

Allsec Technologies Limited
Registered Office: 46-C, Velachery Main Road, Velachery, Chennai 600 042;
CIN No. L72300TN1998PLC041033

Standalone Balance Sheet as at 30 September 2019

(INR in lakhs)

	Particulars	As at 30 September 2019	As at 31 March 2019
		(Unaudited)	(Audited)
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	758	862
	Other intangible assets	302	298
	Intangible assets under development	15	-
	Right-of-use asset	1,328	-
	Financial assets		
	(i) Investments	2,234	2,234
	(ii) Other financial assets	447	425
	Deferred tax assets (net)	1,420	1,441
	Income tax assets (net)	898	864
	Total non-current assets	7,402	6,124
2	Current assets		
	Financial assets		
	(i) Investments	3,218	8,239
	(ii) Trade receivables	4,328	2,339
	(iii) Cash and cash equivalents	2,843	1,434
	(iv) Bank balances other than cash and cash equivalents above	39	33
	(v) Loans	66	-
	(vi) Unbilled revenue	967	879
	(vii) Other financial assets	43	79
	Other current assets	261	181
	Total current assets	11,765	13,184
	Total Assets	19,167	19,308
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	1,524	1,524
	Other equity	12,985	15,950
	Total equity	14,509	17,474
2	Liabilities		
	Non-current liabilities		
	Financial liabilities		
	(i) Borrowings	32	45
	(ii) Other financial liabilities	-	19
	(iii) Lease liabilities	667	-
	Provisions	420	322
	Total non-current liabilities	1,119	386
3	Current liabilities		
	Financial liabilities		
	(i) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,420	514
	(ii) Other financial liabilities	264	421
	(iii) Lease liabilities	699	-
	Provisions	261	236
	Other current liabilities	895	277
	Total current liabilities	3,539	1,448
	Total Equity and Liabilities	19,167	19,308

See accompanying notes to the financial results

Allsec Technologies Limited
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Consolidated Balance Sheet as at 30 September 2019

(INR in lakhs)

Particulars	As at 30 September 2019	As at 31 March 2019
	(Unaudited)	(Audited)
A ASSETS		
1 Non-current assets		
Property, plant and equipment	879	1,023
Other intangible assets	302	298
Intangible assets under development	15	-
Right-of-use asset	2,211	-
Financial assets		
(i) Other financial assets	598	571
Deferred tax assets (net)	1,421	1,441
Income tax assets (net)	904	870
Total non-current assets	6,330	4,203
2 Current assets		
Financial assets		
(i) Investments	3,218	8,239
(ii) Trade receivables	5,279	3,547
(iii) Cash and cash equivalents	10,140	7,164
(iv) Bank balances other than cash and cash equivalents above	39	33
(v) Loans	66	-
(vi) Unbilled revenue	1,072	1,033
(vii) Other financial assets	34	68
Other current assets	409	233
Total current assets	20,257	20,317
Total Assets	26,587	24,520
B EQUITY AND LIABILITIES		
1 Equity		
Equity share capital	1,524	1,524
Other equity	18,763	20,255
Total equity	20,287	21,779
2 Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	32	45
(ii) Other financial liabilities	-	19
(iii) Lease liabilities	1,163	-
Provisions	420	322
Total non-current liabilities	1,615	386
3 Current liabilities		
Financial liabilities		
(i) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,979	800
(ii) Other current financial liabilities	264	479
(iii) Lease liabilities	1,112	-
Income tax liabilities (net)	65	131
Provisions	262	456
Other current liabilities	1,003	489
Total current liabilities	4,685	2,355
Total Equity and Liabilities	26,587	24,520

See accompanying notes to the financial results

Allsec Technologies Limited
Registered Office: 46-C, Velachery Main Road, Velachery, Chennai 600 042;
CIN No. L72300TN1998PLC041033

Statement of unaudited standalone financial results for the quarter and half year ended 30 September 2019

(INR in lakhs except earnings per share data)

Sl. No.	Particulars	Standalone					
		Quarter ended			Half year ended		Year ended
		30 September 2019	30 June 2019	30 September 2018	30 September 2019	30 September 2018	31 March 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income						
	a) Revenue from operations	5,589	4,766	3,777	10,355	7,205	15,317
	b) Other income	161	154	174	315	372	743
	Total income (a + b)	5,750	4,920	3,951	10,670	7,577	16,060
2	Expenses						
	a) Employee benefits expense	3,588	3,032	2,207	6,620	4,219	9,010
	b) Finance costs	47	56	6	103	11	20
	c) Depreciation and amortisation expense	361	355	98	716	192	408
	d) Other expenses	683	732	830	1,415	1,585	3,300
	Total expenses (a + b + c + d)	4,679	4,175	3,141	8,854	6,007	12,738
3	Profit before exceptional items and tax (1-2)	1,071	745	810	1,816	1,570	3,322
4	Exceptional items- Provision for impairment of investment in subsidiary	-	-	-	-	-	(1,307)
5	Profit before tax (3 + 4)	1,071	745	810	1,816	1,570	2,015
6	Tax expense						
	Current tax	295	178	180	473	377	890
	Deferred tax	7	26	43	33	72	174
	Total tax expense	302	204	223	506	449	1,064
7	Profit for the period (5 - 6)	769	541	587	1,310	1,121	951
8	Other comprehensive income						
	(i) Items that will not be reclassified subsequently to profit or loss						
	Remeasurement of defined benefit plans	(25)	(12)	34	(37)	25	(53)
	Income tax relating to items that will not be reclassified to profit or loss	8	4	(12)	12	(9)	18
	Other comprehensive income/(loss) for the period, net of taxes	(17)	(8)	22	(25)	16	(35)
9	Total comprehensive income for the period (7 + 8)	752	533	609	1,285	1,137	916
10	Paid-up equity share capital (Face value of INR 10.00 per share)	1,524	1,524	1,524	1,524	1,524	1,524
11	Reserves i.e. Other equity	-	-	-	-	-	15,950
12	Earning Per Share (EPS) (Face value of INR 10.00 per share)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (INR)	5.05	3.55	3.85	8.60	7.36	6.24
	(b) Diluted (INR)	5.05	3.55	3.85	8.60	7.36	6.24

See accompanying notes to the financial results

Allsec Technologies Limited
Registered Office: 46-C, Velachery Main Road, Velachery, Chennai 600 042;
CIN No. L72300TN1998PLC041033

Statement of unaudited consolidated financial results for the quarter and half year ended 30 September 2019

(INR in lakhs except earnings per share data)

Sl. No.	Particulars	Consolidated					
		Quarter ended			Half year ended		Year ended
		30 September 2019	30 June 2019	30 September 2018	30 September 2019	30 September 2018	31 March 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income						
	a) Revenue from operations	7,905	7,192	6,875	15,097	13,173	26,116
	b) Other income	133	146	204	279	432	742
	Total income (a + b)	8,038	7,338	7,079	15,376	13,605	26,858
2	Expenses						
	a) Employee benefits expense	4,630	4,154	3,440	8,784	6,523	13,838
	b) Finance costs	61	74	9	135	16	49
	c) Depreciation and amortisation expense	478	504	125	982	251	526
	d) Other expenses	1,158	1,128	3,040	2,286	5,271	8,315
	Total expenses (a + b + c + d)	6,327	5,860	6,614	12,187	12,061	22,728
3	Profit before exceptional items and tax (1-2)	1,711	1,478	465	3,189	1,544	4,130
4	Exceptional items- Provision for impairment of goodwill	-	-	-	-	-	(1,247)
5	Profit before tax (3 + 4)	1,711	1,478	465	3,189	1,544	2,883
6	Tax expense						
	Current tax	360	244	226	604	464	1,142
	Deferred tax	7	26	43	33	72	174
	Total tax expense	367	270	269	637	536	1,316
7	Profit for the period (5 - 6)	1,344	1,208	196	2,552	1,008	1,567
8	Other comprehensive income						
	(i) Items that will not be reclassified subsequently to profit or loss						
	Remeasurement of defined benefit plans	(25)	(12)	34	(37)	25	(53)
	Income tax relating to items that will not be reclassified to profit or loss	9	4	(12)	13	(9)	18
	(ii) Items that will be reclassified subsequently to profit or loss						
	Exchange differences in translating financial statements of foreign operations	108	121	318	229	611	415
	Other comprehensive income for the period, net of taxes	92	113	340	205	627	380
9	Total comprehensive income for the period (7 + 8)	1,436	1,321	536	2,757	1,635	1,947
10	Profit attributable to:						
	Owners of the Company	1,344	1,208	196	2,552	1,008	1,567
	Non-controlling interests	-	-	-	-	-	-
11	Other comprehensive income attributable to:						
	Owners of the Company	92	113	340	205	627	380
	Non-controlling interests	-	-	-	-	-	-
12	Total comprehensive income attributable to:						
	Owners of the Company	1,436	1,321	536	2,757	1,635	1,947
	Non-controlling interests	-	-	-	-	-	-
13	Paid-up equity share capital (Face value of INR 10.00 per share)	1,524	1,524	1,524	1,524	1,524	1,524
14	Reserves i.e. Other equity	-	-	-	-	-	20,256
15	Earning Per Share (EPS) (Face value of INR 10.00 per share)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (INR)	8.82	7.93	1.29	16.74	6.61	10.28
	(b) Diluted (INR)	8.82	7.93	1.29	16.74	6.61	10.28

See accompanying notes to the financial results

Notes:

1. The above consolidated and standalone unaudited financial results of Allsec Technologies Limited ("the Company") for the quarter and half year ended 30 September 2019 are prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their Meeting held on 23 October 2019. The statutory auditors have issued an unqualified review report. The Ind AS consolidated and standalone unaudited financial results of the Company for the quarter ended June 30, 2019 and for the quarter and half year ended September 30, 2018, were reviewed by the Walker Chandiook & Co LLP, Chartered Accountants, the predecessor auditor who had expressed an unqualified review conclusion. The Ind AS consolidated and standalone financial statements of the Company for the year ended 31 March 2019, were audited by the Walker Chandiook & Co LLP, Chartered Accountants, the predecessor auditor who had expressed an unqualified audit opinion. The statement of cash flows for the corresponding half year ended 30 September 2018, as reported in the statement have been approved by the Company's Board of Directors, but have not been subjected to review by the statutory auditors of the company.

3. The consolidated results for the quarter and half year ended 30 September 2019 include the results of the Company's wholly owned subsidiaries - Allsectech Inc., USA, Allsectech Manila Inc. Philippines and Retreat Capital Management Inc., USA.

4. Adoption of Ind AS 116 - Leases: On 01 April 2019, the Company adopted Ind AS 116, "Leases" using the modified retrospective method to all lease contracts existing on 01 April 2019. The adoption of Ind AS 116 did not have any material impact on the results for the half year ended 30 September 2019.

5. During the current quarter, the Company acquired on a slump sale basis with effect from 30 September 2019, the assets and liabilities of HR Compliance business of Coachive Solutions Private Limited ('CSPL'), a subsidiary of Quess Corp Limited for a purchase consideration of INR 1,680 lakhs. The Company accounted for the business combination in accordance with the requirements of Appendix C of Ind AS 103 'Business Combinations' which lays down the principles in respect of accounting for business combinations of entities or businesses under common control. As required by the Standard, pooling of interests method has been considered for common control business combination and accordingly, the assets and liabilities are reflected in the books of the Company at their respective carrying amounts and an adjustment of INR 2,419 lakhs (debit) has been made to the capital reserve of the Company. Further, in accordance with Ind AS 103, the financial results have been restated from 1 June 2019 (the effective date from which Quess Corp Limited controlled the Company) and consequently, the amounts for the quarter ended 30 June 2019 included as part of these Results incorporate the results of the aforementioned business acquired.

6. Segment reporting:

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the group performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Customer Lifecycle Management (CLM), Human Resource Outsourcing (HRO) and Anti Money Laundering and Regulatory Compliance (AML). The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

STATEMENT OF SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2019

(INR in Lakhs)

S.No.	Description	Consolidated					
		Quarter ended 30 Sep 2019	Quarter ended 30 June 2019	Quarter ended 30 Sep 2018	Half year ended 30 Sep 2019	Half year ended 30 Sep 2018	Year ended 31 March 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	SEGMENT REVENUES						
	Customer Lifecycle Management (CLM)	5,132	5,159	4,294	10,291	8,092	17,808
	Human Resource Outsourcing (HRO)	2,773	2,033	1,416	4,806	2,715	5,942
	Anti Money Laundering and Regulatory Compliance (AML)	-	-	1,165	-	2,366	2,366
	Total revenue from operations	7,905	7,192	6,875	15,097	13,173	26,116
2.	SEGMENT RESULTS						
	Customer Lifecycle Management (CLM)	950	980	810	1,930	1,402	3,313
	Human Resource Outsourcing (HRO)	740	610	563	1,350	1,028	2,372
	Anti Money Laundering and Regulatory Compliance (AML)	(62)	(1)	(1,007)	(63)	(1,133)	(1,931)
	Total segment results	1,628	1,589	367	3,217	1,298	3,754
	Finance cost	(62)	(74)	(9)	(135)	(16)	(49)
	Other unallocable income / (expenses), net	145	(37)	107	107	262	(822)
	Total profit before tax	1,711	1,478	465	3,189	1,544	2,883
3.	SEGMENT ASSETS						
	Customer Lifecycle Management (CLM)	4,021	4,400	3,585	4,021	3,585	4,024
	Human Resource Outsourcing (HRO)	3,546	3,346	1,299	3,546	1,299	1,562
	Anti Money Laundering and Regulatory Compliance (AML)	(0)	8	352	(0)	352	11
	Unallocated	19,020	20,785	20,151	19,020	20,151	18,923
	Total assets	26,587	28,539	25,387	26,587	25,387	24,520
4.	SEGMENT LIABILITIES						
	Customer Lifecycle Management (CLM)	1,368	1,134	823	1,368	823	1,027
	Human Resource Outsourcing (HRO)	1,398	2,532	243	1,398	243	284
	Anti Money Laundering and Regulatory Compliance (AML)	87	87	1,266	87	1,266	221
	Unallocated	3,447	3,931	1,587	3,447	1,587	1,209
	Total liabilities	6,300	7,684	3,919	6,300	3,919	2,741

7. Unaudited Standalone Statement of cash flows

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Half Year ended 30 September 2019	Half Year ended 30 September 2018
Cash flow from operating activities		
Profit before income tax	1,816	1,570
Operating profit before working capital changes	2,388	1,556
Net cash generated from operating activities	1,584	1,333
Cash flows from / (used in) investing activities	2,990	(666)
Cash flows used in financing activities	(3,264)	(934)
Net increase/(decrease) in cash and cash equivalents	1,310	(267)
Effect of exchange differences on cash & cash equivalents held in foreign currency	(32)	4
Cash and cash equivalents at the beginning of the year	1,565	1,334
Cash and cash equivalents at the end of the year	2,843	1,071
Components of cash and cash equivalents		
Cash on hand	4	5
Balance with banks	2,839	1,066
Total cash and cash equivalents	2,843	1071

8. Unaudited Consolidated Statement of cash flows

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	Half Year ended 30 September 2019	Half Year ended 30 September 2018
Cash flow from operating activities		
Profit before income tax	3,189	1,544
Operating profit before working capital changes	4,067	1,442
Net cash generated from operating activities	3,161	2,055
Cash flows from / (used in) investing activities	2,983	(713)
Cash flows used in financing activities	(3,268)	(939)
Net increase in cash and cash equivalents	2,876	403
Effect of exchange differences on cash & cash equivalents held in foreign currency	(31)	198
Cash and cash equivalents at the beginning of the year	7,295	6,620
Cash and cash equivalents at the end of the year	10,140	7,221
Components of cash and cash equivalents		
Cash on hand	4	4
Balance with banks	10,136	7,217
Total cash and cash equivalents	10,140	7,221

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Isaac
Chairman
DIN: 00087168

Place: Bengaluru
Date : 23 October 2019