

**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors eClerx Services Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of eClerx Services Limited (the "Company") for the quarter ended June 30, 2022 (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, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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. 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 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 Standards on Auditing 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.
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 aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, 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

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o=Personal,  
email=vineet.kedia@srb.in  
Date: 2022.08.09 16:39:34 +05'30'per **Vineet Kedia**

Partner

Membership No.: 212230

UDIN: 22212230AOPXQN6714

Mumbai

August 09, 2022

**ECLERX SERVICES LIMITED**  
CIN: L72200MH2000PLC125319

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

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022**

(Rupees in million, except per share data)

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		Unaudited	Audited*	Unaudited**	Audited
I	Revenue from operations	4,347.16	4,280.76	3,437.13	15,513.12
II	Other income	157.45	75.02	79.49	205.48
III	<b>Total Income (I + II)</b>	<b>4,504.61</b>	<b>4,355.78</b>	<b>3,516.62</b>	<b>15,718.60</b>
IV	<b>Expenses</b>				
	Employee benefits expense	1,876.30	1,701.72	1,337.44	6,048.72
	Depreciation and amortisation expense	126.33	144.57	112.14	516.69
	Cost of technical sub-contractors	172.65	143.64	76.96	447.58
	Sales and marketing services (Refer note 7)	946.95	749.50	582.61	2,653.76
	Other expense	374.36	303.20	262.68	1,119.43
	Finance cost	39.45	39.88	41.99	164.24
	<b>Total expenses (IV)</b>	<b>3,536.04</b>	<b>3,082.51</b>	<b>2,413.82</b>	<b>10,950.42</b>
V	Profit before exceptional items and tax (III-IV)	968.57	1,273.27	1,102.80	4,768.18
VI	Exceptional items	-	-	-	-
VII	<b>Profit before tax (V-VI)</b>	<b>968.57</b>	<b>1,273.27</b>	<b>1,102.80</b>	<b>4,768.18</b>
VIII	Tax expense	248.35	318.66	281.62	1,219.22
	(1) Current tax	248.27	318.43	273.13	1,215.44
	(2) Deferred tax	0.08	0.23	8.49	3.78
IX	<b>Profit for the period (VII-VIII)</b>	<b>720.22</b>	<b>954.61</b>	<b>821.18</b>	<b>3,548.96</b>
X	Other Comprehensive Income / (Loss) ('OCI')	(266.65)	(77.26)	(70.50)	(87.22)
	A (i) Items that will not be reclassified to profit or loss	10.07	12.23	(8.55)	(14.86)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.53)	(3.08)	2.15	3.74
	B (i) Items that will be reclassified to profit or loss (net)	(366.40)	(115.47)	(85.66)	(101.69)
	(ii) Income tax relating to items that will be reclassified to profit or loss	92.21	29.06	21.56	25.59
XI	<b>Total Comprehensive Income for the period (IX+X) (Comprising Profit and Other Comprehensive Income for the period)</b>	<b>453.57</b>	<b>877.35</b>	<b>750.68</b>	<b>3,461.74</b>
XII	Paid up equity share capital (Face value of Rs. 10 each, fully paid up)	331.11	330.98	341.31	330.98
XIII	Other equity				11,414.27
XIV	Earnings per share: (in Rs.)				
	(1) Basic	21.76	28.83	24.14	105.27
	(2) Diluted	21.37	28.26	23.88	103.36

\*Refer note 3

\*\*Restated (Refer note 6)



**Notes :**

- 1 The statement of unaudited financial results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 09, 2022. There are no qualifications in the limited review report issued by the auditors.
- 2 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, as amended read with the relevant rules issued thereunder.
- 3 The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2022 and unaudited published year-to-date figures up to December 31, 2021, being the end of the third quarter of the financial year, which were subject to limited review by the auditors.
- 4 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 Company operates are similar in nature.
- 5 The Board of Directors in their meeting held on August 09, 2022 recommended issue of bonus equity shares in the ratio of one bonus equity share for every two equity shares held in the Company, subject to shareholders' approval which is being sought via postal ballot.
- 6 The Company has appointed eClerx Employee Welfare Trust ("ESOP Trust") to administer the employee stock option scheme. For the said purpose the ESOP Trust borrowed funds from the Company and purchased the Company's shares from open market for allotting the same to eligible employees. In the standalone financial statements, the Company had adopted the policy of not consolidating the ESOP Trust and thereby recognized loan given to ESOP trust as financial asset and tested it on periodic basis for impairment by considering the difference between purchase price of shares and exercise price of share options/ market price of shares as at the end of the financial period. However, in the consolidated financial statements the ESOP Trust was consolidated and the related loan/ investment and related provision for impairment appearing in the standalone financial statements of the Company were eliminated and investment in own shares of the Company is shown as treasury shares in 'other equity'.

During the previous year ended March 31, 2022, the Company changed the accounting policy to consolidate the ESOP Trust in the standalone financial statements to reflect more appropriate presentation of the activity of the ESOP Trust in the standalone financial statements as the ESOP Trust carries out activities for the benefit of the employees of the Company and its subsidiaries. Consequently, in the standalone financial statements of the Company, the loan given to ESOP Trust (including interest and provision for impairment thereof) is eliminated and investment in own equity shares that are purchased (i.e. treasury shares) are recognised at cost and disclosed as deduction from equity. This voluntary change in accounting policy of the standalone financial statements has been given effect by restating the comparative information for the preceding period.

This change has primarily resulted in reduction in long term loans by Rs 711.6 million (net of impairment provision) as at March 31, 2021 and April 1, 2020, reduction in equity share capital by Rs. 8.84 million as at March 31, 2021 and April 1, 2020, increase in debit balance of treasury shares of Rs. 1,069.51 million as at March 31, 2021 and April 1, 2020 and increase in retained earnings by Rs. 367.78 million and Rs. 368.03 million as at March 31, 2021 and April 1, 2020, respectively.

Consequent to accounting for treasury shares in standalone financial statements, the weighted average number of shares considered for computation of earning per share ('EPS') has reduced resulting into increase in basic and diluted EPS as follows:

Particulars	Quarter ended		Year ended	
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	Unaudited	Audited	Unaudited	Audited
Decrease in other income	16.42	16.73	16.61	65.71
Decrease in other expense	16.92	16.84	15.85	64.39
Increase/(decrease) in profit after tax for the period	0.07	(0.21)	(0.76)	(2.51)
Increase in basic earnings per share	0.47	0.60	0.58	2.24
Increase in diluted earnings per share	0.45	0.58	0.57	2.16

- 7 Sales and marketing services for the quarter ended June 30, 2022 includes charge of Rs. 167.07 million resulting from additional earnout expense estimated for Personiv acquisition done on December 23, 2020.

**For and on behalf of Board of Directors**

PRIYADARSHAN MUNDHRA  
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Date: 2022.08.09  
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Place: Mumbai  
Date: August 09, 2022

**PD Mundhra**  
**Executive Director**