



**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: <https://www.expleosolutions.com>; Tel:+91 44 4392 3200; Fax:+91 44 4392 3258

Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2020

(Rs. In Millions)

S. No.	Particulars	Quarter ended			Year ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from Operations	756.59	681.93	655.32	2,694.04	2,827.73
2	Other Income	31.96	42.65	15.35	85.83	59.96
3	<b>Total Income (1+2)</b>	<b>788.55</b>	<b>724.58</b>	<b>670.67</b>	<b>2,779.87</b>	<b>2,887.69</b>
4	<b>EXPENSES</b>					
	a) Employee benefits expense	494.16	463.29	424.01	1,793.10	1,833.59
	b) Finance Cost	3.20	2.86	0.36	11.08	0.67
	c) Depreciation and amortisation expense	12.86	13.40	13.94	58.22	54.99
	d) Other expenses	104.02	101.31	106.00	376.91	462.76
	<b>Total Expenses (4)</b>	<b>614.24</b>	<b>580.86</b>	<b>544.31</b>	<b>2,239.31</b>	<b>2,352.01</b>
5	<b>Profit/(loss) before exceptional items and tax (3-4)</b>	<b>174.31</b>	<b>143.72</b>	<b>126.36</b>	<b>540.56</b>	<b>535.68</b>
6	Exceptional Items	-	-	-	-	-
7	<b>Profit/(loss) before tax (5-6)</b>	<b>174.31</b>	<b>143.72</b>	<b>126.36</b>	<b>540.56</b>	<b>535.68</b>
8	Tax expense					
	a) Current Tax	22.55	41.15	32.36	128.41	181.27
	b) Deferred Tax	12.07	(1.04)	0.63	13.13	(7.61)
9	<b>Profit/(loss) for the period (7-8)</b>	<b>139.69</b>	<b>103.61</b>	<b>93.37</b>	<b>399.02</b>	<b>362.02</b>
10	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	(0.77)	2.09	(0.10)	(5.90)	(2.38)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.17	(0.59)	0.03	1.57	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>139.09</b>	<b>105.11</b>	<b>93.30</b>	<b>394.69</b>	<b>360.47</b>
	Attributable to:					
	Owners of the parent	139.09	105.11	93.30	394.69	360.47
	Non-controlling interests	-	-	-	-	-
12	Of the Total Comprehensive Income above, Profits for the year attributable to:					
	Owners of the parent	139.69	103.61	93.37	399.02	362.02
	Non-controlling interests	-	-	-	-	-
13	Of the Total Comprehensive Income above, Other comprehensive income attributable to:					
	Owners of the parent	(0.60)	1.50	(0.07)	(4.33)	(1.55)
	Non-controlling interests	-	-	-	-	-
14	Paid Up Equity Share Capital (Face value of Rs.10/- each, fully paid up)	102.52	102.52	107.13	102.52	107.13
15	Other Equity	-	-	-	1,419.50	1,281.32
16	Earnings per Equity Share (Face value of Rs.10/- each) (for continuing operations) (Refer Note 10)					
	- Basic (Rs.)	13.48	9.96	8.71	38.51	33.79
	- Diluted (Rs.)	13.48	9.96	8.71	38.51	33.79

See accompanying notes to the Consolidated Financial Results.

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Website: <https://www.exploolutions.com>; Tel:+91 44 4392 3200; Fax:+91 44 4392 3258**Consolidated Balance Sheet as at March 31, 2020**

(Rs. In Millions)

Particulars	31-Mar-20 (Audited)	31-Mar-19 (Audited)
<b>ASSETS</b>		
<b>A. NON CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	259.54	186.68
(b) Intangible Assets	0.34	1.97
(c) Financial Assets		
(i) Loans	17.31	8.79
(ii) Other Non Current Financial Assets	-	-
(d) Deferred Tax Asset	13.82	25.38
(e) Income Tax Asset (Net)	1.34	9.32
(f) Other Non Current Assets	75.11	66.16
<b>TOTAL NON CURRENT ASSETS</b>	<b>367.46</b>	<b>298.30</b>
<b>B. CURRENT ASSETS</b>		
(a) Financial Assets		
(i) Trade Receivables	759.04	457.24
(ii) Cash and Cash Equivalents	789.92	978.92
(iii) Bank balances other than (ii) above	82.55	8.06
(iv) Loans	52.86	74.38
(v) Other Current Financial Assets	60.41	76.63
(b) Other Current Assets	30.72	29.64
<b>TOTAL CURRENT ASSETS</b>	<b>1,775.50</b>	<b>1,624.87</b>
<b>TOTAL ASSETS</b>	<b>2,142.96</b>	<b>1,923.17</b>
<b>EQUITY AND LIABILITIES</b>		
<b>A. EQUITY</b>		
(a) Equity Share Capital	102.52	107.13
(b) Other Equity	1,419.50	1,281.32
<b>TOTAL EQUITY</b>	<b>1,522.02</b>	<b>1,388.45</b>
<b>B. LIABILITIES</b>		
<b>NON CURRENT LIABILITIES</b>		
Other Non Current Financial Liabilities	65.38	-
Provisions	18.18	12.91
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>83.56</b>	<b>12.91</b>
<b>CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
(i) Trade Payables		
(a) Total outstanding dues of Micro enterprises and small enterprises	3.96	0.10
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	114.16	80.88
(ii) Other Current Financial Liabilities	286.88	318.74
(b) Other Current Liabilities	74.67	63.66
(c) Provisions	4.91	4.70
(d) Current Tax Liabilities (Net)	52.80	53.73
<b>TOTAL CURRENT LIABILITIES</b>	<b>537.38</b>	<b>521.81</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,142.96</b>	<b>1,923.17</b>

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(Rs. In Millions)

Particulars	Year ended	
	31-Mar-20	31-Mar-19
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>540.56</b>	<b>535.68</b>
<b>Adjustment for:</b>		
Depreciation and Amortization Expense	58.22	54.99
Loss/ (Profit) on sale of Property, Plant and Equipment	(0.23)	0.78
Provision no longer required	-	(4.78)
Unrealized forex exchange loss/(gain) (Net)	(32.79)	19.91
Interest income	(15.22)	(15.19)
Finance Cost	10.60	-
(Reversal of)/Allowance for credit loss	(0.32)	(1.00)
Unwinding of discount on security deposits	(0.85)	(1.11)
<b>Operating profit before working capital changes</b>	<b>559.97</b>	<b>589.28</b>
<b>Adjustment for:</b>		
(Increase)/ Decrease in Trade Receivables	(286.28)	214.67
(Increase)/ Decrease in Loans	9.98	(56.09)
(Increase)/ Decrease in Other Current Financial Assets	16.87	(39.98)
(Increase)/ Decrease in Other Current Assets	(1.69)	9.00
(Increase)/ Decrease in Other Non-Current Assets	(3.22)	(34.56)
Increase/ (Decrease) in Trade Payables	36.85	3.29
Increase/ (Decrease) in Other Current Financial Liabilities	(55.09)	(20.29)
Increase/ (Decrease) in Other Current Liabilities	11.19	(26.13)
Increase/ (Decrease) in Provisions	5.48	2.81
<b>Cash generated from operations</b>	<b>294.06</b>	<b>642.00</b>
Direct taxes paid (net of refunds)	(127.11)	(236.36)
<b>Net cash flow from operating activities (A)</b>	<b>166.95</b>	<b>405.64</b>
<b>B. Cash flow from investing activities</b>		
Investment in bank deposits having maturity greater than 3 months	(76.90)	(212.51)
Proceeds from maturity of Fixed Deposits	2.41	459.63
Payments for purchase of Property, Plant and Equipment and Intangible Assets	(23.27)	(23.89)
Proceeds from sale of Property, Plant and Equipment	0.23	3.09
Interest received on deposit with banks	14.57	19.07
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(82.96)</b>	<b>245.39</b>
<b>C. Cash Flow from financing activities</b>		
Lease payments	(27.76)	-
Proceeds from Issue of Shares	-	0.34
Buy back of equity shares	(253.50)	-
Expenses for Buy back of equity shares	(7.62)	-
Dividends paid	-	(214.27)
Tax on dividend paid	-	(44.04)
<b>Net cash (used in) financing activities (C)</b>	<b>(288.88)</b>	<b>(257.97)</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(204.89)</b>	<b>393.06</b>
<b>Effect of changes in exchange rate on cash and cash equivalents</b>	<b>15.89</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>Cash and cash equivalents at the end of the period</b>	<b>789.92</b>	<b>978.92</b>

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Website: <https://www.expleosolutions.com>; Tel:+91 44 4392 3200; Fax:+91 44 4392 3258**Notes to the Consolidated Financial Results:-**

- 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 May 28, 2020. 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.
- The format for the audited/ unaudited financial results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 05, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013, as amended, which are applicable to companies that are required to comply with Ind AS.
- The figures for the quarters ended March 31 as reported in these results are the balancing figures between audited figures in respect of the years ended March 31 and the published year to date figures up to the end of the third quarter of the relevant financial years. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.
- 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.
- 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.
- 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			Year ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
Net Exchange Gain / Loss	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Other Income	30.79	41.17	-	60.56	-
Other Expenses	-	-	9.71	-	22.65

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

(Rs. in Millions)

Particulars	Quarter ended			Year ended	
	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
Net Sales / Income from Operations	756.59	681.93	655.32	2,694.04	2,827.73
Profit/ (Loss) from ordinary activities before tax	158.33	122.93	111.89	487.34	480.27
Net Profit/ (Loss) from ordinary activities after tax	124.69	82.91	80.43	349.49	314.38

- 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).
- 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 year ended March 31, 2020.
- The earnings per share (basic and diluted) for the interim periods have not been annualised.
- In assessing the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Receivables and other financial assets, the Company has considered internal and external information upto the date of approval of these financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- The Statutory Auditors, Kalyaniwalla & Mistry LLP, have issued their report with unmodified opinion on the Consolidated Financial Results.
- 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: Bengaluru  
Date: May 28, 2020

Balaji Viswanathan  
Managing Director & CEO