

**SQS India BFSI Limited**

CIN No:L64202TN1998PLC066604

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

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

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Statement of Consolidated Unaudited Financial Results for the Quarter and Nine months ended December 31, 2017

(Rs. In Millions)

S. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Revenue from Operations	704	697	609	2,008	2,024	2,599
2	Other Income	6	21	1	43	6	8
3	Total Income (1+2)	710	718	610	2,051	2,030	2,607
4	EXPENSES						
	a) Employee benefits expense	480	479	388	1,352	1,231	1,582
	b) Finance Cost	1	1	-	2	1	2
	c) Depreciation and amortisation expense	13	14	15	41	38	52
	d) Other expenses	134	113	145	322	458	600
	Total Expenses (4)	628	607	548	1,717	1,728	2,236
5	Profit/(loss) before exceptional items and tax (3-4)	82	111	62	334	302	371
6	Exceptional Items	-	-	-	-	-	-
7	Profit/(loss) before tax (5-6)	82	111	62	334	302	371
8	Tax expense						
	a) Current Tax	30	37	21	118	107	127
	b) Deferred Tax	(1)	-	1	(1)	3	6
9	Profit/(loss) for the period (7-8)	53	74	40	217	192	238
10	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	3	(1)	(2)	(2)	(7)	(10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1)	1	-	1	2	3
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
11	Total Comprehensive Income for the period (9+10) (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (net of tax)	55	74	38	216	187	231
12	Paid Up Equity Share Capital (Face value of Rs.10/- each)	107	107	107	107	107	107
13	Reserves (excluding Revaluation Reserves)	-	-	-	-	-	1,165
14	Earnings per Equity Share (for continuing operation):						
	- Basic (Rs.)	4.96	6.87	3.72	20.25	18.01	22.18
	- Diluted (Rs.)	4.95	6.85	3.71	20.22	17.95	22.13

Notes :-

- The above results which are published in accordance with Regulation 33 of the SEBI (Listing Obligation & Disclosure Requirements), 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 25, 2018. The Consolidated financial results are in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The above results have been subjected to a limited review by the Statutory Auditors of the Company.
- The Company has prepared its Financial Statement under Ind AS effective from April 1, 2017 with restated comparative figures for the previous year ended March 31, 2017. Accordingly, the Opening Balance sheet, in line with Ind AS transitional provisions, has been prepared as at April 1, 2016. The following is the reconciliation between the consolidated financial statements prepared as per "Previous GAAP", notified under Companies (Accounting Standards) Rules 2006 and Ind AS for the quarter and nine months ended December 31, 2016 and year ended March 31, 2017 as per Ind AS 101, First time Adoption of Indian Accounting Standards.

Particulars	Quarter ended	Nine months ended	Year ended
	31-Dec-16 (Unaudited)	31-Dec-16 (Unaudited)	31-Mar-17 (Unaudited)
Profit after Tax as reported under previous GAAP	38	187	231
Adjustments:			
Actuarial (gain)/ loss on defined benefit liability recognised in Other Comprehensive Income	2	7	10
Tax adjustments	-	(2)	(3)
Profit after Tax as reported under Ind AS	40	192	238
Other Comprehensive Income (net of tax)	(2)	(5)	(7)
Total Comprehensive Income as per Ind AS	38	187	231

- The Chief Operating Decision Maker (CODM) evaluates performance of the Company based on revenue and operating income in one segment i.e "Software Validation and Verification Services" relating to banking and financial services industry. Accordingly, as per Ind AS-108, the Company has only one business segment and hence segment information has not been separately disclosed.

- Other Income (Sl. no. 2) and Other Expenditure (Sl. No.4 d) above includes Net Foreign Exchange Gain/ (Loss) for the period as detailed below:

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net Exchange Gain / (Loss)	(16)	19	(24)	31	(66)	(104)

- Financial Results of SQS India BFSI Limited (Standalone information):

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16	31-Mar-17
Net Sales / Income from Operations	704	697	609	2,008	2,024	2,599
Profit/ (Loss) from ordinary activities before tax	78	91	51	294	277	346
Net Profit/ (Loss) from ordinary activities after tax	52	56	32	185	175	223

- The Consolidated Financial Results include the results of 100% Wholly owned Subsidiaries, i.e. SQS BFSI Inc., USA, SQS BFSI PTE. Ltd, Singapore, Thinksoft Global Services (Europe) GmbH i.L., Germany, SQS BFSI FZE, UAE and SQS BFSI UK Ltd, UK.

- During the quarter ended and Nine months ended December 31, 2017, 10,000 and 18,250 stock options respectively have been exercised under the Employee Stock Options Scheme, 2011. These stock options have vested in earlier years.

- The prior period's figures have been regrouped / reclassified wherever necessary to conform to current quarter / period's classification.

By order of the Board  
For SQS India BFSI Ltd

Aarti Arvind  
Managing Director & CEO

Place: Chennai  
Date: January 25, 2018