

November 7, 2019

<b>BSE Limited</b> Corporate Relationship Department, Phiroze Jeejeebhoy Towers, 25 <sup>th</sup> Floor, Dalal Street, Fort, Mumbai - 400 001	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot No. C/1, Block G, Bandra - Kurla Complex Bandra (East), Mumbai – 400 051
---	---

Dear Sir/Madam,

**Sub: Outcome of Board Meeting held on Thursday, November 7, 2019**

**Scrip Code: BSE - 532927  
NSE – ECLERX**

This is to inform you that the Board of Directors of the Company at its meeting held on Thursday, November 7, 2019, which commenced at 3.55 p.m. and concluded at 5.35 p.m., *inter-alia*, unanimously approved the Unaudited Financial Results (Standalone and Consolidated) along with the Limited Review Report issued by the Statutory Auditors, for the quarter and half year ended September 30, 2019.

The Financials, earnings presentation and other details are attached herein.

Further, please note that since Stock Exchange(s) portal for online submissions does not accept excel documents, we have made the "Investor Sheet" available on our website under the "Investor Relations" section.

This is for your information and records.

Thanking you,

Yours faithfully  
For eClerx Services Limited



**Pratik Bhanushali**  
**Company Secretary and Compliance Officer**  
**F8538**



Encl: as above

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated 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 of eClerx Services Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of eClerx Services Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018 as reported in these unaudited consolidated financial results have been approved by the Holding Company's Board of Directors but have not been subjected to review.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared 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, read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of entities as mentioned in Annexure A to this Report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, 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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

6. The accompanying Statement includes unaudited interim financial information/financial results and other unaudited financial information in respect of four subsidiaries, whose interim financial information/financial results reflect Group's share of total assets of Rs. 2,612.08 million as on September 30, 2019, and Group's share of total revenues of Rs. 416.26 million and Rs. 831.56 million, and Group's share of total net profit after tax and total comprehensive income of Rs. 55.09 million and Rs. 66.50 million, for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and net cash inflows of Rs. 31.73 million for the period from April 1, 2019 to September 30, 2019, as considered in the Statement, which have been reviewed by their independent auditors. The independent auditor's reports on interim financial information/ financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of above matter.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm registration number: 101049W/E300004**

*Amit Majmudar*

per **Amit Majmudar**

Partner

Membership No.: 36656



UDIN: 19036656AAAACR1727

Mumbai

November 7, 2019

# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

**Annexure to the Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

Sr. No.	Name of subsidiaries
1	eClerx LLC
2	eClerx Limited
3	eClerx Private Limited
4	eClerx Investments (UK) Limited
5	eClerx Canada Limited
6	CLX Europe S.P.A
7	CLX Europe Media Solution GmbH
8	CLX Europe Media Solution Limited
9	CLX Thai Company Limited
10	eClerx Employee Welfare Trust



**ECLERX SERVICES LIMITED**  
CIN : L72200MH2000PLC125319

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

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

(Rupees in Millions, except per share data)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	3,564.69	3,547.21	3,559.01	7,111.90	7,078.43	14,305.93
II	Other income	86.03	95.98	191.94	182.01	390.13	485.92
III	<b>Total Income (I + II)</b>	<b>3,650.72</b>	<b>3,643.19</b>	<b>3,750.95</b>	<b>7,293.91</b>	<b>7,468.56</b>	<b>14,791.85</b>
IV	<b>Expenses</b>						
	Employee benefits expense	2,131.84	2,194.94	1,933.14	4,326.78	3,886.62	7,868.94
	Depreciation and amortisation expense	176.51	171.67	102.77	348.18	196.24	446.92
	Cost of technical sub-contractors	135.56	140.39	185.91	275.95	353.37	714.12
	Other expenses	516.49	563.92	607.96	1,080.41	1,236.63	2,646.74
	Finance cost	47.46	43.23	0.06	90.69	0.14	0.39
	<b>Total expenses (IV)</b>	<b>3,007.86</b>	<b>3,114.15</b>	<b>2,829.84</b>	<b>6,122.01</b>	<b>5,673.00</b>	<b>11,677.11</b>
V	Profit before exceptional items and tax (III-IV)	642.86	529.04	921.11	1,171.90	1,795.56	3,114.74
VI	Exceptional items	-	-	-	-	-	-
VII	<b>Profit before tax</b>	<b>642.86</b>	<b>529.04</b>	<b>921.11</b>	<b>1,171.90</b>	<b>1,795.56</b>	<b>3,114.74</b>
VIII	Tax expense (refer note 6)	205.76	131.01	220.82	336.77	494.78	831.73
	(1) Current tax	164.29	165.51	252.61	329.80	540.02	911.61
	(2) Deferred tax	41.47	(34.50)	(31.79)	6.97	(45.24)	(79.88)
IX	<b>Profit for the period (VII-VIII)</b>	<b>437.10</b>	<b>398.03</b>	<b>700.29</b>	<b>835.13</b>	<b>1,300.78</b>	<b>2,283.01</b>
	<b>Attributable to:</b>						
	Shareholders of the Company	438.93	398.11	699.50	837.04	1,301.20	2,282.63
	Non controlling interest	(1.83)	(0.08)	0.79	(1.91)	(0.42)	0.38
X	<b>Profit for the period (IX)</b>	<b>437.10</b>	<b>398.03</b>	<b>700.29</b>	<b>835.13</b>	<b>1,300.78</b>	<b>2,283.01</b>
XI	Other Comprehensive Income / (Loss) ("OCI")	(125.44)	20.89	(131.84)	(104.55)	(412.18)	(61.73)
	A (i) Items that will not be reclassified to profit or loss	(5.21)	(30.74)	3.41	(35.95)	13.31	(12.33)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.14)	9.10	(0.99)	8.96	(3.74)	3.50
	B (i) Items that will be reclassified to profit or loss (net)	(162.34)	56.70	(252.94)	(105.64)	(658.70)	(64.17)
	(ii) Income tax relating to items that will be reclassified to profit or loss	42.25	(14.17)	118.68	28.08	236.95	11.27
XII	<b>Total Comprehensive Income for the period (X+XI)(Comprising Profit and Other Comprehensive Income for the period)</b>	<b>311.66</b>	<b>418.92</b>	<b>568.45</b>	<b>730.58</b>	<b>888.60</b>	<b>2,221.28</b>
	<b>Attributable to:</b>						
	Shareholders of the Company	313.49	419.00	567.66	732.49	889.02	2,220.90
	Non controlling interest	(1.83)	(0.08)	0.79	(1.91)	(0.42)	0.38
XIII	Paid up equity share capital (Face value of Rs. 10 each, fully paid up)	361.00	361.00	379.80	361.00	379.80	377.90
XIV	Other equity						13,440.93
XV	Earnings per share: (in Rs.)						
	(1) Basic	12.16	10.56	18.38	22.69	34.15	60.07
	(2) Diluted	12.16	10.56	18.35	22.66	34.08	59.98

SIGNED FOR IDENTIFICATION  
BY  
*Amajmuda*  
S. R. BATLIBOI & ASSOCIATES LLP  
MUMBAI



*A*

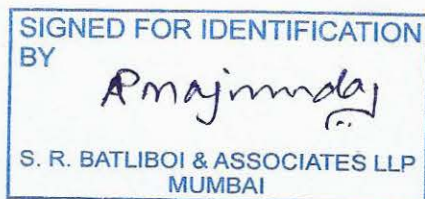
**Notes :**

- 1 The statement of unaudited financial results for the quarter and half year ended September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 7, 2019. There are no qualifications in the limited review report issued by the auditors.
- 2 These consolidated 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.
- 3 The Group 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 The Board of Directors vide their meeting dated March 14, 2019 approved, subject to shareholders' approval, buyback of equity shares of the Company. The shareholders approval was procured vide postal ballot, results of which were announced on April 26, 2019. The Company concluded the said buyback of 1,746,666 equity shares of Rs 10 each, at a buyback price of Rs. 1,500 per share and total buyback amount of Rs.2,620 million. The settlement date for the said buyback was June 24, 2019. The shares so bought back were extinguished and the issued and paid-up capital stands amended accordingly.
- 5 Effective April 1, 2019, the Group adopted Ind AS 116 'Leases', applied to all lease contracts existing as on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to opening retained earnings as on April 1, 2019, i.e on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of new standard resulted in recognition of Right - of - Use asset (ROU) of Rs. 1,223.06 million and a lease liability of Rs. 1,452.54 million. The cumulative effect of applying the standard resulted in Rs. 54.84 million being debited to opening retained earnings, net of taxes. In the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the ROU asset and finance cost for interest accrued on lease liability. The following table summarises the impact of Ind AS 116 on financial results.

(Rupees in Millions)

Particulars	Quarter ended September 30, 2019	Half year ended September 30, 2019
Ind AS 116 - Depreciation is higher by	76.52	150.38
Ind AS 116 - Finance cost is higher by	47.37	90.48
	<b>123.89</b>	<b>240.86</b>
Ind AS 17 - Rent Expense is lower by	(116.15)	(229.67)
<b>Profit before tax is lower by</b>	<b>7.74</b>	<b>11.19</b>

- 6 During the quarter ended September 30, 2019, the Company has accounted the tax expense as per the rates prescribed under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly the deferred tax assets (net) as at March 31, 2019 and the estimate of tax expenses for the year ended March 31, 2020 have been re-computed. The resultant impact is recognised in the quarter ended September 30, 2019 and as a result the tax expense for the quarter & half year ended September 30, 2019 is higher by Rs 38.62 million.



(Rupees in Millions)

Particulars	As at	As at
	September 30, 2019	March 31, 2019
	Unaudited	Audited
<b>A. ASSETS</b>		
<b>1. Non current assets</b>		
Property, plant and equipment	788.36	828.63
Right of use assets	1,295.66	-
Capital work in progress	-	1.65
Goodwill on consolidation	2,172.52	2,182.27
Other intangible assets	438.81	468.24
Financial assets		
Investments	2.40	2.40
Derivative instruments	2.35	94.40
Other financial assets	154.44	195.28
Deferred tax assets (net)	263.10	202.72
Other non - current assets	330.62	265.47
Non-current tax assets (net)	74.12	91.00
	<b>5,522.38</b>	<b>4,332.06</b>
<b>2. Current assets</b>		
Inventories	3.80	3.59
Financial assets		
Investments	2,877.59	2,860.24
Trade receivables	2,086.63	2,425.89
Cash and cash equivalents	1,558.29	1,256.24
Other Bank Balances	1,843.44	3,259.22
Other financial assets	1,103.97	1,109.78
Derivative instruments	112.85	112.93
Other current assets	393.68	610.01
Current tax assets (net)	-	1.96
	<b>9,980.25</b>	<b>11,639.86</b>
<b>TOTAL - ASSETS</b>	<b>15,502.63</b>	<b>15,971.92</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
Equity Share capital	361.00	377.90
Other Equity	11,503.19	13,435.08
<b>Total Equity attributable to shareholders of the Company</b>	<b>11,864.19</b>	<b>13,812.98</b>
Non-controlling interests	3.92	5.85
<b>Total Equity</b>	<b>11,868.11</b>	<b>13,818.83</b>
<b>2. Non current liabilities</b>		
Financial liabilities		
Lease liabilities	1,130.48	-
Borrowings	6.26	8.11
Deferred tax liabilities (net)	125.31	132.09
Employee benefit obligations	416.35	405.89
Other non - current liabilities	-	127.88
	<b>1,678.40</b>	<b>673.97</b>
<b>3. Current liabilities</b>		
Financial liabilities		
Lease liabilities	413.45	-
Borrowings	6.10	8.63
Trade payables		
Total outstanding dues of Micro enterprises and small enterprises	0.69	3.37
Total outstanding dues of creditors other than Micro enterprises and small enterprises	86.85	112.69
Other current financial liabilities	586.54	443.04
Other current liabilities	113.74	161.98
Employee benefit obligations	596.00	703.13
Current tax liabilities (net)	152.75	46.28
	<b>1,956.12</b>	<b>1,479.12</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>15,502.63</b>	<b>15,971.92</b>

SIGNED FOR IDENTIFICATION  
BY  
*A. Majumdar*  
S. R. BATLIBOI & ASSOCIATES LLP  
MUMBAI



*[Handwritten signature]*

## 8 Statement of Cash flow

(Rupees in Millions)

	Half year ended		Year ended
	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Audited
<b>Operating activities</b>			
Profit before tax	1,171.90	1,795.56	3,114.74
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment	306.61	142.38	341.78
Amortisation and impairment of intangible assets	41.57	53.86	105.14
Share-based payment expense	(4.18)	17.91	35.40
Net foreign exchange differences - Trade receivables	(18.61)	(25.21)	46.79
Net foreign exchange differences - Trade payables	1.65	4.75	(3.38)
(Gain) / Loss on sale of assets	12.88	(0.19)	(0.22)
Interest income on corporate rent deposits	(5.16)	(5.82)	(12.54)
Amortised cost on corporate rent deposits	4.95	5.27	11.43
(Profit) on sale of current investments	(0.90)	(13.90)	(14.49)
Dividend income	(63.83)	(54.84)	(97.48)
Interest income	(79.07)	(86.15)	(244.81)
Other adjustments	(35.95)	(13.31)	(12.33)
Bad debts written off	-	3.80	5.23
Finance cost	90.69	0.14	0.39
Provision for doubtful debts	7.34	-	3.20
Fair value loss / (gain) on financial instruments at fair value through profit or loss	(16.24)	12.53	15.83
	<b>1,413.65</b>	<b>1,836.78</b>	<b>3,294.68</b>
<b>Working capital adjustments:</b>			
(Decrease) / Increase in employee benefit obligations	(96.67)	(238.36)	(12.79)
Decrease / (Increase) in trade receivables	350.52	(114.81)	(152.64)
(Increase) / Decrease in inventories	(0.21)	0.38	0.79
Decrease / (Increase) in other current and non current assets	148.80	7.57	(223.02)
Decrease / (Increase) in other current and non current financial assets	47.00	35.19	113.63
Increase / (Decrease) in trade payables, other current and non current liabilities and provisions	86.03	(139.11)	(26.03)
<b>Cash generated by operating activities</b>	<b>1,949.12</b>	<b>1,387.64</b>	<b>2,994.62</b>
Payment of domestic and foreign taxes (net of refunds)	(190.83)	(421.29)	(933.07)
<b>Net cash flows generated from operating activities</b>	<b>1,758.29</b>	<b>966.35</b>	<b>2,061.55</b>
<b>Investing activities</b>			
Proceeds from sale of current investments	6,866.66	5,682.90	12,419.80
Purchase of current investments	(6,866.87)	(7,106.60)	(13,629.53)
Investment in bank deposits (having original maturity of more than three months)	(1,070.63)	(2,320.93)	(4,941.07)
Redemption / maturity of bank deposits (having original maturity of more than three months)	2,420.23	2,325.64	4,079.71
Payment of unclaimed dividend and fractional share	-	(0.04)	(0.24)
Proceeds from sale of property, plant and equipment	7.45	0.51	1.12
Purchase of property, plant, equipment and intangibles (including capital work in progress)	(132.71)	(138.70)	(521.26)
Dividend received	63.83	54.84	97.48
Interest received	144.89	101.82	185.69
<b>Net cash flows generated from / (used in) investing activities</b>	<b>1,432.85</b>	<b>(1,400.56)</b>	<b>(2,308.30)</b>
<b>Financing activities</b>			
Proceeds from issue of equity share capital	6.32	36.61	50.84
Proceeds from equity issue pending allotment	-	-	2.41
Purchase of treasury shares by eClerx Employee Welfare Trust	-	(262.88)	(498.93)
Buyback of equity shares	(2,564.21)	-	-
Buy back expenses	(25.42)	-	-
Payment of dividend	(36.10)	(37.99)	(37.99)
Dividend distribution tax	(7.60)	(7.95)	(7.95)
Bank loan (repaid) / taken	(4.38)	(35.32)	(46.70)
Interest paid	(90.48)	(0.14)	(0.39)
Principal payment - Lease	(137.98)	-	-
<b>Net cash flows generated from / (used in) financing activities</b>	<b>(2,859.85)</b>	<b>(307.67)</b>	<b>(538.71)</b>
Effect of exchange fluctuation on cash and cash equivalents	(29.24)	185.98	11.41
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>302.05</b>	<b>(555.90)</b>	<b>(774.05)</b>
Cash and cash equivalents at the beginning of the year	1,256.24	2,030.29	2,030.29
<b>Cash and cash equivalents</b>	<b>1,558.29</b>	<b>1,474.39</b>	<b>1,256.24</b>

9 The standalone financial results of the Company would be available for perusal on the Company's website viz www.eclerx.com. Key standalone financial information is given below.

(Rupees in Millions)

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income from operations	2,758.91	2,776.72	2,848.53	5,535.63	5,667.27	11,398.18
Profit before tax	87.33	442.39	810.51	529.72	1,571.60	2,843.64
Profit after tax	(80.30)	338.27	618.66	257.97	1,140.44	2,096.13

For and on behalf of Board of Directors

Place: Mumbai  
Date: November 7, 2019

SIGNED FOR IDENTIFICATION  
BY  
*Amajimda*  
S. R. BATLIBOI & ASSOCIATES LLP  
MUMBAI



Anjan Malik  
Director



**Independent Auditor's Review Report on the Quarterly and Year to Date 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 of 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 September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (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"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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, read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 Companies Act, 2013 as amended, 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



per Amit Majmudar

Partner

Membership No.: 36656

UDIN: 19036656AAAACQ8240

Mumbai

November 7, 2019



**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 AND HALF YEAR ENDED SEPTEMBER 30, 2019**

(Rupees in Millions, except per share data)

Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	2,758.91	2,776.72	2,848.53	5,535.63	5,667.27	11,398.18
II	Other income	102.67	115.60	218.68	218.27	430.93	558.25
III	<b>Total Income (I + II)</b>	<b>2,861.58</b>	<b>2,892.32</b>	<b>3,067.21</b>	<b>5,753.90</b>	<b>6,098.20</b>	<b>11,956.43</b>
IV	<b>Expenses</b>						
	Employee benefits expense	1,214.36	1,239.97	1,154.54	2,454.33	2,318.37	4,614.07
	Depreciation and amortisation expense	112.37	109.83	58.24	222.20	109.91	261.55
	Cost of technical sub-contractors	32.16	45.53	26.28	77.69	48.36	112.24
	Sales and marketing services	613.66	653.50	607.83	1,267.16	1,231.72	2,391.88
	Other expense	312.13	361.00	409.81	673.13	818.24	1,733.05
	Finance cost	44.63	40.10	-	84.73	-	-
	<b>Total expenses (IV)</b>	<b>2,329.31</b>	<b>2,449.93</b>	<b>2,256.70</b>	<b>4,779.24</b>	<b>4,526.60</b>	<b>9,112.79</b>
V	Profit before exceptional items and tax (III-IV)	532.27	442.39	810.51	974.66	1,571.60	2,843.64
VI	Exceptional items - Loss (refer note 6)	444.94	-	-	444.94	-	-
VII	<b>Profit before tax (V-VI)</b>	<b>87.33</b>	<b>442.39</b>	<b>810.51</b>	<b>529.72</b>	<b>1,571.60</b>	<b>2,843.64</b>
VIII	Tax expense (refer note 7)	167.63	104.12	191.85	271.75	431.16	747.51
	(1) Current tax	121.00	128.60	222.34	249.60	466.81	810.09
	(2) Deferred tax	46.63	(24.48)	(30.49)	22.15	(35.65)	(62.58)
IX	<b>Profit / (loss) for the period (VII-VIII)</b>	<b>(80.30)</b>	<b>338.27</b>	<b>618.66</b>	<b>257.97</b>	<b>1,140.44</b>	<b>2,096.13</b>
X	Other Comprehensive Income / (Loss) ('OCI')	(116.37)	25.32	(308.72)	(91.05)	(611.44)	(39.47)
	A (i) Items that will not be reclassified to profit or loss	(5.21)	(30.74)	3.41	(35.95)	13.31	(12.33)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.14)	9.10	(0.99)	8.96	(3.74)	3.50
	B (i) Items that will be reclassified to profit or loss (net)	(153.27)	61.13	(429.82)	(92.14)	(857.96)	(41.91)
	(ii) Income tax relating to items that will be reclassified to profit or loss	42.25	(14.17)	118.68	28.08	236.95	11.27
XI	<b>Total Comprehensive Income for the period (IX+X) (Comprising Profit and Other Comprehensive Income for the period)</b>	<b>(196.67)</b>	<b>363.59</b>	<b>309.94</b>	<b>166.92</b>	<b>529.00</b>	<b>2,056.66</b>
XII	Paid up equity share capital (Face value of Rs. 10 each, fully paid up)	369.83	369.83	386.85	369.83	386.85	387.11
XIII	Other equity						12,664.92
XIV	Earnings per share: (in Rs.)						
	(1) Basic	(2.17)	8.77	16.00	6.83	29.50	54.19
	(2) Diluted	(2.17)	8.76	15.97	6.82	29.43	54.11

SIGNED FOR IDENTIFICATION  
BY  
*Amajunda*  
S. R. BATLIBOI & ASSOCIATES LLP  
MUMBAI



*[Handwritten signature]*

**Notes :**

- 1 The statement of unaudited financial results for the quarter and half year ended September 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 7, 2019. 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 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.
- 4 The Board of Directors vide their meeting dated March 14, 2019 approved, subject to shareholders' approval, buyback of equity shares of the Company. The shareholders approval was procured vide postal ballot, results of which were announced on April 26, 2019. The Company concluded the said buyback of 1,746,666 equity shares of Rs 10 each, at a buyback price of Rs. 1,500 per share and total buyback amount of Rs.2,620 million. The settlement date for the said buyback was June 24, 2019. The shares so bought back were extinguished and the issued and paid-up capital stands amended accordingly.
- 5 Effective April 1, 2019, the Company adopted Ind AS 116 'Leases', applied to all lease contracts existing as on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to opening retained earnings as on April 1, 2019, i.e on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of new standard resulted in recognition of Right – of – Use asset (ROU) of Rs.884.30 million and a lease liability of Rs.1,091.65 million. The cumulative effect of applying the standard resulted in Rs.48.34 million being debited to opening retained earnings, net of taxes. In the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the ROU asset and finance cost for interest accrued on lease liability. The following table summarises the impact of Ind AS 116 on financial results.

(Rupees in Millions)

Particulars	Quarter ended	Half year ended
	September 30, 2019	September 30, 2019
Ind AS 116 - Depreciation is higher by	52.13	101.91
Ind AS 116 - Finance cost is higher by	44.63	84.73
	<b>96.76</b>	<b>186.64</b>
Ind AS 17 - Rent Expense is lower by	(89.35)	(176.15)
<b>Profit before tax is lower by</b>	<b>7.41</b>	<b>10.49</b>

- 6 The Company had appointed Eclerx Employee Welfare Trust (ESOP Trust) to administer the employee stock option scheme. For this purpose, the ESOP Trust borrowed funds from the Company and purchased the Company's shares from the open market since financial year 2016-17 for the purpose of allotting the same to eligible employees. Due to significant difference in the purchase price of these shares and exercise price of the share options, the Company foresees the inability of the ESOP Trust to service its loan obligations. Hence, the Company has made a provision of Rs 444.94 million in the results for the quarter and half year ended September 30, 2019.
- 7 During the quarter ended September 30, 2019, the Company has accounted the tax expense as per the rates prescribed under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly the deferred tax assets (net) as at March 31, 2019 and the estimate of tax expenses for the year ended March 31, 2020 have been re-computed. The resultant impact is recognised in the quarter ended September 30, 2019 and as a result the tax expense for the quarter & half year ended September 30, 2019 is higher by Rs 38.62 million.

SIGNED FOR IDENTIFICATION  
BY  
*Arajmuda*  
S. R. BATLIBOI & ASSOCIATES LLP  
MUMBAI



(Rupees in Millions)

Particulars	As at	As at
	September 30, 2019	March 31, 2019
	Unaudited	Audited
<b>A. ASSETS</b>		
<b>1. Non current assets</b>		
Property, plant and equipment	572.86	590.14
Right of use assets	1,001.21	-
Capital work-in-progress	-	1.65
Intangible assets	11.73	15.69
Financial assets		
Investments	2,380.34	2,390.50
Derivative instruments	2.35	94.40
Other financial assets	146.19	186.96
Long term loans	776.76	1,292.30
Deferred tax assets (net)	243.02	193.66
Other non-current assets	330.62	265.47
Non-current tax assets (net)	74.12	91.00
	<b>5,539.20</b>	<b>5,121.77</b>
<b>2. Current assets</b>		
Financial assets		
Investments	2,874.88	2,805.00
Trade receivables	1,517.04	1,864.45
Cash and cash equivalents	475.67	386.33
Other bank balance	1,829.28	3,245.33
Other financial assets	883.32	944.99
Derivative instruments	112.85	112.93
Other current assets	332.34	553.69
	<b>8,025.38</b>	<b>9,912.72</b>
<b>TOTAL - ASSETS</b>	<b>13,564.58</b>	<b>15,034.49</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
Equity share capital	369.83	387.11
Other equity	10,096.49	12,664.92
	<b>10,466.32</b>	<b>13,052.03</b>
<b>2. Non current liabilities</b>		
Financial liabilities		
Lease liabilities	914.37	-
Employee benefit obligations	291.56	275.57
Other non-current liabilities	-	115.23
	<b>1,205.93</b>	<b>390.80</b>
<b>3. Current Liabilities</b>		
Financial liabilities		
Lease liabilities	311.57	-
Other financial liabilities	402.00	325.49
Trade payables		
Total outstanding dues of Micro enterprises and small enterprises	0.69	3.37
Total outstanding dues of creditors other than Micro enterprises and small enterprises	683.20	686.99
Other current liabilities	38.01	65.44
Employee benefit obligations	423.10	510.27
Current tax liabilities (net)	33.76	0.10
	<b>1,892.33</b>	<b>1,591.66</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>13,564.58</b>	<b>15,034.49</b>

SIGNED FOR IDENTIFICATION  
BY  
*A. Majumdar*  
S. R. BATLIBOI & ASSOCIATES LLP  
MUMBAI



## 9 Statement of Cash flow

(Rupees in Millions)

	Half Year ended		Year ended
	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Audited
<b>Operating activities</b>			
Profit before tax	529.72	1,571.61	2,843.64
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of property, plant and equipment	215.59	103.06	247.30
Amortisation and impairment of intangible assets	6.61	6.85	14.25
Share-based payment expense	6.04	13.06	22.20
Net foreign exchange differences - Trade receivables	(18.61)	(25.21)	46.79
Net foreign exchange differences - Trade payables	1.65	4.75	(3.38)
(Gain) / Loss on sale of assets	12.88	(0.19)	(0.22)
Interest income on corporate rent deposits	(5.16)	(5.82)	(12.54)
Amortised cost on corporate rent deposits	4.95	5.27	11.43
(Profit) on sale of current investments	(0.90)	(13.90)	(14.49)
Dividend income	(62.22)	(54.41)	(96.69)
Interest income	(120.98)	(110.19)	(314.27)
Other adjustments	(35.95)	(13.31)	(12.33)
Bad debts written off	-	3.80	5.23
Finance cost	84.73	-	-
Provision for doubtful debts	3.95	-	-
Fair value loss / (gain) on financial instruments at fair value through profit or loss	(16.24)	12.53	15.83
Provision for doubtful recovery of loan to ESOP Trust (refer note 6)	444.94	-	-
	<b>1,051.00</b>	<b>1,497.90</b>	<b>2,752.75</b>
<b>Working capital adjustments:</b>			
(Decrease) / Increase in employee benefit obligations	(71.19)	(131.24)	87.74
Decrease / (Increase) in trade receivables	353.28	(193.95)	(215.89)
Decrease / (Increase) in other financial assets and other assets	256.62	75.67	(122.28)
Increase / (Decrease) in trade payables, other current and non current liabilities and provisions	53.66	8.72	(14.25)
<b>Cash generated by operating activities</b>	<b>1,643.37</b>	<b>1,257.10</b>	<b>2,488.07</b>
Income tax paid (Net of refunds)	(199.07)	(421.79)	(882.34)
<b>Net cash flows generated from operating activities</b>	<b>1,444.30</b>	<b>835.31</b>	<b>1,605.73</b>
<b>Investing activities</b>			
Proceeds from sale of current investments	6,756.95	5,682.90	12,419.80
Purchase of current investments	(6,809.70)	(7,106.60)	(13,574.29)
Investment in bank deposits (having original maturity of more than three months)	(1,070.35)	(2,320.93)	(4,941.07)
Redemption / maturity of bank deposits (having original maturity of more than three months)	2,420.23	2,325.64	4,079.71
Payment of unclaimed dividend and fractional share	-	(0.04)	(0.24)
Proceeds from sale of property, plant and equipment	7.45	0.51	1.11
Disbursement of loan to ESOP trust	-	(250.00)	(550.00)
Purchase of property, plant, equipment and intangibles (including capital work in progress)	(122.01)	(54.55)	(387.16)
Dividend received	62.22	54.41	96.69
Interest received	253.19	101.67	185.36
<b>Net cash flows generated from / (used in) investing activities</b>	<b>1,497.98</b>	<b>(1,566.99)</b>	<b>(2,670.09)</b>
<b>Financing activities</b>			
Proceeds from issue of equity share capital	6.32	36.61	50.84
Proceeds from equity issue pending allotment	-	-	2.41
Buyback of equity shares	(2,620.00)	-	-
Buyback expenses	(25.42)	-	-
Payment of dividend	(36.98)	(38.68)	(38.68)
Dividend distribution tax	(7.60)	(7.95)	(7.95)
Interest paid	(84.73)	-	-
Principal payment - Lease	(84.53)	-	-
<b>Net cash flows generated from / (used in) financing activities</b>	<b>(2,852.94)</b>	<b>(10.02)</b>	<b>6.62</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>89.34</b>	<b>(741.70)</b>	<b>(1,057.74)</b>
Cash and cash equivalents at the beginning of the year	386.33	1,444.07	1,444.07
<b>Cash and cash equivalents</b>	<b>475.67</b>	<b>702.37</b>	<b>386.33</b>

For and on behalf of Board of Directors

SIGNED FOR IDENTIFICATION  
BY  
*Amajmuday*  
S. R. BATLIBOI & ASSOCIATES LLP  
MUMBAI



*Anjan Malik*  
Anjan Malik  
Director

Place: Mumbai  
Date: 7th November, 2019



**Data. Domain. Delivery.**



**eClerx**

**Financial Performance – Q2 FY20**  
**7<sup>th</sup> November, 2019**

**eClerx**

**Presented to:**

Metrics		FY20 Q2	Q-o-Q	H1 FY20	Y-o-Y
Revenue	OPG revenue (USD mm)	50.1	-1.6%	101.0	1.7%
	OPG revenue (INR mm)	3,565	0.5%	7,112	0.5%
	Total revenue (INR mm)	3,652	0.6%	7,281	-2.5%
Profit	EBITDA (INR mm)	867	17%	1,611	-19%
	EBIT (INR mm)	690	21%	1,263	-30%
	Net profit (INR mm)	439	10%	837	-36%
Margin	EBITDA (%)	23.7%	3.2%	22.1%	-4.5%
	EBIT (%)	18.9%	3.1%	17.3%	-6.7%
	Net profit (%)	12.0%	1.1%	11.5%	-5.9%

*\*EBIT includes other income and excludes rental interest under INDAS116*

- YoY Constant currency (CC) growth of 2.7%; QoQ CC decline by 1.2%
- YoY CC decline of 2.4% Offshore and increase of 12.8% Onshore
- Margin levers for H2 – Higher hedged rates, headcount alignment with lower offshore revenue, improving margin on onshore, client price hikes, managed services growth; offset by any net offshore roll off
- New tax rate, when adopted, will insulate against tapering benefits in our SEZ units from FY21
  - One time Deferred tax reversal in Q2 increased ETR in Q2; One time PAT impact of INR 38.6mm

Figures in INR millions.

Other Income	FY20 Q2	FY20 Q1	FY19 Q4	FY19 Q3	FY 19 Q2
Investment Income	59.5	88.5	108.1	100.1	79.3
Revaluation and Realised Gain*	39.4	(11.2)	(15.9)	(103.9)	108.7
Other Misc. Income*	(11.9)	5.1	3.6	4.1	4.0
<b>Total</b>	<b>87.1</b>	<b>82.5</b>	<b>95.7</b>	<b>0.2</b>	<b>192.1</b>

\* Gain/Loss regrouped as other income/expenses based on profit or loss position in the press release financials

- Other misc. income includes one time loss on sale of scrap assets of old Pune facility (INR 17mn)
- **Revaluation and Realised Gain**
  - USD/INR FY'20 Q2 Exit: 70.66 vs. FY'20 Q1 Exit: 68.95
  - EUR/INR FY'20 Q2 Exit: 77.07 vs. FY'20 Q1 Exit: 78.40
  - GBP/INR FY'20 Q2 Exit: 86.92 vs. FY'20 Q1 Exit: 87.56



## Current Hedge Status

- Total outstanding hedges now \$137 mm at average INR 73.99/\$; 100% forwards

Contract	Year	Currency	Amount (mm)	Avg. Rate (INR)
Matured Forwards	FY19 Q3		\$32.7	69.0
	FY19 Q4		\$29.5	69.0
	<b>Total FY19</b>	<b>USD</b>	<b>\$123.5</b>	<b>69.0</b>
	FY20 Q1		\$30.3	69.9
	FY20 Q2		\$29.9	71.4
Outstanding Forwards	FY20 Q3		\$29.0	72.5
	FY20 Q4		\$27.7	73.5
	<b>Total FY20</b>	<b>USD</b>	<b>\$56.7</b>	<b>73.0</b>
	FY21 Q1		\$23.1	74.1
	FY21 Q2		\$22.1	74.5
	FY21 Q3		\$17.2	74.8
	FY21 Q4		\$11.1	75.2
	<b>Total FY21</b>	<b>USD</b>	<b>\$73.5</b>	<b>74.5</b>
	FY22 Q1		\$4.6	75.8
	FY22 Q2		\$2.3	76.8
<b>Total FY22</b>	<b>USD</b>	<b>\$6.9</b>	<b>76.1</b>	
<b>Total Outstanding</b>		<b>USD</b>	<b>\$137.0</b>	<b>74.0</b>

# P&L Comparison: FY20 Q2 vs. FY20 Q1

Figures in INR millions.

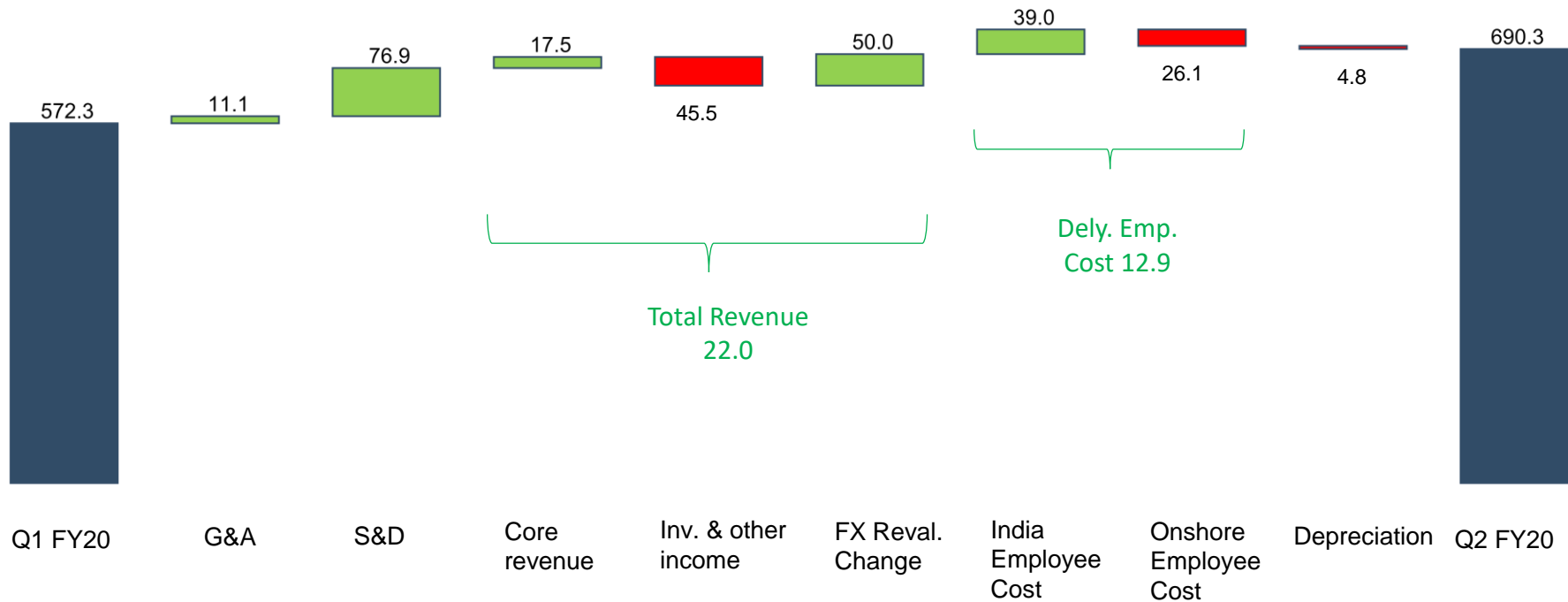
Operating P&L	FY20 Q2	OPR (%)	FY20 Q1	OPR (%)
<b>Total Revenue</b>	<b>3,652</b>		<b>3,630</b>	
Operating Revenue	3,565		3,547	
<b>Cost of Revenues</b>				
Delivery and Support Employees Cost	1,910	53.6%	1,923	54.2%
<b>General and Administrative Expenses</b>				
Facilities (Rent and Electricity)	73	2.1%	95	2.7%
Technological Services (Communications, AMC)	113	3.2%	99	2.8%
Administrative Services (Transport, HK, Security)	47	1.3%	47	1.3%
Legal and Professional Fees	57	1.6%	61	1.7%
Provision / Written off for Bad Debt	6	0.2%	2	0.0%
CSR & Donation	18	0.5%	18	0.5%
Others	72	2.0%	75	2.1%
<b>Total G&amp;A</b>	<b>386</b>	<b>10.8%</b>	<b>397</b>	<b>11.2%</b>
<b>Selling and Distribution</b>	<b>489</b>	<b>13.7%</b>	<b>566</b>	<b>16.0%</b>
<b>EBITDA</b>	<b>867</b>	<b>23.7%*</b>	<b>744</b>	<b>20.5%*</b>
<b>Depreciation and Amortization (Inc. rent as per INDAS116)</b>	<b>177</b>	<b>5.0%</b>	<b>172</b>	<b>4.8%</b>
<b>EBIT</b>	<b>690</b>	<b>18.9%*</b>	<b>572</b>	<b>15.8%*</b>
INR/USD (Avg)	70.39		69.53	
INR/EUR (Avg)	78.26		78.16	
INR/GBP (Avg)	86.76		89.36	

\*EBIT & EBITDA percentage is on Total Revenue

#Some costs are reclassified to facilitate like to like comparison between the quarters

# EBIT Bridging Analysis: Q-o-Q FY20 Q2 vs. FY20 Q1

Figures in INR millions.



- Lower G&A due to Opex savings from Pune consolidation
- Delivery cost lower due to lower India headcount
- Lower S&D due to lower BD headcount and Travel cost

**Note:**

- S&D Exp. includes employee cost of onsite business development team

- Total Cash and Cash equivalents of INR 6,271 mm for Q2FY'20 vs INR 6,067 mm for Q2FY'19
  - Equivalent to INR 173.8 per share vs INR 159.2 for Q2FY'19
  - Net operating cash flow in Q2FY'20 is INR 1025.8 mm vs INR 937.0 mm in Q2FY'19
  - Capex during Q2 FY'20 is INR 69.40 mm vs INR 64.42 mm in Q2 FY'19
- EPS
  - Q2 Basic: INR 12.16 ; Diluted: INR 12.16
- Current book value per share of INR 328.8 vs. INR 323.0 Q2FY'19

## CSR Update

- Spent INR 18.2 mm existing and new projects in Q2FY'20 related to India
- Areas covered: Health, Education, Skills development
- Total Life touched / benefited ~13.2k

- Set-up in FY'17 to minimize dilution by fulfilling exercise of ESOPs granted post April 2016 (“the Trust”)
- As on 30th September 2019, the Trust held 883,605 shares purchased @ 1220.40 average
- Company has loaned INR 1,200 mm to the Trust for this purpose

## Loan Impairment

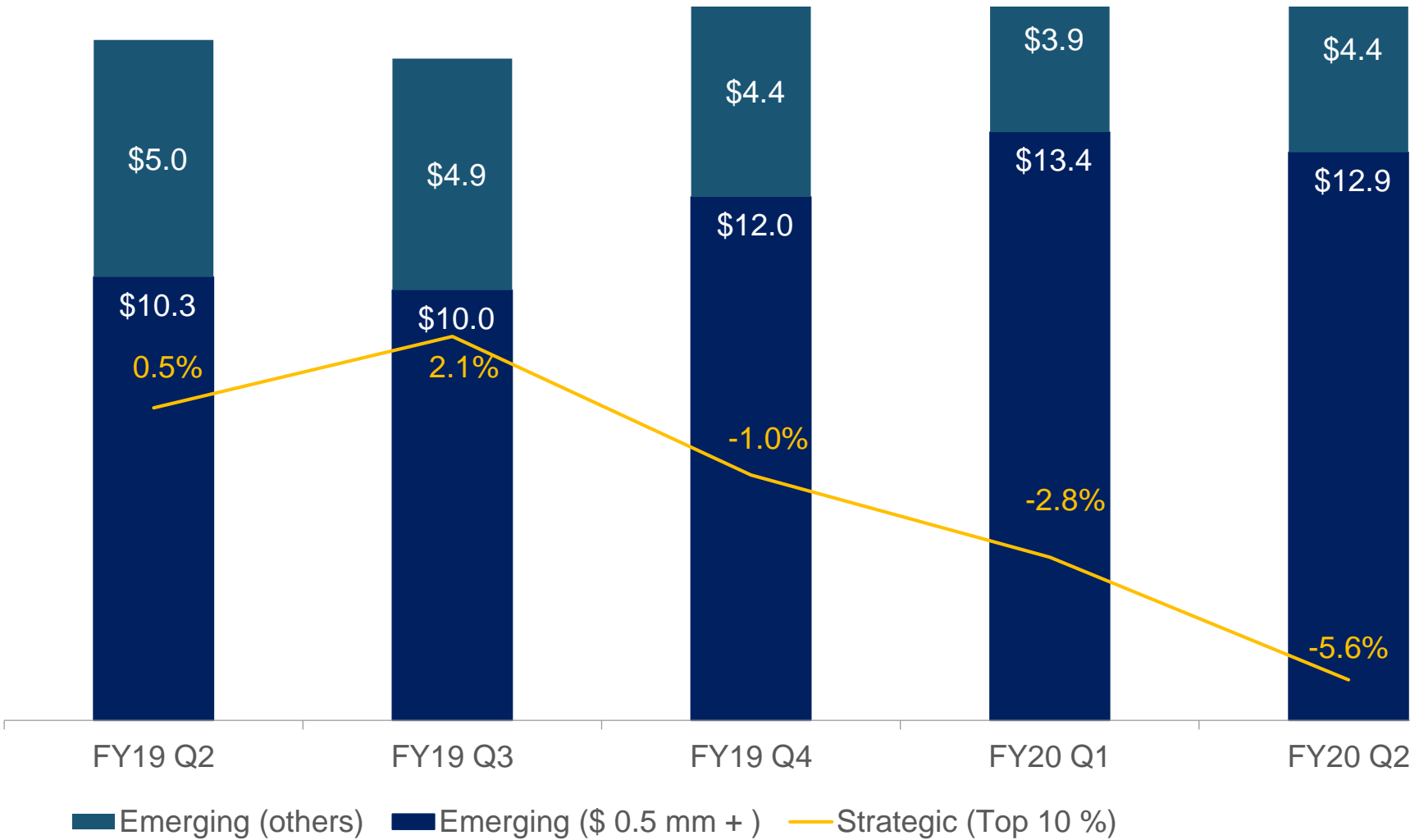
- Significant difference in the purchase price and exercise price of most recent ESOP grant (Jul 2019)
  - Could affect the ability of the Trust to service loan obligations.
  - Provision of Rs 444.94 million in Q2 FY20
- Impacts only PBT and Net worth of Standalone financials
- No P&L impact on Consolidated financials as bad loan provision eliminated on consolidating financials.
- No impact on Consolidated net worth as Loan asset of ESL and Loan borrowings of Trust get eliminated on consolidation
- Impairment provision to be reassessed for materiality every semester and will depend on
  - Market price of shares
  - Lapse in granted ESOPs due to employee exits or vesting conditions not being met

# Key Business Metrics

Metrics		FY 20 Q2	FY 20 Q1	FY 19 Q4	FY 19 Q3	FY 19 Q2	FY 19 Q1	FY 18 Q4	FY 18 Q3	FY 18 Q2
Currency Contribution (%) *	USD	81%	80%	80%	82%	82%	82%	79%	83%	82%
	EURO	11%	10%	10%	9%	10%	10%	13%	10%	10%
	GBP	6%	7%	7%	7%	6%	6%	6%	6%	6%
	Others	2%	3%	3%	2%	2%	2%	2%	1%	2%
Geographic Concentration *	North America	67%	67%	65%	64%	64%	64%	59%	65%	65%
	Europe	27%	27%	29%	29%	29%	28%	35%	28%	29%
	ROW	6%	6%	6%	7%	7%	7%	6%	7%	6%
Debtors (including unbilled)	DSO (days)	78	87	84	85	89	93	89	81	81
Client Concentration	Top 10 contribution	65%	66%	68%	70%	70%	70%	67%	71%	71%
Billing Mix	Managed Services	28%	28%	30%	27%	26%	23%	27%	22%	21%
	Onshore revenue	25%	24%	22%	23%	22%	22%	23%	19%	18%
Staff Utilization (Delivery)		71.9%	73.4%	74.3%	71.9%	72.5%	72.4%	72.4%	72.9%	73.8%
Client Contribution (based on TTM revenue) *	US\$ 500k-1mm Clients	22	20	20	16	17	20	18	NA	NA
	US\$ 1mm-3mm Clients	18	17	16	17	16	12	13	NA	NA
	US\$ 3mm-5mm Clients	4	4	2	2	2	4	3	NA	NA
	US\$ 5mm-10mm Clients	1	1	2	2	2	2	1	NA	NA
	US\$ 10mm++ Clients	5	5	5	5	5	5	5	NA	NA
India Seat Count		9,601	9,605	8,910	8,908	8,914	8,900	8,919	8,904	8,926

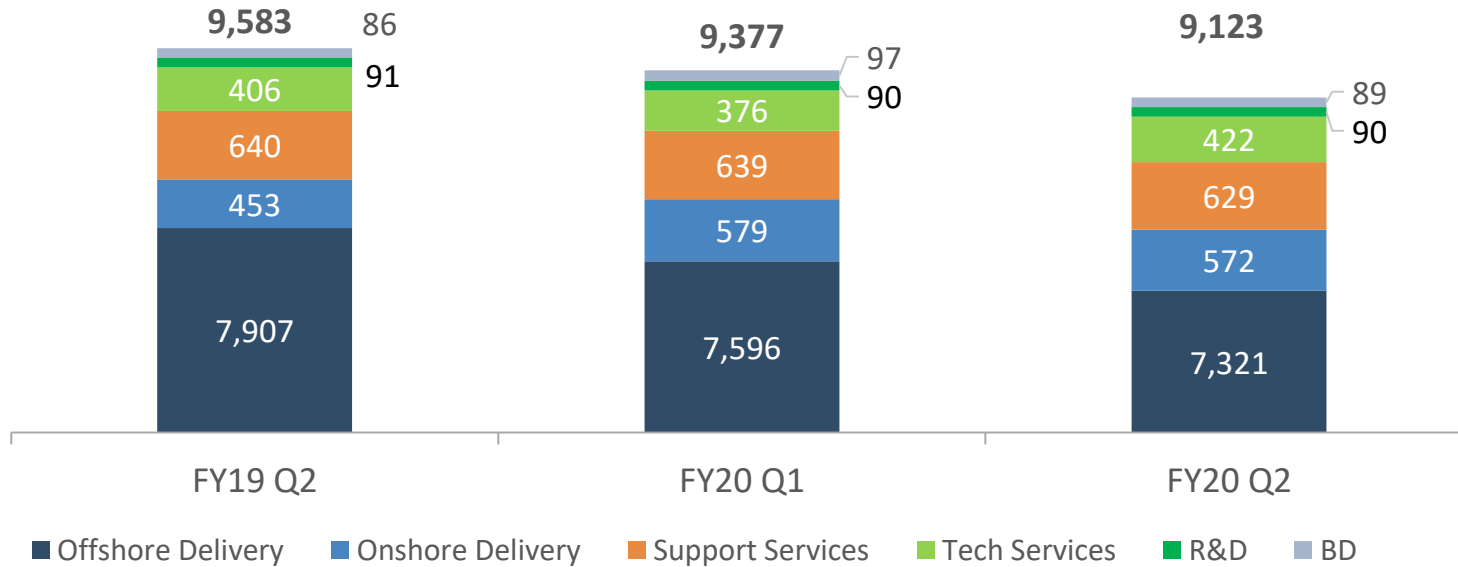
\*Other smaller currencies, geographies and client contribution not shown

# Revenue Mix Trends (\$mm)

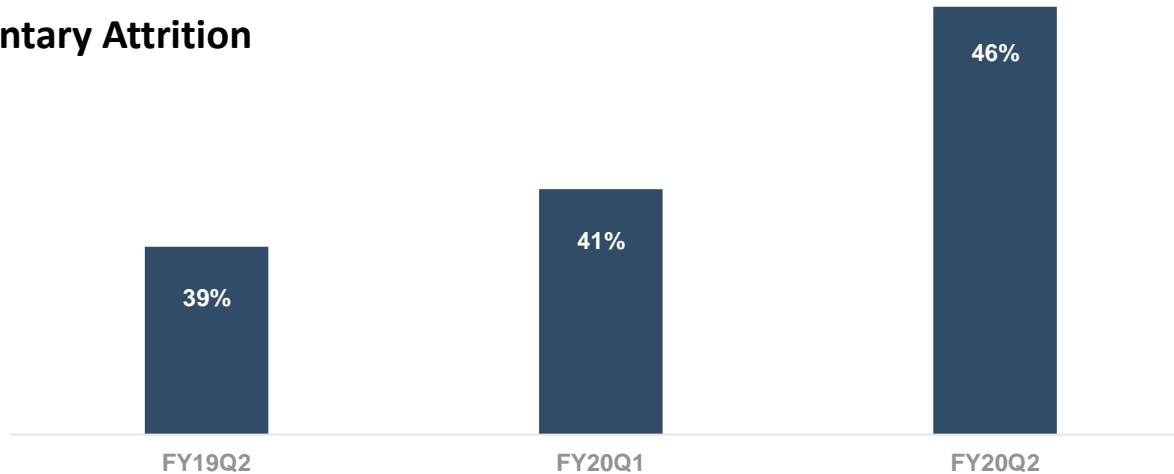


Strategic growth is measured at quarterly YoY level

## Headcount



## Offshore Voluntary Attrition



#Onshore delivery headcount number for Q1 corrected

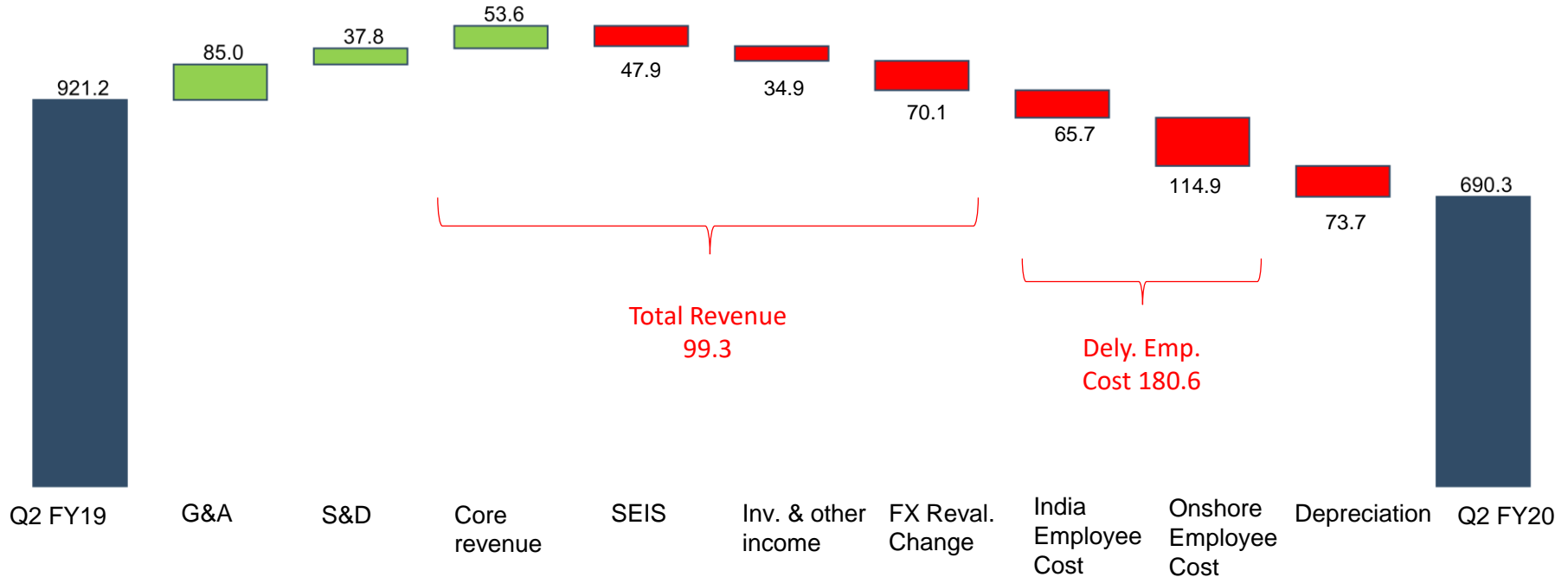


This presentation contains forward-looking statements, inter-alia, to enable investors to comprehend company's prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is, inter-alia, subject to assumptions, risks, uncertainties, including but not limited to our ability to successfully conclude and integrate (potential) acquisition(s) and general regulatory and economic conditions affecting the industry. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, expected or projected. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Further this presentation may also contain references to findings of various reports available in public domain. We make no representation as to their accuracy or that we necessarily subscribe to those findings. Figures for previous periods / year have been regrouped, wherever necessary.

Thank You

# EBIT Bridging Analysis: Y-o-Y FY20 Q2 vs. FY19 Q2

Figures in INR millions.



- Lower G&A due to rent being moved to depreciation and interest due to impact of INDAS 116
- Delivery cost higher due to increase in onshore mix, salary increment and higher headcount
- Depreciation increase due to rental depreciation under INDAS 116
- Lower S&D due to lower Travelling and Contractor cost

**Note:**

- S&D Exp. includes employee cost of onsite business development team

Metrics		FY20 Q2	FY20 Q1	FY19 Q4	FY19 Q3	FY19 Q2
Revenue	OPG revenue (USD mm)	50.1	50.9	51.2	50.2	50.0
	OPG revenue (INR mm)	3,565	3,547	3,651	3,576	3,559
	Total revenue (INR mm)	3,652	3,630	3,747	3,577	3,751
Profit	EBITDA (INR mm)	867	744	903	667	1,024
	EBIT (INR mm)	690	572	776	544	921
	Net profit (INR mm)	439	398	593	390	700
Margin	EBITDA (%)	23.7%	20.5%	24.1%	18.7%	27.3%
	EBIT (%)	18.9%	15.8%	20.7%	15.2%	24.6%
	Net profit (%)	12.0%	11.0%	15.8%	10.9%	18.7%

# P&L Comparison – Quarterly View

Figures in INR millions.

Operating P&L	FY20 Q2	OPR (%)	FY20 Q1	OPR (%)	FY19 Q4	OPR (%)	FY19 Q3	OPR (%)	FY19 Q2	OPR (%)
Total Revenue	3,652		3,630		3,747		3,577		3,751	
Operating Revenue	3,565		3,547		3,651		3,576		3,559	
<b>Cost of Revenues</b>										
Delivery and Support Employees Cost	1,910	53.6%	1,923	54.2%	1,777	48.7%	1,830	51.2%	1,730	48.6%
<b>General and Administrative Expenses</b>										
Facilities (Rent and Electricity)	73	2.1%	95	2.7%	224	6.1%	211	5.9%	130	3.6%
Technological Services (Communications, AMC)	113	3.2%	99	2.8%	113	3.1%	107	3.0%	106	3.0%
Administrative Services (Transport, HK, Security)	47	1.3%	47	1.3%	45	1.2%	49	1.4%	54	1.5%
Legal and Professional Fees	57	1.6%	61	1.7%	71	2.0%	65	1.8%	55	1.6%
Provision / Written off for Bad Debt	6	0.2%	2	0.0%	5	0.1%	-	0.0%	4	0.1%
CSR & Donation	18	0.5%	18	0.5%	22	0.6%	17	0.5%	24	0.7%
Others	72	2.0%	75	2.1%	50	1.4%	107	3.0%	97	2.7%
<b>Total G&amp;A</b>	<b>386</b>	<b>10.8%</b>	<b>397</b>	<b>11.2%</b>	<b>530</b>	<b>14.5%</b>	<b>557</b>	<b>15.6%</b>	<b>471</b>	<b>13.2%</b>
<b>Selling and Distribution</b>	<b>489</b>	<b>13.7%</b>	<b>566</b>	<b>16.0%</b>	<b>537</b>	<b>14.7%</b>	<b>523</b>	<b>14.6%</b>	<b>527</b>	<b>14.8%</b>
<b>EBITDA</b>	<b>867</b>	<b>23.7%</b>	<b>744</b>	<b>20.5%</b>	<b>903</b>	<b>24.1%</b>	<b>667</b>	<b>18.7%</b>	<b>1,024</b>	<b>27.3%</b>
<b>Depreciation and Amortization</b>	<b>177</b>	<b>5.0%</b>	<b>172</b>	<b>4.8%</b>	<b>128</b>	<b>3.5%</b>	<b>123</b>	<b>3.4%</b>	<b>103</b>	<b>2.9%</b>
<b>EBIT</b>	<b>690</b>	<b>18.9%</b>	<b>572</b>	<b>15.8%</b>	<b>776</b>	<b>20.7%</b>	<b>544</b>	<b>15.2%</b>	<b>921</b>	<b>24.6%</b>

**eClerx's FY20 Q2 revenue stands at INR 365.2 crore and net profit down by 37% at INR 43.9 crore**

**Mumbai, November 7, 2019:** eClerx Services Ltd. (eCx), an industry-focused specialist services firm managing and improving complex data-driven processes, today announced its results for Q2 fiscal 2020. eClerx empowers the world's largest enterprises with intelligent operations and Insights, providing core business process solutions and data analytics from its global delivery centres.

**Consolidated financial highlights for the quarter ended September 30, 2019**

Operating revenue for the quarter ended September 30, 2019 was INR 356.5 crore vs. INR 355.9 crore in the corresponding period last year, YoY growth of 0.2%. In USD terms, operating revenue increased by 0.1% to USD 50.1 Million as compared to USD 50.0 Million in the corresponding period last year. Total revenue including other income for the period was INR 365.2 crore, YoY decrease by 3%.

- EBIT for the period is INR 69.0 crore, a decline of 25% YoY.
- Profit after tax for the quarter ended September 30, 2019 was INR 43.9 crore compared with INR 70.0 crore in the corresponding period in the previous year, a drop of 37% YoY.
- Basic EPS for the quarter ended September 30, 2019 was INR 12.16 as compared to INR 18.38 in the corresponding period last year.
- The total delivery headcount as of September 30, 2019 stands at 9,034 – a decrease of 5% YoY.

**About eClerx Services Ltd:**

eClerx provides critical business operations services to more than 30+ global Fortune 500 clients, including many of the world’s leading financial services firms, online retail and distributors, interactive media, luxury brands and entertainment, high tech and industrial manufacturing, travel and leisure, and software vendors, through operational support, data management and analytics solutions. Incorporated in 2000, eClerx is India’s first and only publicly listed knowledge processing (KPO) company and is today traded on both the Bombay and National Stock Exchanges of India. eClerx was ranked as one of Forbes Asia’s 200 Best Under a Billion List and named as finalist in Teleos’ Most Admired Knowledge Enterprise award. eClerx employs over 9,000 employees across its global delivery centers and offices in Verona, Phuket, Mumbai, Pune and Chandigarh plus global client relationship locations in New York, London, Philadelphia, Silicon Valley, Austin, Dublin, Milan, Munich, Hamburg and Singapore. For more information, please visit [www.eclerx.com](http://www.eclerx.com)

**For further information, please contact:**

Mr. Rohitash Gupta eClerx Services Ltd. Tel: + 91 22 6614 8463 Email: Rohitash.Gupta@eclerx.com	Asha Gupta Christensen IR Tel: +91 22 4215 0210 Email: <a href="mailto:agupta@christensenir.com">agupta@christensenir.com</a>
--	--

**Disclaimer:** *Certain statements made in this release concerning our future growth prospects may be interpreted as forward looking statements, which involve a number of risks and uncertainties that could cause the actual results to differ materially from those in such forward looking statements. Investors are requested to use their discretion in relying on them. We do not undertake to update any forward-looking statements that may be made from time to time.*