



**Expleo Solutions Limited (formerly known as SQS India BFSI Limited)**

CIN No:L64202TN1998PLC066604

Registered & Corporate office : 6A, Sixth Floor, Prince Infocity II, No. 283/3 & 283/4,

Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai-600 096, INDIA.

Website: www.sqs-bfsi.com; Tel:+91 44 4392 3200; Fax:+91 44 4392 3258

**Statement of Unaudited Consolidated Financial Results for the Quarter and Half year ended September 30, 2019**

(Rs. In Millions)

S. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations	656.66	598.86	750.03	1,255.52	1,473.95	2,827.73
2	Other Income	1.49	20.88	57.09	22.37	72.14	59.96
3	<b>Total Income (1+2)</b>	<b>658.15</b>	<b>619.74</b>	<b>807.12</b>	<b>1,277.89</b>	<b>1,546.09</b>	<b>2,887.69</b>
4	<b>EXPENSES</b>						
	a) Employee benefits expense	426.28	409.37	476.44	835.65	956.23	1,833.59
	b) Finance Cost	4.98	0.04	-	5.02	-	0.67
	c) Depreciation and amortisation expense	15.03	16.93	13.58	31.96	27.50	54.99
	d) Other expenses	87.05	95.67	109.28	182.72	231.23	462.76
	<b>Total Expenses (4)</b>	<b>533.34</b>	<b>522.01</b>	<b>599.30</b>	<b>1,055.35</b>	<b>1,214.96</b>	<b>2,352.01</b>
5	<b>Profit/(loss) before exceptional items and tax (3-4)</b>	<b>124.81</b>	<b>97.73</b>	<b>207.82</b>	<b>222.54</b>	<b>331.13</b>	<b>535.68</b>
6	Exceptional Items	-	-	-	-	-	-
7	<b>Profit/(loss) before tax (5-6)</b>	<b>124.81</b>	<b>97.73</b>	<b>207.82</b>	<b>222.54</b>	<b>331.13</b>	<b>535.68</b>
8	<b>Tax expense</b>						
	a) Current Tax	34.01	30.70	74.49	64.71	116.53	181.27
	b) Deferred Tax	1.30	0.80	(3.14)	2.10	(5.62)	(7.61)
9	<b>Profit/(loss) for the period (7-8)</b>	<b>89.50</b>	<b>66.23</b>	<b>136.47</b>	<b>155.73</b>	<b>220.22</b>	<b>362.02</b>
10	<b>Other Comprehensive Income</b>						
	A (i) Items that will not be reclassified to profit or loss	(7.59)	0.37	(2.96)	(7.22)	(1.02)	(2.38)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.90	0.09	1.04	1.99	0.36	0.83
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
11	<b>Total Comprehensive Income for the period (9+10) (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (net of tax))</b>	<b>83.81</b>	<b>66.69</b>	<b>134.55</b>	<b>150.50</b>	<b>219.56</b>	<b>360.47</b>
	Attributable to:						
	Owners of the parent	83.81	66.69	134.55	150.50	219.56	360.47
	Non-controlling interests	-	-	-	-	-	-
12	<b>Of the Total Comprehensive Income above, Profits for the year attributable to:</b>						
	Owners of the parent	89.50	66.23	136.47	155.73	220.22	362.02
	Non-controlling interests	-	-	-	-	-	-
13	<b>Of the Total Comprehensive Income above, Other comprehensive income attributable to:</b>						
	Owners of the parent	(5.69)	0.46	(1.92)	(5.23)	(0.66)	(1.55)
	Non-controlling interests	-	-	-	-	-	-
14	<b>Paid Up Equity Share Capital (Face value of Rs.10/- each, fully paid up)</b>	<b>102.52</b>	<b>102.52</b>	<b>107.13</b>	<b>102.52</b>	<b>107.13</b>	<b>107.13</b>
15	<b>Other Equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,281.32</b>
16	<b>Earnings per Equity Share (Face value of Rs.10/- each) (for continuing operations) (Refer Note 10)</b>						
	- Basic (Rs.)	8.55	6.20	12.74	14.87	20.56	33.79
	- Diluted (Rs.)	8.55	6.20	12.74	14.87	20.56	33.79
	See accompanying notes to the Consolidated Financial Results.						

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Statement of Unaudited Consolidated Financial Results for the Quarter and Half year ended September 30, 2019

**Consolidated Balance Sheet as at September 30, 2019**

(Rs. In Millions)

Particulars	30-Sep-19	31-Mar-19
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>A. NON CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	265.03	186.68
(b) Intangible Assets	0.76	1.97
(c) Financial Assets		
(i) Loans	16.59	8.79
(d) Deferred Tax Asset	25.27	25.38
(e) Income Tax Asset (Net)	2.69	9.32
(f) Other Non Current Assets	36.39	28.50
<b>TOTAL NON CURRENT ASSETS</b>	<b>346.73</b>	<b>260.64</b>
<b>B. CURRENT ASSETS</b>		
(a) Financial Assets		
(i) Trade Receivables	477.94	457.24
(ii) Cash and Cash Equivalents	756.78	978.92
(iii) Bank balances other than (ii) above	6.56	8.06
(iv) Loans	49.63	77.65
(v) Other Current Financial Assets	125.87	76.63
(b) Other Current Assets	100.73	72.81
<b>TOTAL CURRENT ASSETS</b>	<b>1,517.51</b>	<b>1,671.31</b>
<b>TOTAL ASSETS</b>	<b>1,864.24</b>	<b>1,931.95</b>
<b>EQUITY AND LIABILITIES</b>		
<b>A. EQUITY</b>		
(a) Equity Share Capital	102.52	107.13
(b) Other Equity	1,175.31	1,281.32
<b>TOTAL EQUITY</b>	<b>1,277.83</b>	<b>1,388.45</b>
<b>B. LIABILITIES</b>		
<b>NON CURRENT LIABILITIES</b>		
Provisions	9.76	7.64
Other Non Current Liabilities	75.12	-
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>84.88</b>	<b>7.64</b>
<b>CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
(i) Trade Payables		
(a) Total outstanding dues of Micro enterprises and small enterprises	0.14	0.10
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	88.87	80.88
(ii) Other Current Financial Liabilities	299.22	328.39
(b) Other Current Liabilities	56.20	69.17
(c) Provisions	4.19	3.59
(d) Current Tax Liabilities (Net)	52.91	53.73
<b>TOTAL CURRENT LIABILITIES</b>	<b>501.53</b>	<b>535.86</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,864.24</b>	<b>1,931.95</b>



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Statement of Unaudited Consolidated Financial Results for the Quarter and Half year ended September 30, 2019

Consolidated Statement of Cash Flows for the period ended September 30, 2019			
			(Rs. In Millions)
Particulars	Half year ended		Year ended
	30-Sep-19	30-Sep-18	31-Mar-19
	(Unaudited)	(Unaudited)	Audited
<b>A. Cash flow from operating activities</b>			
<b>Profit before tax</b>	<b>222.54</b>	<b>331.13</b>	<b>535.68</b>
<b>Adjustment for:</b>			
Depreciation and Amortization Expense	31.96	-	54.99
Loss/ (Profit) on sale of Property, Plant and Equipment	(0.07)	27.50	0.78
Provision no longer required	-	-	(4.78)
Unrealized forex exchange loss/(gain) (Net)	5.65	(9.99)	19.91
Interest income	(11.68)	(10.51)	(15.19)
Finance Cost	5.02	-	-
(Reversal of)/Allowance for credit loss	0.25	-	(1.00)
Unwinding of discount on security deposits	(0.42)	(0.55)	(1.11)
<b>Operating profit before working capital changes</b>	<b>253.25</b>	<b>337.58</b>	<b>589.28</b>
<b>Adjustment for:</b>			
(Increase)/ Decrease in Trade Receivables	(26.79)	13.91	214.67
(Increase)/ Decrease in Loans	16.94	(48.10)	(59.35)
(Increase)/ Decrease in Other Current Financial Assets	(49.28)	(31.26)	(39.98)
(Increase)/ Decrease in Other Current Assets	(27.88)	(47.79)	(29.26)
(Increase)/ Decrease in Other Non-Current Assets	(2.89)	2.59	3.10
Increase/ (Decrease) in Trade Payables	12.53	(45.08)	3.29
Increase/ (Decrease) in Other Current Financial Liabilities	(58.31)	67.49	(10.65)
Increase/ (Decrease) in Other Current Liabilities	(12.79)	(14.81)	(25.53)
Increase/ (Decrease) in Provisions	2.72	14.20	(3.57)
<b>Cash generated from operations</b>	<b>107.50</b>	<b>248.73</b>	<b>642.00</b>
Direct taxes paid (net of refunds)	(63.89)	(94.94)	(236.36)
<b>Net cash flow from operating activities (A)</b>	<b>43.61</b>	<b>153.79</b>	<b>405.64</b>
<b>B. Cash flow from investing activities</b>			
Investment in bank deposits having maturity greater than 3 months	(0.90)	(135.60)	(212.51)
Proceeds from maturity of Fixed Deposits	2.41	339.96	459.63
Payments for purchase of Property, Plant and Equipment and Intangible Assets	(2.93)	(5.47)	(23.89)
Proceeds from sale of Property, Plant and Equipment	0.07	3.87	3.09
Interest received on deposit with banks	11.73	12.58	19.07
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>10.38</b>	<b>215.34</b>	<b>245.38</b>
<b>C. Cash Flow from financing activities</b>			
Payments of Lease liability	(13.82)	-	-
Proceeds from Issue of Shares	(261.11)	0.34	0.34
Dividends paid	-	(214.27)	(214.27)
Tax on dividend paid	-	(44.04)	(44.04)
<b>Net cash (used in) financing activities (C)</b>	<b>(274.93)</b>	<b>(257.97)</b>	<b>(257.97)</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(220.94)</b>	<b>111.16</b>	<b>393.06</b>
<b>Effect of changes in exchange rate on cash and cash equivalents</b>	<b>(1.20)</b>	<b>2.67</b>	<b>(9.35)</b>
<b>Cash &amp; cash equivalents at the beginning of the year</b>	<b>978.92</b>	<b>595.21</b>	<b>595.21</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>756.78</b>	<b>709.04</b>	<b>978.92</b>

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**Statement of Unaudited Consolidated Financial Results for the Quarter and Half year ended September 30, 2019**

**Notes to the Consolidated Financial Results:-**

- 1 The above Consolidated financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on October 31, 2019. The Consolidated financial results are in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant Amendment Rules issued thereafter.
- 2 Pursuant to Regulation 33(3)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company had decided to submit to the stock exchanges the Unaudited Financial Results (Standalone and Consolidated) for the first three quarters of the current financial year 2019-20 and Audited Financial Results (Standalone and Consolidated) for the fourth quarter and year ended March 31, 2020.
- 3 The Chief Operating Decision Maker (CODM) evaluates the performance of the Group based on revenue and operating income in one segment i.e "Software Validation and Verification Services" relating to banking and financial services industry. Accordingly, as per Ind AS 108, "Operating Segments", the Group has only one business segment and hence segment information has not been separately disclosed.
- 4 Other Income (Sl. No. 2) and Other Expenditure (Sl. No. 4 d) above includes Net Foreign Exchange Gain and Loss respectively for each reporting period as under:

(Rs. in Millions)

Particulars	Quarter ended			Half yearly		Year ended
	30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
Net Exchange Gain / Loss	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Other Income	-	-	44.33	-	42.46	-
Other Expenses	1.16	10.24	-	11.40	-	22.65

- 5 Financial Results of Expleo Solutions Limited (formerly known as SQS India BFSI Limited) (Standalone information):

(Rs. in Millions)

Particulars	Quarter ended			Half yearly		Year ended
	30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
Net Sales / Income from Operations	656.66	598.86	750.03	1,255.52	1,473.95	2,827.73
Profit/ (Loss) from ordinary activities before tax	112.60	93.45	179.74	206.05	280.71	480.27
Net Profit/ (Loss) from ordinary activities after tax	78.28	63.59	110.06	141.87	174.63	314.38

- 6 The Consolidated Financial Results include the results of 100% Wholly owned Subsidiaries, i.e. Expleo Solutions Inc., USA (formerly known as SQS BFSI Inc, USA), Expleo Solutions Pte. Ltd., Singapore (formerly known as SQS BFSI Pte. Ltd., Singapore) Expleo Solutions FZE, UAE (formerly known as SQS BFSI FZE., UAE) and Expleo Solutions UK Limited (formerly known as SQS BFSI UK Ltd., UK).
- 7 On April 1, 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective approach. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 116 did not have any material impact on the consolidated results for the quarter and six months months ended September 30, 2019.
- 8 The earnings per share (basic and diluted) for the interim periods have not been annualised.
- 9 The above Consolidated Financial results have been subject to Limited Review by the Statutory Auditors. The comparative figures for the period for April 1, 2018 to September 30, 2018 in the Consolidated Statement of Cash Flows has been prepared by the management and approved by the Board of Directors and have not been subjected to limited review.
- 10 The prior period's figures have been regrouped / reclassified wherever necessary.

By order of the Board

For Expleo Solutions Limited (formerly known as SQS India BFSI Ltd)

Place: Chennai  
Date: October 31, 2019

Balaji Viswanathan  
Managing Director & CEO