	179.00	138.00	153.90
July 2022	174.90	150.10	156.40
August 2022	169.75	152.60	157.55
September 2022	167.80	144.00	146.00
October 2022	150.00	125.80	138.75
November 2022	170.70	116.30	137.95

Month	BSE		
	High	Low	Close
December 2022	149.00	136.30	142.00
January 2023	153.75	131.15	146.30
February 2023	168.45	136.40	142.30
March 2023	149.00	135.00	142.00

The Company Share Price movements during the year 2022-23 as compared with SENSEX, are depicted below:



Dividend History



* The Board has recommended a dividend at Rs.2.00 per share (20%) for the year 2022-23, subject to the approval of the shareholders at the ensuing AGM.

i. Disclosure with respect to unclaimed shares:

S.No.	Description	Shareholders	Shares
a	Aggregate number of shareholders and the outstanding shares unclaimed at the beginning of the year	Nil	Nil
b	Number of shareholders who approached claiming shares against the above	Nil	Nil
c	Number of shareholders to whom shares were transferred against (a) above	Nil	Nil
d	Shares transferred to IEPF under Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016	Nil	Nil
d	Aggregate number of shareholders and the outstanding unclaimed shares at the end of the year	Nil	Nil

The voting rights on the unclaimed shares outstanding as on 31st March, 2023 shall remain frozen till the rightful owners of such shares claim the shares concerned.

j. Transfer of unclaimed / unpaid dividend amounts to the Investor Education and Protection Fund ("IEPF"):

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 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")

There were no amounts which are required to be transferred to the Investors Education and Protection Fund by the Company. Details of the unclaimed dividends for the subsequent periods are available on the company's website, https://www.sagarsoft.in/investors/

k. Registrars and Share Transfer Agents:

KFin Technologies Limited
Selenium Building, Tower B, Plot 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032.
Phone:040-67161500
e-mail: einward.ris@kfintech.com
Toll Free No: 1800-3094-001
Website: www.kfintech.com

l. Share Transfer System:

Around 96 % of the shares of the Company are held in electronic form. Transfer of these shares is affected through the depositories with no involvement of the Company.

The shareholders may kindly note that in accordance with SEBI Notification dt.8.6.2018, with effect from 1.4.2019, except in case of transmission or transposition of securities, fresh requests for effecting the transfer of securities (shares) are not processed by the Company/ Registrar (RTA), if the shares concerned are held in physical form.

As regards to transmission of shares held in physical form, the documents required for transmission, like original share certificate, death certificate, succession certificate/legal heir certificate can be lodged either with the Company at its Registered Office or with the Company's Registrars and Share Transfer Agents, whose address has been given above.

m. Shareholdings particulars as on 31st March, 2023

(i) Distribution of shareholdings:

Shareholding range	No. of Holders	% To Holders	No. of Shares	% To Equity
1 - 50	1342	40.37	21707	0.34
51 - 100	735	22.11	69373	1.09
101 - 200	356	10.71	62849	0.98
201 - 500	384	11.55	144058	2.25
501 - 1000	233	7.01	183047	2.86
1001 - 2000	118	3.55	174582	2.73
2001 - 5000	81	2.44	275918	4.32
5001 - 10000	31	0.93	208719	3.27
10001 - 20000	15	0.45	210189	3.29
20001 - 50000	7	0.21	253825	3.97
50001 - 100000	8	0.24	605577	9.47
100001 and above	14	0.42	4182394	65.43
TOTAL	**3324**	**100.00**	**6392238**	**100.00**

(ii) Shareholding pattern:

Description	No. of holders / Folios	Shares	% to Total Share Capital	in Demat Form	
				No. of Shares held in Demat Form	% to total shares held
Promoter Group	14	3010824	47.10	3010824	47.10
Domestic Companies/Body Corporates	37	536756	8.40	497256	7.78
Public - Individuals	3185	1636510	25.60	1444855	22.60
Non Resident Indians	51	74851	1.17	74851	1.17
Non-Institutions	9	706213	11.05	692213	10.83
Indian Financial Institutions/ Banks	2	413136	6.46	413136	6.46
Others (HUF)	26	13948	0.22	13948	0.22
Total	**3324**	**6392238**	**100**	**6147083**	**96.16**

n. Dematerialization of Shares and liquidity:

Trading in the shares of the Company needs to be in the electronic form only. The Company has subsisting agreements with NSDL and CDSL for the purpose. The ISIN number for the company's shares is – INE184B01012. Shares representing more than 96% of the share capital were kept in dematerialized form as on 31st March, 2023 as detailed below:

In physical form		In Demat Form				Total	
		With NSDL		With CDSL			
Shares	%	Shares	%	Shares	%	Shares	%
2,45,155	3.83	29,97,180	46.89	31,49,903	49.28	63,92,238	100.00

o. Details of outstanding GDR / ADR / Warrants or any other convertible instruments:

The company has not issued any GDR/ADR Warrants or any other convertible instruments.

p. Branch Location:
91 spring board, 4th floor,
Gopala Krishna Complex 45/3,
Residency Road, Mahatma Gandhi Road,
Bengaluru, Karnataka 560025

q. Address for investors related correspondence:
Company Secretary
Sagarsoft (India) Limited
Registered Office: Plot No.111, Road No.10, Jubilee Hills, Hyderabad – 500 033.
Phone: +91-40-67191000
Fax: +91-40-23114607
Email : investors@sagarsoft.in

r. Details of Credit rating: Not applicable

10. Other disclosures

i. Related Party Transactions:

Full disclosures of related party transactions entered into during the year 2022-23 as per the Ind AS 24 issued by the ICAI have been given under Note 33 of the Notes to Standalone Financial Statements for the year ended 31st March, 2023. These transactions were entered into by the company in its ordinary course of business and at arm's length basis. There were no materially significant transactions with Directors, their relatives or the Senior Management or other related entities that may have potential conflict with the interests of the Company at large. The Register of Contracts containing transactions, in which Directors are deemed to be interested, is placed before each meeting of the Board. All related party transactions had prior approval of the Audit Committee, which later reviewed and ratified these transactions.

ii. Statutory compliance, Penalties and Strictures:

There were no instances of non-compliance by the Company on any matter relating to capital market during the last three years or any penalties imposed or strictures passed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to capital market during the said period.

iii. Establishment of Vigil mechanism, Whistle Blower Policy and affirmation

The Company has adopted a 'Vigil Mechanism' and 'Whistle Blower Policy'. The said policy has been put up on the website of the Company. No personnel has been /will be denied access to the audit committee.

iv. Compliance with Mandatory requirements and adoption of Non-Mandatory requirements:

The Company has inter-alia complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

The Corporate Governance Report of the Company for the year 2023 is in compliance with all applicable requirements of Listing Regulations.

The status of adoption of the non-mandatory requirements as specified in sub-regulation 1 of Regulation 27 of the Listing Regulations are as follows:

(a) The Company had implemented all the mandatory requirements applicable to it under Listing Regulations. The Company has also adopted the discretionary requirements as specified in Part E of Schedule II of the SEBI Listing Regulations and the same may be referred in Point No.12 in this report.

(b) The audited financial statements of the Company are unqualified.

(c) The Internal Auditors directly report to the Audit Committee, and make presentations on their reports.

v. The Policy on dealing with related party transactions and the policy for determining 'material' subsidiaries are available on the company's website https://www.sagarsoft.in/wp-content/uploads/2021/02/Policy-on-Materiality-of-Related-Party-Transactions.pdf and https://www.sagarsoft.in/wp-content/uploads/2021/02/Policy-on-Material-Subsidiary.pdf respectively.

vi. Commodity Price risks and hedging activities:

Commodity price risk is a financial risk on an entity's financial performance upon fluctuations in the prices of commodities that are beyond the control of the entity, since they are primarily driven by external market forces.

Any Sharp fluctuations in prices will create significant business challenges, impacting the profitability of the company.

vii. Utilisation of funds collected through Preferential Issue

Pursuant to the approval accorded by you at the 25th Annual General Meeting held on 07th July, 2021, your board had allotted 8,32,238 Equity shares at an issue price of Rs. 254/- per share. Out of which, 6,32,238 equity shares were allotted for consideration other than cash for acquisition of IT CATS LLC and balance 2,00,000 shares for cash and accordingly raised a sum of Rs.5.08 Crores through the above allotment and the same was parked in fixed deposit for future investments and other general corporate purposes

viii. Certificate from the Company Secretary in practice to the effect that none of the directors has been debarred or disqualified has been given in the annexure to this report.

ix. During the year 2023, the Board of Directors accepted all recommendations of the Committees of the Board of Directors, which are mandatorily required to be made.

x. Fee paid to Statutory Auditors:

A total fee of Rs.39.54 lakhs (including out of pocket expenses) was paid to the Statutory Auditors towards all services rendered by them to the company for the year 2022-23.

xi. Disclosure in relation to sexual harassment

During the year 2022-23, the company did not receive any complaints of sexual harassment in relation to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

xii. During the financial year, the Company has provided unsecured loan of Rs. 5,00,00,000/- to R V Consulting Services Private Limited, a company in which directors are interested.

xiii. Details of material subsidiary as on 31st March, 2023:

Name	IT CATS LLC
Date & place of incorporation	10.04.2004 State of Rhode Island and Providence Plantations
Registered office	388 Washington Rd, Suite A Sayreville NJ 08872
Statutory Auditors	-

xiv. Reconciliation of Share Capital Audit

A firm of practicing Company Secretaries carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depositories Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. Their audit report confirms that the total issued / paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares held in demat form with NSDL and CDSL.

xv. The company has adopted a Policy on Determination of Materiality for Disclosures and the said policy has been put up on the website of the Company https://www.sagarsoft.in/wp-content/uploads/2023/03/POLICY-ON-DETERMINATION-OF-MATERIALITY-OF-EVENTS.pdf.

xvi. Code of Conduct

The members of the board and senior management personnel have affirmed their compliance during the year ended 31st March, 2023 with the Code applicable to them. A certificate by the CEO and Managing Director to this effect has been given in the annexure to this report.

11. The company has duly complied with the requirements of the Corporate Governance Report of Sub-paras 2 to 10 of Part (C) of Schedule V of the Listing Regulation.

12. The following discretionary requirements have been adopted pursuant to Part E of Schedule II of Listing Regulations.

(a) The Internal Auditors of the company are directly reporting to the Audit Committee.

(b) The financial statements of the company are with un-modified opinion.

13. Except the below stated, the company is in due compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations.

a. The Company has not complied with the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended 30.06.2022 for delay submission of standalone & consolidated financial results by 37 days and consequently BSE has levied penalty of Rs. 1,80,000/- for non-compliance and the same was paid by the company.

b. The Company has not complied with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – The gap between two audit committee meetings (i.e.16.05.2022 & 21.09.2022) was exceeded 120 days, accordingly there was a delay of 7 days.

14. The compliance certificate from the practising company secretary regarding compliance of conditions of corporate governance has been annexed to the Directors Report.

15. The Disclosures with respect to demat suspense account/ unclaimed suspense account (Unclaimed Shares)

Pursuant to Regulation 39 of the Listing Regulations, reminder letters have been sent to shareholders whose shares remain unclaimed from the Company. Based on their response, such shares have been transferred to "unclaimed suspense account" as per the provisions of Schedule VI of the Listing Regulations. The disclosure as required under Schedule V of the Listing Regulations is given below:

Disclosure with respect to unclaimed shares:

S. No.	Description	Shareholders	Shares
a.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil	Nil
b.	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
c.	Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
d.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the Year	Nil	Nil
e.	The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the share	Nil	Nil

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
SAGARSOFT (INDIA) LIMITED,
Plot No.111, Road No.10, Jubilee Hills,
Hyderabad, Telangana – 500033.

1. We have examined the compliance of the conditions of Corporate Governance by SAGARSOFT (INDIA) LIMITED (the 'Company') for the financial year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 and Paras C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations').

Management's responsibility

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

Our responsibility

3. Pursuant to the requirements of the SEBI Listing Regulations, our responsibility is limited to examining the procedures and implementations thereof, adopted by the Company and express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in paragraph 1 above.

Opinion

4. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 and Paras C, D and E of Schedule V of the SEBI Listing Regulations, as applicable for the financial year ended on March 31, 2023, except the following:

(a) The Company has not complied with the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for quarter ended 30.06.2022 for delay submission of standalone & consolidated financial results by 37 days and consequently BSE has levied penalty of Rs. 1,80,000/- for non-compliance and the same was paid by the company.; and

(b) The Company has not complied with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 – The gap between two audit committee meetings (i.e.16.05.2022 & 21.09.2022) was exceeded 120 days. Accordingly there was a delay of 7 days.

Other matters and restriction on use

5. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

6. This report is addressed to and provided to the members of the Company solely for the purpose of enabling to comply with its obligations under the SEBI Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Date: May 24, 2023
Place: Hyderabad

for **B S S & Associates**
Company Secretaries

S. Srikanth
Partner
ACS No.: 22119 I C.P. No.: 7999
UDIN: A022119E000364406

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and
Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Sagarsoft (India) Limited,
Plot No.111, Road No.10, Jubilee Hills,
Hyderabad, Telangana – 500033.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sagarsoft (India) Limited having CIN: L72200TG1996PLC023823 and having registered office at Plot No.111, Road No.10, Jubilee Hills, Hyderabad, Telangana - 500033 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal https://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authorities.

S.No.	Name of Director	DIN	Date of appointment in Company
01	Sreekanth Reddy Sammidi	00123889	15/07/1996
02	Manupati Jagadeesh	01590689	13/06/2002
03	Hari Mohan Nalamati	01808491	15/04/2005
04	Satish Chander Reddy Kalva	02412539	26/06/2001
05	Pradeep Kumar Reddy Katikireddy	02598624	06/11/2015
06	Neelima Kaushik	06508030	12/11/2015
07	Kondrella Roopesh	06967708	10/11/2021
08	Ramananda Rao Venkata Kuchimanchi	09170522	02/05/2022
09	Keerthi Anantha	09379678	10/11/2021
10	Venkat Ramana Venepally	09587429	02/05/2022

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **B S S & Associates**
Company Secretaries

S. Srikanth
Partner
ACS No.: 22119 | C.P. No.: 7999
UDIN: A022119D000328359

Place: Hyderabad
Date: May 24, 2023

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 employees including the Managing Director and Executive Director. In addition, the company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the company's website. I confirm that the company has in respect of the year ended March 31, 2023, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them. For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the Vice President and above cadre and the Company Secretary as on March 31, 2023.

Place: Hyderabad
Date: May 24, 2023

M. Jagadeesh
Managing Director
DIN: 01590689

Independent Auditor's Report

To the Members of Sagarsoft (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Sagarsoft (India) Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the standalone Statement of Changes in Equity for the year then ended, notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

2. 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 the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Restatement of prior period financial statements

4. We draw attention to note 35 to the accompanying standalone financial statements, which describes the restatements made to the comparative financial information for the year ended and as at 31 March 2022 and as at 1st April 2021, in accordance with the principles of Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors, for correction of certain identified material prior period errors, which are further described in the aforesaid note. Our opinion is not modified in respect of this matter

Key Audit Matter

5. 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue from contract with customers	**Our audit included, but was not limited to, the following procedures:**
• The Company derives revenue primarily from staffing and information technology related services. Revenue is recognised as the related services are performed in accordance with contractual terms. The Company's invoicing cycle is on contractual predetermined dates and recognised as receivables based on customer acceptances for delivery of work / attendance of resources. • There is a risk of revenue being overstated, resulting from pressure the management may feel to achieve the performance targets at the reporting end.	• Assessed the appropriateness of the revenue recognition accounting policies adopted by the company in accordance with Ind AS 115 – Revenue from contracts with customers ('Ind AS 115'). • Evaluated the design, implementation and tested the operating effectiveness of key controls over revenue recognition. • Performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included service agreements, customer approved timesheets.

Key audit matter	How our audit addressed the key audit matter
• Due to materiality of the amounts involved and above said considerations, revenue recognized from staffing and information technology related services is determined to be a key audit matter for the current year audit. • Refer Note 2.2(d) to the Standalone Financial Statements – Summary of the significant accounting policies and Note 19 for the revenue recognized during the year.	• Tested the completeness of revenue by mapping the cost incurred towards the billable resources working on various projects to the invoices billed / recognized during the year. • Performed other substantive audit procedures including obtaining trade receivables confirmations on a sample basis for balances outstanding as at the year end.
	• Evaluated the appropriateness and adequecy of the disclosures made in the standalone financial statements with respect to revenue from sale of services in accordance with the requirements of applicable accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or 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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of 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 the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Standards on Auditing 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 financial statements.

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Board of Directors' 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 auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern; and

    - 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.

13. 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.

14. 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.

15. 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.

Other matter

16. The standalone financial statements of the Company for the year ended 31 March 2022 and 31 March 2021 were audited by the predecessor auditor, T Mohan & Associates, who have expressed a unmodified opinion on those standalone financial statements vide their audit report dated 16 May 2022 and 14 May 2021, respectively. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

18. As required by the Companies (Auditor's Report) Order, 2020 ('the 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 paragraphs 3 and 4 of the Order, to the extent applicable.

19. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) the standalone financial statements dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company does not have any pending litigations which would impact its financial position as at 31 March 2023;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2023;

iv.

a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 30 (i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 30 (ii) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. As stated in note 26 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. The final dividend paid by the Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Place: Hyderabad
Date: 24 May, 2023

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN: 23207660BGYCIB7761

Annexure A referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Sagarsoft (India) Limited on the standalone financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i)

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i) (a) (B) of the Order is not applicable to the Company.

(b) The property, plant and equipment, right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year. Further, the Company does not hold any intangible assets.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii)

(a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company has provided loans or advances in the nature of loans to Others during the year, as per details given below:

(₹ in lakhs)

Particulars	Loans
Aggregate amount provided during the year: - Others	500.50
Balance outstanding as at balance sheet date in respect of above cases: - Others	1,301.72

(b) In our opinion, and according to the information and explanations given to us, the terms and conditions of the grant of all loans and advances in the nature of loans are, prima facie, not prejudicial to the interest of the Company. The Company has not made any investment, provided any guarantee or given any security during the year.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the principal amount is not due for repayment currently however, the receipts of interest is regular except for the following instances.

Name of the Entity	Amount (₹ in lakhs)	Extent of delay	Remarks (if any)
R V Consulting Services Private Limited	61.20	359 – 633 days	Entire overdue interest has been received before 31 March 2023
	71.68	84 – 268 days	

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies or other parties.

(e) The Company has granted loan which had fallen due during the year and such loan was renewed during the year. The details of the same has been given below:

(₹ in lakhs)

Name of the party	Total loan amount granted during the year	Aggregate amount of overdues of existing loans renewed or extended	Nature of extension (i.e., renewed/ extended)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
R V Consulting Services Private Limited	500.00	800.00	Renewed existing loan of ₹800 and additional loan of ₹500 granted during the year	159.84%

(f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's services. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)

(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, and other material statutory dues, as applicable, have generally been deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix)

(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) 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.

(x)

(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(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, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act 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 for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv)

(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the internal Auditors of the company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi)

(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Place: Hyderabad
Date: 24 May, 2023

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN: 23207660BGYCIB7761

Annexure B to the Independent Auditor's Report of even date to the members of Sagarsoft (India) Limited on the standalone financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Sagarsoft (India) Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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. 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, 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.

5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements 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.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Place: Hyderabad
Date: 24 May, 2023

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN: 23207660BGYCIB7761

Standalone Balance Sheet as at 31 March 2023

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Notes	As at		
		31 March 2023	31 March 2022 (Restated)	01 April 2021 (Restated)
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3	204.68	261.39	294.71
(b) Right-of-use asset	3	835.34	191.27	323.54
(c) Financial assets				
(i) Investments	4	1,618.38	1,618.38	-
(ii) Other financial assets	5	38.83	63.04	68.58
(d) Other non-current assets	10	19.43	-	-
(e) Deferred tax assets (net)	6	90.85	28.15	29.24
		2,807.51	**2,162.23**	**716.07**
Current assets				
(a) Financial assets				
(i) Trade receivables	7	1,410.52	1,320.31	827.14
(ii) Cash and cash equivalents	8	675.17	1,216.58	679.47
(iii) Bank balances other than (ii) above	8	45.67	37.37	29.53
(iv) Loans	9	1,301.72	805.19	800.18
(v) Other financial assets	5	98.41	73.62	5.82
(b) Current tax assets (net)		18.03	24.26	9.71
(c) Other current assets	10	124.10	116.43	161.87
		3,673.62	**3,593.76**	**2,513.72**
Total assets		**6,481.13**	**5,755.99**	**3,229.79**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	11	639.22	639.22	556.00
(b) Other equity	12	4,537.71	4,580.35	2,141.57
		5,176.93	**5,219.57**	**2,697.57**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Lease liabilities	14	809.72	21.93	215.85
(b) Provisions		75.68	-	4.15
		885.40	**21.93**	**220.00**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	13	63.19	-	-
(ii) Lease liabilities	14	98.46	193.92	158.45
(iii) Trade payables	15			
- total outstanding dues of micro and small enterprises;		-	-	-
- total outstanding dues of creditors other than micro and small enterprises		1.10	21.08	7.04
(iv) Other financial liabilities	16	72.02	129.96	66.81
(b) Other current liabilities	17	129.47	85.44	41.02
(c) Provisions	18	54.56	37.64	38.90
(d) Current tax liabilities (net)		-	46.45	-
		418.80	**514.49**	**312.22**
Total equity and liabilities		**6,481.13**	**5,755.99**	**3,229.79**

The accompanying notes referred to above form an integral part of these standalone financial statements

This is the Standalone Balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 24 May, 2023

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Standalone Statement of Profit and Loss for the year ended 31 March 2023

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Notes	For the year ended	
		31 March 2023	31 March 2022
Income			
Revenue from operations	19	4,948.75	4,926.46
Other income	20	235.59	134.56
Total income		**5,184.34**	**5,061.02**
Expenses			
Employee benefit expenses	21	3,767.06	3,348.60
Finance costs	22	84.24	21.39
Depreciation and amortization expense	3	220.30	217.23
Other expenses	23	908.24	731.57
Total expenses		**4,979.84**	**4,318.79**
Profit before tax		**204.50**	**742.23**
Tax expense:	24		
Current tax expense		110.10	211.60
Deferred tax benefit		(43.97)	(6.52)
Prior period taxes		1.43	12.66
Total tax expense		**67.56**	**217.74**
Profit for the year		**136.94**	**524.49**
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of defined benefit plan		16.29	30.24
- Income tax relating to these items		(4.10)	(7.61)
(ii) Items that will be reclassified subsequently to profit or loss		-	-
Total other comprehensive income		**12.19**	**22.63**
Total comprehensive income for the year		**149.13**	**547.12**
Earnings per equity share (EPES) (In absolute ₹ terms)	25		
Basic and Diluted EPES		2.14	8.56

The accompanying notes referred to above form an integral part of these standalone financial statements

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

Sanjay Kumar Jain
Partner
Membership No.: 207660

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Place: Hyderabad
Date: 24 May, 2023

Standalone Cash Flow Statement for the year ended 31 March 2023

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2023	31 March 2022 (Restated)
Cash flow from operating activities		
Profit before tax	**204.50**	**742.23**
Adjustments:		
Depreciation and amortization expense	220.30	217.23
Finance costs	84.24	21.39
Loss on sale of asset	15.57	-
Provision towards doubtful debts and bad debts written-off	41.27	-
Interest income	(142.06)	(97.23)
Operating profits before working capital changes	**423.82**	**883.62**
Movements in working capital:		
Changes in trade receivables	(131.48)	(493.17)
Changes in other assets	1.51	43.77
Changes in other liabilities	(22.21)	99.74
Changes in trade payables	(19.98)	14.04
Changes in provisions	108.89	24.83
Cash generated from operating activities	**360.55**	**572.83**
'Income-taxes paid, Net'	(174.58)	(192.36)
Net cash generated from operating activities (A)	**185.97**	**380.47**
Cash flows from investing activities		
Purchase of property, plant and equipment	(130.83)	(51.64)
Purchase of investments	-	(12.50)
Proceeds from sale of property, plant and equipment	9.02	-
Loan extended to related party	(500.00)	-
Interest income received	196.35	31.63
Net cash used in investing activities (B)	**(425.46)**	**(32.51)**
Cash flows from financing activities		
Proceeds from issue of equity shares	-	508.00
Proceeds from long-term borrowings	81.44	-
Repayment of long-term borrowings	(18.25)	-
Interest paid	(4.00)	-
Lease rental paid	(169.34)	(179.84)
Dividend paid	(191.77)	(139.01)
Net cash generated from / (used in) financing activities (C)	**(301.92)**	**189.15**
Net change in cash and cash equivalents during the year (A + B + C)	**(541.41)**	**537.11**
Cash and cash equivalents at the beginning of the year	1,216.58	679.47
Cash and cash equivalents at the end of the year (Note 1)	**675.17**	**1,216.58**
Note 1:		
Cash and cash equivalents includes		
Balances with banks in current accounts	144.08	200.76
Balances with banks in deposit accounts	530.80	1,015.81
Cash on hand	0.29	0.01
	675.17	**1,216.58**

The accompanying notes referred to above form an integral part of these Standalone financial statements.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 24 May, 2023

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Standalone Statement of Changes in Equity for the year ended 31 March 2023

(All amounts in ₹ lakhs, except share data and where otherwise stated)

A. Equity Share Capital

Particulars	Notes	Number of shares	Amount
As at 1 April 2021		**55,60,000**	**556.00**
Changes in equity share capital	11	8,32,238	83.22
As at 31 March 2022		**63,92,238**	**639.22**
Changes in equity share capital	11	-	-
As at 31 March 2023		**63,92,238**	**639.22**

B. Other Equity (refer note 12)

Particulars	Reserves and Surplus		Other comprehensive income	Total
	Securities premium	Retained earnings		
Balance as at 1 April 2021	**456.00**	**1,685.57**	**-**	**2,141.57**
Profit for the year	-	524.49	-	524.49
Security premium on issue of equity shares	2,030.66	-	-	2,030.66
Other comprehensive income, net of taxes	-	22.63	-	22.63
Payment of dividend (₹ 2.5 per equity share)	-	(139.00)	-	(139.00)
Balance as at 31 March 2022	**2,486.66**	**2,093.69**	**-**	**4,580.35**
Profit for the year		136.94	-	136.94
Other comprehensive income		12.19	-	12.19
Payment of dividend (₹ 3 per equity share)	-	(191.77)	-	(191.77)
Balance as at 31 March 2023	**2,486.66**	**2,051.05**	**-**	**4,537.71**

The accompanying notes referred to above form an integral part of these standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 24 May, 2023

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Summary of significant accounting policies and other explanatory information

1. Company overview

Sagarsoft (India) Limited ('the Company') is a public limited company incorporated and domiciled in India having its registered office at Plot no 111, Road no 10, Jubilee Hills, Hyderabad-500033, Telangana, India. The equity shares of the company are listed in the BSE Limited, Mumbai. India. The Company is engaged in the business of providing Staffing and information technology related services.

2. Basis of preparation of standalone financial statements

2.1 Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with accounting principles generally accepted in India, Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirement of Division II of Schedule III to the Act, including the amendments to Schedule III notified by the Ministry of Corporate Affairs ("MCA") vide its notification dated 24 March 2021 and guidelines issued by the Securities Exchange Board of India ("SEBI").

These standalone financial statements have been prepared by the Company as a going concern based on relevant Ind-AS that are effective or elected for early adoption at the Company's annual reporting date, 31 March 2023. These standalone financial statements were authorised for issuance by the Company's Board of Directors on 24 May 2023.

These standalone financial statements have been prepared on historical cost convention, except for the following material items:

(a) Financial assets are measured at either at fair value or at amortised cost depending upon the classification.

(b) Employee defined benefits assets / (liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains, and the present value of the defined benefit obligations.

The standalone financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Current vs non-current classification:

The Company presents assets and liabilities in the standalone balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading.
- Expected due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Foreign currency transactions and balances

The Company's standalone financial statements are presented in Indian Rupees (₹), which is also its functional currency.

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at the functional currency spot rate of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the standalone statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the standalone statement of profit and loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

c) Fair value measurement

The Company measures financial instruments at fair value at each standalone balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone 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.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Revenue recognition

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised services to the customers in an amount that reflects the consideration the Company expects to receive in exchange for those services ("transaction price"). When there exists uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured on the basis of transaction price, after deduction of any discounts and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sale of services

The contract with customer for staffing and information technology related services , generally contains a single performance obligation and revenue is recognized over time based on satisfaction of performance criteria included in contractual arrangements with customers, measured transaction price. At the Company does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money. Refer note 19 for details.

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. Unbilled revenues are presented under trade receivables. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are in the nature of unbilled receivables, which arises when Company satisfies a performance obligation but does not have an unconditional right to consideration.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related services to the customer).

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included under other income in the standalone statement of profit and loss.

Dividend income

Dividend income is recognized when the Company's right to receive dividend is established.

e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax is recognised in the standalone statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred 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 all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is recognised in the standalone statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

f) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition and location for the intended use. All other repair and maintenance costs are recognised in the standalone statement of profit and loss as incurred. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

The following are the useful lives considered by the management:

Asset class	Useful life (in years)
Computers	3
Office equipment	5
Furniture and Fixtures	10
Vehicles	8

Depreciation is provided on the basis of straight-line method at the useful life and in the manner prescribed in Schedule II of the Companies Act, 2013. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the standalone statement of profit and loss when the asset is derecognised.

g) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the Right-of-use asset and Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the Right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

h) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the standalone statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

i) Provision and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the standalone statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities are identified and disclosed with respect to following:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

- a present obligation that arises from past events but is not recognised because:

  it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  the amount of the obligation cannot be measured with sufficient reliability.

- Contingent assets are neither recognized nor disclosed, unless inflow of economic benefits is probable. However, when realization of income is virtually certain, related asset is recognized.

j) Employee benefits

Short term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognised in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised immediately in the statement of profit and loss. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for defined benefit obligation and plan assets are recognised in OCI in the period in which they arise. The Company recognises gains or losses on the settlement of a defined benefit plan obligation when the settlement occurs.

Compensated absences

The Company operates a long-term leave encashment plan in India. Accrued liability for leave encashment including sick leave is determined on actuarial valuation basis using Projected Unit Credit (PUC) Method at the end of the year and provided completely in profit and loss account as per Ind AS - 19 "Employee Benefits". The Company presents the entire leave as a current liability in the Standalone Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at FVTOCI or FVTPL

Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the standalone statement of profit and loss. The losses arising from impairment are recognised in the standalone statement of profit and loss.

Debt instrument at FVTOCI

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to standalone statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the standalone statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to standalone statement of profit and loss, even on sale of investment. However, the Company transfers the cumulative gain or loss within equity.

De-recognition

A financial asset is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balances

- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the standalone statement of profit and loss. This amount is reflected under the head 'other expenses' in the standalone statement of profit and loss. The standalone balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the standalone balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

- Financial guarantee contracts: ECL is presented as a provision in the standalone balance sheet, i.e. as a liability.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the standalone statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the standalone statement of profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the standalone statement of profit and loss. The company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the standalone statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the standalone statement of profit and loss.

This category generally applies to borrowings from banks.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the standalone statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m) Cash flow statement

The standalone cash flow statement is prepared in accordance with the Indirect method. Standalone cash flow statement presents the cash flows by operating, financing and investing activities of the Company. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

n) Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the standalone cash flow statement, cash and cash equivalents consist of cash at banks and on hand and deposits, as defined above, net of outstanding loans repayable on demand from banks as they are considered an integral part of the Company's cash management.

o) Cash dividends to equity holders

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable on distribution is recognised directly in equity.

p) Investments in subsidiary

The Company has elected to recognize its investments in equity instruments in subsidiary at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

2.3 Key accounting estimates, judgements and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Defined benefit plans and other long-term benefit plan

The cost and present value of the defined benefit gratuity plan and leave encashment (other long-term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long-term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b. Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company.

c. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

d. Expected credit loss on financial assets

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of the each reporting period.

2.4 Standards and recent pronouncements issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is in the process of evaluating the impact of these amendments on the financial statements.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

3. Property, plant and equipment & Right-of-use assets

Particulars	Computers	Furniture and fixtures	Office Equipment	Vehicles	Total	Right-of-use assets
Gross Block						
Balance as at 1 April 2021	**766.10**	**467.35**	**266.28**	**84.05**	**1,583.78**	**529.06**
Additions during the year	37.63	-	2.97	11.04	**51.64**	-
Balance as at 31 March 2022	**803.73**	**467.35**	**269.25**	**95.09**	**1,635.42**	**529.06**
Additions during the year	16.46	-	0.33	114.04	**130.83**	781.43
Disposals / retirements during the year	(678.67)	(115.55)	(84.42)	(138.39)	**(1,017.03)**	-
Adjustments	8.34	-	(8.34)	-	**-**	-
Balance as at 31 March 2023	**149.86**	**351.80**	**176.82**	**70.74**	**749.22**	**1,310.49**
Accumulated depreciation						
Upto 1 April 2021	**727.06**	**281.69**	**225.17**	**55.15**	**1,289.07**	**205.52**
Charge for the year	18.25	42.44	15.85	8.42	**84.96**	132.27
Upto 31 March 2022	**745.31**	**324.13**	**241.02**	**63.57**	**1,374.03**	**337.79**
Charge for the year	40.98	23.97	2.52	15.47	**82.94**	137.36
Adjustment for disposals / retirements	(678.67)	(115.55)	(84.42)	(33.79)	**(912.43)**	-
Upto 31 March 2023	**107.61**	**232.55**	**159.13**	**45.25**	**544.54**	**475.15**
Net book value as at 31 March 2022	**58.42**	**143.22**	**28.23**	**31.52**	**261.39**	**191.27**
Net book value as at 31 March 2023	**42.25**	**119.25**	**17.69**	**25.49**	**204.68**	**835.34**

Notes:

(i) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

(ii) There are no investment property and intangible assets as on 31 March 2023 and 31 March 2022.

(iii) The Company has not revalued its Property, Plant and Equipment (including Right-of Use Assets) based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

4. Non-current investments

Particulars	As at	
	31 March 2023	31 March 2022
Unquoted investments **Investment in subsidiaries - measured at cost**		
Investment in subsidiary, ITCATS LLC, USA. Extent of holding - 100% (As at 31 March 2022 - 100%)	1,618.38	1,618.38
Aggregate amount of unquoted non-current investments	**1,618.38**	**1,618.38**
Aggregate amount of impairment in value of investments	-	-

5. Other financial assets

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	As at	
	31 March 2023	31 March 2022
Non-current		
Unsecured, considered good		
Security deposits	38.83	63.04
Total	**38.83**	**63.04**
Current		
Unsecured, considered good		
Interest receivable	13.86	68.15
Security deposits	4.54	5.47
Insurance claim receivable	36.91	-
Receivable from scale of property and plant and equipment	43.10	-
Total	**98.41**	**73.62**

6. Deferred tax assets, net

Particulars	As at	
	31 March 2023	31 March 2022
Deferred tax assets arising on account of:		
Property, plant and equipment	59.88	35.76
Provision for Employee Benefits	32.78	-
Others	18.33	-
Total	**110.99**	**35.76**
Deferred tax liabilities arising on account of:		
Provision for employee benefits	-	(7.61)
Others	(20.14)	-
Total	**(20.14)**	**(7.61)**
Deferred tax assets / (liabilities), net	**90.85**	**28.15**

Movement in deferred tax assets, net

Particulars	Property, plant and equipment	Provision for employee benefits	Others	Total
As at 1 April 2021	**33.10**	**(3.86)**	**-**	**29.24**
Credited				
- to statement of profit and loss	2.66	3.86	-	6.52
- to OCI	-	(7.61)	-	(7.61)
As at 31 March 2022	**35.76**	**(7.61)**	**-**	**28.15**
Credited				
- to statement of profit and loss				
- For the year ended 31 March 2023	20.48	31.49	(8.00)	43.97
- Pertaining to earlier years	3.64	13.00	6.20	22.84
- to OCI	-	(4.10)	-	(4.10)
As at 31 March 2023	**59.88**	**32.78**	**(1.80)**	**90.85**

7. Trade receivables

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	1,410.52	1,320.31
Unsecured, significant increase in credit risk	-	14.47
Unsecured, credit impaired	-	-
	1,410.52	**1,334.78**
Less: Allowance for expected credit loss	-	(14.47)
Total	**1,410.52**	**1,320.31**

(a) Trade receivables ageing schedule as at 31 March 2023:

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Unsecured, considered good	410.96	999.56	-	-	-	-	1,410.52
Unsecured, significant increase in credit risk	-	-	-	-	-	-	-
Unsecured, credit impaired	-	-	-	-	-	-	-
							1,410.52
Less : Allowance for credit loss	-	-	-	-	-	-	-
Total							**1,410.52**

(b) Trade receivables ageing schedule as at 31 March 2022:

Particulars	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Unsecured, considered good	473.62	807.01	8.00	31.68	-	-	1,320.31
Unsecured, significant increase in credit risk	-	-	0.89	13.58	-	-	14.47
Unsecured, credit impaired	-	-	-	-	-	-	-
							1334.78
Less : Allowance for credit loss	-	-	-	-	-	-	(14.47)
Total							**1,320.31**

There are no disputed receivables outstanding as at 31 March 2023 and 31 March 2022.

(C) Movement in the allowance for trade receivables for the year ended 31 March 2023 and 31 March 2022 is as follows:

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Opening balance at beginning of the year	14.47	13.73
Provision made during the year	41.27	0.74
Bad debts written off during the year	(55.74)	-
Closing balance at end of the year	**-**	**14.47**

8. Cash and bank balances

	Particulars	As at	
		31 March 2023	31 March 2022
(a)	**Cash and cash equivalents**		
	Balances with Banks		
	- In current accounts	144.08	200.76
	- Deposits with original maturity of less than three months	530.80	1,015.81
	Cash on hand	0.29	0.01
	Total	**675.17**	**1,216.58**
(b)	**Other bank balances**		
	Unpaid dividend account	45.67	37.37
	Total	**45.67**	**37.37**

9. Loans

Particulars	As at	
	31 March 2023	31 March 2022
Unsecured, considered good		
Loans to related party (refer note (a))	1,300.00	800.00
Loans to employees	1.72	5.19
Total	**1,301.72**	**805.19**

(a) Represents unsecured working capital loan given to R V Consulting Services Private Limited (enterprise in which relative of a KMP exercise control), bearing an interest rate in the range of 7.50% - 8.50% per annum and repayable with-in 12 months from the date of disbursement. During the year, the Company has renewed loan aggregating to ₹800 which had fallen due for repayment.

(b) No loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person, that are either (i) repayable on demand; or (ii) without specifying any terms or period of repayment.

10. Other assets (All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	As at	
	31 March 2023	31 March 2022
Non-current		
Unsecured, considered good		
Prepaid expenses	19.43	-
Total	**19.43**	**-**
Current		
Unsecured, considered good		
Balances with government authorities	89.93	42.39
Prepaid expenses	33.86	29.74
Others	0.31	44.30
Total	**124.10**	**116.43**

11. Equity share capital

	Particulars	As at 31 March 2023		As at 31 March 2022	
		Number	Amount	Number	Amount
i.	**Authorised share capital**				
	Equity shares of ₹10 each	1,00,00,000	1,000	1,00,00,000	1,000
ii.	**Issued, subscribed and fully paid up**				
	Equity shares of ₹10 each	63,92,238	639.22	63,92,238	639.22
	Total	**63,92,238**	**639.22**	**63,92,238**	**639.22**
iii.	Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				

	Particulars	As at 31 March 2023		As at 31 March 2022	
		Number	Amount	Number	Amount
	Equity shares of ₹10 each				
	Balance at the beginning of the year	63,92,238	639.22	55,60,000	556.00
	Add: Issued during the year	-	-	8,32,238	83.22
	Balance at the end of the year	**63,92,238**	**639.22**	**63,92,238**	**639.22**

iv. Rights, preferences and restrictions attached to equity shares

The Company has only one class of issued, subscribed and paid up equity shares having a par value of ₹10 each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

v. Details of shareholders holding more than 5% equity shares in the Company

Name of the equity shareholders	As at 31 March 2023		As at 31 March 2022	
	Number	% holding	Number	% holding
S Sreekanth Reddy	11,67,950	18.27%	11,67,950	18.27%
Rachana Sammidi	6,46,574	10.11%	6,46,574	10.11%
Satish Chander Reddy Kalva	6,32,238	9.89%	6,32,238	9.89%
The Madhavpura Mercantile Co-op. Bank Ltd	3,99,836	6.26%	3,99,836	6.26%

Aggregate number of equity shares issued for consideration other than cash:
During the year ended 31 March 2022, the Company has issued equity shares of ₹ 10 each to Mr. Satish Chander Reddy Kalva, against acquisition of stake in ITCATS LLC, USA aggregating to ₹ 6,32,238. The Company has not issued any equity shares pursuant to contract without payment being received in cash or by way of bonus shares or bought back any equity shares during the last five years preceding the balance sheet date, except as mentioned above.

vi. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Particulars	31 March 2023	31 March 2022
Equity shares of ₹10 each issued for acquisition of stake in ITCATS LLC, USA	6,32,238	6,32,238

vii. Aggregate number of equity shares issued as bonus and shares bought back during the period of five years immediately preceding the reporting date is "Nil".

viii. Shareholding of Promoters as at 31 March 2023

Name of the promoter*	As at 31 March 2023		As at 31 March 2022		% Change during the year
	No. of Shares	% of total shares	No. of shares	% of total shares	
S Sreekanth Reddy	11,67,950	18.27%	11,67,950	18.27%	0.00%
Rachana Sammidi	6,46,574	10.11%	6,46,574	10.11%	0.00%
Anand Reddy Sammidi	1,52,200	2.38%	1,52,200	2.38%	0.00%
Vanajatha Sammidi	1,47,100	2.30%	1,47,100	2.30%	0.00%
Malathi Reddy Wdaru	1,20,900	1.89%	1,20,900	1.89%	0.00%
Aruna Sammidi	1,18,400	1.85%	1,18,400	1.85%	0.00%
Madhavi Nadikattu	1,16,400	1.82%	1,16,400	1.82%	0.00%
Proddhutoori Sucharitha Reddy	1,05,200	1.65%	1,05,200	1.65%	0.00%
R V Consulting Services Private Limited	1,00,700	1.58%	1,00,700	1.58%	0.00%
Siddarth Sammidi	90,100	1.41%	90,100	1.41%	0.00%
Aneesh Reddy Sammidi	90,100	1.41%	90,100	1.41%	0.00%

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Proddhutoori Sudarshan Reddy	50,000	0.78%	50,000	0.78%	0.00%
Proddhutoori Rajith Reddy	50,000	0.78%	50,000	0.78%	0.00%
M Radhika Reddy	55,200	0.86%	55,200	0.86%	0.00%

11. Equity share capital (continued)

ix. Shareholding of Promoters as at 31 March 2022

Name of the promoter*	As at 31 March 2022		As at 31 March 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
S Sreekanth Reddy	11,67,950	18.27%	11,67,950	21.01%	0%
Rachana Sammidi	6,46,574	10.11%	6,46,574	11.63%	0%
Anand Reddy Sammidi	1,52,200	2.38%	1,52,200	2.74%	0%
Vanajatha Sammidi	1,47,100	2.30%	1,47,100	2.65%	0%
Malathi Reddy Wdaru	1,20,900	1.89%	1,20,900	2.17%	0%
Aruna Sammidi	1,18,400	1.85%	1,18,400	2.13%	0%
Madhavi Nadikattu	1,16,400	1.82%	1,16,400	2.09%	0%
Proddhutoori Sucharitha Reddy	1,05,200	1.65%	1,05,200	1.89%	0%
R V Consulting Services Private Limited	1,00,700	1.58%	700	0.01%	14285.71%
Siddarth Sammidi	90,100	1.41%	90,100	1.62%	0%
Aneesh Reddy Sammidi	90,100	1.41%	90,100	1.62%	0%
Proddhutoori Sudarshan Reddy	50,000	0.78%	50,000	0.90%	0%
Proddhutoori Rajith Reddy	50,000	0.78%	50,000	0.90%	0%
M Radhika Reddy	55,200	0.86%	55,200	0.99%	0%

* Details of promoters are identified based on information submitted with the stock exchanges as per SEBI (LODR) Regulations, 2015 (as amended) and the Annual Returns filed in accordance with the provisions of Section 92 of the Act.

12. Other equity

Particulars	As at	
	31 March 2023	31 March 2022
Reserve and surplus		
Securities premium	2,486.66	2,486.66
Retained earnings	2,051.05	2,093.69
Items of Other comprehensive income ("OCI")	-	-
Total	**4,537.71**	**4,580.35**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Nature and purpose of reserves

Securities premium

The amount received in excess of face value of the equity shares is recognised in the securities premium. This reserve will be utilised in accordance with the provisions of Section 52 of the Act.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to the shareholders.

13. Borrowings

Particulars	As at	
	31 March 2023	31 March 2022
Secured - Term loans		
Vehicle loans from banks	63.19	-
Total	**63.19**	-
Current borrowings	63.19	-
Non-current borrowings	-	-

a. Details of secured vehicle loans

Vehicle loan availed from a bank is fully secured by way of hypothecation of specific vehicle (including insurance claim receivable and proceeds from sale of the specific vehicle) against which the said loan was availed. The loan carry an interest rate of 7.35% per annum and is repayable in 39 equal monthly installments starting from July 2022. The Company has prepaid this loan on 16th May 2023.

b. Reconciliation of liabilities arising from financial activities

Particulars	Borrowings		Interest accured but not due	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Balance at beginning of the year	-	-	-	-
Cash inflows	81.44	-	4.00	-
Cash outflows	(18.25)	-	(4.00)	-
Balance at end of the year	**63.19**	**-**	**-**	**-**

14. Leases

The Company has lease arrangements for its office premises located in Hyderabad. This leases have original terms for a period of 7 years with multiyear renewal option at the discretion of lessee. The agreements entered into by the Company have rent escalation of 5%. There are no residual value guarantees provided by the third parties.

Particulars	As at	
	31 March 2023	31 March 2022
The movement is lease liabilities is as follows:		
Balance at the beginning of the year	215.85	374.30
Additions during the year	781.43	-
Finance cost accrued during the year	80.24	21.39
Payment of lease liabilities	(169.34)	(179.84)
Lease liabilities at the end of the year	**908.18**	**215.85**
Current lease liabilities	98.46	193.92
Non-current lease liabilities	809.72	21.93

(a) The details of contractual maturities of lease liabilities on an undiscounted basis is as follows:		
Less than one year	172.46	188.82
one to five years	1,000.59	30.00
More than five years	-	-
Total	**1,173.05**	**218.82**

Particulars	As at	
	31 March 2023	31 March 2022
(b) Following amount has been recognized in statement of profit and loss:		
Depreciation/amortisation on right to use asset	137.36	132.27
Interest on lease liability	80.24	21.39
Expenses related to short term lease (included under other expenses)	13.37	-
Total amount recognized in the statement of profit and loss	**230.97**	**153.66**

15. Trade payables

Particulars	As at	
	31 March 2023	31 March 2022
Total outstanding dues of micro and small enterprises ("MSME")	-	-
Total outstanding dues of creditors other than micro and small enterprises	1.10	21.08
Total	**1.10**	**21.08**

(a) Trade payables ageing schedule :

Particulars	As at 31 March 2023		As at 31 March 2022	
	Dues to MSME	Dues to other creditors	Dues to MSME	Dues to other creditors
Undisputed dues outstanding for following periods from due date of payment				
Less than 1 Year	-	1.10	-	20.50
1-2 Years	-	-	-	0.58
2-3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
Total	**-**	**1.10**	**-**	**21.08**

Note: There are no outstanding disputed dues payable as at 31 March 2023 and 31 March 2022.

(b) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Company. Disclosures in respect of the amounts payable to such parties are given below:

Particulars		As at	
		31 March 2023	31 March 2022
(i)	The principal amount remaining unpaid as at the end of the year	-	-
(ii)	The amount of interest accrued and remaining unpaid on (i) above	-	-
(iii)	Amount of interest paid by the Company in terms of Section 16, of the MSMED Act, 2006 along with the amounts of payments made beyond the appointed date during the year.	-	-

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(iv)	The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
(v)	The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

16. Other current financial liabilities

Particulars	As at	
	31 March 2023	31 March 2022
Employee related payables	2.19	13.67
Unclaimed dividend	45.67	37.37
Provision for expenses	23.01	78.92
Other payables	1.15	-
Total	**72.02**	**129.96**

17. Other current liabilities

Particulars	As at	
	31 March 2023	31 March 2022
Statutory dues payable	93.58	81.85
Advance from customers*	28.08	-
Others	7.81	3.59
Total	**129.47**	**85.44**

*The Company has entered into agreements with customers for rendering of services. The Company has identified these performance obligations and recognised the same as contract liabilities in respect of contracts, where the Company has obligation to perform the specified services to a customer for which the consideration has been received. During the year ended 31 March 2023, revenue recognised from amount included in contract liability at the beginning of year is ₹Nil (31 March 2022: Rs.Nil).

18. Provisions

Particulars	As at	
	31 March 2023	31 March 2022
Non-Current		
Gratuity	75.68	-
Total	**75.68**	**-**
Current		
Compensated absences	54.56	37.64
Total	**54.56**	**37.64**

19. Revenue from operations

Particulars	For the year ended	
	31 March 2023	31 March 2022
Staffing and IT services	4,948.75	4,926.46
Total	**4,948.75**	**4,926.46**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(i) Reconciliation of transaction price and amounts allocated to performance obligations:		
Particulars	For the year ended	
	31 March 2023	31 March 2022
Revenue at contracted prices	4,948.75	4,926.46
Less: Adjustments	-	-
Total revenue from contracts with customers	**4,948.75**	**4,926.46**

(ii) Revenue disaggregation geography wise is as follows:

Particulars	For the year ended	
	31 March 2023	31 March 2022
India	62.24	51.00
Other than india	4,886.51	4,875.51
Total	**4,948.75**	**4,926.46**

20. Other income

Particulars	For the year ended	
	31 March 2023	31 March 2022
Interest income on financial assets carried at amortized cost	142.06	97.23
Gain on foreign exchange fluctuation	90.73	35.97
Other non operating income	2.80	1.36
Total	**235.59**	**134.56**

21. Employee benefit expenses

Particulars	For the year ended	
	31 March 2023	31 March 2022
Salaries and other benefits	3,261.85	3,131.07
Contribution to provident and other funds (refer note a below)	211.61	139.60
Gratuity expense	164.68	37.32
Staff welfare expenses	128.92	40.61
Total	**3,767.06**	**3,348.60**

(a) The amount recognized as an expense towards contribution to provident fund and employee state insurance scheme for the year ended 31 March 2023 amounts to ₹211.61 (31 March 2022: ₹139.60).

22. Finance costs

Particulars	For the year ended	
	31 March 2023	31 March 2022
Interest on borrowings measured at amortized cost	4.00	-
Interest on lease liabilities	80.24	21.39
Total	**84.24**	**21.39**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

23. Other expenses

Particulars	For the year ended	
	31 March 2023	31 March 2022
Professional and consultancy charges	575.53	543.14
Rent, rates and taxes	31.80	15.63
Office maintenance	56.59	64.09
Communication expenses	15.68	36.42
Assets written-off	36.88	-
Electricity charges	8.19	6.72
Travelling and conveyance expense	43.79	35.45
Printing and stationery	4.41	6.35
Sitting fees	14.60	3.10
Auditors remuneration (refer note (i) below)	39.54	2.25
CSR contribution (refer note(ii) below)	12.06	12.94
Advertisement charges	2.10	1.68
Loss on sale of property, plant and equipment, net	15.57	-
Bank charges	4.52	1.60
Provision towards doubtful debts and bad debts written off	41.27	0.74
Other expenses	5.71	1.46
Total	**908.24**	**731.57**
(i). Details of payments to auditors:		
As auditor: (including reimbursement of expenses)		
-Statutory audit fees	18.37	1.00
-Tax Audit fee	-	0.50
- Limited review fee	21.17	0.75
In other capacities	-	-
(ii). Details of CSR expenditure:		
a) Gross amount required to be spent during the year	11.87	12.76
b) Amount spent during the year		
i) Construction/ acquisition of any asset	-	-
ii) on purposes other than (i) above	12.06	12.94
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Health and education promotion	
g) Details of related party transactions	-	-
h) Provision made during the year	-	-

24. Income tax

The major components of income tax expense/(benefit) and the reconciliation between expected tax expense based on the domestic effective tax rate of the Company at 25.17% (31 March 2022: 25.17%) and the reported tax expense/(benefit) in the statement of profit and loss is as follows:

Income tax expense reported in the statement of profit and loss

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current income tax	110.10	211.60
Deferred tax benefit	(43.97)	(6.52)
Tax for earlier period /year	1.43	12.66
Total	**67.56**	**217.74**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit before tax	**204.50**	**742.23**
Tax at the Indian tax rate of 25.17% (31 March 2022: 25.17%)	51.47	186.82
Tax effect of amounts which are not deductible / taxable in calculating taxable income:		
Tax of earlier years	1.43	12.66
Effect of expenses not deductible under the IT Act, 1961	13.37	3.26
Other adjustments	1.29	15.00
Total	**67.56**	**217.74**

25. Earnings per equity share

Particulars	For the year ended	
	31 March 2023	31 March 2022
Profit for the year	136.94	524.49
Weighted average number of equity shares outstanding during the year	63,92,238	61,27,746
Earnings per equity share (in absolute ₹ terms):		
Nominal value per equity share	10.00	10.00
Basic and Diluted EPES	2.14	8.56

26. Dividend proposed before approval or issue of the financial statements

Dividend amount per equity share proposed or declared in accordance with the provisions of Section 123 of the Act is as follows:

Particulars	For the year ended	
	31 March 2023	31 March 2022
Proposed final dividend on equity shares of ₹10 each *		
Per equity share (in absolute ₹ terms)	2.00	3.00
Amount	127.84	191.77

* The proposed final dividend, is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company and accordingly not recognized as a liability in accordance with the applicable accounting principles.

27. Categories of Financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Trade receivables	-	-	1,410.52	-	-	1,320.31
Cash and bank balances	-	-	720.84	-	-	1,253.95
Loans	-	-	1,301.72	-	-	805.19
Others financial assets	-	-	137.24	-	-	136.66
	-	**-**	**3,570.32**	**-**	**-**	**3,516.11**
Financial liabilities						
Borrowings			63.19	-	-	-
Lease liabilities	-	-	908.18	-	-	215.85
Trade payables	-	-	1.10	-	-	21.08
Other financial liabilities	-	-	72.02	-	-	129.96
	-	**-**	**1,044.49**	**-**	**-**	**366.89**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

The fair value of the financial assets and financial liabilities are included at an amount at which the instruments could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

28. Financial risk management objectives and policies

Financial Risk Management Framework

The Board of Directors is responsible for developing and monitoring the Company's risk management policies.

The Company's principal financial liabilities comprises of borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade receivables and cash and bank balances that the Company derives directly from its operations.

The Company is exposed primarily to credit risk, liquidity risk and market risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, balances with banks and loan and other receivables.

Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and bank balances and loans. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹3570.32 and ₹3,516.11 as of 31 March 2023 and 31 March 2022 respectively, being the total of the carrying amount of financial assets.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, loans and other financial assets were either past due or impaired as at 31 March 2023 and 31 March 2022. The Company has diversified its portfolio of investment in cash and cash equivalents and term deposits with various banks which have secure credit ratings, hence the risk is reduced. Loans given to related parties are tested for impairment where there is an indicator. Other financial assets represent security deposits given to lessors and other assets. Credit risk associated with such deposits and other assets is relatively low.

Financial assets that are past due but not impaired

The Company's credit period for customers generally 30 days. The aging of trade receivables that are past due but not impaired is given below:

Particulars	31 March 2023	31 March 2022
Past due not impaired:		
More than 30 days	292.16	462.25
	292.16	**462.25**

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each balance sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix and loans if they past due. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. Based on such data, loss on collection of receivable is not material, hence no additional provision considered.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

B. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining cash and cash equivalents and the cash flows generated from operations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2023	On demand	Up to 1 year	More than 1 year	Total
Borrowings	-	63.19	-	63.19
Lease liabilities	-	172.46	1,000.59	1,173.05
Trade payables	-	1.10	-	1.10
Other financial liabilities	-	72.02	-	72.02
Total	**-**	**308.77**	**1,000.59**	**1,309.36**

As at 31 March 2022	On demand	Up to 1 year	More than 1 year	Total
Lease liabilities	-	188.82	30.00	218.82
Trade payables	-	21.08	-	21.08
Other financial liabilities	-	129.96	-	129.96
Total	**-**	**339.86**	**30.00**	**369.86**

C. Market risk:

'Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Foreign exchange risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The majority of Company's revenue is generated in US dollars, as a result, as the rupee appreciates or depreciates against foreign currencies, the results of the entity's operations are impacted.

(a) Significant foreign currency risk exposure relating to financial assets expressed in ₹ terms are as follows:

Particulars	31 March 2023	31 March 2022
Trade receivables		
- USD	1399.19	1,325.07

(b) Foreign currency sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in USD, with all other variables held constant:

Particulars	Impact on profit after tax for the year ended	
	31 March 2023	31 March 2022
USD sensitivity		
₹/USD - Increase by 5%	52.35	49.58
₹/USD - Decrease by 5%	(52.35)	(49.58)

ii 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 borrowing comprises of vehicle loans which carries fixed rate of interest, which do not expose it to interest rate risk.

29. Capital risk management

Capital includes equity capital and all other reserves attributable to the equity holders of the parent. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, company may adjust the dividend payment to shareholders return capital to shareholders or issue new shares.

The Company monitors capital using a debt to capital employed ratio which is debt divided by total capital plus debt. The Company's policy is to keep this ratio at an optimal level to ensure that the debt related covenants are complied with.

Particulars	As at	
	31 March 2023	31 March 2022
Debt (includes lease liabilities)	971.37	215.85
Less: Cash and cash equivalents	(675.17)	(1,216.58)
Net debt	**296.20**	**-**
Total equity	**5,176.93**	**5,219.57**
Capital and net debt	5,473.13	5,219.57
Net debt to equity ratio (%)	**5.41%**	**0.00%**

30. Disclosure pursuant to requirements of Rule 11(e) (i) & (ii) of the Companies (Audit and Auditors) Rules

(i) 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 person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(ii) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

31. Contingent liabilities and Commitments

There are no contingent liabilities and outstanding commitments as at 31 March 2023 and 31 March 2022

32. In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Company and no separate disclosure on segment information is given in these standalone financial statement

33. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
S Sreekanth Reddy M Jagadeesh K Pradeep Kumar Reddy K Roopesh	Key Managerial Personnel ("KMP")
IT CATS LLC, USA	Wholly owned subsidiary
Savyasachi Constructions Private Limited Sapplica Info Technologies Private Limited Sagar Cements Limited Amicus systems R V Consulting Services Private Limited Sagar Power Limited Sagarsoft Inc, USA	Enterprises where KMP along with their relatives exercise significant influence

(All amounts in ₹ lakhs, except share data and where otherwise stated)

K. Satish Chander Reddy Nalamati Harimohan Neelima Kaushik V.Venkat Ramana V.Ramananda Rao Keerthi Anantha	Non-executive Directors
Dr. S. Anand Reddy S. Vanajatha	Relatives of KMP

(b) Transactions with related parties

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(i)	**Remuneration paid**		
	M Jagadeesh	76.89	72.00
	K Pradeep Kumar Reddy	76.89	72.00
(ii)	**Loans granted**		
	R V Consulting Services Private Limited	500.00	800.00
(iii)	**Rent paid**		
	Dr. S. Anand Reddy	64.60	64.60
	S. Vanajatha	64.60	64.60
	S Sreekanth Reddy	64.60	64.60
(iv)	**Consultancy income**		
	Sagarsoft Inc, USA	2,879.00	3,431.61
	Amicus Systems	53.69	350.27
	IT CATS LLC, USA	1,795.65	330.79
	Sagar Cements limited	57.00	51.00
(v)	**Operating expenses**		
	Savyasachi Constructions Private Limited - Maintainence charges	32.94	32.08
	Sagar Cemets Limited - Power expenses	8.19	6.72
(vi)	**Interest income on loans**		
	R V Consulting Services Private Limited	97.69	64.00
(vii)	**Transactions with Non-Executive Director**		
	Sitting fee	14.60	3.10

Note:

(i) The Company has allotted equity shares of ₹10 each at a premium of ₹244 per equity share to the below related parties through preferential issue.

Particulars	31 March 2023	31 March 2022
	No. of equity shares allotted	
R V Consulting Services Private Limited	-	1,00,000
Sapplica Info Technologies Private Limited	-	1,00,000

(ii) KMP's are covered by the Company's Mediclaim insurance policy and are eligible for gratuity along with other employees of the Company. The proportionate premium paid towards this policy and provision made for gratuity pertaining to the KMP's has been included in the aforementioned disclosures.

(c) Balance receivable / (payable)

Particulars	As at	
	31 March 2023	31 March 2022
Trade receivables		
Sagarsoft Inc, USA	620.34	565.12
Amicus Systems, USA	4.76	63.75
Sagar Cements Limited	5.13	-
IT CATS LLC, USA	768.66	323.96
Other financial liabilities		
M Jagadeesh	(4.89)	(8.00)
K Pradeep Kumar Reddy	(4.89)	(8.00)
Loan and interest receivable on loans advanced		
R V Consulting Services Private Limited	1,300.00	861.20

34. Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/ exit, restricted to a sum of ₹20 lakhs in accordance with Payment of Gratuity Act, 1972. The Company maintains its investments with Life Insurance Corporation of India, to fund its gratuity plan.

	Particulars	31 March 2023	31 March 2022
(i)	**Change in projected benefit obligation**		
	Projected benefit obligation at the beginning of the year	220.67	195.75
	Service cost	44.27	32.61
	Past service cost	123.67	-
	Interest cost	14.69	13.05
	Actuarial loss - experience assumptions	(11.79)	3.62
	Actuarial gain - financial assumptions	(6.28)	(10.68)
	Benefits paid	(40.60)	(13.68)
	Projected benefit obligation at the end of the year	**344.64**	**220.67**
(ii)	**Change in plan assets**		
	Fair value of plan assets at the beginning of the year	236.89	186.92
	Contribution made during the year	56.50	34.70
	Interest income on plan assets	17.95	13.64
	Actuarial loss	(1.78)	15.31
	Benefits paid	(40.60)	(13.68)
	Fair value of plan assets at the end of the year	**268.96**	**236.89**
(iii)	**Reconciliation of present value of benefit obligation and plan assets**		
	Present value of projected benefit obligation at the end of the year	344.64	220.67
	Funded status of the plan	(268.96)	(236.89)
	Net liability / (asset) recognised in the balance sheet	**75.68**	**(16.22)**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(iv)	**Expense recognized in the statement of profit and loss**		
	Interest cost	14.69	13.05
	Service cost	44.27	32.61
	Past service cost	123.67	-
	Interest income on plan assets	(17.95)	(13.64)
		164.68	**32.02**
(v)	**Expense recognized in OCI**		
	Actuarial loss, net	16.29	22.37
		16.29	**22.37**
(vi)	**Key actuarial assumptions**		
	Discount rate	7.50%	7.33%
	Salary escalation rate	5.00%	5.00%
	Withdrawal rate	2.00%	2.00%
	Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
	Retirement age	58 Years	58 Years
	The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
(vii)	**Maturity profile of defined benefit obligation:**		
	Within one year	19.75	8.64
	Within two to five years	68.75	34.07
	More than five years	806.04	645.58
		894.54	**688.29**
	Weighted average duration of the defined benefit obligation	11.92 years	12.52 years

34. Gratuity (continued)

(viii) Sensitivity analysis

Particulars	31 March 2023	31 March 2022
	No. of equity shares allotted	
Discount rate (+ 1% movement)	310.85	197.92
Discount rate (- 1% movement)	384.07	247.35
Salary escalation (+ 1% movement)	374.14	246.07
Salary escalation (- 1% movement)	315.15	197.87

(ix) The Company expects to contribute ₹Nil towards gratuity within one year from the year ended 31 March 2023 and 31 March 2022.

Risk exposures:

Valuation are based on certain assumptions, which are dynamic in nature and may vary over time. As such valuations of the Company is exposed to following risks -

a) Salary escalation: Higher than expected increases in salary will increase the defined benefit obligation.

b) Discount rate: The defined benefit obligation calculated use a discount rate based on government bonds. If bond yield fall, the defined benefit obligation will tend to increase.

c) Mortality rate: If the actual death cases are lower or higher than assumed in the valuation, it can impact the defined benefit obligation.

d) Withdrawals: If the actual withdrawal are higher or lower than the assumed withdrawals or there is a change in withdrawal rates at subsequent valuations, it can impact defined benefit obligation

(All amounts in ₹ lakhs, except share data and where otherwise stated)

35. Restatement of financial statements

In accordance with the principles of Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors and Para 40A of Ind AS 1, Presentation of Financial Statements, the management has retrospectively restated the previous year financial statements as at 31 March 2022 and has also presented a third balance sheet as at 1 April 2021, to rectify the classification errors as under:

(i) Balance Sheet as at 31 March 2022

Particulars	Notes	31 March 2022 Published	Adjustments	31 March 2022 Restated
ASSETS				
Non-current assets				
Investments	(a)	-	1,618.38	1,618.38
Loans	(b)	868.23	(868.23)	-
Other financial assets	(b)	-	63.04	63.04
Income tax assets (net)	(c)	150.00	(150.00)	-
Current assets				
Investments	(a)	1,618.38	(1,618.38)	-
Loans	(b)	-	805.19	805.19
Other financial assets	(d)	9.51	64.11	73.62
Other current assets	(d),(e)	219.96	(103.53)	116.43
LIABILITIES				
Non-current liabilities				
Lease liabilites	(g)	194.46	(172.53)	21.93
Provisions	(h)	31.27	(31.27)	-
Current liabilities				
Lease liabilites	(g)	21.39	172.53	193.92
Other financial liabilities	(i)	-	129.96	129.96
Other current liabilities	(i),(j)	54.63	30.81	85.44
Provisions	(h),(i),(j)	167.16	(129.52)	37.64
Current tax liabilities (net)	(c), (e)	211.60	(165.15)	46.45

(ii) Balance Sheet as at 1 April 2021

Particulars	Notes	1 April 2021 Published	Adjustments	1 April 2021 Restated
ASSETS				
Non-current assets				
Loans	(b)	878.88	(878.88)	-
Other financial assets	(b)	-	68.58	68.58
Income tax assets (net)	(c)	190.00	(190.00)	-

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Notes	1 April 2021 Published	Adjustments	1 April 2021 Restated
Current assets				
Loans	(b)	-	800.18	800.18
Other financial assets	(d)	6.27	(0.45)	5.82
Current tax assets (net)	(b), (c) (e)	-	9.71	9.71
Other current assets	(d)	161.42	0.45	161.87
LIABILITIES				
Non-current liabilities				
Lease liabilites	(g)	374.30	(158.45)	215.85
Provisions	(h)	33.02	(28.87)	4.15
Current liabilities				
Lease liabilites	(g)	-	158.45	158.45
Other financial liabilities	(i)	-	66.81	66.81
Other current liabilities	(i),(j)	38.19	2.83	41.02
Provisions	(h),(i),(j)	79.68	(40.78)	38.90
Current tax liabilities (net)	(c),(f)	190.41	(190.41)	-

(iii) Restatement in the Earnings per Share

Particulars	Year ended 31 March 2022 Published	Year ended 31 March 2022 Restated
Earnings per equity share ("EPES")		
Basic and Diluted EPES (in absolute `terms)	8.93	8.56

(iv) Cash Flow Statement for the year ended 31 March 2022

Particulars	Year ended 31 March 2022 Published	Adjustments	Year ended 31 March 2022 Restated
Net cash generated used in operating activities	229.43	151.04	380.47
Net cash used in investing activities	(1,659.37)	1,626.86	(32.51)
Net cash generated from financing activities	1,974.88	(1,785.73)	189.15
Net change in cash and cash equivalents	**544.94**	**(7.83)**	**537.11**
Cash and cash equivalents at the beginning of the year	709.01	(29.54)	679.47
Cash and cash equivalents at the end of the year	**1,253.95**	**(37.37)**	**1,216.58**

Notes: Represents

(a) Reclassification of investment made in subsidary ITCATS USA LLC to the tune of ₹1,618.38 from current assets to non-current assets.

(b) Reclassification of loans to related party and employees to the tune of ₹800 and ₹5.19 respectively (1 April 2021: ₹800 and ₹0.18) from non-current loans to current loans; security deposits aggregating to ₹63.04 (1 April 2021: ₹68.58) from non-current loans to non-current other financial assets and income tax assets aggregating to ₹ Nil (1 April 2021: ₹10.12) from non-current loans to current tax assets (net).

(c) Non-current income tax assets amounting to ₹150 lakhs (1 April 2021: ₹190) is adjusted against the provision for income tax payable and the net balance is disclosed under 'current tax liability (net)' or 'current tax assets (net)'.

(d) Reclassification of interest receivable amounting to ₹68.14 (1 April 2021: ₹2.55) from other current assets to other current financial assets and reclassification of prepaid rent amounting to ₹4.03 (1 April 2021: ₹3.00) from other current financial asset to other current asset.

(e) Income tax assets amounting to ₹15.15 lakhs is reclassified from other current assets and is adjusted against the provision for income tax payable and the net balance is disclosed under 'current tax liability (net)'

(f) Reclassification of current tax asset amounting to Nil (1 April 2021: ₹0.41 lakhs) to current tax liability to present current tax asset (net).

(g) Reclassification of lease liability amounting to ₹172.53 (1 April 2021: ₹158.45) from non-current lease liability to current lease liabilities.

(h) Reclassification of provision from leave encashment aggregating to ₹31.27 (1 April 2021: ₹28.87) from long-term provisions to short-term provisions.

(i) Reclassification of unpaid dividend and employee related payables amounting to ₹51.04 (1 April 2021: ₹37.05 lakhs) from other current liabilities to other current financial liabilities and provision for expense aggregating to ₹78.92 (1 April 2021: ₹29.76) from short-term provisions to other current financial liabilities.

(j) Reclassification of statutory liabilities amounting to ₹81.85 (1 April 2021: ₹39.88) from short-term provisions to other current liabilities.

36. Additional disclosures

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company has not taken borrowings from banks or financial institutions on the basis of security of current assets.

(iii) The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.

(iv) No transactions are carried out with companies struck off under section 248 of the Act or section 560 of Companies Act, 1956.

(v) No charges or satisfaction yet to be registered with ROC beyond the statutory period.

(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

(viii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

37. Key ratios

S.No	Particulars	Notes	31 March 2023	31 March 2022	Change in %
a)	Current ratio = current assets / current liabilities		6.99	8.05	-13.24%
b)	Debt equity ratio = (Long-term borrowings + short term borrowings + lease liabilities) / Equity	(i)	0.19	0.04	353.73%
c)	Debt service coverage ratio = (Profit after tax + finance cost + depreciation + other adjustments like loss on sale of PPE etc) / (finance cost + total debt)	(ii)	0.51	3.22	-84.25%
d)	Return on equity ratio / return on investment ratio = net profit after tax divided by average equity	(iii)	2.63%	13.25%	-80.12%
e)	Inventory turnover ratio = cost of goods sold divided by average inventory		NA*	NA*	NA*
f)	Trade receivables turnover ratio = sales divided by average trade receivables		3.62	4.59	-21.01%
g)	Trade payables turnover ratio = Purchases of services and other expenses (excluding other adjustments like loss on sale of PPE etc) divided by average trade payables	(iv)	73.45	51.98	41.30%
h)	Net capital turnover ratio = sales divided by (current assets less current liabilities)		1.52	1.60	-4.97%
i)	Net profit ratio = Net profit after tax divided by sales	(iii)	2.77%	10.65%	-74.01%
j)	Return on capital employed = (earnings before finance cost, other income and taxes) divided by capital employed	(iii)	0.89%	11.56%	-92.29%

capital employed = total assets - current liabilities

Note: Reasons for change more than 25% is as under:

(i) Principal reason for change in the debt equity ratio is attributed to the increase in lease liabilities and availing of vehicle loan during the year ended 31 March 2023.

(ii) Principal reason for change in the debt service coverage ratio is attributed to decrease in earnings and increase in lease liabilities, borrowings during the year ended 31 March 2023.

(iii) Principal reason for change in the return on equity ratio / return on investment ratio / net profit ratio / return on capital employed is attributed to the increase in employee benefit expenses and other expenses resulting in decrease in profits reported during the year ended 31 March 2023 compared to the year ended 31 March 2022.

(iv) Principal reason for change in the trade payables turnover ratio is attributed to increase in expenses and decrease in trade payable balances during the year ended and as at 31 March 2023.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

Sanjay Kumar Jain
Partner
Membership No.: 207660

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Place: Hyderabad
Date: 24 May, 2023

Independent Auditor's Report

To the Members of Sagarsoft (India) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Sagarsoft (India) Limited ('the Holding Company') and ITCATS LLC, USA, its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, 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 the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Restatement of prior period financial statements

4. We draw attention to note 33 to the accompanying consolidated financial statements, which describes the restatements made to the comparative financial information for the year ended and as at 31 March 2022, in accordance with the principles of Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors, for correction of certain identified material prior period errors, which are further described in the aforesaid note. Our opinion is not modified in respect of this matter

Key Audit Matter

5. 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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The Group derives revenue primarily from staffing and information technology related services. Revenue is recognised as the related services are performed in accordance with contractual terms. The Group's invoicing cycle is on contractual predetermined dates and recognised as receivables based on customer acceptances for delivery of work / attendance of resources. There is a risk of revenue being overstated, resulting from pressure the management may feel to achieve the performance targets at the reporting end. Due to materiality of the amounts involved and above said considerations, revenue recognized from staffing and information technology related services is determined to be a key audit matter for the current year audit. Refer Note 2.2 (d) to the Consolidated Financial Statements – Summary of the significant accounting policies and Note 18 for the revenue recognized during the year.	Our audit included, but was not limited to, the following procedures: • Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 – Revenue from contracts with customers ('Ind AS 115'). • Evaluated the design, implementation and tested the operating effectiveness of key controls over revenue recognition. • Performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included master service agreements, customer approved timesheets, as appropriate. • Tested the completeness of revenue by mapping the cost incurred towards the billable resources working on various projects to the invoices billed / recognized during the year. • Performed other substantive audit procedures including obtaining trade receivables confirmations on a sample basis for balances outstanding as at the year end. • Evaluated the appropriateness and adequacy of the disclosures made in the consolidated financial statements with respect to revenue from sale of services in accordance with the requirements of applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or 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 Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the

companies included in the Group, covered under the Act are responsible for maintenance of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. 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 Standards on Auditing 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.

12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act 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 Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements 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 Board of Directors' 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

    - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements 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 financial statements of such entities included in the financial statements, of which we are the independent auditors.

13. 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.

14. 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.

15. 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.

Other Matter

16. The consolidated financial statements of the Group for the year ended 31 March 2022 were audited by the predecessor auditor, T Mohan & Associates who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 16 May 2022.

Report on other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Holding Company has paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order report issued by us, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

    g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us

    i. There were no pending litigations as at 31 March 2023 which would impact the consolidated financial position of the Group;

    ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

    iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company, during the year ended 31 March 2023;

    iv. a) The management of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in note 29(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b) The respective managements of the Holding Company has represented to us, to the best of their knowledge and belief, as disclosed in the note 29(ii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company, from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. As stated in note 25 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. The final dividend paid by the Holding Company during the year ended 31 March 2023 in respect of

such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN: 23207660BGYCIC3958

Place: Hyderabad
Date: 24 May, 2023

Annexure A to the Independent Auditor's Report of even date to the members of Sagarsoft (India) Limited on the consolidated financial statementsfor the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Sagarsoft (India) Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, which is a company covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Board of Directors of the Holding Company, which is a company covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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. 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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

5. 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 with reference to financial statements of the Holding Company, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, which is company covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN:23207660BGYCIC3958

Place: Hyderabad
Date: May 24, 2023

Consolidated Balance Sheet as at 31 March 2023

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022 (Restated)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	230.43	277.27
(b) Right-of-use asset	3	909.51	285.84
(c) Goodwill	36	868.64	868.64
(c) Financial assets			
(i) Other financial assets	4	38.83	63.04
(d) Other non current assets	9	19.43	-
(e) Deferred tax assets (net)	5	64.79	28.15
		2,131.63	**1,522.94**
Current assets			
(a) Financial assets			
(i) Trade receivables	6	3,296.58	3,880.72
(ii) Cash and cash equivalents	7	2,520.99	2,029.76
(iii) Bank balances other than above	7	45.67	37.37
(iv) Loans	8	1,307.93	812.55
(v) Other financial assets	4	98.41	73.62
(b) Current tax assets (net)		18.03	24.26
(c) Other current assets	9	134.06	123.18
		7,421.67	**6,981.46**
Total assets		**9,553.30**	**8,504.40**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	639.22	639.22
(b) Other equity	11	5,534.90	4,864.20
		6,174.12	**5,503.42**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	17	857.61	91.58
(b) Provisions		75.68	-
		933.29	**91.58**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	63.19	-
(ii) Lease liabilities	13	127.28	218.83
(iii) Trade payables	14		
- total outstanding dues of micro and small enterprises;		-	-
- total outstanding dues of creditors other than micro and small enterprises		1,222.75	836.08
(iv) Other financial liabilities	15	726.73	1,257.09
(b) Other current liabilities	16	138.58	412.21
(c) Provisions	17	54.56	37.65
(d) Current tax liabilities (net)		112.80	147.54
		2,445.89	**2,909.40**
Total equity and liabilities		**9,553.30**	**8,504.40**

The accompanying notes referred to above form an integral part of these Consolidated financial statements.

This is the Consolidated Balance sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 24 May, 2023

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Notes	For the year ended	
		31 March 2023	31 March 2022 restated
Income			
Revenue from operations	18	16,415.30	11,778.16
Other income	19	243.68	136.13
Total income		**16,658.98**	**11,914.29**
Expenses			
Employee benefit expenses	20	10,691.96	7,980.19
Finance costs	21	87.16	21.39
Depreciation and amortization expense	3	259.99	222.74
Other expenses	22	4,560.46	2,603.51
Total expenses		**15,599.57**	**10,827.83**
Profit before tax		**1,059.41**	**1,086.46**
Tax expense:	23		
Current tax expense		342.64	284.55
Deferred tax benefit		(47.37)	(6.52)
Prior period taxes		1.43	12.66
Total tax expense		**296.70**	**290.69**
Profit for the year		**762.71**	**795.77**
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of defined benefit plan		16.29	30.24
- Income tax relating to these items		(4.10)	(7.61)
(ii) Items that will be reclassified subsequently to profit or loss			
- Exchange differences on translation of foreign operations, net of tax		117.02	12.57
- Income tax relating to these items		(29.45)	-
Total other comprehensive income		**99.76**	**35.20**
Total comprehensive income for the year		**862.47**	**830.97**
Attributed to Owners of the Company			
Profit for the year		762.71	795.77
Other comprehensive income		99.76	35.20
Total comprehensive income		862.47	830.97
Earnings per equity share (EPES)	**24**		
Basic and Diluted EPES		11.93	12.99

The accompanying notes referred to above form an integral part of these Consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 24 May, 2023

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Consolidated Cash Flow Statement for the year ended 31 March 2023

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Cash flow from operating activities		
Profit /(Loss) before tax	**1,059.41**	**1,086.46**
Adjustments:		
Depreciation and amortization expenses	259.99	222.74
Finance costs	87.16	21.39
Profit / loss on sale of asset	15.57	-
Provision towards doubtful debts and bad debts written-off	41.27	-
Interest income	(142.06)	(97.23)
Operating profits before working capital changes	**1,321.34**	**1,233.36**
Movements in working capital:		
Changes in trade receivables	786.09	(1,242.29)
Changes in other assets	0.71	57.96
Changes in other liabilities	(912.08)	673.35
Changes in trade payables	304.43	(323.26)
Changes in provisions	108.89	24.83
Cash generated from/(used in) operating activities	**1,609.38**	**423.95**
Income-taxes paid	(433.24)	(203.62)
Net cash generated from/ (used in) operating activities (A)	**1,176.14**	**220.33**
Cash flows from investing activities		
Purchase of property, plant and equipment	(151.13)	(62.19)
Purchase of investments	-	(12.50)
Proceeds from sale of property, plant and equipment	9.02	-
Loan extended to related party	(500.00)	-
Interest income received	196.35	31.63
Net cash used in investing activities (B)	**(445.76)**	**(43.06)**
Cash flows from financing activities		
Proceeds from issue of equity shares	-	508.00
Proceeds from long-term borrowings	81.44	-
Repayment of long-term borrowings	(18.25)	-
Interest paid	(4.00)	-
Lease rental paid	(198.80)	(179.84)
Dividend paid	(191.77)	(139.01)
Net cash generated from, (used in) financing activities (C)	**(331.38)**	**189.15**
Net change in cash and cash equivalents during the year (A + B + C)	**399.00**	**366.42**
Effect of exchange rate changes on cash	92.23	12.06
Increase in cash balance on account of acquisition of a subsidiary	-	971.81
Cash and cash equivalents at the beginning of the year	2,029.76	679.47
Cash and cash equivalents at the end of the year (Note 1)	**2,520.99**	**2,029.76**
Note 1:		
Cash and cash equivalents includes		
Balances with banks in current accounts	1,989.08	1,013.18
Balances with banks in deposit accounts	530.80	1,015.81
Cash on hand	1.11	0.77
Total	**2,520.99**	**2,029.76**

The accompanying notes referred to above form an integral part of these Consolidated financial statements.

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 24 May, 2023

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

(All amounts in ₹ lakhs, except share data and where otherwise stated)

A. Equity Share Capital

Particulars	Notes	Number of shares	Amount
As at 1 April 2021		**55,60,000**	**556.00**
Changes in equity share capital	10	8,32,238	83.22
As at 31 March 2022		**63,92,238**	**639.22**
Changes in equity share capital	10	-	-
As at 31 March 2023		**63,92,238**	**639.22**

B. Other Equity (refer note 11)

Particulars	Reserves and Surplus		Other comprehensive income	Total
	Securities premium	Retained earnings		
Balance as at 1 April 2021	**456.00**	**1,685.57**	**-**	**2,141.57**
Profit for the year	-	795.77	-	795.77
Security premium on issue of equity shares	2,030.66	-	-	2,030.66
Other comprehensive income	-	22.63	12.57	35.20
Payment of dividend (₹ 2.50 per equity share)	-	(139.00)	-	(139.00)
Balance as at 31 March 2022	**2,486.66**	**2,364.97**	**12.57**	**4,864.20**
Profit for the year		762.71	-	762.71
Other comprehensive income		12.19	87.57	99.76
Payment of dividend (₹ 3 per equity share)		(191.77)	-	(191.77)
Balance as at 31 March 2023	**2,486.66**	**2,948.10**	**100.14**	**5,534.90**

The accompanying notes referred to above form an integral part of these Consolidated financial statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 24 May, 2023

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Summary of significant accounting policies and other explanatory information

1. Description of the Group

Sagarsoft (India) Limited ('the Holding Company', 'the Parent Company') together with its subsidiary (collectively referred as 'the Group', 'the Company') is engaged in the business of providing Staffing and Information technology related services. The shares of the Holding Company trade on the Bombay Stock Exchange. The registered office of the Holding Company is located office at Plot no 111, Road no 10, Jubilee hills, Hyderabad – 500033, Telangana, India

2. Basis of preparation of Consolidated Financial Statements

2.1 Statement of compliance

These Consolidated Financial Statements of the Group have been prepared in accordance with accounting principles generally accepted in India, Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presentation requirement of Division II of Schedule III to the Act, including the amendments to Schedule III notified by the Ministry of Corporate Affairs ("MCA") vide its notification dated 24 March 2021 and guidelines issued by the Securities Exchange Board of India ("SEBI").

These Consolidated financial statements have been prepared by the Group as a going concern based on relevant Ind-AS that are effective or elected for early adoption at the Group's annual reporting date, 31 March 2023. These Consolidated financial statements were authorised for issuance by the Group's Board of Directors on 24 May 2023.

These Consolidated financial statements have been prepared on historical cost convention, except for the following material items:

(a) Financial assets are measured at either at fair value or at amortised cost depending upon the classification.

(b) Employee defined benefits assets / (liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains, and the present value of the defined benefit obligations.

The Consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Parent Company. Control exists when the Parent Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet, respectively. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Parent Company.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the Parent Company's investment in each subsidiary and the Parent Company's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, plant and equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in ownership interests

Acquisition of some or all of the NCI is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the Parent company. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

Loss of Control

Upon loss of control, the Parent Company derecognises the assets and liabilities of the subsidiary, any NCIs and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of profit and loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, depending on the level of influence retained, it is accounted for as an equity-accounted investee or as an investment measured at fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") under Ind AS 109 "Financial Instruments".

List of entities included in the consolidated financial statements is as under:

Name of the entity	Relationship	Country of incorporation	Proportion of ownership interest as at	
			31 March 2023	31 March 2022
ITCATS LLC*	Subsidiary	USA	100%	100%

*Holding Company has acquired stake in the Subsidiary on 26 July 2021, accordingly, the figures for the year ended 31 March 2022 are not comparable.

b) Current vs non-current classification:

The Group presents assets and liabilities in the Consolidated balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading.
- Expected due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

c) Foreign currency transactions and balances

The Group's Consolidated financial statements are presented in Indian Rupees (₹), which is also its functional currency.

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at the functional currency spot rate of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Consolidated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Consolidated statement of profit and loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

d) Revenue recognition

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised services to the customers in an amount that reflects the consideration the Group expects to receive in exchange for those services ("transaction price"). When there exists uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured on the basis of transaction price, after deduction of any discounts and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sale of services

The contract with customer for staffing and IT related services, generally contains a single performance obligation and revenue is recognized over time based on satisfaction of performance criteria included in contractual arrangements with customers, measured at transaction price. The Group does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money. Refer note 18 for details.

The Group's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. Unbilled revenues are presented under trade receivables. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are in the nature of unbilled receivables, which arises when Group satisfies a performance obligation but does not have an unconditional right to consideration.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related services to the customer).

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included under other income in the Consolidated statement of profit and loss.

Dividend income

Dividend income is recognized when the Group's right to receive dividend is established.

e) Fair value measurement

The Group measures financial instruments at fair value at each Consolidated balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax is recognised in the Consolidated statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred 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 all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is recognised in the Consolidated statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

g) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition and location for the intended use. All other repair and maintenance costs are recognised in the Consolidated statement of profit and loss as incurred. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated statement of profit and loss when the asset is derecognised.

The following are the useful lives considered by the management:

Asset class	Useful life (in years)
Computers	3
Office equipment	5
Furniture and Fixtures	10
Vehicles	8

Depreciation is provided on the basis of straight-line method at the useful life and in the manner prescribed in Schedule II of the Companies Act, 2013 for assets held by the Holding Company. The subsidiary depreciates its assets over the estimated useful life of 5 to 7 years. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

h) Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the Right-of-use asset and Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the Right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

i) Business combinations and goodwill

Business combinations are accounted for using the acquisition method, regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Control exists when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The consideration transferred for the acquisition of a subsidiary is comprised of:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

At the acquisition date, the identifiable assets acquired, and liabilities and contingent liabilities assumed are, with limited exceptions, measured initially at their fair values. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Contingent consideration is classified either as equity or a financial liability. Contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity. Amounts classified as a financial liability are subsequently re-measured to fair value, with changes in fair value recognised in the consolidated statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of:

- the consideration transferred,
- the amount of any non-controlling interest in the acquired entity, and
- the acquisition-date fair value of any previous equity interest in the acquired entity.

over the fair value of the net identifiable assets acquired.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

j) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Consolidated statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Impairment of goodwill

Goodwill is not amortised but is reviewed for impairment at least annually. The Group estimates the value-in-use of the cash generating units (CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

k) Provision and contingencies

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities are identified and disclosed with respect to following:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because:

  it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  the amount of the obligation cannot be measured with sufficient reliability.
- Contingent assets are neither recognized nor disclosed, unless inflow of economic benefits is probable. However, when realization of income is virtually certain, related asset is recognized.

l) Employee benefits

Short term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the consolidated statement of profit and loss as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognised in the consolidated statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised immediately in the consolidated statement of profit and loss. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for defined benefit obligation and plan assets are recognised in OCI in the period in which they arise. The Company recognises gains or losses on the settlement of a defined benefit plan obligation when the settlement occurs.

Compensated absences

The Group operates a long-term leave encashment plan in India. Accrued liability for leave encashment including sick leave is determined on actuarial valuation basis using Projected Unit Credit (PUC) Method at the end of the year and provided completely in profit and loss account as per Ind AS - 19 "Employee Benefits". The Group presents the entire leave as a current liability in the Consolidated Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets, excluding trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at FVTOCI or FVTPL

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated statement of profit and loss. The losses arising from impairment are recognised in the Consolidated statement of profit and loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Consolidated statement of profit and loss, even on sale of investment. However, the Group transfers the cumulative gain or loss within equity.

De-recognition

A financial asset is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balances
- Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the Consolidated statement of profit and loss. The Consolidated balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Financial guarantee contracts: ECL is presented as a provision in the Consolidated balance sheet, i.e. as a liability.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Consolidated statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to the Consolidated statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated statement of profit and loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated statement of profit and loss.

This category generally applies to borrowings from banks.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash flow statement

The Consolidated cash flow statement is prepared in accordance with the Indirect method. Consolidated cash flow statement presents the cash flows by operating, financing and investing activities of the Group. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

p) Cash and cash equivalents

Cash and cash equivalent in the Consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Consolidated cash flow statement, cash and cash equivalents consist of cash at banks and on hand and deposits, as defined above, net of outstanding loans repayable on demand from banks as they are considered an integral part of the Group's cash management.

q) Cash dividends to equity holders

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable on distribution is recognised directly in equity.

2.3 Key accounting estimates, judgements and assumptions

The preparation of the Group's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a. Defined benefit plans and other long-term benefit plan

The cost and present value of the defined benefit gratuity plan and leave encashment (other long-term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long-term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b. Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Group.

c. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

(d) Expected credit loss on financial assets

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of the each reporting period.

(e) Impairment on Goodwill:

Goodwill recognized on business combination are tested for impairment at least annually or when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit (CGU) to which these pertain is less than the carrying value. The recoverable amount of the asset or the CGU is higher of value-in-use and fair value less cost of disposal. The calculation of value in use of a CGU involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

2.4 Standards and recent pronouncements issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Group is in the process of evaluating the impact of these amendments on the financial statements.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

3. Property, plant and equipment & Right-of-use assets

Particulars	Computers	Furniture and fixtures	Office Equipment	Vehicles	Total	Right-of-use assets
Gross Block						
Balance as at 1 April 2021	**766.10**	**467.35**	**266.28**	**84.05**	**1,583.78**	**529.00**
Acquired through business combination	8.27	0.43	12.40	-	21.10	-
Additions during the year	37.63	-	2.97	11.04	51.64	94.63
Effect of changes in foreign exchange rates	0.14	0.01	0.21	-	0.36	-
Balance as at 31 March 2022	**812.14**	**467.78**	**281.87**	**95.09**	**1,656.88**	**623.63**
Additions during the year	36.49	-	0.60	114.04	150.48	781.43
Effect of changes in foreign exchange rates	1.16	0.04	1.12	-	2.31	8.32
Disposals / retirements during the year	(678.67)	(115.55)	(84.41)	(138.39)	(1,017.02)	-
Balance as at 31 March 2023	**171.12**	**352.27**	**199.17**	**70.74**	**792.65**	**1,413.38**
Accumulated depreciation						
Upto 1 April 2021	**727.06**	**281.69**	**225.17**	**55.15**	**1,289.07**	**205.52**
Charge for the year	20.27	42.48	19.30	8.42	90.47	132.27
Effect of changes in foreign exchange rates	0.03	-	0.05	-	0.08	-
Upto 31 March 2022	**747.36**	**324.17**	**244.52**	**63.57**	**1,379.62**	**337.79**
Charge for the year	48.60	24.00	6.48	15.47	94.54	165.45
Effect of changes in foreign exchange rates	0.03	-	0.05	-	0.08	0.63
Adjustment for disposals / retirements	(678.67)	(115.55)	(84.41)	(33.79)	(912.00)	-
Upto 31 March 2023	**117.32**	**232.62**	**166.64**	**45.25**	**562.24**	**503.87**
Net book value as at 31 March 2022	**64.78**	**143.61**	**37.35**	**31.52**	**277.27**	**285.84**
Net book value as at 31 March 2023	**53.80**	**119.65**	**32.53**	**25.49**	**230.43**	**909.51**

Notes:

(i) The Group does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

(ii) There are no investment property and intangible assets as on 31 March 2023 and 31 March 2022.

(iii) The Group has not revalued its Property, Plant and Equipment (including Right-of Use Assets) based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

4. Other financial assets

Particulars	As at	
	31 March 2023	31 March 2022
Non-current		
Unsecured, considered good		
Security deposits	38.83	63.04
Total	**38.83**	**63.04**
Current		
Unsecured, considered good		
Interest receivable	13.86	68.15
Security deposits	4.54	5.47
Insurance claim receivable	36.91	-
Receivables from sale of property, plant and equipment	43.10	-
Total	**98.41**	**73.62**

5. Deferred tax assets, net

Particulars	As at	
	31 March 2023	31 March 2022
Deferred tax assets arising on account of:		
Property, plant and equipment	59.88	35.76
Provision for employee benefits	32.78	-
Others	18.33	-
Total	**110.99**	**35.76**
Deferred tax liabilities arising on account of:		
Provision for employee benefits	-	(7.61)
Foreign translation reserve	(29.45)	-
Others	(16.75)	-
Total	**(46.20)**	**(7.61)**
Total	**64.79**	**28.15**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Movement in deferred tax assets, net

Particulars	Property, plant and equipment	Provision for employee benefits	Provision for trade receivables	Others	Total
As at 1 April 2021	**33.10**	**(3.86)**	**-**	**-**	**29.24**
Credited					
- to statement of profit and loss	2.66	3.86	-	-	**6.52**
- to OCI	-	(7.61)	-	-	**(7.61)**
As at 31 March 2022	**35.76**	**(7.61)**	**-**	**-**	**28.15**
Credited					
- to statement of profit and loss					
- For the year ended 31 March 2023	20.48	31.49	-	(4.60)	**47.37**
- Pertaining to earlier years	3.64	13.00	-	6.18	**22.82**
- to OCI	-	(4.10)	(29.45)	-	**(33.55)**
As at 31 March 2023	**59.88**	**32.78**	**(29.45)**	**1.58**	**64.79**

6. Trade receivables

Particulars	As at	
	31 March 2023	31 March 2022
Unsecured, considered good	3,296.58	3,880.72
Unsecured, significant increase in credit risk	-	14.47
Unsecured, credit impaired	-	-
	3,296.58	**3,895.19**
Less: Allowance for expected credit loss	-	(14.47)
Total	**3,296.58**	**3,880.72**

(a) Trade receivables ageing schedule as at 31 March 2023:

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Unsecured, considered good	1,728.08	1,529.82	29.02	9.66	-	-	3,296.58
Unsecured, significant increase in credit risk	-	-	-	-	-	-	-
Unsecured, credit impaired	-	-	-	-	-	-	-
							3,296.58
Less : Allowance for credit loss	-	-	-	-	-	-	-
Total							**3,296.58**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(b) Trade receivables ageing schedule as at 31 March 2022:

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
Unsecured, considered good	2,303.14	1,529.36	9.97	38.25	-	-	3,880.72
Unsecured, significant increase in credit risk	-	-	0.89	13.58	-	-	14.47
Unsecured, credit impaired	-	-	-	-	-	-	-
							3,895.19
Less : Allowance for credit loss	-	-	-	-	-	-	(14.47)
Total							**3,880.72**

There are no disputed receivables outstanding as at 31 March 2023 and 31 March 2022.

(c) Movement in the allowance for trade receivables for the year ended 31 March 2023 and 31 March 2022 is as follows:

Particulars	For the year ended	
	31 March 2023	31 March 2022
Opening balance at beginning of the year	14.47	13.73
Provision made during the year	41.27	0.74
Bad debts written off during the year	(55.74)	-
Closing balance at end of the year	-	**14.47**

7. Cash and bank balances

Particulars		As at	
		31 March 2023	31 March 2022
(a)	**Cash and cash equivalents**		
	Balances with Banks		
	- In current accounts	1,989.08	1,013.18
	- Deposits with original maturity of less than three months	530.80	1,015.81
	Cash on hand	1.11	0.77
	Total	**2,520.99**	**2,029.76**
(b)	**Other bank balances**		
	Unpaid dividend account	45.67	37.37
	Total	**45.67**	**37.37**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

8. Loans

Particulars	As at	
	31 March 2023	31 March 2022
Current		
Unsecured, considered good		
Loans to related party (refer note (a))	1,300.00	800.00
Loans to employees	7.93	12.55
Total	**1,307.93**	**812.55**

(a) Represents unsecured working capital loan given to RV Consulting Services Private Limited (enterprise in which relative of a KMP exercise control), bearing an interest rate in the range of 7.50% - 8.50% per annum and repayable with-in 12 months from the date of disbursement. During the year, the Holding Company has renewed loan aggregating to ₹800 which had fallen due for repayment.

(b) No loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person, that are either (i) repayable on demand; or (ii) without specifying any terms or period of repayment.

9. Other assets

Particulars	As at	
	31 March 2023	31 March 2022
Non-current		
Unsecured, Considered good		
Prepaid rent	19.43	-
Total	**19.43**	**-**
Current		
Unsecured, Considered good		
Balances with government authorities	89.93	42.39
Prepaid expenses	43.72	36.31
Others	0.41	44.48
Total	**134.06**	**123.18**

10. Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
i. Authorised share capital				
Equity shares of ₹10 each	1,00,00,000	1,000	1,00,00,000	1,000
ii. Issued, subscribed and fully paid up				
Equity shares of ₹10 each	63,92,238	639.22	63,92,238	639.22
Total	**63,92,238**	**639.22**	**63,92,238**	**639.22**

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
iii. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
Equity shares of ₹10 each				
Balance at the beginning of the year	63,92,238	639.22	55,60,000	556.00
Add: Issued during the year	-	-	8,32,238	83.22
Balance at the end of the year	63,92,238	639.22	63,92,238	639.22

iv. Rights, preferences and restrictions attached to equity shares

The Company has only one class of issued, subscribed and paid up equity shares having a par value of ₹10 each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

v. Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number	% holding	Number	% holding
Name of the equity shareholders				
S Sreekanth Reddy	1,167,950	18.27%	1,167,950	18.27%
Satish Chander Reddy Kalva	632,238	9.89%	632,238	9.89%
Rachana Sammidi	646,574	10.11%	646,574	10.11%
The Madhavpura Mercantile Co-op. Bank Ltd	399,836	6.26%	399,836	6.26%

Aggregate number of equity shares issued for consideration other than cash:

During the year ended 31 March 2022, the Company has issued equity shares of ₹ 10 each to Mr. Satish Chander Reddy Kalva, against acquisition of stake in ITCATS LLC, USA aggregating to ₹ 6,32,238. The Company has not issued any equity shares pursuant to contract without payment being received in cash or by way of bonus shares or bought back any equity shares during the last five years preceding the balance sheet date, except as mentioned above.

vi. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Particulars	31 March 2023	31 March 2022
Equity shares of ₹10 each issued for acquisition of stake in ITCATS LLC, USA	6,32,238	6,32,238

vii. Shareholding of Promoters as at 31 March 2023

Name of the promoter*	As at 31 March 2023		As at 31 March 2022		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
S Sreekanth Reddy	1,167,950	18.27%	1,167,950	18.27%	0.00%
Rachana Sammidi	646,574	10.11%	646,574	10.11%	0.00%
Anand Reddy Sammidi	152,200	2.38%	152,200	2.38%	0.00%
Vanajatha Sammidi	147,100	2.30%	147,100	2.30%	0.00%
Malathi Reddy Wdaru	120,900	1.89%	120,900	1.89%	0.00%
Aruna Sammidi	118,400	1.85%	118,400	1.85%	0.00%
Madhavi Nadikattu	116,400	1.82%	116,400	1.82%	0.00%
Proddhutoori Sucharitha Reddy	105,200	1.65%	105,200	1.65%	0.00%
R V Consulting service private limited	100,700	1.58%	100,700	1.58%	0.00%
Siddarth Sammidi	90,100	1.41%	90,100	1.41%	0.00%
Aneesh Reddy Sammidi	90,100	1.41%	90,100	1.41%	0.00%
Proddhutoori Sudarshan Reddy	50,000	0.78%	50,000	0.78%	0.00%
Proddhutoori Rajith Reddy	50,000	0.78%	50,000	0.78%	0.00%
M Radhika Reddy	55,200	0.86%	55,200	0.86%	0.00%

vii. Shareholding of Promoters as at 31 March 2022

Name of the promoter*	As at 31 March 2022		As at 31 March 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
S Sreekanth Reddy	11,67,950	18.27%	11,67,950	21.01%	0%
Rachana Sammidi	6,46,574	10.11%	6,46,574	11.63%	0%
Anand Reddy Sammidi	1,52,200	2.38%	1,52,200	2.74%	0%
Vanajatha Sammidi	1,47,100	2.30%	1,47,100	2.65%	0%
Malathi Reddy Wdaru	1,20,900	1.89%	1,20,900	2.17%	0%
Aruna Sammidi	1,18,400	1.85%	1,18,400	2.13%	0%
Madhavi Nadikattu	1,16,400	1.82%	1,16,400	2.09%	0%
Proddhutoori Sucharitha Reddy	1,05,200	1.65%	1,05,200	1.89%	0%
R V Consulting service private limited	1,00,700	1.58%	700	0.01%	14285.71%
Siddarth Sammidi	90,100	1.41%	90,100	1.62%	0%
Aneesh Reddy Sammidi	90,100	1.41%	90,100	1.62%	0%

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Name of the promoter*	As at 31 March 2022		As at 31 March 2021		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Proddhutoori Sudarshan Reddy	50,000	0.78%	50,000	0.90%	0%
Proddhutoori Rajith Reddy	50,000	0.78%	50,000	0.90%	0%
M Radhika Reddy	55,200	0.86%	55,200	0.99%	0%

*Details of promoters are identified based on information submitted with the stock exchanges as per SEBI (LODR) Regulations, 2015 (as amended) and the Annual Returns filed in accordance with the provisions of Section 92 of the Act.

11. Other equity

Particulars	As at	
	31 March 2023	31 March 2022
Reserve and surplus		
Securities premium	2,486.66	2,486.66
Retained earnings	2,948.10	2,364.97
Total	**5,434.76**	**4,851.63**
Other comprehensive income		
Foreign currency translation reserve ('FCTR')	100.14	12.57
Total	**5,534.90**	**4,864.20**

Nature and purpose of reserves

Securities premium

The amount received in excess of face value of the equity shares is recognised in the securities premium. This reserve will be utilised in accordance with the provisions of Section 52 of the Act.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to the shareholders.

FCTR

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

12. Borrowings

Particulars	As at	
	31 March 2023	31 March 2022
Secured - Term loans		
Vehicle loans from banks	63.19	-
Total	**63.19**	-
Current borrowings	63.19	-
Non-current borrowings	-	-

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Details of secured vehicle loans

Vehicle loan availed from a bank is fully secured by way of hypothecation of specific vehicle (including insurance claim receivable and proceeds from sale of the specific vehicle) against which the said loan was availed. The loan carries an interest rate of 7.35% per annum and is repayable in 39 equal monthly installments starting from July 2022. The Holding Company has prepaid this loan on 16th May, 2023.

Reconciliation of liabilities arising from financial activities

Particulars	Borrowings		Interest accured but not due	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Balance at beginning of the year	-	-	-	-
Cash inflows	81.44	0.00	4.00	0.00
Cash outflows	(18.25)	0.00	(4.00)	0.00
Balance at end of the year	**63.19**	-	-	-

13. Leases

1. The Holding Company has lease arrangements for its corporate office premises located in Hyderabad. The lease has original terms for a period of 7 years with multiyear renewal option at the discretion of lessee. The agreements entered into by the Holding Company have rent escalation of 5%. There are no residual value guarantees provided by the third parties.

2. The Subsidiary has lease arrangements for its office premises located in New Jersey. The lease has original terms for a period of 2 years with renewal option at the discretion of lessee. There are no residual value guarantees provided by the third parties."

The movement is lease liabilities is as follows:

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	310.41	374.30
Additions during the year	781.43	-
Acquired through business combination	-	94.56
Finance cost accrued during the year	83.16	21.39
Payment of lease liabilities	(198.80)	(179.84)
Foreign current translation adjustment	8.69	-
Lease liabilities at the end of the year	**984.89**	**310.41**
Current lease liabilities	127.28	218.83
Non-current lease liabilities	857.61	91.58

(a) The details of contractual maturities of lease liabilities on an undiscounted basis is as follows:

Particulars	31 March 2023	31 March 2022
Less than one year	203.38	216.50
one to five years	1,049.81	103.66
More than five years	-	-
Total	**1,253.20**	**320.16**

(b) Following amount has been recognized in statement of profit and loss:

Particulars	31 March 2023	31 March 2022
Depreciation/amortisation on right to use asset	165.45	132.27
Interest on lease liability	83.16	21.39
Expenses related to short term lease (included under other expenses)	13.37	-
Total amount recognized in the statement of profit and loss	**261.98**	**153.66**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

14. Trade payables

Particulars	As at	
	31 March 2023	31 March 2022
Total outstanding dues of micro and small enterprises ("MSME")	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,222.75	836.08
Total	**1,222.75**	**836.08**

(a) Trade payables ageing schedule :

Particulars	As at 31 March 2023		As at 31 March 2022	
	Dues to MSME	Dues to other creditors	Dues to MSME	Dues to other creditors
Undisputed dues outstanding for following periods from due date of payment				
Less than 1 Year	-	930.34	-	769.10
1-2 Years	-	220.17	-	0.58
2-3 Years	-	-	-	4.52
More Than 3 Years	-	72.24	-	61.88
Total	**-**	**1,222.75**	**-**	**836.08**

Note: There are no outstanding disputed dues payable as at 31 March 2023 and 31 March 2022.

(b) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Company. Disclosures in respect of the amounts payable to such parties are given below:

Particulars	As at	
	31 March 2023	31 March 2022
(i) The principal amount remaining unpaid as at the end of the year	-	-
(ii) The amount of interest accrued and remaining unpaid on (i) above	-	-
(iii) Amount of interest paid by the Company in terms of Section 16, of the MSMED Act, 2006 along with the amounts of payments made beyond the appointed date during the year.	-	-
(iv) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
(v) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

(All amounts in ₹ lakhs, except share data and where otherwise stated)

15. Other current financial liabilities

Particulars	As at	
	31 March 2023	31 March 2022
Employee related payables	572.29	874.13
Unclaimed dividend	45.67	37.37
Provision for expenses	108.77	345.59
Total	**726.73**	**1,257.09**

16. Other current liabilities

Particulars	As at	
	31 March 2023	31 March 2022
Statutory dues payable	130.77	147.68
Other advances	7.81	3.59
Advance from customer*	-	260.94
Total	**138.58**	**412.21**

* The Group has entered into agreements with customers for rendering of services. The Group has identified these performance obligations and recognised the same as contract liabilities in respect of contracts, where the Group has obligation to perform the specified services to a customer for which the consideration has been received. During the year ended 31 March 2023, revenue recognised from amount included in contract liability at the beginning of year is ₹260.94 (31 March 2022: ₹Nil).

17. Provisions

Particulars	As at	
	31 March 2023	31 March 2022
Non Current		
Gratuity	75.68	-
Total	**75.68**	-
Current		
Compensated absences	54.56	37.65
Total	**54.56**	**37.65**

18. Revenue from operations

Particulars	For the year ended	
	31 March 2023	31 March 2022
Staffing and Information technology related services	16,415.30	11,778.16
Total	**16,415.30**	**11,778.16**
(i) Reconciliation of transaction price and amounts allocated to performance obligations:		
Revenue at contracted prices	16,415.30	11,778.16
Less: Adjustments	-	-
Total revenue from contracts with customers	**16,415.30**	**11,778.16**
(ii) Revenue disaggregation geography wise is as follows:		
India	62.24	51.00
United States of America	16,353.06	11,727.16
Total	**16,415.30**	**11,778.16**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

19. Other income

Particulars	For the year ended	
	31 March 2023	31 March 2022
Interest income on financial assets carried at amortized cost	142.06	97.23
Gain on foreign exchange fluctuation	90.73	35.97
Other non operating income	10.89	2.93
Total	**243.68**	**136.13**

20. Employee benefit expenses

Particulars	For the year ended	
	31 March 2023	31 March 2022
Salaries and other benefits	9,925.33	7,576.08
Contribution to provident and other funds (refer note a below)	430.09	260.10
Gratuity expense	164.68	37.32
Staff welfare expenses	171.86	106.69
Total	**10,691.96**	**7,980.19**

(a) The amount recognized as an expense towards contribution to provident fund and employee state insurance scheme by the Holding Company for the year ended 31 March 2023 amounts to ₹211.61 (31 March 2022: ₹139.60).

(b) In the United States, the Subsidiary sponsors a defined contribution 401(k) retirement savings plan for all eligible employees. The Subsidiary has contributed ₹218.48 and ₹120.50 to the 401(k) retirement savings plan during the years ended 31 March 2023 and 31 March 2022, respectively. The Subsidiary has no further obligations under the plan beyond its monthly matching contributions.

21. Finance costs

Particulars	For the year ended	
	31 March 2023	31 March 2022
Interest on borrowings measured at amortized cost	4.00	-
Interest on lease liabilities	83.16	21.39
Total	**87.16**	**21.39**

22. Other expenses

Particulars	For the year ended	
	31 March 2023	31 March 2022
Professional and consultancy charges	3,844.32	2,212.76
Rent, rates and taxes	175.71	94.24
Office maintenance	74.65	68.09
CSR contribution (refer note(ii) below)	13.73	13.69
Communication expenses	30.80	45.04
Electricity charges	8.19	6.72

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Travelling and conveyance expense	110.65	81.77
Printing and stationery	4.41	9.92
Sitting fees	14.60	3.10
Auditors remuneration (refer note (i) below)	39.54	2.25
General Exps	10.18	-
Insurance	14.37	22.82
Advertisement charges	32.24	19.35
Interest & Bank Charges	87.64	20.28
Provision towards doubtful debts and bad debts written off	41.27	0.74
Other expenses	5.71	2.74
Assets written-off	36.88	-
Loss on sale of property, plant and equipment, net	15.57	-
Total	**4,560.46**	**2,603.51**

(i) Details of payments to auditors:

Particulars	For the year ended	
	31 March 2023	31 March 2022
As auditor:		
- Statutory audit fees (including reimbursement of expenses)	18.37	1.00
- Tax audit fee	-	0.50
- Limited review fee	21.17	0.75
In other capacities	-	-

(ii) Details of CSR expenditure:

Particulars		For the year ended	
		31 March 2023	31 March 2022
(a)	Gross amount required to be spent during the year	11.87	12.76
(b)	Amount spent during the year	-	-
	i) Construction/ acquisition of any asset	-	-
	ii) on purposes other than (i) above	12.06	12.94
(c)	Shortfall at the end of the year	-	-
(d)	Total of previous years shortfall	-	-
(e)	Reason for shortfall	NA	NA
(f)	Nature of CSR activities	Health and education promotion	
(g)	Details of related party transactions	-	-
(h)	Provision made during the year	-	-

(All amounts in ₹ lakhs, except share data and where otherwise stated)

23. Income tax

The major components of income tax expense/(benefit) and the reconciliation between expected tax expense based on the domestic effective tax rate of the Company at 25.17% (31 March 2022: 25.17%) and the reported tax expense/(benefit) in the statement of profit and loss is as follows:

Income tax expense reported in the statement of profit and loss

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current income tax	342.64	284.55
Deferred tax benefit	(47.37)	(6.52)
Tax for earlier period /year	1.43	12.66
Total	**296.70**	**290.69**

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For the year ended	
	31 March 2023	31 March 2022
Profit before tax	**1,059.41**	**1,086.46**
Enacted tax rate in India - 25.17% (31 March 2022: 25.17%)	266.65	273.46
Tax effect of amounts which are not deductible / taxable in calculating taxable income:		
Tax of earlier years	1.43	12.66
Effect of expenses not deductible under the IT Act, 1961	13.37	3.26
Differences between Indian and foreign tax rates	15.46	3.44
Other adjustments	(0.21)	(2.13)
Total	**296.70**	**290.69**

24. Earnings per equity share

Particulars	For the year ended	
	31 March 2023	31 March 2022
Profit for the year	762.71	795.77
Weighted average number of equity shares outstanding during the year	63,92,238	61,27,746
Earnings per equity share (in absolute ₹ terms):		
Nominal value per equity share	10.00	10.00
Basic and Diluted EPES	11.93	12.99

25. Dividend

Dividend amount per equity share proposed or declared in accordance with the provisions of Section 123 of the Act is as follows:

Particulars	For the year ended	
	31 March 2023	31 March 2022
Proposed final dividend on equity shares of ₹ 10 each *		
Per equity share (in absolute ₹ terms)	2.00	3.00
Amount	**127.84**	**191.77**

*The proposed final dividend, is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company and accordingly not recognized as a liability in accordance with the applicable accounting principles.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

26. Categories of Financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Trade receivables	-	-	3,296.58	-	-	3,880.72
Cash and bank balances	-	-	2,566.66	-	-	2,067.13
Loans	-	-	1,307.93	-	-	812.55
Other financial assets	-	-	137.24	-	-	136.66
Total	**-**	**-**	**7,308.41**	**-**	**-**	**6,897.06**

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	63.19	-	-	-
Lease liabilities	-	-	984.89	-	-	310.41
Trade payables	-	-	1,222.75	-	-	836.08
Other financial liabilities	-	-	726.73	-	-	1,257.09
Total	**-**	**-**	**2,997.56**	**-**	**-**	**2,403.58**

The fair value of the financial assets and financial liabilities are included at an amount at which the instruments could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

27. Financial risk management objectives and policies

Financial Risk Management Framework

The Board of Directors is responsible for developing and monitoring the Group's risk management policies.
The Group’s principal financial liabilities comprises of borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the operations. The Group’s principal financial assets include loans, trade receivables and cash and bank balances that the Group derives directly from its operations.

The Group is exposed primarily to credit risk, liquidity risk and market risk, which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, balances with banks and loan and other receivables.

Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and bank balances and loans. None of the financial instruments of the Company result in material concentration of credit risk.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹7,308.41 and ₹6,897.06 as of 31 March 2023 and 31 March 2022 respectively, being the total of the carrying amount of financial assets.

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents were either past due or impaired as at 31 March 2023 and 31 March 2022. The Group has diversified its portfolio of investment in cash and cash equivalents and term deposits with various banks which have secure credit ratings, hence the risk is reduced. Loans given to related parties are tested for impairment where there is an indicator. Other financial assets represent security deposits given to lessors and other assets. Credit risk associated with such deposits and other assets is relatively low.

Financial assets that are past due but not impaired

The Group's credit period for customers generally ranges between 30-60 days. Ageing of trade receivables that are past due but not impaired is as under:

Particulars	As at	
	31 March 2023	31 March 2022
Past due not impaired:		
0 - 30 days	-	-
More than 30 days	383.01	765.61
Total	**383.01**	**765.61**

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each balance sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix and loans if they past due. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information. Based on such data, loss on collection of receivable is not material, hence no additional provision considered.

B. Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining cash and cash equivalents and the cash flows generated from operations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2023	On demand	Up to 1 year	More than 1 year	Total
Lease liabilities	-	203.38	1,049.81	1,253.20
Borrowings	-	63.19	-	63.19
Trade payables	-	1,222.75	-	1,222.75
Other financial liabilities	-	726.73	-	726.73
Total	**-**	**2,216.05**	**1,049.81**	**3,265.87**

As at 31 March 2022	On demand	Up to1 year	More than 1 year	Total
Lease liabilities	-	216.50	103.66	320.16
Trade payables	-	836.08	-	836.08
Other financial liabilities	-	1,257.09	-	1,257.09
Total	**-**	**2,309.67**	**103.66**	**2,413.33**

C. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i. Foreign exchange risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The majority of Holding Company's revenue is generated in US dollars, as a result, as the rupee appreciates or depreciates against foreign currencies, the results of the entity's operations are impacted.

(a) Significant foreign currency risk exposure relating to financial assets expressed in ₹ terms are as follows:

Particulars	31 March 2023	31 March 2022
Trade receivables		
- USD	630.53	1,001.11

(b) Foreign currency sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in USD, with all other variables held constant:

Particulars	Impact on profit after tax for the year ended	
	31 March 2023	31 March 2022
USD sensitivity		
₹/USD - Increase by 5%	23.59	37.46
₹/USD - Decrease by 5%	(23.59)	(37.46)

ii 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 Group's investments and borrowings are fixed interest rate bearing instruments. Therefore, the Group is not exposed to interest rate risk.

28. Capital risk management

Capital includes equity capital and all other reserves attributable to the equity holders of the parent. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value. The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, company may adjust the dividend payment to shareholders return capital to shareholders or issue new shares.

The Group monitors capital using a debt to capital employed ratio which is debt divided by total capital plus debt. The Group's policy is to keep this ratio at an optimal level to ensure that the debt related covenants are complied with.

Particulars	As at	
	31 March 2023	31 March 2022
Debt (includes lease liabilities)	1,048.08	310.41
Less: Cash and cash equivalents (note 6)	(2,520.99)	(2,029.76)
Net debt (A)	**-**	**-**
Total equity (B)	**6,174.12**	**5,503.42**
Net debt to equity ratio (%) (A) + (B)	6,174.12	5,503.42
Gearing ratio	0.00%	0.00%

(All amounts in ₹ lakhs, except share data and where otherwise stated)

29. Disclosure pursuant to requirements of Rule 11(e) (i) & (ii) of the Companies (Audit and Auditors) Rules

(i) 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(ii) The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

30. Contingent liabilities and Commitments

There are no contingent liabilities and outstanding commitments as at 31 March 2023 and 31 March 2022

31. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
S Sreekanth Reddy M Jagadeesh K Pradeep Kumar Reddy K Roopesh	Key Managerial Personnel ("KMP")
Savyasachi Constructions Private Limited Sapplica Info Technologies Private Limited Sagar Cements Limited Amicus systems R V Consulting Services Private Limited Sagar Power Limited Sagarsoft Inc, USA	Enterprises where KMP along with their relatives exercise significant influence
K. Satish Chander Reddy Nalamati Harimohan Neelima Kaushik V. Ramananda Rao V. Venkat Ramana Keerthi Anantha	Non-executive Directors
Dr. S. Anand Reddy S. Vanajatha	Relatives of KMP

(b) Transactions with related parties

Particulars		For the year ended	
		31 March 2023	31 March 2022
(i)	**Remuneration paid**		
	M Jagadeesh	76.89	72.00
	K Pradeep Kumar Reddy	76.89	72.00
	K Roopesh	194.88	109.28
(ii)	**Loans granted**		

Particulars		For the year ended	
		31 March 2023	31 March 2022
	R V Consulting Services Private Limited	500.00	800.00
(iii)	**Rent paid**		
	Dr. S. Anand Reddy	64.60	64.60
	S. Vanajatha	64.60	64.60
	S Sreekanth Reddy	64.60	64.60
(iv)	**Consultancy income**		
	Sagarsoft Inc, USA	3,026.76	3,473.14
	Amicus Systems	53.69	350.27
	Sagar Cements limited	57.00	51.00
(v)	**Operating expenses**		
	Savyasachi Constructions Private Limited - Maintainence charges	32.94	32.08
	Sagar Cements Limited - Power expenses	8.19	6.72
	Amicus Systems Inc - Consultancy expense	583.93	663.88
	Sagarsoft Inc, USA - Consultancy expense	108.03	206.43
(vi)	**Interest income on loans**		
	R V Consulting Services Private Limited	97.69	64.00
(vii)	**Transactions with Non-Executive Director**		
	Sitting fee	14.60	3.10

Note:

(i) The Company has allotted equity shares of ₹10 each at a premium of ₹ 244 per equity share to the below related parties through preferential issue.

Particulars	31 March 2023	31 March 2022
	No. of equity shares allotted	
R V Consulting Services Private Limited	-	1,00,000
Sapplica Info Technologies Private Limited	-	1,00,000

(ii) KMP's are covered by the Holding Company's Mediclaim insurance policy and are eligible for gratuity along with other employees of the Holding Company. The proportionate premium paid towards this policy and provision made for gratuity pertaining to the KMP's has been included in the aforementioned disclosures.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(c) Balance receivable / (payable)

Particulars	As at	
	31 March 2023	31 March 2022
Trade receivables		
Sagarsoft Inc, USA	685.33	570.48
Amicus Systems Inc	4.76	63.75
Sagar Cements Limited	5.13	-
Other financial liabilities		
M Jagadeesh	(4.89)	(8.00)
K Pradeep Kumar Reddy	(4.89)	(8.00)
K Roopesh	(15.06)	-
Trade payables		
Amicus Systems Inc	(433.98)	(435.28)
Sagarsoft Inc, USA	(152.40)	(188.84)
Loan and interest receivable on loans advanced		
R V Consulting Services Private Limited	1,300.00	861.20

32. Gratuity

The Holding Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/ exit, restricted to a sum of ₹20 in accordance with Payment of Gratuity Act, 1972. The Holding Company maintains its investments with Life Insurance Corporation of India, to fund its gratuity plan.

Sl No.	Particulars	31 March 2023	31 March 2022
(i)	**Change in projected benefit obligation**		
	Projected benefit obligation at the beginning of the year	220.67	195.75
	Service cost	44.27	32.61
	Past Service Cost	123.67	-
	Interest cost	14.69	13.05
	Actuarial loss - experience assumptions	(11.79)	(7.06)
	Actuarial gain - financial assumptions	(6.28)	-
	Benefits paid	(40.60)	(13.68)
	Projected benefit obligation at the end of the year	**344.64**	**220.67**
(ii)	**Change in plan assets**		
	Fair value of plan assets at the beginning of the year	236.89	186.92
	Contribution made during the year	56.50	34.70
	Interest income on plan assets	17.95	13.64
	Actuarial loss	(1.78)	15.31
	Benefits paid	(40.60)	(13.68)
	Fair value of plan assets at the end of the year	**268.96**	**236.89**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Sl No.	Particulars	31 March 2023	31 March 2022
(iii)	**Reconciliation of present value of benefit obligation and plan assets**		
	Present value of projected benefit obligation at the end of the year	344.64	220.67
	Funded status of the plan	(268.96)	(236.89)
	Net liability / (asset) recognised in the balance sheet	**75.68**	**(16.22)**
(iv)	**Expense recognized in the statement of profit and loss**		
	Interest cost	14.69	13.05
	Service cost	44.27	32.61
	Past Service cost	123.67	-
	Interest income on plan assets	(17.95)	(13.64)
		164.68	**32.02**
(v)	**Expense recognized in OCI**		
	Actuarial loss, net	16.29	22.37
		16.29	**22.37**
(vi)	**Key actuarial assumptions**		
	Discount rate	7.50%	7.33%
	Salary escalation rate	5.00%	5.00%
	Withdrawal rate	2.00%	2.00%
	Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
	Retirement age	58 Years	58 Years
	The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
(vii)	**Maturity profile of defined benefit obligation:**		
	Within one year	19.75	8.64
	Within two to five years	68.75	34.07
	More than five years	806.04	113.97
	Total	**894.54**	**156.68**
		11.92 years	12.52 years

32. Gratuity (continued)

(viii) Sensitivity analysis

Particulars	31 March 2023	31 March 2022
	No. of equity shares allotted	
Discount rate (+ 1% movement)	310.85	197.92
Discount rate (- 1% movement)	384.07	247.35
Salary escalation (+ 1% movement)	374.14	246.07
Salary escalation (- 1% movement)	315.15	197.87

(ix) The Company expects to contribute `Nil towards gratuity within one year from the year ended 31 March 2023 and 31 March 2022.

Risk exposures:

Valuation are based on certain assumptions, which are dynamic in nature and may vary over time. As such valuations of the Company is exposed to following risks -

a) Salary escalation: Higher than expected increases in salary will increase the defined benefit obligation.

b) Discount rate: The defined benefit obligation calculated use a discount rate based on government bonds. If bond yield fall, the defined benefit obligation will tend to increase.

c) Mortality rate: If the actual death cases are lower or higher than assumed in the valuation, it can impact the defined benefit obligation.

d) Withdrawals: If the actual withdrawal are higher or lower than the assumed withdrawals or there is a change in withdrawal rates at subsequent valuations, it can impact defined benefit obligation

33. Restatement of financial statements

During the year ended 31 March 2023, the management on the basis of its internal assessment, has reclassified and made adjustments to the following account balances in the Balance Sheet and Statement of Profit and Loss for compliances with the recognition, measurement, presentation and disclosure requirements of Ind AS:

(i) Balance Sheet as at 31 March 2022

Particulars	Notes	31 March 2022 Published	Adjustments	31 March 2022 Restated
ASSETS				
Non-current assets				
Right of use of assets	(a)	191.28	94.56	285.84
Loans	(b)	875.59	(875.59)	-
Other financial assets	(b)	-	63.04	63.04
Income tax assets (net)	(c)	150.00	(150.00)	-
Current assets				
Loans	(b)	-	812.55	812.55
Other financial assets	(d)	16.26	57.36	73.62
Current tax assets (net)	(c),(e)	-	24.26	24.26
Other current assets	(d),(e)	219.96	(96.78)	123.18

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Notes	31 March 2022 Published	Adjustments	31 March 2022 Restated
LIABILITIES				
Non-current liabilities				
Lease liabilites	(a), (g)	194.46	(102.88)	91.58
Provisions	(h)	31.27	(31.27)	-
Current liabilities				
Lease liabilites	(a), (g)	21.39	197.44	218.83
Trade payables				
- total outstanding dues of creditors other than MSME	(k)	512.12	323.96	836.08
Other financial liabilities	(i) (k)	-	1,257.09	1,257.09
Other current liabilities	(i),(j),(l)	1,933.59	(1,521.38)	412.21
Provisions	(h),(i),(j)	167.16	(129.51)	37.65
Current tax liabilities (net)	(c),(f),(l)	211.60	(64.06)	147.54

(ii) Profit and Loss account for the year ended 31 March 2022

Particulars	Notes	31 March 2022 Published	Adjustments	31 March 2022 Restated
Expenses				
Employee compensation expense	(m)	7,231.19	749.00	7,980.19
Finance cost	(m)	-	21.39	21.39
Other expense	(m)	3,373.92	(770.41)	2,603.51

(iii) Restatement in the Earnings per Share

Particulars	Year ended 31 March 2022 Published	Year ended 31 March 2022 Restated
Earnings per equity share ("EPES")		
Basic and Diluted EPES (in absolute `terms)	13.35	12.99

(iv) Cash Flow Statement for the year ended 31 March 2022

Particulars	Year ended 31 March 2022 Published	Adjustments	Year ended 31 March 2022 Restated
Net cash generated used in operating activities	63.62	156.71	220.33
Net cash used in investing activities	(1,670.02)	1,626.96	(43.06)
Net cash generated from financing activities	1,974.88	(1,785.73)	189.15
Net change in cash and cash equivalents	**368.48**	**(2.06)**	**366.42**

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Year ended 31 March 2022 Published	Adjustments	Year ended 31 March 2022 Restated
Cash and cash equivalents at the beginning of the period	1,698.64	(1,019.17)	679.47
Increase in cash balance on account of acquisition of a subsidiary	-	971.81	971.81
Effect of exchange rate changes on cash	-	12.06	12.06
Cash and cash equivalents at the end of the year	2,067.12	(37.36)	2,029.76

Notes: Represents

(a) In accordance with the requirements of IND AS 116, ROU (Right of Use) asset and lease liabilities for premises taken on lease by the subsidiary, amounting to ₹94.55, has been recognized.

(b) Reclassification of loans to related party and employees to the tune of ₹800 and ₹12.55 respectively from non-current loans to current loans; security deposits aggregating to ₹63.04 from non-current loans to non-current other financial assets.

(c) Non-current income tax assets amounting to ₹150 is adjusted against the provision for income tax payable and the net balance is disclosed under 'current tax liability (net)' or 'current tax assets (net)'.

(d) Reclassification of interest receivable amounting to ₹68.14 from other current assets to other current financial assets and reclassification of prepaid rent amounting to ₹10.78 from other current financial asset to other current asset.

(e) Reclassification of income tax assets amounting to ₹39.42 from other current assets to current tax assets (net).

(f) Reclassification of current tax asset in the tune of ₹0.41 to current tax liability to present current tax asset (net).

(g) Reclassification of lease liability amounting to ₹172.53 from non-current lease liability to current lease liabilities.

(h) Reclassification of provision from leave encashment aggregating to ₹31.27 from long-term provisions to short-term provisions.

(i) Reclassification of unpaid dividend, employee payables and provisions for expenses amounting to ₹1,502.11 from other current liabilities to other current financial liabilities and provision for expense aggregating to ₹78.94 from short-term provisions to other current financial liabilities.

(j) Reclassification of statutory liabilities amounting to ₹81.84 from short-term provisions to other current liabilities.

(k) Reclassification of intercompany adjustment amounting to ₹323.96 from trade payables to other current financial liabilites

(l) Reclassification of corporate tax payable amouting to ₹101.10 from other current liabilites to current tax liabilities (net).

(m) Reclassification of expense in the nature of employee compensation amounting to ₹749.00 and finance cost amounting to ₹21.39 from other expense to employee compensation expense and finance cost respectively.

34. Operating Segments

The Group is engaged in providing Staffing and Information Technology related services to its customers in India and Overseas, which is being considered as a single reportable business segment.

Geography-wise details of the Group's revenues from external customers is disclosed in note 18(ii). Details of Group's non-current assets (other than financial instruments and deferred tax assets) and revenue from major customers are given below:

(i) Non-current assets (other than financial instruments and deferred tax assets)

Particulars	As at 31 March 2023	As at 31 March 2022
India	1,927.67	1,321.30
USA	100.34	110.45
Total	**2,028.01**	**1,431.75**

(ii) Major customers

The Group has two customers who contributed more than 10% of the Group's total revenue during the current year and previous year. The revenue from such major customers aggregated to ₹8,298.84 (31 March 2022: ₹5,238.19).

35. Additional disclosures

(i) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Group has not taken borrowings from banks or financial institutions on the basis of security of current assets.

(iii) The Group has not been declared wilful defaulter by any bank or financial Institution or other lender.

(iv) No transactions are carried out with companies struck off under section 248 of the Act or section 560 of Companies Act, 1956.

(v) No charges or satisfaction yet to be registered with ROC beyond the statutory period.

(vi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

(viii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

36. Business Combination

In July 2021, the Holding Company had acquired 100% stake in ITCATS LLC, USA. The subsidiary is in the business of providing staffing and Information Technology related services to its customers in United States of America.

a) Quantitative details of shares acquired and purchase consideration

Particulars	As at 31 March 2023
% of Voting equity instruments acquired	100%
Description of control over the acquiree	Wholly-owned subsidary
Purchase consideration (in ₹ lakhs) *	1,605.88
*discharged by allotting 632,238 equity shares of ₹10 each of Holding Company	

b) Disclosure related to net assets acquired in business combination:

Particulars	Amount
Assets aquired	
Property plant and equipment	21.10
Trade receivables	1,779.44
Cash and cash equivalents	971.81
Other assets	28.11
Total	**2,800.46**
Liabilities assumed	
Trade payables	(1,163.04)
Other liabilities	(900.18)
Total	**(2,063.22)**
Total net assets	737.24
Goodwill recognized	**868.64**

Goodwill of ₹868.64 consists largely of the synergies and economies of scale expected from the acquired business, together with the value of the workforce acquired.

c) Disclosure related to combined entity's revenue and profits as if the acquisition had been done at beginning of the period

Particulars	Amounts for the year ended 31 March 2022	Pre-acquisition period revenue / profit	Consolidated amounts as if the acquisition had been done at the beginning of the year
Revenue from operations	11,778.16	2,880.24	14,658.40
Profit for the year	795.77	108.77	904.54

d) Impairment assessment

Goodwill arising upon business combinations is not amortised but tested for impairment at least annually or more frequently if there is any indication that the cash generating unit to which goodwill is allocated is impaired. For the purposes of impairment testing, carrying amount of goodwill has been allocated to the following Cash Generating Unit (CGU) as follows:

Particulars	As at 31 March 2023	As at 31 March 2023
Business acquired of ITCATS LLC, USA		
Opening balance	868.64	-
Additions during the year	-	868.64
Impaired during the year	-	-
Closing balance	**868.64**	**868.64**

"The recoverable amount of goodwill has been assessed using a value-in-use model. Value in use is calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. The cash flow projections include specific estimates for five years developed using internal forecasts and a terminal growth rate thereafter of 3.70% per annum, discounted using weighted average cost of capital of 54.86%. The planning horizon reflects the assumptions for short-to-mid term market developments which are based on key assumptions such as margins, expected growth rates based on past experience, new product launches and management's expectations / extrapolation of normal increase / steady terminal growth rate. Discount rate reflects the current market assessment of the risks.

The management believes that any reasonable possible change in the key assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit."

37. Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act.

Particulars	Parent Company		Foreign Subsidiary		Eliminations		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Net assets	5,176.93	5,219.57	1,773.39	1,033.58	(776.20)	(749.73)	6,174.12	5,503.42
As a % of consolidation net assets	83.85%	94.84%	28.72%	18.78%	-12.57%	-13.62%	100.00%	100.00%
Share in profit or loss	136.94	524.49	635.96	271.24	(10.19)	0.04	762.71	795.77

Particulars	Parent Company		Foreign Subsidiary		Eliminations		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
As a % of consolidation profit or loss	17.95%	65.91%	83.38%	34.09%	-1.34%	0.01%	100.00%	100.00%
Share of OCI	12.19	22.63	-	-	87.57	12.57	99.76	35.20
As a % of OCI	12.22%	64.29%	0.00%	0.00%	87.78%	35.71%	100.00%	100.00%
Share of total comprehensive income	149.13	547.12	635.96	271.24	77.38	12.61	862.47	830.97
As a % of total comprehensive income	17.29%	65.84%	73.74%	32.64%	8.97%	1.52%	100.00%	100.00%

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 24 May, 2023

For and on behalf of Board of Directors of
Sagarsoft (India) Limited

M Jagadeesh
Managing Director
DIN: 01590689

K Pradeep Kumar Reddy
Executive Director & CFO
DIN: 02598624

J Raja Reddy
Company Secretary
M.No. A31113

Sagarsoft®

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