

ECLERX SERVICES LIMITED
CIN : L72200MH2000PLC125319

Regd. Office : Sonawala Building, 1st Floor, 29, Bank Street, Fort, Mumbai - 400 023

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED
DECEMBER 31, 2016**

(Rs. in lacs, except per share data)

Sr. No.	Particulars	Quarter Ended December 31, 2016 (Unaudited)	Quarter Ended September 30, 2016 (Unaudited)	Quarter Ended December 31, 2015 (Unaudited)	Nine Months Ended December 31, 2016 (Unaudited)	Nine Months Ended December 31, 2015 (Unaudited)
1	Income from operations					
	Net sales/Income from operations	32,465.96	33,353.11	34,434.32	99,852.01	97,114.11
	Total income from operations (net)	32,465.96	33,353.11	34,434.32	99,852.01	97,114.11
2	Expenses					
a)	Employees benefits expense	15,089.02	14,525.18	15,135.96	44,369.36	43,027.52
b)	Cost of technical sub-contractors	1,691.73	1,089.09	1,711.06	3,994.89	4,130.35
c)	Depreciation and amortisation expense	1,336.39	1,283.11	1,548.83	3,814.47	4,115.68
d)	Other expenditure	5,255.76	5,045.46	5,517.17	15,770.05	15,505.69
	Total expenses	23,372.90	21,942.84	23,913.02	67,948.77	66,779.24
3	Profit from operations before other income, finance costs and exceptional items	9,093.06	11,410.27	10,521.30	31,903.24	30,334.87
4	Other income	1,133.77	481.21	551.41	2,615.93	2,964.22
5	Profit from ordinary activities before finance costs and exceptional items	10,226.83	11,891.48	11,072.71	34,519.17	33,299.09
6	Finance costs	1.68	-	2.12	3.21	2.12
7	Profit from ordinary activities after finance costs but before exceptional items	10,225.15	11,891.48	11,070.59	34,515.96	33,296.97
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before tax	10,225.15	11,891.48	11,070.59	34,515.96	33,296.97
10	Tax expense	1,619.37	2,176.22	2,528.15	6,603.83	9,172.52
11	Profit from ordinary activities after tax	8,605.78	9,715.26	8,542.44	27,912.13	24,124.45
12	Extraordinary items	-	-	-	-	-
13	Minority Interest	5.77	3.10	(3.66)	8.38	31.11
14	Net profit for the period	8,600.01	9,712.16	8,546.10	27,903.75	24,093.34
15	Other Comprehensive income net of tax	(1,136.49)	1,265.00	359.62	52.25	379.55
16	Total comprehensive income for the period	7,463.52	10,977.16	8,905.72	27,956.00	24,472.89
17	Paid up equity share capital (Face value of Rs. 10 each)	3,968.54	4,088.24	4,072.24	3,968.54	4,072.24
18.i	Earnings per share (EPS) (before extraordinary items) (of Rs. 10 each) (Not annualised)					
	Basic	21.08	23.79	18.45	68.40	59.31
	Diluted	20.83	23.49	18.09	67.57	58.15
18.ii	Earnings per share (EPS) (after extraordinary items) (of Rs. 10 each) (Not annualised)					
	Basic	21.08	23.79	18.45	68.40	59.31
	Diluted	20.83	23.49	18.09	67.57	58.15

Other Information :

Particulars	Quarter Ended December 31, 2016 (Unaudited)	Quarter Ended September 30, 2016 (Unaudited)	Quarter Ended December 31, 2015 (Unaudited)	Nine Months Ended December 31, 2016 (Unaudited)	Nine Months Ended December 31, 2015 (Unaudited)
Details of other income					
Dividend income	424.27	373.26	109.62	1,088.92	317.97
Exchange difference (net)	404.41	(365.64)	148.33	429.84	2,257.28
Other income	305.09	473.59	293.46	1,097.17	388.97
Total	1,133.77	481.21	551.41	2,615.93	2,964.22

Notes :

- 1 The above financial results, which have been subjected to Limited Review by Statutory Auditors, have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 8, 2017.
- 2 The consolidated financial results of eClerx Services Limited ('the Company') along with its subsidiaries and its controlled Employee Stock Option Trust (together referred to as 'the Group') are compiled from the consolidated financial statements prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in accordance with the Indian Accounting Standards as specified under section 133 of the Companies Act, 2013, read with rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- 3 The Company adopted Indian Accounting Standard ('Ind AS') from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder. The transition was carried out from Accounting Standards as prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the previous GAAP. The date of transition to Ind AS is April 1, 2015. Financial results for all the periods presented have been prepared in accordance with Ind AS .
- 4 Reconciliation of unaudited consolidated financial results as reported under previous GAAP to Ind AS is as under:

(Rs. in lacs)

Particulars	Quarter Ended December 31, 2015 (Unaudited)	Nine Months Ended December 31, 2015 (Unaudited)
Net profit for the period (as per previous GAAP)	8,869.74	25,465.78
Actuarial loss on Defined Benefit plans recognised in Other Comprehensive Income	134.58	356.02
Fair valuation on Employee Stock Options	(315.07)	(341.07)
Impact of depreciation of intangible assets included within goodwill under the previous IGAAP, separately recognized under Ind-AS	(154.88)	(425.53)
Others	(4.91)	(15.58)
Impact on tax on account of above adjustments	87.20	179.28
Deferred tax liability on undistributed profits of subsidiaries	-	(792.88)
Impact on account of change in functional currency of overseas subsidiaries	(70.56)	(332.68)
Net profit for the period (as per Ind AS)	8,546.10	24,093.34
Other comprehensive income net of tax	359.62	379.55
Total comprehensive income for the period as per Ind AS	8,905.72	24,472.89

- 5 The Group operates under a single primary segment which is data management, analytics solutions and process outsourcing services. Further the risks and rewards under various geographies where the Group operates are similar in nature.
- 6 The Hon'ble High Court of Bombay vide its order dated July 1, 2016 has sanctioned the Scheme of Amalgamation of Agilyst Consulting Private Limited with the Company with an appointed date of April 1, 2015. The Scheme has become effective on August 22, 2016, pursuant to its filing with Register of Companies. The Scheme has been given effect to in the books of accounts of the Company with effect from April 1, 2015. The Standalone financial results of the quarter and nine months ended December 31, 2015 have been restated accordingly.
- 7 The Board of Directors vide their meeting dated August 29, 2016 approved, subject to shareholders' approval, buyback of equity shares of the Company. The shareholders approval was procured vide postal ballot results of which were announced on October 14, 2016. The Company during the quarter concluded the said buyback of 1,170,000 Equity Shares of Rs 10 each, at a buyback price of Rs 2,000 per share and total buyback amount of Rs 23,400 lacs. The settlement date for the said buyback was December 19, 2016. The shares so bought back were extinguished and the issued and paid-up capital stands amended accordingly.
- 8 The Board of Directors vide their meeting dated August 29, 2016, have given their consent for merger of Agilyst, Inc., a step down subsidiary of the Company with eClerx LLC, wholly owned subsidiary of the Company. The merger has been approved by the respective state authorities of Agilyst, Inc. and eClerx LLC. The merger will be effective from January 1, 2017. The merger aims at administrative convenience and maintaining a lean corporate structure.

- 9 The Standalone Financial results of the Company would be available for perusal on the company's website viz www.eclerx.com. Key standalone financial information is given below:

(Rs. in lacs)

Particulars	Quarter Ended December 31, 2016 (Unaudited)	Quarter Ended September 30, 2016 (Unaudited)	Quarter Ended December 31, 2015 (Unaudited)	Nine Months Ended December 31, 2016 (Unaudited)	Nine Months Ended December 31, 2015 (Unaudited)
Income from operations	28,478.17	29,148.03	29,024.01	87,461.97	80,703.98
Profit from ordinary activities before tax	10,178.83	10,547.16	10,197.75	32,368.56	26,681.40
Net profit for the period	8,507.52	8,662.93	8,026.76	26,315.65	19,948.50

For and on behalf of Board of Directors

Place: Mumbai
Date: February 8 , 2017

V. K. Mundhra
Chairman