



SSIL:SEC:BSE: 2022-23

November 04, 2022

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

Script Code: 540143

Dear Sir,

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

...

Further to our letter dated 27th October, 2022, we are pleased to forward herewith our un audited stand-alone and consolidated financial results for the second quarter and half-year ended 30th September, 2022, which were taken on record and approved by our Board at their meeting held on today, after review by the Audit Committee. We are also forwarding herewith the Limited Review Report furnished by our Statutory Auditors on the above financial results, which was also taken on record by our Board at the said meeting.

The above said meeting of the Board of Directors commenced at 4.45 p.m. and concluded at 5.45 p.m.

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

Thanking you

Yours faithfully
For Sagarsoft (India) Limited

M. Jagadeesh
Managing Director



Walker Chandiook & Co LLP

Unit No – 1, 10th Floor,
My Home Twitza, APIIC,
Hyderabad Knowledge City,
Raidurg (Panmaktha) Village,
Serilingampally Mandal,
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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Sagarsoft (India) Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Sagarsoft (India) Limited ('the Company') for the quarter ended 30 September 2022 and the year to date results for the period 1 April 2022 to 30 September 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Chartered Accountants

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

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Walker Chandiook & Co LLP

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to note 5 to the accompanying Statement, which describes the restatements made to the comparative financial information for the quarter and six months period ended 30 September 2021, as at and for the year ended 31 March 2022 and as at 1 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 conclusion is not modified in respect of this matter.
6. The review of standalone unaudited quarterly and year-to-date financial results for the period ended 30 September 2021 and audit of standalone financial results for the year ended 31 March 2022 and 31 March 2021 included in the Statement was carried out and reported by T Mohan & Associates who have expressed unmodified conclusion vide their review report dated 10 November 2021 and unmodified opinion vide their audit report dated 16 May 2022 and 14 May 2021, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

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JAIN

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Sanjay Kumar Jain

Partner

Membership No. 207660

UDIN: 22207660BCAFVQ7646

Place: Hyderabad

Date: 4 November 2022

Chartered Accountants

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

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SAGARSOFT (INDIA) LIMITED
CIN: L72200TG1996PLC023823

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

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited)	31.03.2022 (Audited)
1	Income						
	a. Revenue from operations	1,242.58	1,229.73	1,290.78	2,472.31	2,417.06	4,926.46
	b. Other income	70.65	97.23	26.70	167.88	59.97	134.56
	Total income	1,313.23	1,326.96	1,317.48	2,640.19	2,477.03	5,061.02
2	Expenses						
	a. Employee benefits expenses	899.86	998.77	857.81	1,898.63	1,583.77	3,348.60
	b. Finance costs	19.48	22.95	-	42.43	-	-
	c. Depreciation and amortization expense	58.92	33.65	53.67	92.57	106.60	217.22
	d. Other expenses	202.96	244.57	209.03	447.53	397.73	752.97
	Total expenses	1,181.22	1,299.94	1,120.51	2,481.16	2,088.10	4,318.79
3	Profit before tax	132.01	27.02	196.97	159.03	388.93	742.23
4	Tax expense						
	a. Current tax expense	41.56	31.84	52.13	73.40	101.60	211.60
	b. Deferred tax benefit	(3.13)	(33.71)	(0.88)	(36.84)	(5.94)	(6.52)
	c. Tax for earlier period/year	-	24.26	-	24.26	-	12.66
5	Profit for the period/year	93.58	4.63	145.72	98.21	293.27	524.49
6	Other comprehensive income (OCI)						
	(a) Items that will not be reclassified to profit or loss						
	(i) Remeasurement of the net defined benefit plan, net of tax	5.66	5.66	-	11.32	-	22.63
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-	-
7	Total comprehensive income for the period/year	99.24	10.29	145.72	109.53	293.27	547.12
8	Paid up Equity Share Capital (face value of ₹10 each)	639.22	639.22	639.22	639.22	639.22	639.22
9	Other equity						4,580.35
10	Earnings per equity share ("EPES")						
	Basic and Diluted EPES (in absolute ₹ terms) (Refer note: 5)	1.46	0.07	2.36	1.54	5.00	8.56



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Sagarsoft (India) Limited
Statement of Standalone Assets and Liabilities as at 30 September 2022
(Amount in lakhs of ₹ unless otherwise stated)

Particulars	As at		
	30 September 2022	31 March 2022	1 April 2021
	(Unaudited)	(Audited) (refer note 5)	(Audited) (refer note 5)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	366.10	261.39	294.71
(b) Right of use assets	893.22	191.28	323.55
(c) Financial assets			
(i) Investments	1,618.38	1,618.38	-
(ii) Other financial assets	32.42	63.04	68.57
(d) Other non-current assets	26.47	-	-
(e) Deferred tax assets (net)	61.19	28.15	29.24
Total Non-Current assets	2,997.78	2,162.24	716.07
Current assets			
(a) Financial Assets			
(i) Trade receivables	1,370.77	1,320.31	827.14
(ii) Cash and cash equivalents	571.26	1,216.58	679.47
(iii) Bank balances other than (ii) above	37.04	37.37	29.53
(iv) Loans	1,303.62	805.19	800.18
(v) Other financial assets	112.76	73.63	5.82
(b) Current tax assets (net)	-	-	9.71
(c) Other current assets	154.14	140.69	161.87
Total Current assets	3,549.59	3,593.77	2,513.72
Total assets	6,547.37	5,756.01	3,229.79
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	639.22	639.22	556.00
(b) Other equity	4,498.13	4,580.35	2,141.57
Total Equity	5,137.35	5,219.57	2,697.57
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	51.46	-	-
(ia) Lease liabilities	863.64	21.93	215.85
(b) Provisions	-	-	4.15
Total non-current liabilities	915.10	21.93	220.00
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23.04	-	-
(ia) Lease liabilities	90.33	193.92	158.45
(ii) Trade payables			
- total outstanding dues of micro and small enterprises;	-	-	-
- total outstanding dues of creditors other than micro and small enterprises	50.56	21.08	7.04
(iii) Other financial liabilities	152.13	129.98	66.81
(b) Other current liabilities	134.37	85.45	41.02
(c) Provisions	39.36	37.63	38.90
(d) Current tax liabilities (net)	5.13	46.45	-
Total current liabilities	494.92	514.51	312.22
Total equity and liabilities	6,547.37	5,756.01	3,229.79



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Sagarsoft (India) Limited

Standalone Cash Flow Statement for six months ended 30 September 2022

(Amount in lakhs of ₹ unless otherwise stated)

Particulars	For six months ended	
	30 September 2022	30 September 2021
	(Unaudited)	(Unaudited) (refer note 5)
Cash flow from operating activities		
Profit before tax	159.03	388.93
Adjustments:		
Depreciation and amortization expense	92.57	106.59
Interest income	(73.55)	(42.85)
Finance cost	42.43	-
Profit on sale of asset	(7.81)	-
Provision for doubtful debts and bad debts written off	43.17	-
Operating profits before working capital changes	255.84	452.67
Movements in working capital:		
Changes in trade receivables	(93.63)	(491.21)
Changes in other assets	(35.99)	(44.11)
Changes in trade payables	29.48	63.78
Changes in other liabilities	71.07	29.70
Changes in provisions	16.86	26.97
Cash generated from operating activities	243.63	37.80
Income tax paid, net	(115.49)	(70.00)
Net cash generated from / (used in) operating activities (A)	128.14	(32.20)
Cash flow from investing activities		
Purchase of Property, plant and equipment ("PPE")	(129.79)	(28.91)
Proceeds from sale of PPE	9.02	-
Interest received	38.42	13.73
Loan extended to related party	(500.00)	-
Purchase of investments	-	(12.50)
Net cash used in investing activities (B)	(582.35)	(27.68)
Cash flow from financing activities		
Proceeds from allotment of equity shares	-	508.00
Proceeds from long-term borrowings	81.44	-
Repayment of long-term borrowings	(6.94)	-
Lease rentals paid	(72.73)	(66.31)
Interest paid	(1.44)	-
Dividend paid	(191.44)	(138.73)
Net cash generated from / (used in) financing activities (C)	(191.11)	302.96
Net change in cash and cash equivalents (A + B + C)	(645.32)	243.08
Cash and cash equivalents at the beginning of the period	1,216.58	679.48
Cash and cash equivalents at the end of the period (Note 1)	571.26	922.56
Note 1:		
Cash and cash equivalents include:		
Cash on hand	0.32	0.04
Balances with banks in current accounts	40.14	108.47
Deposits with original maturity up to 3 months	530.80	814.05
	571.26	922.56



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Notes:

- The standalone unaudited financial results for the quarter and six months ended 30 September 2022 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 4 November 2022. The statutory auditors have carried out a limited review of the standalone financial results.
- The standalone financial results have been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The Company is primarily engaged in Staffing and Information Technology related services to its customers in India and Overseas, which is being considered as a single reportable business segment, by the management.
- During the quarter ended 30 June 2022, the Company has recognized allowances for credit losses aggregating to ₹54.92 lakhs towards receivables outstanding for more than a year and has been classified under 'Other expenses'.
- 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 and has also restated the results published for the quarter and six months period ended 30 September 2021, to rectify the classification / disclosure errors as under:

(a) Standalone Balance Sheet as at 31 March 2022 and 1 April 2021

(₹ in Lakhs)

Particulars	31-Mar-22	Adjustments	31-Mar-22	01-Apr-21	Adjustments	01-Apr-21
	Published		Restated	Published		Restated
ASSETS						
Non-current assets						
Investments	-	1,618.38	1,618.38	-	-	-
Loans	868.23	(868.23)	-	878.88	(878.88)	-
Other financial assets	-	63.04	63.04	-	68.57	68.57
Income tax assets (net)	150.00	(150.00)	-	190.00	(190.00)	-
Current assets						
Investments	1,618.38	(1,618.38)	-	-	-	-
Loans	-	805.19	805.19	-	800.18	800.18
Other financial assets	9.51	64.12	73.63	6.27	(0.45)	5.82
Current tax assets (net)	-	-	-	-	9.71	9.71
Other current assets	219.96	(79.27)	140.69	161.42	0.45	161.87
LIABILITIES						
Non-current liabilities						
Lease liabilities	194.46	(172.53)	21.93	374.30	(158.45)	215.85
Provisions	31.27	(31.27)	-	33.02	(28.87)	4.15
Current liabilities						
Lease liabilities	21.39	172.53	193.92	-	158.45	158.45
Other financial liabilities	-	129.98	129.98	-	66.81	66.81
Other current liabilities	54.63	30.82	85.45	38.19	2.83	41.02
Provisions	167.16	(129.53)	37.63	79.68	(40.78)	38.90
Current tax liabilities (net)	211.60	(165.15)	46.45	190.41	(190.41)	-

(b) Restatement in the Earnings per Share

Particulars	Quarter ended	Quarter ended	Six months ended	Six months ended	Year ended	Year ended
	30-Sep-21	30-Sep-21	30-Sep-21	30-Sep-21	31-Mar-22	31-Mar-22
	Published	Restated	Published	Restated	Published	Restated
Earnings per equity share ("EPES")						
Basic and Diluted EPES (in absolute ₹ terms)	2.28	2.36	4.59	5.00	8.93	8.56

(c) Standalone Cash Flow Statement for the six months period ended 30 September 2021

(₹ in Lakhs)

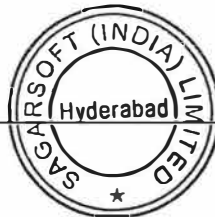
Particulars	30-Sep-21	Adjustments	30-Sep-21
	Published		Restated
Net cash generated used in operating activities	(75.82)	43.62	(32.20)
Net cash used in investing activities	(50.30)	22.68	(27.68)
Net cash generated from financing activities	369.00	(66.04)	302.96
Net change in cash and cash equivalents	242.82	0.26	243.08
Cash and cash equivalents at the beginning of the period	709.00	(29.52)	679.48
Cash and cash equivalents at the end of the period	951.82	(29.26)	922.56

For and on behalf of the Board of Directors



M. Jagadeesh
Managing Director
DIN: 01590689

Date: 4 November 2022
Place: Hyderabad



Walker ChandioK & Co LLP

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

To the Board of Directors of Sagarsoft (India) Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results ('the Statement') of Sagarsoft (India) Limited ('the Holding Company') and IT CATS LLC, USA, its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') for the quarter ended 30 September 2022 and the consolidated year to date results for the period 1 April 2022 to 30 September 2022, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Chartered Accountants

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to note 6 to the accompanying Statement, which describes the restatements made to the comparative financial information for the quarter and six months period ended 30 September 2021, as at and for the year ended 31 March 2022, in accordance with the principles of Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors, for correction of certain material prior period errors, which are further described in the aforesaid note. Our conclusion is not modified in respect of this matter.
6. The review of consolidated unaudited quarterly and year-to-date financial results for the period ended 30 September 2021 and audit of consolidated financial results for the year ended 31 March 2022 included in the Statement was carried out and reported by T Mohan & Associates who have expressed an unmodified conclusion vide their review report dated 10 November 2021 and an unmodified opinion vide their audit report dated 16 May 2022, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

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Sanjay Kumar Jain

Partner

Membership No. 207660

UDIN: 22207660BCAGNU7962

Place: Hyderabad

Date: 4 November 2022

Chartered Accountants

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

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SAGARSOFT (INDIA) LIMITED

CIN: L72200TG1996PLC023823

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

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2022 (Unaudited)	30.06.2022 (Unaudited)	30.09.2021 (Unaudited) (refer note 3 and note 6)	30.09.2022 (Unaudited)	30.09.2021 (Unaudited) (refer note 3 and note 6)	31.03.2022 (Audited) (refer note 6)
1	Income						
	a. Revenue from operations	4,326.81	4,031.18	3,231.99	8,357.99	4,358.27	11,778.16
	b. Other income	70.65	97.26	26.82	167.91	60.09	136.12
	Total income	4,397.46	4,128.44	3,258.81	8,525.90	4,418.36	11,914.28
2	Expenses						
	a. Employee benefits expenses	2,998.60	2,807.04	2,058.39	5,805.64	2,784.35	7,980.20
	b. Finance costs	19.52	24.43	-	43.95	-	-
	c. Depreciation and amortization expense	68.58	41.91	54.29	110.49	107.22	222.74
	d. Other expenses	934.87	1,031.13	882.99	1,966.00	1,071.70	2,624.92
	Total expenses	4,021.57	3,904.51	2,995.67	7,926.08	3,963.27	10,827.86
3	Profit before tax	375.89	223.93	263.14	599.82	455.09	1,086.42
4	Tax expense						
	a. Current tax expense	93.87	93.15	63.70	187.02	115.17	284.53
	b. Deferred tax expense / (benefit)	13.38	(50.22)	(0.88)	(36.84)	(5.94)	(6.52)
	c. Tax for earlier period/year	-	24.26	-	24.26	-	12.66
5	Profit for the period/year	268.64	156.74	198.32	425.38	345.86	795.73
6	Other comprehensive income (OCI)						
	(a) Items that will not be reclassified to profit or loss						
	- Remeasurement of the net defined benefit plan, net of tax	5.66	5.66	-	11.32	-	22.63
	(b) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations, net of tax	36.89	35.28	-	72.17	-	-
7	Total comprehensive income for the period/year	311.19	197.68	198.32	508.87	345.86	818.36
8	Paid up Equity share capital (face value of ₹10 each)	639.22	639.22	639.22	639.22	639.22	639.22
9	Other equity						4,864.18
10	Earnings per equity share ("EPES")						
	Basic and Diluted EPES (in absolute ₹ terms)	4.20	2.45	3.22	6.65	5.90	12.99



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Sagarsoft (India) Limited

Statement of Consolidated Assets and Liabilities as at 30 September 2022

(Amount in lakhs of ₹ unless otherwise stated)

Particulars	As at	
	30 September 2022	31 March 2022
	(Unaudited)	(Audited) (refer note 6)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	392.24	277.27
(b) Right of use assets	981.19	285.84
(c) Goodwill	868.64	868.64
(d) Financial assets		
(i) Other financial assets	32.42	63.04
(e) Other non-current assets	26.47	-
(f) Deferred tax assets (net)	36.91	28.15
Total Non-Current Assets	2,337.87	1,522.94
Current assets		
(a) Financial Assets		
(i) Trade receivables	4,022.75	3,880.72
(ii) Cash and cash equivalents	2,159.68	2,029.75
(iii) Bank balances other than (ii) above	37.04	37.37
(iv) Loans	1,310.83	812.55
(v) Other financial assets	112.76	80.37
(b) Other current assets	163.13	140.70
Total Current Assets	7,806.19	6,981.46
Total Assets	10,144.06	8,504.40
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	639.22	639.22
(b) Other equity	5,180.43	4,864.18
Total Equity	5,819.65	5,503.40
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	51.46	-
(ia) Lease liabilities	925.75	91.58
Total non-current liabilities	977.21	91.58
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	23.04	-
(ia) Lease liabilities	118.03	218.83
(ii) Trade payables		
- total outstanding dues of micro and small enterprises;	-	-
- total outstanding dues of creditors other than micro and small enterprises	1,535.42	836.08
(iii) Other financial liabilities	965.50	1,257.11
(b) Other current liabilities	503.22	412.21
(c) Provisions	39.36	37.65
(d) Current tax liabilities (net)	162.63	147.54
Total current liabilities	3,347.20	2,909.42
Total equity and liabilities	10,144.06	8,504.40



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Sagarsoft (India) Limited

Consolidated Cash Flow Statement for six months ended 30 September 2022

(Amount in lakhs of ₹ unless otherwise stated)

	Six months ended	
	30 September 2022 (Unaudited)	30 September 2021 (Unaudited) (refer note 6)
Cash flows from operating activities		
Profit before tax	599.82	455.09
Adjustments:		
Depreciation and amortization expense	110.49	107.22
Profit on sale of asset	(7.81)	-
Interest income	(73.58)	(42.85)
Finance cost	43.95	-
Provision for doubtful debts and bad debts written off	43.17	-
Operating profits before working capital changes	716.04	519.46
Movements in working capital:		
Changes in trade receivables	109.35	(828.36)
Changes in other assets	(36.66)	(58.27)
Changes in trade payables	517.55	(177.28)
Changes in other liabilities	(337.14)	371.52
Changes in provisions	16.84	26.97
Cash generated from / (used in) operating activities	985.98	(145.96)
Income tax paid, net	(185.31)	(70.00)
Net cash generated from / (used in) operating activities (A)	800.67	(215.96)
Cash flows from investing activities		
Purchase of Property, plant and equipment ("PPE")	(141.96)	(29.46)
Proceeds from sale of PPE	9.02	-
Loan extended to related party	(500.00)	-
Interest received	38.46	13.73
Purchase of investments	-	(12.50)
Net cash used in investing activities (B)	(594.48)	(28.23)
Cash flows from financing activities		
Proceeds from allotment of equity shares	-	508.00
Proceeds from borrowings	81.44	-
Repayment from borrowings	(6.94)	-
Lease rentals paid	(85.72)	(66.31)
Interest paid	(1.44)	-
Dividend paid	(191.44)	(138.73)
Net cash generated from / (used in) financing activities (C)	(204.10)	302.96
Net change in cash and cash equivalents (A + B + C)	2.09	58.77
Cash and cash equivalents at the beginning of the period	2,029.75	679.48
Effect of exchange rate changes on cash and cash equivalents	127.84	-
Increase in cash balance on account of acquisition of a subsidiary	-	971.81
Cash and cash equivalents at the end of the period (Note 1)	2,159.68	1,710.06
Note 1:		
Cash and cash equivalents includes		
Cash on hand	1.13	0.04
Balances with banks in current accounts	1,627.75	895.97
Deposits with original maturity up to 3 months	530.80	814.05
	2,159.68	1,710.06



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Notes:

- The consolidated unaudited financial results for the quarter and six months ended 30 September 2022 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 4 November 2022. The statutory auditors have carried out a limited review of the consolidated financial results.
- The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34), prescribed under section 133 of the Companies Act, 2013 (the Act), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The consolidated financial results for the quarter and half year ended 30 September 2022, includes the results of Sagarsoft (India) Limited (the 'Holding Company') and its wholly owned subsidiary, IT CVIS LLC, USA, which was acquired on 26 July 2021. Accordingly, the figures for the quarter and six month period ended 30 September 2021 are not comparable.
- The Group is primarily engaged in Staffing and Information Technology related services to its customers in India and Overseas, which is being considered as a single reportable business segment, by the management.
- During the quarter ended 30 June 2022, the Group has recognized allowances for credit losses aggregating to INR 54.92 lakhs towards receivables outstanding for more than a year and has been classified under 'Other expenses'
- In accordance with the principles of Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors, the management has retrospectively restated the previous year financial statements / results to rectify the classification errors as under:

(a) Consolidated Balance Sheet as at 31 March 2022

(₹ in Lakhs)

Particulars	31-Mar-22	Adjustments	31-Mar-22
	Published		Restated
ASSETS			
Non-current assets			
Right of use assets	191.28	94.56	285.84
Loans	875.59	(875.59)	-
Other financial assets	-	63.04	63.04
Income tax assets (net)	150.00	(150.00)	-
Current assets			
Loans	-	812.55	812.55
Other financial assets	16.26	64.11	80.37
Other current assets	219.96	(79.26)	140.70
LIABILITIES			
Non-current liabilities			
Lease liabilities	194.46	(102.88)	91.58
Provisions	31.27	(31.27)	-
Current liabilities			
Lease liabilities	21.39	197.44	218.83
Trade payables			
Amount outstanding dues of creditors other than micro and small enterprises	512.12	323.96	836.08
Other financial liabilities	-	1,257.11	1,257.11
Other current liabilities	1,933.59	(1,521.38)	412.21
Provisions	167.16	(129.51)	37.65
Current tax liabilities (net)	211.60	(64.06)	147.54

(b) Consolidated Statement of Profit and Loss for the year ended 31 March 2022

(₹ in Lakhs)

Particulars	31-Mar-22	Adjustments	31-Mar-22
	Published		Restated
Expenses			
Employee compensation expenses	7,231.19	749.01	7,980.20
Other expenses	3,373.93	(749.01)	2,624.92

(c) Consolidated Statement of Profit and Loss for the quarter and six months period ended 30 September 2021

(₹ in Lakhs)

Particulars	Quarter ended		Adjustments	Six months ended		Adjustments	Six months ended	
	30-Sep-21			30-Sep-21			30-Sep-21	
	Published	Restated		Published	Restated		Published	Restated
Expenses								
Employee compensation expenses	2,481.35	(422.96)	2,058.39	3,207.31	(422.96)	2,784.35		
Other expenses	460.03	422.96	882.99	648.74	422.96	1,071.70		

(d) Restatement in the Earnings per Share

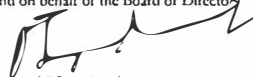
Particulars	Quarter ended		Six months ended		Year ended	
	30-Sep-21		30-Sep-21		31-Mar-22	
	Published	Restated	Published	Restated	Published	Restated
Earnings per equity share ("EPES")						
Basic and Diluted EPES (in absolute ₹ terms)	3.10	3.22	5.41	5.90	13.35	12.99

(e) Consolidated Cash Flow Statement for the six months period ended 30 September 2021

(₹ in Lakhs)

Particulars	30-Sep-21	Adjustments	30-Sep-21
	Published		Restated
Net cash used in operating activities	(259.59)	43.63	(215.96)
Net cash used in investing activities	(50.91)	22.68	(28.23)
Net cash generated from financing activities	369.00	(66.04)	302.96
Net change in cash and cash equivalents	58.50	0.27	58.77
Cash and cash equivalents at the beginning of the period	1,680.82	(1,001.34)	679.48
Increase in cash balance on account of acquisition of subsidiary	-	971.81	971.81
Cash and cash equivalents at the end of the period	1,739.32	(29.26)	1,710.06

For and on behalf of the Board of Directors



M. Jagadeesh
Managing Director
DIN: 01590689

Date: 4 November 2022
Place: Hyderabad

