

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.

Website: www.sqs-bfsi.com; Tel:+91 44 4392 3200; Fax:+91 44 4392 3258



Statement of Standalone Unaudited Financial Results for the Quarter ended June 30, 2018

(Rs. In Millions)

S.No.	Particulars	Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Revenue from Operations	731.08	756.35	607.37	2,764.38
2	Other Income	6.05	29.61	26.86	73.64
3	Total Income (1+2)	737.13	785.96	634.23	2,838.02
4	EXPENSES				
	a) Employee benefits expense	309.53	314.09	239.41	1,153.57
	b) Finance Cost	-	2.87	-	2.87
	c) Depreciation and amortisation expense	13.88	13.93	14.31	55.36
	d) Other expenses	312.75	326.60	255.72	1,203.38
	Total Expenses (4)	636.16	657.49	509.44	2,415.18
5	Profit/(loss) before exceptional items and tax (3-4)	100.97	128.47	124.79	422.84
6	Exceptional Items (Refer Note 7)	-	6.89	-	6.89
7	Profit/(loss) before tax (5-6)	100.97	135.36	124.79	429.73
8	Tax expense				
	a) Current Tax	38.88	43.76	48.11	153.62
	b) Deferred Tax	(2.48)	(3.02)	0.11	(3.96)
9	Profit/(loss) for the period (7-8)	64.57	94.62	76.57	280.07
10	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss	1.94	0.70	(4.14)	(1.18)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.68)	(0.24)	1.43	0.41
	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))	65.83	95.08	73.86	279.30
12	Paid Up Equity Share Capital (Face value of Rs. 10/- each, fully paid up)	107.13	107.10	106.86	107.10
13	Other Equity	-	-	-	906.86
14	Earnings per Equity Share (Face value of Rs. 10/- each) (for continuing operations) (Refer Note 10)				
	- Basic (Rs.)	6.03	8.85	7.17	26.19
	- Diluted (Rs.)	6.03	8.85	7.15	26.19
	See accompanying notes to the Standalone Financial Results.				

Notes to the Standalone Financial Results:-

- The above Standalone financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 26, 2018. The Standalone 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 Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016, the Companies (Indian Accounting Standards) Amendment Rules, 2017 and the Companies (Indian Accounting Standards) Amendment Rules, 2018.
- The format for the audited/ unaudited financial results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 05, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013, which are applicable to companies that are required to comply with Ind AS.
- Pursuant to Regulation 33(3)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has decided to submit to the stock exchanges the Unaudited Financial Results (Standalone and Consolidated) for the first three quarters of the current financial year 2018-19 and Audited Financial Results (Standalone and Consolidated) for the fourth quarter and year ending March 31, 2019.
- The Chief Operating Decision Maker (CODM) evaluates the 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 each reporting period as under:

(Rs. In Millions)

Particulars	Quarter ended			Year ended
	30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net Exchange Gain / Loss	-	21.29	23.68	53.72
Other Income	-	21.29	23.68	53.72
Other Expenses	7.03	-	-	-

- 6 During the quarter ended June 30, 2018, 3,000 stock options have been exercised under the Employee Stock Options Scheme, 2011. These stock options have vested in earlier years.
- 7 During the quarter ended March 31, 2018, Thinksoft Global Services (Europe) GmbH, Germany (a wholly owned subsidiary) had been liquidated and an amount of INR 6.89 Million representing amount realised over original investment value had been disclosed as an exceptional item.
- 8 Assystem Services Deutschland GmbH ("Acquirer") and SQS Software Quality Systems AG ("Person Acting in Concert") had made an Open Offer for acquisition up to 2,785,480 fully paid-up Equity Shares of face value Rs. 10/- each, representing 26% of the voting share capital, at a price of Rs. 482.95 per share from the eligible shareholders of the Company. Assystem Services Deutschland GmbH ("Acquirer") and SQS Software Quality Systems AG ("Person Acting in Concert") have purchased 5,003 shares in the open offer during the quarter ended June 30, 2018.
- 9 On April 1, 2018, the Company has adopted Ind AS 115 – 'Revenue from Contracts with Customers'. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 115 did not have any material impact on the results for the quarter ended June 30, 2018.
- 10 The earnings per share (basic and diluted) for the interim periods have not been annualised.
- 11 The Company has changed its presentation from "Rs. in millions" to "Rs. in millions upto two decimals". Accordingly, the figures of the previous period ended June 30, 2017 have been rearranged to conform to the current period's presentation.
- 12 The figures of the quarter ended March 31, 2018 are the balancing figures between audited figures in respect of the financial year ended March 31, 2018 and the published year to date figures upto the third quarter of financial year ended March 31, 2018.
- 13 The prior period's figures have been regrouped / reclassified wherever necessary to conform to current period's classification.
- 14 The above Standalone Unaudited Financial Results have been subjected to Limited Review by the Statutory Auditors.

By order of the Board
For SQS India BFSI Ltd

Place: Chennai
Date: July 26, 2018

Aarti Arvind
Managing Director & CEO