

**Expleo Solutions Limited**

(formerly known as SQS India BFSI Limited)

CIN No:L64202TN1998PLC066604

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

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

Website: www.expleosolutions.com; Tel:+91 44 4392 3200

**Statement of Unaudited Standalone Financial Results for the Quarter and Half year ended September 30, 2020**

(Rs. In Millions)

S.No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations	736.30	758.12	656.66	1,494.42	1,265.27	2,702.18
2	Other Income	13.03	9.42	1.22	22.45	11.62	59.52
3	<b>Total Income (1+2)</b>	<b>749.33</b>	<b>767.54</b>	<b>657.88</b>	<b>1,516.87</b>	<b>1,276.89</b>	<b>2,761.70</b>
4	<b>EXPENSES</b>						
	a) Employee benefits expense	383.34	366.02	332.75	749.36	625.95	1,347.15
	b) Finance Cost	2.45	2.59	4.98	5.04	5.02	11.08
	c) Depreciation and amortisation expense	13.56	13.78	14.98	27.34	31.85	58.00
	d) Other expenses	186.95	204.40	192.57	391.35	408.02	858.13
	<b>Total Expenses (4)</b>	<b>586.30</b>	<b>586.79</b>	<b>545.28</b>	<b>1,173.09</b>	<b>1,070.84</b>	<b>2,274.36</b>
5	<b>Profit/(loss) before exceptional items and tax (3-4)</b>	<b>163.03</b>	<b>180.75</b>	<b>112.60</b>	<b>343.78</b>	<b>206.05</b>	<b>487.34</b>
6	Exceptional Items	-	-	-	-	-	-
7	<b>Profit/(loss) before tax (5-6)</b>	<b>163.03</b>	<b>180.75</b>	<b>112.60</b>	<b>343.78</b>	<b>206.05</b>	<b>487.34</b>
8	<b>Tax expense</b>						
	a) Current Tax	43.89	49.05	33.03	92.94	62.08	124.72
	b) Deferred Tax	0.09	0.37	1.29	0.46	2.10	13.13
9	<b>Profit/(loss) for the period (7-8)</b>	<b>119.05</b>	<b>131.33</b>	<b>78.28</b>	<b>250.38</b>	<b>141.87</b>	<b>349.49</b>
10	<b>Other Comprehensive Income</b>						
	A (i) Items that will not be reclassified to profit or loss	2.64	(1.49)	(6.50)	1.15	(6.82)	(6.24)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.08)	0.37	1.90	0.29	1.99	1.57
	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>121.61</b>	<b>130.21</b>	<b>73.68</b>	<b>251.82</b>	<b>137.04</b>	<b>344.82</b>
12	Paid Up Equity Share Capital (Face value of Rs.10/- each, fully paid up)	102.52	102.52	102.52	102.52	102.52	102.52
13	Other Equity	-	-	-	-	-	1,050.00
14	<b>Earnings per Equity Share (Face value of Rs.10/- each) (for continuing operations) (Refer Note 6)</b>						
	- Basic (Rs.)	11.61	12.81	7.48	24.42	13.55	33.73
	- Diluted (Rs.)	11.61	12.81	7.48	24.42	13.55	33.73
	See accompanying notes to the Unaudited Standalone Financial Results.						

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**Statement of Unaudited Standalone Financial Results for the Quarter and Half year ended September 30, 2020****Standalone Balance Sheet as at September 30, 2020****(Rs. In Millions)**

Particulars	30-Sep-20	31-Mar-20
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>A. NON CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	252.80	259.43
(b) Intangible Assets	0.15	0.34
(c) Financial Assets		
(i) Investments in subsidiaries	40.15	40.15
(ii) Loans	17.48	17.03
(d) Deferred Tax Asset	13.65	13.82
(e) Income Tax Asset (Net)	1.44	1.34
(f) Other Non Current Assets	75.01	75.11
<b>TOTAL NON CURRENT ASSETS</b>	<b>400.68</b>	<b>407.22</b>
<b>B. CURRENT ASSETS</b>		
(a) Financial Assets		
(i) Trade Receivables	709.84	644.84
(ii) Cash and Cash Equivalents	707.72	617.38
(iii) Bank balances other than (ii) above	168.45	82.55
(iv) Loans	4.02	4.82
(v) Other Current Financial Assets	95.14	58.88
(b) Other Current Assets	30.68	22.76
<b>TOTAL CURRENT ASSETS</b>	<b>1,715.85</b>	<b>1,431.23</b>
<b>TOTAL ASSETS</b>	<b>2,116.53</b>	<b>1,838.45</b>
<b>EQUITY AND LIABILITIES</b>		
<b>A. EQUITY</b>		
(a) Equity Share Capital	102.52	102.52
(b) Other Equity	1,301.81	1,050.00
<b>TOTAL EQUITY</b>	<b>1,404.33</b>	<b>1,152.52</b>
<b>B. LIABILITIES</b>		
<b>NON CURRENT LIABILITIES</b>		
Othe Non Current Financial Liabilities	55.77	65.38
Provisions	14.15	10.96
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>69.92</b>	<b>76.34</b>
<b>CURRENT LIABILITIES</b>		
(a) Financial Liabilities		
(i) Trade Payables		
(a) Total outstanding dues of Micro enterprises and small enterprises	-	3.96
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	236.75	291.72
(ii) Other Current Financial Liabilities	289.54	214.91
(b) Other Current Liabilities	38.79	45.22
(c) Provisions	4.42	3.49
(d) Current Tax Liabilities (Net)	72.78	50.29
<b>TOTAL CURRENT LIABILITIES</b>	<b>642.28</b>	<b>609.59</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,116.53</b>	<b>1,838.45</b>

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**Statement of Unaudited Standalone Financial Results for the Quarter and Half year ended September 30, 2020**

<b>Standalone Statement of Cash Flows for the period ended September 30, 2020</b>		<b>(Rs. In Millions)</b>	
<b>Particulars</b>	<b>Half year ended</b>		
	<b>30-Sep-20</b>	<b>30-Sep-19</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
<b>A. Cash flow from operating activities</b>			
<b>Profit before tax</b>	<b>343.78</b>	<b>206.05</b>	
<b>Adjustment for:</b>			
Depreciation and Amortization Expense	27.34	31.85	
Loss/ (Profit) on sale of Property, Plant and Equipment	-	(0.07)	
Unrealized forex exchange loss/(gain) (Net)	4.51	(0.54)	
Interest income	(5.90)	(11.13)	
Finance Cost	5.04	5.02	
(Reversal of)/Allowance for credit loss	-	0.25	
Unwinding of discount on security deposits	(0.45)	(0.42)	
<b>Operating profit before working capital changes</b>	<b>374.32</b>	<b>231.01</b>	
<b>Adjustment for:</b>			
(Increase)/ Decrease in Trade Receivables	(69.30)	(213.10)	
(Increase)/ Decrease in Loans	0.35	14.59	
(Increase)/ Decrease in Other Current Financial Assets	(35.64)	(68.40)	
(Increase)/ Decrease in Other Current Assets	(8.00)	(22.45)	
(Increase)/ Decrease in Other Non-Current Assets	0.10	(2.89)	
Increase/ (Decrease) in Trade Payables	(58.83)	26.94	
Increase/ (Decrease) in Other Current Financial Liabilities	75.16	(48.88)	
Increase/ (Decrease) in Other Current Liabilities	(7.35)	(8.89)	
Increase/ (Decrease) in Provisions	4.12	2.70	
<b>Cash generated from operations</b>	<b>274.93</b>	<b>(89.37)</b>	
Direct taxes paid (net of refunds)	(70.55)	(60.22)	
<b>Net cash flow from operating activities (A)</b>	<b>204.38</b>	<b>(149.59)</b>	
<b>B. Cash flow from investing activities</b>			
Investment in bank deposits having maturity greater than 3 months	(352.44)	(0.90)	
Proceeds from maturity of Fixed Deposits	266.55	2.41	
Payments for purchase of Property, Plant and Equipment and Intangible Assets	(20.53)	(2.93)	
Proceeds from sale of Property, Plant and Equipment	-	0.07	
Interest received on deposit with banks	5.28	11.18	
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(101.14)</b>	<b>9.83</b>	
<b>C. Cash Flow from financing activities</b>			
Payment of Lease Liability	(14.05)	(13.82)	
Proceeds from Issue of Shares	-	(261.11)	
<b>Net cash (used in) financing activities (C)</b>	<b>(14.05)</b>	<b>(274.93)</b>	
<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>89.19</b>	<b>(414.69)</b>	
<b>Effect of changes in exchange rate on cash and cash equivalents</b>	<b>1.15</b>	<b>(2.62)</b>	
<b>Cash &amp; cash equivalents at the beginning of the period</b>	<b>617.38</b>	<b>831.65</b>	
<b>Cash and cash equivalents at the end of the period</b>	<b>707.72</b>	<b>414.34</b>	

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**Statement of Unaudited Standalone Financial Results for the Quarter and Half year ended September 30, 2020****Notes to the Unaudited Standalone Financial Results:-**

- The above Standalone 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 November 05, 2020. The Standalone 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.
- Pursuant to Regulation 33(3)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has decided to submit to the stock exchanges the Unaudited Financial Results (Standalone and Consolidated) for the first three quarters of the current financial year 2020-21 and Audited Financial Results (Standalone and Consolidated) for the fourth quarter and year ended March 31, 2021.
- The Chief Operating Decision Maker (CODM) evaluates the performance of the Company 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 Company has only one business segment and hence segment information has not been separately disclosed.
- Other Income (Sl. No. 2) and Other Expenses (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 year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
Net Exchange Gain / Loss	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Other Income	9.81	6.15	-	15.96	-	43.97
Other Expenses	-	-	5.63	-	2.09	-

- Consequent to Expert Advisory Committee opinion issued by the Institute of Chartered Accountants of India on Grants receivable from Government of India (under SEIS), the amount of export incentives have been reclassified to "Other Operating Revenues" from "Other Income". These reclassifications do not have any impact on the reported Total Income or on the Profit Before Tax for all the periods presented hereunder.

(Rs. In Millions)

Particulars	Quarter ended			Half year ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
Revenue from Operations	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from Operations	736.30	758.12	656.66	1,494.42	1,255.52	2,694.04
Add: Export Incentives	-	-	-	-	9.75	8.14
Restated Revenue from Operations	736.30	758.12	656.66	1,494.42	1,265.27	2,702.18

- 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 above Standalone Financial results have been subject to Limited review by the Statutory Auditors.
- The prior period's figures have been regrouped / reclassified wherever necessary.

By order of the Board  
For Expleo Solutions Limited  
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Place: Bengaluru  
Date: November 5, 2020

Balaji Viswanathan  
Managing Director & CEO