

8K MILES SOFTWARE SERVICES LIMITED
(CIN: L72300TN1993PLC101852)

Registered Office: Second Floor, Srinivas Towers, No. 5, Cenotaph Road, Teynampet, Chennai - 600 018

STATEMENT OF UN AUDITED STANDALONE FINANCIAL RESULTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2019

(Amount in INR in lakhs except EPS)

S.No.	Particulars	Quarter Ended			Year to Date	
		30 September 2019	30 June 2019	31 March 2019	30 September 2019	31 March 2019
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	Income					
	a) Revenue from operations	1,108.16	1,003.22	1,320.81	2,111.38	5,694.44
	b) Other income (including foreign exchange gain / (loss) - Refer Note 1)	0.70	0.68	3.28	1.38	686.98
	Total income	1,108.86	1,003.90	1,324.09	2,112.76	6,381.42
2	Expenses					
	a) Employee benefits expense	507.48	479.33	464.22	986.81	1,732.87
	b) Finance costs	229.13	235.66	249.25	464.79	969.66
	c) Depreciation and amortization expense	7.84	6.05	7.67	13.89	34.05
	d) Other expenses	133.35	129.17	380.77	262.52	2,281.79
	Total expenses	877.80	850.21	1,101.91	1,728.01	5,018.37
3	Profit / (Loss) before exceptional items and tax (1-2)	231.06	153.69	222.18	384.75	1,363.05
4	Exceptional items	-	-	-	-	-
5	Profit / (Loss) before tax (3-4)	231.06	153.69	222.18	384.75	1,363.05
6	Tax expense					
	- Current tax (including prior period)	80.76	50.01	33.10	130.77	219.90
	- Deferred tax	(16.47)	(5.79)	35.56	(22.26)	169.92
7	Net profit / (loss) for the period (5-6)	166.77	109.47	153.52	276.24	973.23
8	Other comprehensive income / (loss)					
	Items that will not be reclassified to the statement of profit and Loss					
	(a) Actuarial gain / (loss) on defined benefit obligation	(7.90)	-	(4.60)	(7.90)	9.74
	(b) Income tax relating to items that will not be reclassified to the statement of profit or loss	-	-	1.37	-	(2.81)
	Total other comprehensive income / (loss) (Net of tax)	(7.90)	-	(3.23)	(7.90)	6.93
9	Total comprehensive income / (loss) for the period (7+8)	158.87	109.46	150.29	268.34	980.16
10	Paid-up equity share capital (Face value of Rs. 5/- each) Reserves (Other Equity)	1,525.88	1,525.88	1,525.88	1,525.88	1,525.88 7,274.55
11	Earnings per equity share (EPS) [Face value of Rs. 5/- each]					
	(a) Basic EPS	0.55	0.36	0.50	0.91	3.19
	(b) Diluted EPS	0.55	0.36	0.50	0.91	3.19

Notes

- The above statement of Standalone financial results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board in its meeting held on 29th February 2020. The above statements for the period ended 30th September 2019 have been subjected to limited review by the Statutory Auditors of the Company.
- The Standalone financial results have been prepared in accordance with applicable Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Amended Rules, 2016.
- The Company operates in a single segment, i.e., "Information And Technology Services" and hence, does not have any additional disclosures to be made under Ind AS 108 - Operating Segments.
- Effective 01 April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers wherever necessary.

Place: Chennai
Date : 29 February 2020



By Order of the Board
For and on behalf of the Board of Directors

Dinesh Raja Punniarthy
Director
DIN No. 03622140



8K MILES SOFTWARE SERVICES LIMITED

(CIN: L72300TN1993PLC101852)

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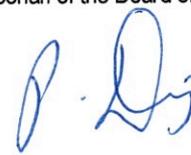
UN AUDITED STANDALONE BALANCE SHEET AS ON 30TH SEPTEMBER 2019

(Amount in INR in lakhs)

Particulars	As at 30 Sep 2019	As at 31 March 2019 Audited
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	69.57	61.65
(b) Capital work-in-progress	-	-
(c) Financial assets		
(i) Investments	12,000.09	12,000.09
(ii) Loans	66.83	46.51
(d) Deferred tax assets (Net)	83.15	60.89
(e) Other non-current assets	-	2.60
Total non-current assets	12,219.64	12,171.74
2 Current assets		
(a) Financial assets		
(i) Trade receivables	7,475.39	6,835.01
(ii) Cash and cash equivalents	1.36	85.20
(iii) Bank balances other than (ii) above	-	-
(iv) Other financial assets	254.75	489.18
(b) Other current assets	7.18	30.13
Total current assets	7,738.68	7,439.52
Total Assets (1+2)	19,958.32	19,611.26
B EQUITY AND LIABILITIES		
3 Equity		
(a) Equity share capital	1,525.88	1,525.88
(b) Other equity	7,542.89	7,274.55
Total equity	9,068.77	8,800.43
4 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,694.71	5,476.27
(b) Provisions	80.35	65.46
(c) Other non-current liabilities	-	4.39
Total non-current liabilities	4,775.06	5,546.12
5 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,643.02	1,804.40
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	-	2.92
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,899.71	1,964.05
(iii) Other financial liabilities	2,108.36	1,174.28
(b) Other current liabilities	170.23	119.06
(c) Provisions	117.82	57.86
(d) Current tax liabilities (Net)	175.35	142.14
Total Current Liabilities	6,114.49	5,264.71
Total Equity and Liabilities (3+4+5)	19,958.32	19,611.26

For and on behalf of the Board of Directors






Dinesh Raja Punniamurthy
 Director
 DIN No. 03622140

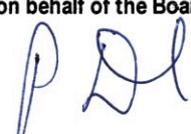
Place : Chennai
Date : 29th February 2020

8K MILES SOFTWARE SERVICES LIMITED
Standalone Cash Flow Statement as on 30th September 2019

(Amount Rs. in Lakhs)

Particulars	For the period ended 30 September 2019	For the year ended 31 March 2019
I. Cash Flow From Operating Activities		
Profit for the period	276.24	973.23
<i>Adjustments for:</i>		
Tax expenses	108.51	389.82
Finance costs	464.79	969.66
Depreciation and Amortisation Expense	13.89	34.05
Gains on Sale of Other intangibles assets	-	-
Loss on Sale of Property, Plant and Equipment (Net)	-	0.36
Income on deposits and loans	(1.38)	(243.16)
Gain on sale of investments	-	-
Allowance for Expected Credit Losses (written back)	-	(23.74)
Net Unrealised Exchange Gain	(10.88)	(282.77)
Operating Profit before Working Capital and Other Changes	851.17	1,817.45
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Trade receivables	(622.87)	(3,027.37)
Other non current financial assets	(18.94)	7.27
Other non current assets	2.60	39.33
Other current financial assets	32.54	-
Other current assets	39.02	41.92
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Trade payables	(65.08)	1,013.73
Provisions (non-current)	14.78	2.37
Other non current liabilities	(4.39)	(6.22)
Provisions (current)	59.96	35.43
Other current financial liabilities	3.47	6.37
Other current liabilities	51.18	(6.01)
Cash Generated from / (used in) Operations	343.43	(75.73)
Net income tax paid (including interest paid there on)	(95.82)	(205.51)
Net Cash Flow used in Operating Activities (A)	247.61	(281.24)
II. Cash Flow From Investing Activities		
Capital Expenditure on Property, Plant and Equipment	(21.81)	(118.36)
Proceeds from Sale of Property, Plant and Equipment	-	0.02
Investment made during the year	-	-
Proceeds from sale of investments during the year	-	-
Bank balances not considered as Cash and cash equivalents	-	76.00
Loans repaid / (granted) to Subsidiary	-	-
Interest Received on Fixed Deposits	-	7.37
Net Cash Flow used in Investing Activities (B)	(21.81)	(34.97)
III. Cash Flow Used in Financing Activities		
Dividend paid (including tax thereon)	-	-
Borrowings taken during the year	308.61	6,938.45
Borrowings repaid during the year	(509.21)	(5,471.00)
Finance costs paid	(109.04)	(1,080.41)
Net Cash Flow from Financing Activities (C)	(309.64)	387.04
Net Increase / (Decrease) in Cash and Cash Equivalents (A) + (B) + (C)	(83.84)	70.83
Cash and Cash Equivalents at the Beginning of the Year	85.20	14.37
Cash and Cash Equivalents at the End of the Year	1.36	85.20

For and on behalf of the Board of Directors


Dinesh Raja Punniamurti
 Director
 DIN No. 03622140



Place : Chennai
 Date : 29th February 2020



INDEPENDENT AUDITOR'S REPORT ON REVIEW OF UN-AUDITED QUARTERLY FINANCIAL RESULTS

TO
THE BOARD OF DIRECTORS
8K MILES SOFTWARE SERVICES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **8K MILES SOFTWARE SERVICES LIMITED** ("the Company"), for the Quarter ended 30th September, 2019 and period from 1st April 2019 to 30th September 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/CMDI/44/2019 dated 29th March 2019 ("the Circular")

2. Management's Responsibility

The Management of the Company is responsible for preparation of the Statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The Board of Directors have approved the Statement.

3. Auditor's Responsibility

Our responsibility is to issue a report on the Statement based on our review. 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 is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

4. Basis of Disclaimer

- 4.1 The Company has trade receivables (Rs.3,804 Lakhs) as at 30th September, 2019 from its subsidiary 8K Miles Software Services Inc. It may be noted that this subsidiary has made an advance of Rs.4,577 Lakhs towards acquisition.
- 4.2 The Company has export trade receivables aggregating Rs. 7,272 lakhs outstanding for more than twelve months from the invoice date as at 30th September, 2019, which is beyond the time limit stipulated under the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015, for repatriation of foreign currency receivables.
- 4.3 The amount of Rs. 7,272 lakhs referred above includes dues from overseas customers aggregating to Rs. 3,464 lakhs. It may be noted that there has been no transaction for more than ten months.
- 4.4 We are informed that as on the date of this report, the investigation report of the external firm of Chartered Accountants for the matters reported u/s 143(12) not received by the Company and hence the same has not been made available to us.

We are unable to conclude on the consequential impact, if any, of the same on the financial statement.



Branches :

- ❖ Mumbai
- ❖ Bengaluru
- ❖ Madurai
- ❖ Tiruchirappalli
- ❖ Tiruvallur

Registered Office :

21, Moosa Street, T.Nagar, Chennai - 600 017.
☎ 4552 2032 / 2434 3639 / 4212 8955 / 2434 2563
(M) 98400 53053 / 98400 63269 / 98408 73269
Website : www.kgrca.in **Email :** madan@kgrca.in

Second Office :

2, South Dhandapani Street, Meena Arcade,
Ground Floor, off: Burkit Road, T. Nagar,
Chennai - 600 017. ☎ 4212 9770 / 4212 8955
Email : kgcas@gmail.com, rajukgrca.in

5. Conclusion

We are unable to express our opinion on the results/figures for the year ended 31st March, 2019 disclosed in the financial statements for the quarter ended 30th September 2019 and for the period from 1st April 2019 to 30th September 2019 as the disclaimers made by the previous statutory auditors in their audit report for the financial year 2018-19 continue to hold good. Consequently, we are unable to express our opinion on the balance sheet as on 30th September 2019.

6. Except for the possible effects of the matters described in paragraphs 4 and 5 under the Basis of Disclaimer above, we are unable to conclude on the financial statements for the reasons stated therein and based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statements, prepared in accordance with the aforesaid Indian Accounting Standard 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 Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.



For K.Gopal Rao & Co.
Chartered Accountants
FRN No.000956S

CA Bashyakar Mattapalli

Partner

(M Number: 015932)

UDIN: 20015932AAAAAC8447

Chennai
29th February 2020

8K MILES SOFTWARE SERVICES LIMITED

(CIN: L72300TN1993PLC101852)

Registered Office: Second Floor, Srinivas Towers, No. 5, Cenotaph Road, Teynampet, Chennai - 600 018

STATEMENT OF UN AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2019

(Amount in INR in lakhs except EPS)

S.No.	Particulars	Quarter Ended			Year to Date	
		30 September 2019	30 June 2019	30 September 2018	30 September 2019	31 March 2019
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	Income					
	a) Revenue from operations	10,867.75	9,174.11	28,256.89	20,041.86	84,219.15
	b) Other income	10.97	0.16	569.80	11.13	819.42
	Total income	10,878.72	9,174.27	28,826.69	20,052.99	85,038.57
2	Expenses					
	a) Employee benefits expense	5,401.17	6,899.85	14,256.05	12,301.02	29,052.51
	b) Finance costs	294.16	311.26	334.92	605.42	1,162.49
	c) Depreciation and amortization expense	256.13	2,575.79	1,299.03	2,831.93	6,959.83
	d) Other expenses	3,468.94	6,527.61	4,875.12	9,996.56	38,220.86
	Total expenses	9,420.40	16,314.51	20,765.12	25,734.92	75,395.69
3	Profit before exceptional items and tax (1-2)	1,458.32	(7,140.24)	8,061.57	(5,681.93)	9,642.88
4	Exceptional items	-	48,732.69	-	48,732.69	-
5	Profit before tax (3-4)	1,458.32	(55,872.93)	8,061.57	(54,414.62)	9,642.88
6	Tax expense					
	- Current tax	81.17	56.79	1,767.55	137.97	1,300.58
	- Deferred tax	20.08	175.84	-	195.92	359.81
7	Net profit after tax for the period (5-6)	1,357.07	(56,105.56)	6,294.02	(54,748.52)	7,982.49
8	Other comprehensive income / (loss)					
	(i) Items that will not be reclassified to profit or loss:					
	(a) Remeasurements of the defined benefit plans	(7.90)	-	-	(7.90)	9.74
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	(2.81)
	(ii) Items that will be reclassified to profit and loss:					
	(a) Foreign currency translation differences	(10.97)	-	-	(10.97)	3,246.43
	Total other comprehensive income	(18.87)	-	-	(18.87)	3,253.36
9	Total comprehensive income for the period (7+8)	1,338.20	(56,105.56)	6,294.02	(54,767.38)	11,235.85
10	Profit attributable to:					
	Owners of the company	1,537.66	(39,625.09)	5,090.44	(38,087.45)	6,871.77
	Non-controlling Interest	(180.59)	(16,480.47)	1,203.58	(16,661.07)	1,110.72
11	Other comprehensive income attributable to:					
	Owners of the company	(18.87)	-	-	(18.87)	3,253.36
	Non-controlling Interest	-	-	-	-	-
12	Total comprehensive income attributable to:					
	Owners of the company	1,518.79	-	5,090.44	(38,106.32)	10,125.13
	Non-controlling Interest	(180.59)	-	1,203.58	(16,661.07)	1,110.72
13	Paid-up equity share capital (Face value of Rs. 5/- each)	1,525.88	1,525.88	1,525.88	1,525.88	1,525.88
	Reserves (Other Equity) - excluding any revaluation reserve					57,706.55
14	Earnings per equity share (EPS) [Face value of Rs. 5/- each]					
	(a) Basic EPS (Rs.)	5.04	(129.84)	16.68	(124.80)	22.52
	(b) Diluted EPS (Rs.)	5.04	(129.84)	16.68	(124.80)	22.52

Notes

- The above statement of consolidated financial results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board in its meeting held on 29 February 2020. The above statements for the period ended 30th September 2019 have been subjected to limited review by the Statutory Auditors of the Company.
- The Consolidated financial results have been prepared in accordance with applicable Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Amended Rules, 2016.
- The Company operates in a single segment, i.e., "Information And Technology Services" and hence, does not have any additional disclosures to be made under Ind AS 108 - Operating Segments.
- Effective 01 April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers wherever necessary.

For and on behalf of the Board of Directors



Dinesh Raja Punniamurthy
Director
DIN:03622140

Place: Chennai
Date: 29 February 2020

8K MILES SOFTWARE SERVICES LIMITED

(CIN: L72300TN1993PLC101852)

Registered Office: Second Floor, Srinivas Towers, No. 5, Cenotaph Road, Teynampet, Chennai - 600 018

UN-AUDITED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2019

(Amount in INR in lakhs)

Particulars	As at 30 September 2019	As at 31 March 2019 (Audited)
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	707.78	899.23
(b) Goodwill	13,032.19	12,827.16
(c) Other intangible assets	3,570.64	49,972.95
(d) Financial assets		
(i) Loans & Advances	102.06	81.19
(e) Deferred tax assets	-	-
(f) Other non-current assets	4,584.29	4,508.40
Total non-current assets	21,996.96	68,288.93
2 Current assets		
(a) Financial assets		
(i) Trade receivables	19,353.96	23,768.30
(ii) Cash and cash equivalents	296.28	815.45
(iii) Loans	1.87	1.84
(vi) Other financial assets	-	1,704.89
(b) Current Tax Assets (Net)	-	3,155.17
(c) Other current assets	3,208.85	2,065.38
Total Current Assets	22,860.96	31,511.03
Total Assets	44,857.92	99,799.96
B EQUITY AND LIABILITIES		
3 Equity		
(a) Equity share capital	1,525.88	1,525.88
(b) Other equity	19,848.07	57,706.55
Equity attributable to owners of the company	21,373.95	59,232.43
Non-controlling interest	1,147.98	17,301.01
Total equity	22,521.93	76,533.44
4 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,744.03	5,476.27
(b) Provisions	93.05	65.46
(c) Deferred Tax Liabilities	808.81	671.02
(c) Other non-current liabilities	7.50	4.39
Total non-current liabilities	5,653.39	6,217.14
5 Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	5,228.51	5,299.65
(ii) Trade payables	-	-
(a) Total outstanding dues of micro enterprises and small enterprises	-	2.92
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	7,719.61	8,318.66
(iii) Other financial liabilities	3,035.38	2,253.84
(b) Other current liabilities	594.07	974.31
(c) Provisions	105.02	57.86
(d) Current tax liabilities (Net)	-	142.14
Total Current Liabilities	16,682.59	17,049.38
Total equity and liabilities	44,857.92	99,799.96

For and on behalf of the Board of Directors



Place: Chennai
Date : 29 February 2020

Dinesh Raja Punni
Dinesh Raja Punni
Director
DIN:03622140



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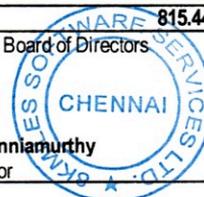
UN AUDITED STATEMENT OF CASH FLOW

(Amount Rs. in Lakhs)

Particulars	For the year ended	For the year ended
	30 September 2019	31 March 2019 Audited
I. Cash Flow From Operating Activities		
Profit for the year	(54,748.52)	7,982.49
<i>Adjustments for:</i>		
Income tax expense recognised in the statement of profit and loss	333.89	1,660.39
Finance cost recognised in statement of profit and loss	605.42	1,162.49
Income on deposits and loans	-	(347.94)
Depreciation and amortisation Expense	43,832.58	6,959.83
Net loss/ (gain) on Sale of Property, Plant and Equipment (Net)	-	0.36
Allowance for Expected Credit Losses	-	(23.74)
Bad Receivables Written off	-	120.98
Net Unrealised Exchange Gain	(10.88)	(98.86)
Operating Profit before Working Capital and Other Changes	(9,987.51)	17,416.00
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Trade Receivables	4,414.34	1,490.88
Other Non Current Financial Assets	(20.87)	5.01
Other Non Current Assets	(75.89)	39.30
Other Current Financial Assets	1,704.89	864.44
Other Current Assets	2,011.70	211.81
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Trade Payables	(601.97)	4,179.96
Other Non Current Liabilities	3.11	(6.22)
Provisions (Non-current)	27.59	2.36
Provisions (Current)	(380.24)	25.69
Other Current Financial Liabilities	781.54	6.37
Other Current Liabilities	(380.24)	223.96
Cash Generated from Operations	(2,503.54)	24,459.56
Net Income Tax paid (including interest paid there on)	-	(6,053.83)
Net Cash Flow From Operating Activities (A)	(2,503.54)	18,405.73
II. Cash Flow From Investing Activities		
Capital Expenditure on Property, Plant and Equipment	(21.81)	(29,750.80)
Proceeds from Sale of Property, Plant and Equipment	-	0.02
Investment made during the year	-	(98.04)
Movement in Loans given to Related Parties (Net)	-	5,808.44
Movement in Loans given to Non Related Parties (Net)	-	708.25
Bank balances not considered as Cash and cash equivalents	-	76.00
Interest Received	-	1,074.95
Contingent Consideration Paid during the year	(103.22)	(1,062.45)
Net Cash Flow Used in Investing Activities (B)	(125.03)	(23,243.64)
III. Cash Flow From Financing Activities		
Borrowings taken during the year	803.38	10,444.58
Borrowings repaid during the year	(844.17)	(6,857.27)
Finance Costs	(605.42)	(1,274.37)
Net Cash Flow From Financing Activities (C)	(646.21)	2,312.94
Effect Of Foreign Currency Translation Adjustment on Cash (D)	2,755.59	2,317.28
Net (Decrease) in Cash and Cash Equivalents (A) + (B) + (C) + (D)	(519.15)	(207.69)
Cash and Cash Equivalents at the Beginning of the Year	815.44	1,023.13
Cash and Cash Equivalents at the End of the Year	296.28	815.44

For and on behalf of the Board of Directors


Dinesh Raja Punnamurthy
 Director



Place: Chennai
Date : 29th February 2020



Independent Auditor's Review Report on consolidated unaudited quarterly and year to date financial statements of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors
8K Miles Software Services Limited

1. We have reviewed the accompanying unaudited consolidated financial statement of **8K Miles Software Services Limited** ("the Parent"), its foreign subsidiaries (together referred to as "the Group") for the quarter ended **30th September, 2019** and for the period from 1st April 2019 to 30th September 2019 (the "Statement") attached herewith being submitted by the Parent Company pursuant to the requirements of Regulations 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015 as amended ("Regulations") read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated 29th March 2019 ("the Circular").
2. This Statement, which is the responsibility of the Parent Company's Management and approved by the Parent 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 the other accounting principles generally accepted in India. Our responsibility is to express an opinion 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. 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 have not performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
4. The Statement includes the results of the following Four foreign subsidiaries: 8K Miles Software Services Inc., USA, 8K Miles Software Services FZE, UAE, 8K Miles Health Cloud Inc., USA and Mentor Minds Solutions & Services Inc., USA.
5. **Basis of Disclaimer**
 - 5.1 We are informed that as on the date of this report, the investigation report of the external firm of Chartered Accountants for the matters reported u/s 143(12) has not been received by the Company and hence the same has not been made available to us.
 - 5.2 We are unable to express our opinion on the financial results for the year ended 31st March, 2019 disclosed in the financial statements for the quarter ended September 30, 2019 and for the period from 1st April 2019 to 30th September 2019 as the disclaimers reported by the previous statutory auditors in their audit report for the year ended 31st March, 2019 continue to hold good as on date. Consequently, we are unable to express our opinion on the balance sheet as on September 30, 2019.

Branches :

- ❖ Mumbai
- ❖ Bengaluru
- ❖ Madurai
- ❖ Tiruchirappalli
- ❖ Tiruvallur

Registered Office :

21, Moosa Street, T.Nagar, Chennai - 600 017.
☎ 4552 2032 / 2434 3639 / 4212 8955 / 2434 2563
(M) 98400 53053 / 98400 63269 / 98408 73269
Website : www.kgrca.in **Email :** madan@kgrca.in

Second Office :

2, South Dharmapuri Street, Meena Arcade,
T. Nagar,
Ground Floor, off Burkitt Road, T. Nagar,
Tel : 42129770
Chennai - 600 017. ☎ 4212 8955
Email : kgrcas@gmail.com, rajuk@kgrca.in



6. Subject to the disclaimers described in Para 5 and based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review of the auditors referred to in paragraph 7 below, 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 Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We did not review the standalone unaudited financial statements of the subsidiaries included in the Group, whose results reflect total assets of Rs.36,287 lakhs as at 30th September 2019, whose results reflect total revenues of Rs.18,848 Lakhs for the period from 1st April 2019 to 30th September 2019 and total net profit/(loss) after tax of Rs. (55,352) Lakhs for the period from 1st April 2019 to 30th September 2019 as considered in the respective standalone unaudited financial statements of the subsidiaries included in the Group. The financial statements of these subsidiaries, except 8K Miles Software Services FZE, and Mentor Minds Solutions & Services Inc., USA. have been certified by the management and reviewed by the respective auditors whose reports have been furnished to us. The financial statements of 8K Miles Software Services FZE, UAE and Mentor Minds Solutions & Services Inc., USA. have been certified by the management. Our conclusions in so far as they relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on the report of such auditors/Management and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matters.

For K.Gopal Rao & Co.
Chartered Accountants
FRN: 000956S




CA Bashyakar Mattapalli
Partner

(M Number: 015932)
UDIN: 20015932AAAAAD6258

Chennai

29th February ~~2020~~ 2020



8K Miles Q2, FY 19-20

8K Miles Software Services Limited, a leading Global IT Business Transformation, Secure Cloud Solutions and NextGen Managed Provider, today (29th February 2020) announced the Company's unaudited financial results for the quarter ended 30th September 2019 as approved by the Board of Directors.

We started on a transformational journey few months ago and we are pleased to announce that our robust strategy and a single-minded focus to execute to that strategy have started to yield the results expected as highlighted in the financials section giving us the confidence that not only the strategy envisaged is in the right direction but our execution speed of the strategy has already started showing results in terms of increased revenue and profitability. We are even more confident that the growth registered in this quarter will accelerate further in subsequent quarters.

Business Highlights for the period:

Trusted Go-To Partner for the Top 15 Pharma Clients

- 8K Miles is now providing 24/7 enterprise cloud network support to large global pharma clients. In addition, 8K Miles is their execution partner for AI/ML development on Microsoft's Azure platform
- Acquired a California based life sciences client to deliver their enterprise cloud transformation as well as cloud service qualification and compliance
- A large Life Sciences customer signed a long-term partnership with 8K Miles for their cloud transformation and build their multi-cloud platform across AWS, Azure and Google
- Won cloud security and compliance project at a major life science and on-boarding of their applications

Rapidly Growing Healthcare Business

- We have a major deal with healthcare customer to be their exclusive EPIC Community Connect implementation partner in 2020
- Executing a signed SOW with a major hospital network of 40 hospitals, to upgrade their MEDITECH servers that has a potential to grow further
- Sold and delivered MFA (Multi-Factor Authentication) implementation on Microsoft Azure for a major hospital

New Customer wins

- We have signed four SoWs with a new life sciences client on restructuring and building their entire infrastructure on AWS to design and a build data lake, devops, migrate IAM to Google FSSO and migrate databases to AWS RDS and implement elastic cache
- Won few contracts with a major multinational in the entertainment business serving their aviation customers to deliver AWS cloud infrastructure and big data projects

- Launched Workload Migration Program (WMP) for our healthcare clients in partnership with AWS to accelerate MEDITECH Backup and DR sales
- Began work with two large health systems (Regional and Lahey) on DocRoute Proof of Concept – solution to automate analysis and routing of inbound fax and scanned patient related documents
- IoT company serving the aerospace industry has extended the contract to include additional services
- We executed a security assessment project for a large medical Information Systems supplier
- We added a Digital Workplace Software company as one of our managed service customers

Core Technology / IP Driven Growth

- Leveraging our DataEz - data lake platform-as-a-service as well as AnalyticsEz which is a data analytics platform-as-a-service offering, 8K Miles was able to grow two major customers in the pharma and life sciences verticals:
 - Successfully delivered to a major pharma company their PHC (personalized health care) data platform phase-1 and as a result, closed a \$5M+ PHC data competency project. This has potential for further growth
 - A top pharma client engaged 8K Miles to build a genomics data lake for their next generation Genome analysis.

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2019 :

Particulars	Q2 FY 20	Q-o-Q growth	Y-o-Y growth
Revenue (INR Lakhs)	10,867.75	18%	-62%
EBITDA (INR Lakhs)	2,008.61	147%	-79%
PBT before exceptional items	1,458.32	120%	-82%
Exceptional items	-		
PBT after exceptional items (INR Lakhs)	1,458.32	103%	-82%
PAT before minority interest	1,357.07	102%	-78%
PAT after minority interest	1,537.66	104%	-70%

Consolidated performance

Consolidated Statement of Profit & Loss for the Quarter ended 30th September 2019

(Rupees in Lakhs except EPS)

Particulars	Quarter ended			Year to Date		Year ended
	30/Sep/19	30/Jun/19	30/Sep/18	30/Sep/19	30/Sep/18	31/Mar/19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	10,867.75	9,174.11	28,256.89	20,041.86	52,278.80	84,219.15
Other Income	10.97	0.16	569.80	11.13	1,055.62	819.42
Total Income	10,878.72	9,174.27	28,826.69	20,052.99	53,334.42	85,038.57
Expenses						
Employee benefits and other direct costs	5,401.17	6,899.85	14,256.05	12,301.02	25,296.77	29,052.51
Other expenses	3,468.94	6,527.61	4,875.12	9,996.56	9,486.29	38,220.86
Depreciation & Amortization	256.13	2,575.79	1,299.03	2,831.93	2,475.13	6,959.83
Finance costs	294.16	311.26	334.92	605.42	542.80	1,162.49
Total expenses	9,420.40	16,314.51	20,765.12	25,734.92	37,800.99	75,395.69
Profit / (Loss) before Tax	1,458.32	(7,140.24)	8,061.57	(5,681.93)	15,533.43	9,642.88
Exceptional items	-	48,732.69		48,732.69	-	-
Tax expenses	101.25	232.63	1,767.55	333.89	3,389.80	1,660.39
Profit / (Loss) after Tax	1,357.07	(56,105.56)	6,294.02	(54,748.52)	12,143.63	7,982.49
Minority Interest	(180.59)	(16,480.47)	1,203.58	(16,661.07)	2,301.88	1,110.72
Profit attributable to shareholders	1,537.66	(39,625.09)	5,090.44	(38,106.32)	9,841.75	6,871.77
Number of Equity Shares	30,517,605	30,517,605	30,517,605	30,517,605	30,517,605	30,517,605
Earnings Per Share (EPS) - Basic & Diluted	5.04	(129.84)	16.68	(124.80)	32.25	22.52

Note:

We will continue to stay focused on executing to our strategy that has already started showing positive results in this quarter and we are confident that the subsequent quarters will only see the growth accelerating further.

Overall, we are pleased with that our results have started to show positive results and with continued focused execution 8K Miles will start to see growth in revenue and profitability in coming quarters.

For 8K Miles Software Services Limited



Diya Venkatesan
Company Secretary

The Board has deliberated about the financial results and the limited review report of the statutory auditors. The response for disclaimer in the Auditors' report has been provided below:

<u>Management's Response on the Auditor's Opinion for the Unaudited Financial Results (Standalone & Consolidated) for the Quarter and Half Year ended September 30, 2019</u>	
<u>Auditor's Observation:</u>	<u>Management's Response</u>
<u>(Standalone)</u>	
The Company has trade receivables (Rs.3,804 Lakhs) as at 30th September, 2019 from its subsidiary 8K Miles Software Services Inc. It may be noted that this subsidiary has made an advance of Rs.4,577 Lakhs towards acquisition.	The Trade receivables from 8K Software Services Inc., a subsidiary is an ongoing account and have since received Rs.647 Lakhs till date of this report. The advance which has been given for acquisition has been extended for a further period of nine months ending 30th September 2020 and increase in value of advance towards acquisition, in comparison to previous quarter ended 30th June 2019 is due to currency fluctuations.
The Company has export trade receivables aggregating Rs. 7,272 lakhs outstanding for more than twelve months from the invoice date as at 30th September, 2019, which is beyond the time limit stipulated under the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015, for repatriation of foreign currency receivables.	The management hereby states that this has been reported to the Reserve Bank of India through the AD Bank.
The amount of Rs.7,272 lakhs referred above includes dues from overseas customers aggregating to Rs.3,464 lakhs. It may be noted that there has been no transaction for more than ten months.	We are following up with the relevant customers to collect the dues at the earliest.
<u>Standalone & Consolidated</u>	
We are informed that as on the date of this report, the investigation report of the external firm of Chartered Accountants for the matters reported u/s 143(12) not received by the Company and hence the same has not been made available to us.	We have received the draft report. The management is reviewing it and will be made available to the Audit Committee shortly and for further noting by the Board.

