



CONSTANCY *of* PURPOSE



SASKEN

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Amidst relentless change, our agility, and adaptability to unlearn and learn relentlessly, have been possible because of our quest to stay relevant to our customers. The Constancy of Purpose is a natural outcome of a steadfast commitment to upholding our values despite the constantly evolving business and social landscape. We are thus of the firm belief that our DNA helps us embrace the evolution in technology, internalize the same and stay ahead of the curve.

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BOARD *of* DIRECTORS

Directors

Mr. Rajiv C. Mody

Chairman & Managing Director

Mr. Bharat V. Patel

Independent Director

Ms. Madhu Khatri

Independent Director

Mr. Pranabh D. Mody

Non-Executive Director

Mr. Raja Ramana Macha

Independent Director

Mr. Sanjay M. Shah

Independent Director

Mr. Som Mittal

Independent Director

Mr. Sunil Sachan

Independent Director

Mr. Sunirmal Talukdar

Independent Director

Dr. G. Venkatesh

Non-Executive Director

Overview

Chief Executive Officer

Mr. Abhijit Kabra

Chief Financial Officer

Mr. Priyaranjan

Company Secretary

Mr. Paawan Bhargava

Statutory Auditors

M/s. MSKA & Associates

Chartered Accountants

Committees of the Board

Audit Committee

Corporate Social Responsibility Committee

Nomination and Remuneration Committee

Risk Management Committee

Stakeholders Relationship Committee

Bankers

Citibank NA

Kotak Mahindra Bank Ltd.

Union Bank of India

Registered and Corporate Office

No. 139/25, Domlur Ring Road,

Amarjyothi Layout,

Bengaluru 560 071, India

CIN: L72100KA1989PLC014226



A LETTER *to our* SHAREHOLDERS

As I write this letter to you – our Shareholders, I am reminded of what Charles Dickens made famous – “It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair.” This struggle with polar extremes seems to summarize what we as an industry and indeed the globe is confronted with. Just as we seem to have recovered from the worst of the COVID-19 pandemic, other events seem to have overtaken the return to normalcy. These developments include geopolitical conflicts in Europe and other parts of the world, disruption of global supply chains, an attempt to re-examine global energy security needs, and a potential funding winter for hi-tech start-ups.

Much as this may have created cynicism and a restive attitude, as chairperson of your Company I believe there is room to be hopeful about the human spirit of resilience which we internalize as the ‘Can-Do’ spirit. The industry seems to do away with anything called normal and NASSCOM dubs this as the ‘No-Normal’ era. As a company that has navigated through multiple headwinds and turbulence arising from structural changes in the industry and the rapid evolution of technology, we seem to possess the means to ride one more storm. What enables us as a company to do this is that we are small enough to adapt and learn and large enough to invest and grow. Our human capital has demonstrated the commitment to remain agile and work with inspiration which indeed is one of our core differentiators.

Having been one of the first to enable the work-from-anywhere model, we continue to fine-tune and offer flexibility to all Sasians to work from an optimum location. We see a hybrid work model being a permanent part of an enterprise’s fabric in the years to come. In the current year, we have made a number of changes keeping in mind our core objectives of being Tech-First, World-Class, and upholding Intellectual Integrity.

We have inducted our alumni who are delighted to join their alma mater in its quest to be a differentiated and leading provider of product engineering and digital services. Abhijit Kabra, our Chief Executive Officer, returns to your Company after a successful track record in the product engineering and digital space. He has been able to induct key talent in the areas of technology, sales & marketing leadership. We have also strengthened our board of directors with the addition of two new independent directors – Mr. Raja Ramana Macha & Mr. Sunil Sachan. They bring immense experience in areas such as innovation, management of technology, and mergers & acquisitions in the high-tech industry. These additions to your Company are a testimony to the trust and confidence stakeholders place in your Company.

As in the previous year, we continue to focus on business growth and sales, building a world-class team that delivers

on business goals and flawless execution with a focus on end results. Our organizational focus as in the previous fiscal years remains on being a provider of a comprehensive bouquet of services addressing the product engineering and digital needs of equipment manufacturers and service providers. The sectoral focus includes automotive, industrials, communications & devices, telecommunication networks, satellite, and semiconductors. I will highlight each of the sectors we serve.

On the automotive front, we focus on winning and executing business from both tier-1s and OEMs. Some of the notable highlights in the automotive arena include the work we do for leading electric vehicle manufacturers in their quest to address the growing market for autonomous vehicles. We have also worked with tier-1s to scope and build next-generation telematics systems. In addition, we have enhanced connectivity, human-machine interface, and rapid charging solutions for leading EV manufacturers who have incorporated software delivered by your Company in vehicles that have taken the market by storm. With the increased proliferation of the Android platform into the core of automobiles, we are encouraged to see an uptick in demand for services across all functional areas we address. An addition this year has been our single-minded focus to build an intelligent test automation suite to help tier-1s and auto OEMs reduce the cycle time for testing, identifying and resolving bugs faster, and reducing the overall cost and time for the development of next-gen features.

Communication networks and devices have played a central role in providing highly reliable and high available bandwidth connections supporting sophisticated communication needs across the globe. We work across a wide variety of areas including the development, testing, enhancement, and maintenance of Internet protocol-based virtual private networks solutions, and radio-defined networks in both terrestrial and non-terrestrial networks. Our work in 4G LTE and 5G addresses the needs of both wireless carriers as well as non-terrestrial network providers such as the next-generation satellite broadband companies. We have successfully completed the delivery of critical milestones for our ongoing satellite program including the delivery of innovative testing solutions to help accelerate field deployment. We continue to provide mission-critical support to enterprise devices built on the Android operating systems platform both in terms of operating system upgrades and security management releases.

In the industrial business segment, our focus has been on helping customers build secure enterprise devices and work at the cusp of the PHY-D (Physical to Digital) interface. One area of significant contribution by your Company has been in delivering a complex platform running several million lines of code that supports highly complex process-intensive industries. Engagements such as this validate our ability to offer a differentiated proposition that we have labeled Chip

to Cognition. We make this assertion as we enable the entire chain of events from data sensing to data-driven decision-making. Another instance of the work we do in the industrial realm is to support manufacturers of modular industrial welding solutions and elevator manufacturers to address the need for incorporating embedded solutions in their product design.

The semiconductor industry has rightfully been declared a strategic asset given the disruptions of the global supply chains. The looming uncertainty has had its impact on the quantum & velocity of outsourcing from key players in the industry. Our scope of offerings continues to be focused on development and testing services for semiconductor platforms primarily addressing the smart device, communication networks, and automotive segments.

Our digital services are a horizontal layer that complements our core product engineering offering or on a standalone basis focuses on the digitization of products and digitalization of production. Some notable work we have executed in this sector includes the building of digital services for railway track laying machines that are mission-critical in building and maintaining high-speed railroad networks. In addition, we have executed highly innovative projects in the area of leveraging technologies such as blockchain, AI, and ML in the area of highly integrated supply chain management. Finally, we make steady progress in delivering cutting-edge solutions for multi-transport operators by helping them digitize and hence integrate their operations. Thereby helping them to bring both efficiencies in operations and be more responsive to their customer's needs.

Zinnov, a leading consultancy firm, in their annual rigorous evaluation of the top ER&D service providers, has rated us in the leadership zone for small and medium service providers. This is testimony to Sasken's expansive coverage of verticals and customer spread including a high degree of specialization, process & practice maturity, innovation, and ecosystem linkages. Sasken has also been rated in the leadership zone in the automotive, semiconductor, and telecommunications verticals.

DIVIDEND DATA

During the year, your Company paid an interim dividend of ₹ 12 per equity share in October 2022; and (b) recommended a final dividend of ₹ 13 per equity share. The total dividend for the year ended March 31, 2023 would be ₹ 25 per equity share of ₹ 10 each.

My management team and I wish to thank you for the continued confidence that you have placed in us over the last three decades and look forward to better times ahead.

Rajiv C. Mody
Chairman & Managing Director

TECH & MARKET

The financial year ended March 31, 2023, can be best described as a year of continued flux and uncertainty. The room for optimism arising from the global resolve to manage the COVID-19 pandemic was somewhat dampened by other unprecedented developments. Leading institutions and industry bodies such as National Association for Software and Service Companies (NASSCOM) call out multiple vectors including the geopolitical uncertainty in Europe and Asia, disruption of global supply chains, and a re-examination of energy security worldwide are likely to lead to a global recession. There is a belief amongst industry pundits that the headwinds faced by developed economies may to an extent be offset by accelerated growth coming from emerging and resilient economies.

Technology will remain at the heart of what has been now dubbed as the 'No-Normal' era by NASSCOM. Leaders across all industries will continue to rearchitect and catalyze their digitization and digitalization agenda. Given the worldwide talent crunch, it is expected that the well-established

globally distributed innovation model will continue to gain further impetus in the coming years. As in the years before, investment in developing technologies by global leaders is in the multi-trillion dollar range but is likely to be flat or marginally reduced in the coming year. However, enterprise-led spending in IT services will see modest growth over the previous year. Much of this growth will be fuelled by continued investment in product engineering and digital spends as companies continue to place big bets on sensor fusion, autonomous driving, computer vision, deep learning, augmented reality, virtual reality & mixed reality, edge computing, terrestrial & satellite networks including 5G and WiFi-6. One more notable driver for technology adoption is its ability to benefit from a strong entrepreneurial mindset and the push toward environmental, social, and governance-related goals.

Your Company continues its well-defined strategic thrust in the arena of product engineering and digital services, addressing the needs arising from the automotive,



semiconductor, industrials, communication networks & devices, satellite communications, and transportation sectors. These verticals and others such as healthcare, smart infrastructure, fin-tech, energy, and education, among others, are the leading adopters of developments in what we call the four 'C's – computing, communication, cloud, and cognition. The confluence of these technologies has been the prime mover for firmly establishing the era of data-driven decision-making. Thus, we are now firmly in the epoch of the as-a-service economy where the distinction between products and services is more imaginary than real.

Our journey continues as the years before and is guided by our vision to straddle the entire spectrum from 'Chip to Cognition'. This means our competencies in the area of communication technologies, computing, cloud, security, immutable ledger systems such as blockchain, mixed reality, artificial intelligence, and machine learning, are avenues that we continue to invest in strengthening. We, therefore, look at any customer engagement as both an opportunity to enable our customer's success as well as buttress our

knowledge thereby supporting our aspiration to be a leader in this space. Our competencies and capabilities are valued by our customers and prospects as it helps their quest to stay competitive, and relevant or establish themselves as trailblazers in the industry. Thus we have the unique distinction of working with both new-age companies and well-entrenched leaders in the industry both of whom show an equal zeal when it comes to using technology as a differentiator.

We are acutely aware of the fact that growth at scale has eluded us. However, there is sufficiently grounded reason to be optimistic about better prospects in the years to come. This confidence stems from our single-minded focus on being a tech-first company with a yearning for understanding and solving our customer's problems, therefore, being of strategic value to them.

We will now provide a brief overview of the segmental outlook and highlight a few of our engagements in the verticals in which we operate.



SEMICONDUCTOR

In the previous year's report, we had underscored the importance of semiconductors as the foundational block on which all innovation resides. Today as we near the midpoint of calendar year 23, governments, industry think tanks, and trade bodies view the all-pervasive semiconductor as a strategic asset. The collective will to create self-sufficiency and/or de-risk single source dependencies is causing a tectonic shift in the semiconductor industry. The apex body for semiconductors i.e., the global semiconductor alliance finds that despite economic headwinds there are grounds to maintain a positive outlook for the industry in the current fiscal and beyond.

Growth expectations in this industry will continue to be fueled by large adopters of innovation including the automotive industry, wireless communication systems, the Industrial Internet of Things (IIoT), cloud, deep learning, artificial intelligence & machine learning, sensors, and Micro-electromechanical systems (MEMS).

Geographically Asia is expected to be the hotspot as the global push to diversify the supply chain, taps into the vast talent pool in the geography with a focus on leveraging digital transformation. The memory of the late Gordon Moore is kept alive by innovative technologies that push the transistor density of the chip relentlessly year-on-year. Novel architectures, advanced silicon packaging and a high level of integration are resulting in powering innovation that is at the core of IIoT, AI/ML, and 5G.

While the buzzword is digital, it must be noted that this new world is in reality powered by a System on Chip or some other type of semiconductor. Prime movers which are steadily increasing the uptake of semiconductors include the automobile industry, consumer & professional computing & communication devices, terrestrial & satellite networks, and those industries that use advanced or quantum computing. As the turbulence decreases there are pointers that indicate the pivotal role of the semiconductor industry in shaping the hyperconnected data-driven world of the future.

In the semiconductor segment, our engagements are with global leaders building chipsets, platforms, and

