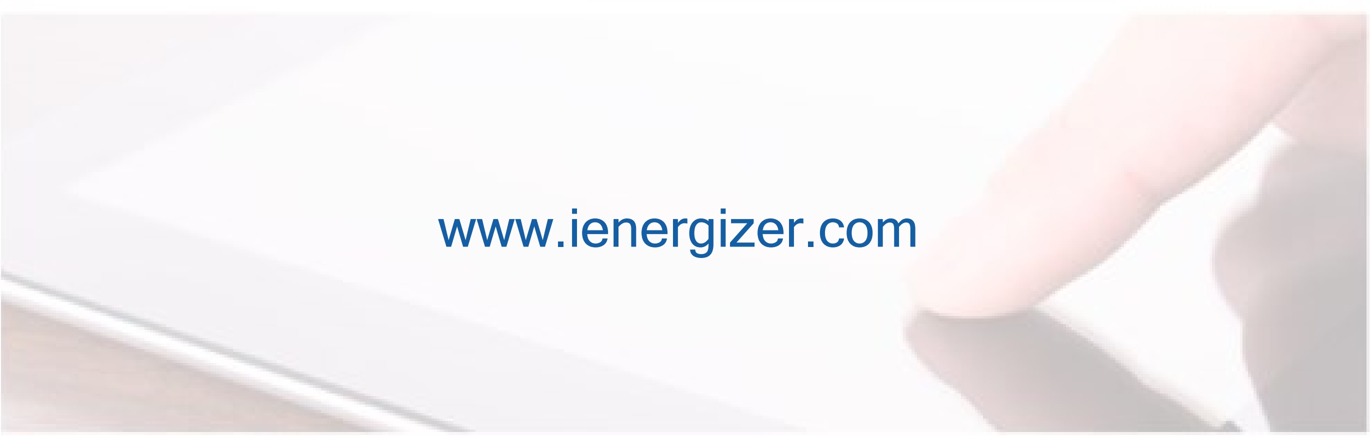
iEnergizer

business process excellence

Interim Statement September 2017



13 November 2017

iEnergizer Limited
("iEnergizer" , the "Company" or the "Group")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

iEnergizer, the technology services and media solutions leader for the digital age, reports interim results for the six months ended September 30, 2017.

Financial Highlights:

Profitable growth sustained through increasing the value of existing customer relationships and adding new customers, together with managing costs carefully across the business.

- Revenue increased 6% to $76.0m (H1 2017: $71.5m)
- EBITDA up 6% to $17.4m (H1 2017[1]: $16.4m)
- EBITDA margin at 23% (H1 2017[1]: 23%)
- Operating profit up 9.1% to $15.0m (H1 2017: $13.8m)
- Operating profit margin at 19.8% (H1 2017: 19.3%)
- Profit before tax up 19% to $12.1m (H1 2017: $10.2m)
- Profit before tax margin increased to 15.9% (H1 2017: 14.2%)
- Profit after tax up 18% to $10.3m (H1 2017: $8.7m)
- Profit after tax margin at 13.6% (H1 2017: 12.2%)
- Cash and cash equivalents of $19.9m (31 March 2017: $18.3m)
- Term Debt of $66.4m (31 March 2017: $75.0m).[2]

(1) EBITDA adjusted for Non-recurring expenses relate to one off cost of US$0.2mn for professional charges.
(2) The Company is compliant of all applicable financial covenants including on-time payments of loan installments and interest.

Operational Highlights

Maintained focus on recurring revenue streams from business critical processes; new product launches in the Content division; and long-term customer relationships.

- Services: Revenue growth of 6.5% to $75.2m (H1 2017 $70.6)

- Real Time Processing ("RTP"): Continued strong revenue growth of c.11% with particular strength in Travel, Consumer durable & Banking Financial Services and Insurance verticals ("BFSI")

- Back Office Services ("BOS"): Continued focus on recurring revenue streams and long term customer relationships resulted in strong revenue growth of more than 19% coming predominantly from Media, Gaming, Telecom and BFSI customers

- Content Division: Sustainable long term growth prospects for content services:
  - New customer in our Digital Solutions unit from the Oil & Gas sector, an industry which presents an opportunity for growth
  - New product, Scientific Publishing and Remittance Integration Services ("SciPris"), has been successfully launched and deal signed with an existing client. More deals under negotiation with existing and new customers. Revenue generation expected to start in H2 of 2018
  - Steady work streams from core customers, however 3% decline of aggregate revenue from services in content division ($34.6m in H1 2018 vs $35.7m in H1 2017) attributable to conclusion of one-time projects

- Focused cost saving initiatives:
  - Successful generation of efficiencies in "Other expenses" of more than 3% ($4.7m in H1 2018 vs $4.8m in H1 2017)
  - Increased focus on division-specific higher margin work, particularly in non-voice based processes including content writing, financials, entertainment gaming support, content technology and digital solutions
  - Leaner organization using technology effectively and optimizing utilization of the Company's resources to handle greater volumes from key customers without notable additional human resource

- US based sales team following strategy to: 1) enhance and grow key accounts; 2) identify and win new business from both new and existing customers; and 3) cross-sell and generate leads for additional services across all verticals of the company.

Marc Vassanelli, Chairman of iEnergizer, commented:

"As the growth in revenue and profits demonstrates, whilst at the same time maintaining our focus on cost efficiencies, we are seeing real progress across the Company, and are pleased to report iEnergizer's continued strong performance in the first half of this financial year.

"This reflects our continued focus on recurring revenue streams from business critical processes, new product launches in the Content division and long term customer relationships with both existing and new customers, as well as the highly valued ongoing hard work and dedication of colleagues across iEnergizer.

"The Company's healthy cash position, together with its cash generative business model, puts us in a strong position to invest in both organic and inorganic growth opportunities in the periods ahead.

"We expect current market trends to continue through the second half of the year and look forward to the remainder of the year with confidence."

-Ends-

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iEnergizer

iEnergizer Limited and its subsidiaries

Unaudited Condensed Consolidated Interim Financial Statements

Prepared in accordance with International Financial Reporting Standards (IFRS)

Six months ended 30 September 2017 and 2016

Contents

Unaudited Condensed Consolidated Statements of Financial Position

(All amounts in United States Dollars, unless otherwise stated)

	Notes	As at 30 September 2017 Unaudited	As at 31 March 2017 Audited
ASSETS			
Non-current			
Goodwill	5	102,264,631	102,265,472
Other intangible assets	6	16,167,311	17,568,948
Property, plant and equipment	7	4,632,586	5,171,994
Long- term financial asset		576,965	729,655
Non-current tax assets		1,093,135	1,732,546
Deferred tax asset		9,261,370	9,358,439
Other non current assets		-	61,652
Non-current assets		**133,995,998**	**136,888,706**
Current			
Trade and other receivables		29,305,467	25,108,966
Cash and cash equivalents		19,938,921	18,332,480
Short- term financial assets	8	7,709,490	7,018,233
Current tax assets		887,338	819,111
Other current assets		3,214,030	3,023,370
Current assets		**61,055,246**	**54,302,160**
Total assets		**195,051,244**	**191,190,866**
EQUITY AND LIABILITIES			
Equity			
Share capital		3,776,175	3,776,175
Share compensation reserve		63,986	63,986
Additional paid in capital		15,451,809	15,451,809
Merger reserve		(1,049,386)	(1,049,386)
Retained earnings		90,063,086	79,760,048
Other components of equity		(8,921,762)	(8,512,486)
Total equity attributable to equity holders of the parent		**99,383,908**	**89,490,146**

	Notes	As at 30 September 2017 Unaudited	As at 31 March 2017 Audited
Liabilities			
Non-current			
Long term borrowings		52,457,837	61,071,201
Employee benefit obligations		4,307,083	4,488,504
Other non-current liabilities		324,914	377,900
Deferred tax liability		5,452,978	5,250,487
Non-current liabilities		**62,542,812**	**71,188,092**
Current			
Short term borrowings		84,349	97,955
Trade and other payables		11,419,968	8,830,810
Employee benefit obligations		630,274	636,546
Current tax liabilities		-	302,920
Current portion of long term borrowings		13,934,206	13,965,177
Other current liabilities		7,055,727	6,679,220
Current liabilities		**33,124,524**	**30,512,628**
Total equity and liabilities		**195,051,244**	**191,190,866**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Income Statements

(All amounts in United States Dollars, unless otherwise stated)

	Notes	For the six months ended 30 September 2017 Unaudited	For the six months ended 30 September 2016 Unaudited
Income from operations			
Revenue from services		75,207,914	70,613,189
Other operating income		764,053	874,811
		75,971,967	**71,488,000**
Cost and expenses			
Outsourced service cost		23,499,165	20,342,349
Employee benefits expense		30,375,060	30,111,166
Depreciation and amortisation		2,412,253	2,446,182
Other expenses		4,660,133	4,814,479
		60,946,611	**57,714,176**
Operating profit		**15,025,356**	**13,773,824**
Finance income		308,419	163,978
Finance cost		(3,236,393)	(3,781,295)
Profit before tax		**12,097,382**	**10,156,507**
Income tax expense		1,794,344	1,418,337
Profit for the year attributable to equity holders of the parent		**10,303,038**	**8,738,170**
Earnings per share	**9**		
Basic		*0.05*	*0.04*
Diluted		*0.05*	*0.04*
Par value of each share in GBP		*0.01*	*0.01*

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statements of Other Comprehensive Income

(All amounts in United States Dollars, unless otherwise stated)

	For the six months ended 30 September 2017 Unaudited	For the six months ended 30 September 2016 Unaudited
Profit after tax for the year	10,303,038	8,738,170
Exchange differences on translating foreign operations	(409,276)	(451,864)
Total comprehensive income attributable to equity holders	**9,893,762**	**8,286,306**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statements of Changes in Equity

(All amounts in United States Dollars, unless otherwise stated)

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity		Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability		
Balance as at 01 April 2016	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(10,106,154)**	**184,493**	**64,802,160**	**73,123,083**
Profit for the year	-	-	-	-	-	-	14,957,888	**14,957,888**
Other comprehensive loss	-	-	-	-	1,155,883	253,292	-	**1,409,175**
Total comprehensive income for the period	-	-	-	-	**1,155,883**	**253,292**	**14,957,888**	**16,367,063**
Balance as at 31 March 2017	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(8,950,271)**	**437,785**	**79,760,048**	**89,490,146**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statements of Changes in Equity

(All amounts in United States Dollars, unless otherwise stated)

	Share capital	Additional Paid in Capital	Share compensation reserve	Merger reserve	Other components of equity		Retained earnings	Total equity
					Foreign currency translation reserve	Net defined benefit liability		
Balance as at 01 April 2017	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(8,950,271)**	**437,785**	**79,760,048**	**89,490,146**
Profit for the year	-	-	-	-	-	-	10,303,038	**10,303,038**
Other comprehensive loss	-	-	-	-	(409,276)	-	-	**(409,276)**
Total comprehensive income for the period	-	-	-	-	**(409,276)**	-	**10,303,038**	**9,893,762**
Balance as at 30 September 2017	**3,776,175**	**15,451,809**	**63,986**	**(1,049,386)**	**(9,359,547)**	**437,785**	**90,063,086**	**99,383,908**

(The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements)

Unaudited Condensed Consolidated Statements of Cash Flows

(All amounts in United States Dollars, unless otherwise stated)

	For the six months ended 30 September 2017	For the six months ended 30 September 2016
(A) Cash flow from operating activities		
Profit before tax	**12,097,382**	**10,156,507**
Adjustments		
Depreciation and amortisation	2,412,253	2,446,182
Loss on disposal of property, plant and equipment	-	306
Profit on disposal of property, plant and equipment	(1,377)	-
Trade receivables written-off/provision for doubtful debts	3	-
Provision for doubtful debts written back	-	(83,882)
Amortization of loan processing fee	435,629	477,985
Sundry balances written back	-	(121)
Foreign exchange gain	(379,861)	(687,284)
Finance income	(308,419)	(163,978)
Finance cost	2,800,764	3,303,310
	17,056,375	**15,449,025**
Changes in operating assets and liabilities		
(Increase)/ Decrease in trade and other receivables	(7,515,195)	3,837,266
(Increase)/ Decrease in other assets (current and non-current)	1,080,807	(1,734,529)
Increase / (Decrease) Non-current liabilities, trade payables & other current liabilities	5,735,238	(3,817,642)
(Decrease)/ Increase in employee benefit obligations	(369,580)	67,574
Cash generated from operations	**15,987,645**	**13,801,694**
Income taxes paid	(1,226,520)	(1,253,211)
Net cash generated from operating activities	**14,761,125**	**12,548,483**
(B) Cash flow for investing activities		
Payments for purchase of property plant and equipment	(313,491)	(472,902)
Investment in fixed deposit (Net)	(1,216,468)	167,613
Proceeds from disposal of property, plant & equipment	1,553	371
Payments for purchase of other intangible assets	(203,135)	(143,957)
Interest received	392,764	164,754
Net cash used in investing activities	**(1,338,778)**	**(284,121)**

	For the six months ended 30 September 2017	For the six months ended 30 September 2016
(C) Cash flow from financing activities		
Interest paid	(2,800,764)	(3,303,310)
Repayment of long-term borrowings	(9,079,964)	(6,579,679)
Net cash used in financing activities	**(11,880,728)**	**(9,882,989)**
Net increase/(decrease) in cash and cash equivalents	**1,541,619**	**2,381,373**
Cash and cash equivalents at the beginning of the year	18,234,525	9,523,577
Effect of exchange rate changes on cash	162,777	(37,141)
Cash and cash equivalents at the end of the year	**19,938,921**	**11,867,808**
Cash and cash equivalents comprise		
Cash in hand	24,939	15,240
Balances with banks in current account	19,913,982	11,852,568
	19,938,921	**11,867,808**

Notes to Unaudited Condensed Consolidated Interim Financial Statements

(All amounts in United States Dollars, unless otherwise stated)

1. INTRODUCTION

iEnergizer Limited (the 'Company' or 'iEnergizer ') was incorporated in Guernsey on 12 May 2010.

iEnergizer Limited is a 'Company limited by shares' and is domiciled in Guernsey. The registered office of the Company is located at Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4 LH. iEnergizer was listed on the Alternative Investment Market ('AIM') of London Stock Exchange on 14 September 2010.

iEnergizer through its subsidiaries iEnergizer Holdings Limited, iEnergizer IT Services Private Limited, iEnergizer Management Services Limited, iEnergizer BPO Limited, iEnergizer Aptara Limited and Aptara Inc and subsidiaries. (together the 'Group') is engaged in the business of call centre operations, providing business process outsourcing (BPO) and content delivery services, and back office services to their customers, who are primarily based in the United States of America and India, from its operating offices in Mauritius and India.

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

These Unaudited Condensed Consolidated Interim Financial Statements are for the six months ended 30 September 2017 and 2016. They have been prepared in accordance with IAS 34 Interim Financial Reporting as developed and published by the International Accounting Standards Board ('IASB'), on a going concern basis. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the annual financial statements for the years ended 31 March 2017 and 2016.

The Unaudited Condensed Consolidated Interim Financial Statementshave been prepared and presented in United States Dollar (US$) which is the Company's functional currency.

These Unaudited Condensed Consolidated Interim Financial Statements were approved by the Board on 10 November, 2017.

The Group has applied the same accounting policies in preparing these unaudited management financial information as adopted in the most recent annual audited financial information of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual financial statements for the years ended 31 March 2017 and 2016.

Standards issued but not yet effective

- **IFRS9 Financial instruments**

In July 2014, the IASB completed its project to replace IAS 39, Financial Instruments: Recognition and Measurement by publishing the final version of IFRS 9: Financial Instruments. IFRS 9 introduces a single approach for the classification and measurement of financial assets according to their cash flow characteristics and the business model they are managed in, and provides a new impairment model based on expected credit losses. IFRS 9 also includes new guidance regarding the application of hedge accounting to better reflect an entity's risk management activities especially with regard to managing non-financial risks. The new standard is effective for annual reporting periods beginning on or after January 1, 2018, while early application is permitted. The management is currently evaluating the impact that this new standard will have on its consolidated financial statements.

- **IFRS15 Revenue from Contract with Customers**

IFRS 15 supersedes all existing revenue requirements in IFRS (IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations). According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. IFRS 15 establishes a five step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligation; changes in contract asset and liability account balances between periods and key judgments and estimates. The standard permits the use of either the retrospective or cumulative effect transition method. The effective date for adoption of IFRS is annual period beginning on or after January 1, 2018. The Group is currently evaluating the impact of the above pronouncements on the Group's consolidated financial statements.

• **IFRS 16 *Leases***

On January 13, 2016, the International Accounting Standards Board issued the final version of IFRS 16, Leases. IFRS 16 will replace the existing leases Standard, IAS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of IFRS 16 is annual periods beginning on or after January 1, 2019 (but not yet endorsed in EU), though early adoption is permitted for companies applying IFRS 15 Revenue from Contracts with Customers. The Company is currently assessing the impact of adopting IFRS 16 on the Company's consolidated financial statements.

4. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

When preparing the Unaudited Condensed Consolidated Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Unaudited Condensed Consolidated Interim Financial Statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last audited financial statements for the year ended 31 March 2017.

5. GOODWILL

The net carrying amount of goodwill can be analysed as follows:

Particulars	Amount
Balance as at 01 April 2016	**102,262,760**
Translation adjustment	2,712
Balance as at 31 March 2017	**102,265,472**

Particulars	Amount
Balance as at 01 April 2017	**102,265,472**
Translation adjustment	(841)
Balance as at 30 September 2017	**102,264,631**

6. OTHER INTANGIBLE ASSETS

The Intangible assets comprise of computer software, customer contracts.

Particulars	Customer contracts*	Computer softwares	Patent	Trade mark	Intangibles under development	Total
Cost						
Balance as at 01 April 2016	24,119,632	2,834,176	100,000	12,000,000	132,490	39,186,298
Additions	-	344,545				344,545
Disposals	-	-	-	-	-	-
Translation adjustment	3,032	62,714	-	-	-	65,746
Balance as at 31 March 2017	**24,122,664**	**3,241,435**	**100,000**	**12,000,000**	**132,490**	**39,596,589**
Accumulated amortisation						
Balance as at 01 April 2016	16,244,652	2,469,926	-	-	132,490	18,847,068
Amortisation/ impairment for the period	2,779,416	336,740	-	-	-	3,116,156
Disposals	-	-	-	-	-	-
Translation adjustment	3,032	61,385	-	-	-	64,417
Balance as at 31 March 2017	**19,027,100**	**2,868,051**	**-**	**-**	**132,490**	**22,027,641**
Carrying values as at 31 March 2017	**5,095,564**	**373,384**	**100,000**	**12,000,000**	**-**	**17,568,948**

*Customer contracts are intangible assets created for long standing customer relationships content delivery segment. Once the relationship is established the work continues to flow on a year to year basis. The carrying amount of such contracts is USD 5,095,564 and remaining amortization period is 2.8 years.

Particulars	Customer contracts*	Computer softwares	Patent	Trade mark	Intangibles under development	Total
Cost						
Balance as at 01 April 2017	24,122,664	3,241,435	100,000	12,000,000	132,490	39,596,589
Additions	-	203,135				203,135
Disposals	-	-	-	-	-	-
Translation adjustment	(941)	(37,091)	-	-	-	(38,032)
Balance as at 30 Sept 2017	**24,121,723**	**3,407,479**	**100,000**	**12,000,000**	**132,490**	**39,761,692**
Accumulated amortisation						
Balance as at 30 Sept 2017	19,027,100	2,868,051	-	-	132,490	22,027,641
Amortisation/ impairment for the period	1,389,708	213,738	-	-	-	1,603,446
Disposals	-	-	-	-	-	-
Translation adjustment	(941)	(35,765)	-	-	-	(36,706)
Balance as at 30 Sept 2017	**20,415,867**	**3,046,024**	**-**	**-**	**132,490**	**23,594,381**
Carrying values as at 30 Sept 2017	**3,705,856**	**361,455**	**100,000**	**12,000,000**	**-**	**16,167,311**

*Customer contracts are basically intangible assets created for long standing customer relationships in content delivery segment. Once the relationship is established the work continues to flow on a year to year basis. The carrying amount of such contracts is USD 3,705,856 and remaining amortization period is 1.3 years.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise of the following:

Particulars	Computer and data equipment	Office Equipment	Furniture and fixtures	Air conditioner and generator	Vehicle	Leasehold improvements	Plant and machinery	Total
Cost								
Balance as at 01 April 2016	4,684,624	755,893	1,205,275	261,991	29,864	4,280,712	1,699,737	12,918,096
Additions	643,425	12,848	38,090	90,087	-	27,753	181,286	993,489
Disposals (Net)	(37,704)	(2,133)	-	-	-	-	(10,416)	(50,253)
Translation and other adjustment	(212,049)	94,170	18,028	8,268	317	72,470	304,563	285,767
Balance as at 31 March 2017	**5,078,296**	**860,778**	**1,261,393**	**360,346**	**30,181**	**4,380,935**	**2,175,170**	**14,147,099**
Accumulated depreciation								
Balance as at 01 April 2016	**3,513,114**	**378,783**	**576,751**	**121,287**	**24,602**	**1,474,907**	**978,994**	**7,068,438**
Depreciation for the year	641,897	140,891	82,509	45,382	4,377	558,727	274,227	1,748,010
Disposals (Net)	(29,306)	(1,718)	-	-	-	-	(9,877)	(40,901)
Translation and other adjustments	(197,446)	66,328	10,684	4,159	310	48,261	267,262	199,558
Balance as at 31 March 2017	**3,928,259**	**584,284**	**669,944**	**170,828**	**29,289**	**2,081,895**	**1,510,606**	**8,975,105**
Carrying values as at 31 March 2017	**1,150,037**	**276,494**	**591,449**	**189,518**	**892**	**2,299,040**	**664,564**	**5,171,994**

Particulars	Computer and data equipment	Office Equipment	Furniture and fixtures	Air conditioner and generator	Vehicle	Leasehold improvements	Plant and machinery	Total
Cost								
Balance as at 01 April 2017	5,078,296	860,778	1,261,393	360,346	30,181	4,380,935	2,175,170	14,147,099
Additions	285,920	2,260	232	3,411	-	10,243	11,426	313,492
Disposals (Net)	(26,044)	(2,200)	-	-	-	-	(231)	(28,475)
Translation and other adjustment	(48,012)	(9,539)	(10,157)	(2,348)	(98)	(49,567)	(24,939)	(144,660)
Balance as at 30 Sept 2017	**5,290,160**	**851,299**	**1,251,468**	**361,409**	**30,083**	**4,341,611**	**2,161,426**	**14,287,456**
Accumulated depreciation								
Balance as at 01 April 2017	**3,928,259**	**584,284**	**669,944**	**170,828**	**29,289**	**2,081,895**	**1,510,606**	**8,975,105**
Depreciation for the year	329,771	70,385	44,189	19,503	899	223,312	120,748	808,807
Disposals (Net)	(25,868)	(2,200)	-	-	-	-	(231)	(28,299)
Translation and other adjustments	(42,594)	(7,078)	(6,211)	(1,352)	(105)	(25,029)	(18,374)	(100,743)
Balance as at 30 Sept 2017	**4,189,568**	**645,391**	**707,922**	**188,979**	**30,083**	**2,280,178**	**1,612,749**	**9,654,870**
Carrying values as at 30 Sept 2017	**1,100,592**	**205,908**	**543,546**	**172,430**	**-**	**2,061,433**	**548,677**	**4,632,586**

8. SHORT TERM FINANCIAL ASSETS

Particulars	30 September 2017	31 March 2017
Security deposits	107,350	38,154
Restricted cash	3,035,557	2,939,785
Short term investments (fixed deposits with maturity less than 12 months)	4,131,770	3,013765
Derivative financial instruments	392,986	978,518
Due from officers and employees	41,827	47,651
Others	-	360
	7,709,490	**7,018,233**

Short term investments comprise of investment through banks in deposits denominated in various currency units bearing fixed rate of interest.

9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

Calculation of basic and diluted profit per share for the period ended 30 September 2017 is as follows:

Basic earnings per share

Particulars	30 September 2017	30 September 2016
Profit attributable to shareholders	10,303,038	8,738,170
Weighted average numbers shares outstanding	190,130,008	190,130,008
Basic earnings per share (USD)	0.05	0.04

Diluted earnings per share

Particulars	30 September 2017	30 September 2016
Profit attributable to shareholders	10,303,038	8,738,170
Weighted average numbers shares outstanding	190,130,008	190,130,008
Diluted earnings per share (USD)	0.05	0.04

10. RELATED PARTY TRANSACTIONS

The related parties for each of the entities in the Group have been summarised in the table below:

Nature of the relationship	Related Party's Name
I. Ultimate controlling party	Mr. Anil Agarwal
II. Entities directly or indirectly through one or more intermediaries, control, are controlled by, or are under common control with, the reported enterprises	EICR Limited *(Parent of iEnergizer Limited)*
III. Key management personnel ("KMP") and significant shareholders	Mr. Anil Agarwal *(Ultimate Shareholder, EICR Limited)* Mr. Chris de Putron *(Director, iEnergizer Limited)* Mr. Mark De La Rue *(Director, iEnergizer Limited)* Mr. Marc Vassanelli *(Director, iEnergizer Limited)*

Disclosure of transactions between the Group and related parties and the outstanding balances is as under:

Transactions with KMP and relative of KMP

Particulars	30 September 2017	30 September 2016
Transactions during the period ended		
Short term employee benefits		
Remuneration paid to directors		
Chris de Putron	6,204	6,590
Mark De La Rue	6,204	6,590
Marc Vassanelli	18,613	19,771
Balances at the end of		
Total remuneration payable	30,764	67,367

11. SEGMENT REPORTING

Management currently identifies the Group's three services lines real time processing, back office services and content delivery as operating segments on the basis of operations. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group's reportable segments are as follows:

1. Real time processing
2. Back office services
3. Content delivery
4. Others

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Unaudited Condensed Consolidated Interim Financial Statements. In addition, two minor operating segments, for which the quantitative thresholds have not been met, are currently combined below under 'Others'. Segment information can be analysed as follows for the reporting periods under review:

					30 September 2017
	Real time processing	**Back office services**	**Content delivery**	**Others**	**Total**
Revenue from external customers	13,842,128	26,804,690	34,561,096	-	**75,207,914**
Segment revenue	**13,842,128**	**26,804,690**	**34,561,096**	**-**	**75,207,914**
Other income	43,543	2,804	710,844	6,862	**764,053**
Cost of outsourced Services	-	18,635,430	4,863,735	-	**23,499,165**
Employee benefit expense	10,527,567	4,500	19,842,993	-	**30,375,060**
Depreciation and amortisation	383,260	-	2,028,993	-	**2,412,253**
Other expenses	824,757	199,440	3,392,233	243,703	**4,660,132**
Segment operating Profit	2,150,087	7,968,125	5,143,986	(236,841)	**15,025,358**
Segment assets	16,313,300	17,646,538	81,481,417	79,609,989	**195,051,244**

					30 September 2016
	Real time processing	**Back office services**	**Content delivery**	**Others**	**Total**
Revenue from external customers	12,484,717	22,461,326	35,667,146	-	**70,613,189**
Segment revenue	12,484,717	22,461,326	35,667,146	-	**70,613,189**
Other income	132,849	-	743,667	(1,705)	**874,811**
Cost of outsourced Services	-	15,154,329	5,188,020	-	**20,342,349**
Employee benefit expense	10,026,814	4,500	20,079,852	-	**30,111,166**
Depreciation and amortisation	381,425	-	2,064,757	-	**2,446,182**
Other expenses	688,659	288,409	3,688,495	148,916	**4,814,479**
Segment operating Profit	1,520,668	7,014,088	5,389,689	(150,621)	**13,773,824**
Segment assets	13,880,334	11,963,082	83,985,419	77,880,662	**187,709,497**

Revenue from the following customer's amounts to more than 10% of consolidated revenue during the period presented.

		30 September 2017
Revenue from	**Segment**	**Amount**
Customer 1	Back office Services	8,255,436

		30 September 2016
Revenue from	**Segment**	**Amount**
Customer 1	Back office Services	8,321,461
Customer 2	Content Delivery	7,155,188

12. FINANCIAL ASSETS AND LIABILITIES

Fair value of carrying amounts of assets and liabilities presented in the statement of financial position relates to the following categories of assets and liabilities:

Financial assets	30 September 2017	31 March 2017
Non-current assets		
Loans and receivables		
Security deposits	485,047	639,632
Restricted cash	30,441	27,750
Fixed deposit	61,477	62,273
Current assets		
Loans and receivables		
Trade receivables	29,305,467	25,108,966
Cash and cash equivalents	19,938,921	18,332,480
Restricted cash	3,035,557	2,939,785
Security deposits	107,350	38,154
Short term investments	4,131,770	3,013,765
Due from officers and employees	41,827	47,651
Other short term financial assets	-	360
Fair value through profit and loss:		
Derivative financial instruments	392,986	978,518
	57,530,843	**51,189,334**

Financial liabilities	30 September 2017	31 March 2017
Non-current liabilities		
Financial liabilities measured at amortized cost:		
Long term borrowings	52,457,837	61,071,201
Current liabilities		
Financial liabilities measured at amortized cost:		
Short term borrowings	84,349	97,955
Trade payables	11,419,968	8,830,810
Current portion of long term borrowings	13,934,206	13,965,177
Other current liabilities	7,055,727	6,679,220
Fair value through profit and loss:		
Derivative financial instruments	-	-
	84,952,087	**90,644,363**

These non-current financial assets and liabilities, current financial assets and liabilities have been recorded at their respective carrying amounts as the management considers the fair values to be not materially different from their carrying amounts recognised in the statement of financial positions as these are expected to realise within one year from the reporting dates. Derivative financial instruments, recorded at fair value through profit and loss, are recorded at their respective fair values on the reporting dates.

13. FAIR VALUE HIERARCHY

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 and 3 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

		Fair value measurements at reporting date using
30 September 2017	**Total**	**Level 2**
Assets	(Notional amount)	
Derivative instruments		
Forward contracts (currency – USD/INR)	10,375,000	392,986

		Fair value measurements at reporting date using
31 March 2017	**Total**	**Level 2**
Liabilities	(Notional amount)	
Derivative instruments		
Forward contracts (currency – USD/INR)	15,625,000	978,518

14. COMMITMENT AND CONTINGENCIES

As at 30 September 2017 and 31 March 2017, the Group had a capital commitment of USD 11,978 and USD 83,742 respectively for acquisition of property, plant and equipment.

The contingent liability in respect of claims filed by erstwhile employees against the group companies amounts to USD 114,354 and USD 86,255 as on 30 September 2017 and 31 March 2017 respectively and in respect of interest on VAT amounts to USD 10,650 as on 30 September 2017 (USD 10,787 as on 31 March 2017).

The contingent liability in respect of bonus based on pending litigations at various jurisdictions amounting to USD 248,291 as on 30 September 2017 (USD 249,903 as on 31 March 2017).

Guarantees: As at 30 September 2017 and 31 March 2017, guarantees provided by banks on behalf of the group companies to the revenue authorities and certain other agencies, amount to approximately USD 81,229 and USD 29,747 respectively.

15. ESTIMATES

The preparation of interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Unaudited Condensed Consolidated Interim Financial Statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the years ended 31 March 2017 and 2016.

16. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the years ended 31 March 2017 and 2016.