

Limited Review Report - Ind AS Standalone Financial Results

**Review Report to
The Board of Directors of eClerx Services Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of eClerx Services Limited (the "Company") for the quarter ended September 30, 2018 and year to date from April 1, 2018 to September 30, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulations"), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (the "Circular").
2. The preparation of the Statement 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") read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, and in accordance with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
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 the applicable Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Majmudar

per Amit Majmudar
Partner
Membership No.: 36656
Mumbai
November 1, 2018




STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018

(In Rupees million, except per share data)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	2,848.53	2,818.74	2,794.71	5,667.27	5,684.24	11,440.21
II	Other income	218.68	212.25	153.63	430.93	251.15	438.27
III	Total Income (I + II)	3,067.21	3,030.99	2,948.34	6,098.20	5,935.39	11,878.48
IV	Expenses						
	Employee benefits expense	1,154.54	1,163.83	1,081.45	2,318.37	2,148.04	4,371.15
	Depreciation and amortisation expense	58.24	51.67	74.77	109.91	143.81	295.99
	Cost of technical sub-contractors	26.28	22.08	9.89	48.36	20.51	80.91
	Sales and marketing services	607.83	623.89	457.95	1,231.72	1,004.52	2,118.11
	Other expenses	409.81	408.43	367.44	818.24	758.09	1,610.55
	Total expenses (IV)	2,256.70	2,269.90	1,991.50	4,526.60	4,074.97	8,476.71
V	Profit before exceptional items and tax (III-IV)	810.51	761.09	956.84	1,571.60	1,860.42	3,401.77
VI	Exceptional items (refer note 4)	-	-	203.83	-	203.83	212.59
VII	Profit before tax	810.51	761.09	1,160.67	1,571.60	2,064.25	3,614.36
VIII	Tax expense	191.85	239.31	295.95	431.16	473.33	833.17
	(1) Current tax	222.34	244.47	293.96	466.81	508.86	905.94
	(2) Deferred tax	(30.49)	(5.16)	1.99	(35.65)	(35.53)	(72.77)
IX	Profit for the period (VII-VIII)	618.66	521.78	864.72	1,140.44	1,590.92	2,781.19
X	Other Comprehensive Income / (Loss) ('OCI')	(308.72)	(302.72)	(142.63)	(611.44)	(203.83)	(325.44)
	A (i) Items that will not be reclassified to profit or loss	3.41	9.90	5.82	13.31	(14.80)	4.23
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.99)	(2.75)	(1.51)	(3.74)	3.85	(1.18)
	B (i) Items that will be reclassified to profit or loss (net)	(429.82)	(428.14)	(188.53)	(857.96)	(244.75)	(393.03)
	(ii) Income tax relating to items that will be reclassified to profit or loss	118.68	118.27	41.59	236.95	51.87	64.54
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit and Other Comprehensive Income for the period)	309.94	219.06	722.09	529.00	1,387.09	2,455.75
XII	Paid up equity share capital (Face value of Rs. 10 each, fully paid up)	386.85	386.58	398.79	386.85	398.79	386.29
XIII	Other equity						10,567.20
XIV	Earnings per share: (in Rs.)						
	(1) Basic	16.00	13.50	21.69	29.50	39.93	69.87
	(2) Diluted	15.97	13.45	21.60	29.43	39.76	69.54

Notes :

- The statement of unaudited financial results have been reviewed by Audit Committee and approved by the Board of Directors at their respective meetings held on November 1, 2018. There are no qualifications in the limited review report issued by the auditors.
- These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder.

SIGNED FOR IDENTIFICATION
BY

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI

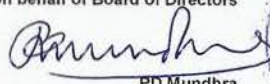


- 3 The Company operates under a single reportable segment which is data management, analytics solutions and process outsourcing services. Further the risks and rewards under various geographies where the group operates are similar in nature.
- 4 During the financial year 2017-18, the Company has received duty credit scrips under Service Exports from India Scheme (the "Scheme" / "SEIS") for the financial year 2015-16. The duty credit scrips have been granted against export of services under defined category as per the Scheme. The Company has realised Rs.121.85 million net of expenses, from the sale of duty credit scrips. In addition, the Company has also accrued net income of Rs. 90.74 million for the financial year 2016-17 based on estimation of net realisable value.
- 5 Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 is insignificant on the financial results.
- 6 Statement of assets and liabilities

(In Rupees million)

Particulars	As at	As at
	September 30, 2018	March 31, 2018
A. ASSETS		
1. Non current assets		
Property, plant and equipment	394.08	447.19
Capital work-in-progress	1.17	-
Intangible assets	15.31	21.11
Financial assets		
Investments	2,383.53	2,377.30
Derivative instruments	-	7.39
Other financial assets	143.29	137.95
Long term loans	951.24	679.46
Deferred tax assets (net)	385.16	116.30
Other non-current assets	229.14	150.01
Non-current tax assets (net)	85.66	74.55
	4,588.58	4,011.26
2. Current assets		
Financial assets		
Investments	3,075.39	1,650.32
Trade receivables	1,904.67	1,698.19
Cash and cash equivalents	702.37	1,444.07
Other Bank Balances	2,381.98	2,359.34
Other financial assets	995.88	1,065.63
Derivative instruments	-	241.85
Other current assets	345.99	435.93
	9,406.28	8,895.33
TOTAL - ASSETS	13,994.86	12,906.59
B. EQUITY AND LIABILITIES		
1. Equity		
Equity share capital	386.85	386.29
Other equity	11,104.92	10,567.20
Total Equity	11,491.77	10,953.49
2. Non current liabilities		
Employee benefit obligations	224.77	217.95
Other non-current liabilities	70.01	131.09
Non - Current derivative instruments	122.98	-
	417.76	349.04
3. Current Liabilities		
Financial liabilities		
Trade payables	740.78	742.00
Other financial liabilities	342.37	263.21
Other current liabilities	57.83	62.80
Employee benefit obligations	342.09	480.15
Current derivative instruments	485.73	-
Current tax liabilities (net)	116.53	55.90
	2,085.33	1,604.06
TOTAL - EQUITY AND LIABILITIES	13,994.86	12,906.59

For and on behalf of Board of Directors


PD Mundhra
Executive Director



Place: Mumbai
Date: November 1, 2018

