

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 Standalone Unaudited Financial Results for the Quarter and Half year ended September 30, 2017



(Rs. In Millions)

S.No.	Particulars	Quarter ended			Half Year ended		Year ended
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Revenue from Operations	697	607	684	1,304	1,415	2,599
2	Other Income	16	27	1	43	4	7
3	Total Income (1+2)	713	634	685	1,347	1,419	2,606
4	EXPENSES						
	a) Employee benefits expense	293	241	273	534	563	1,048
	b) Finance Cost	1	-	-	1	-	1
	c) Depreciation and amortisation expense	14	14	13	28	23	52
	d) Other expenses	314	254	308	568	607	1,159
	Total Expenses (4)	622	509	594	1,131	1,193	2,260
5	Profit/(loss) before exceptional items and tax (3-4)	91	125	91	216	226	346
6	Exceptional Items	-	-	-	-	-	-
7	Profit/(loss) before tax (5-6)	91	125	91	216	226	346
8	Tax expense						
	a) Current Tax	35	48	31	83	81	117
	b) Deferred Tax	-	-	1	-	2	6
9	Profit/(loss) for the period (7-8)	56	77	59	133	143	223
10	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	(1)	(4)	(3)	(5)	(5)	(10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1	1	1	2	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))	56	74	57	130	140	216
12	Paid Up Equity Share Capital	107	107	107	107	107	107
13	Reserves (excluding Revaluation Reserves)	-	-	-	-	-	933
14	Earnings Per Equity Share (for continuing operation):						
	- Basic (Rs.)	5.33	7.17	5.48	12.50	13.38	20.85
	-Diluted (Rs.)	5.32	7.15	5.47	12.47	13.35	20.79

Standalone Balance Sheet as at September 30, 2017

(Rs. In Millions)

Particulars	30-Sep-17	31-Mar-17
ASSETS		
A. NON CURRENT ASSETS		
(a) Property, Plant and Equipment	230	247
(b) Intangible Assets	15	20
(c) Financial Assets		
(i) Investments in subsidiaries	43	43
(ii) Loans	16	19
(iii) Other Non Current Financial Assets	1	3
(d) Deferred Tax Asset (Net)	14	12
(e) Income Tax Asset (Net)	5	5
(f) Other Non current Assets	1	2
TOTAL NON CURRENT ASSETS	325	351
B. CURRENT ASSETS		
(a) Financial Assets		
(i) Trade Receivables	347	271
(ii) Cash and Cash Equivalents	469	293
(iii) Bank balances other than above	3	3
(iv) Loans	5	5
(v) Other Current Financial Assets	174	481
(b) Other Current Assets	59	35
TOTAL CURRENT ASSETS	1,057	1,088
TOTAL ASSETS	1,382	1,439
EQUITY AND LIABILITIES		
A. EQUITY		
(a) Equity Share Capital	107	107
(b) Other Equity	807	932
TOTAL EQUITY	914	1,039
B. LIABILITIES		
1. CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Trade Payables	6	19
(ii) Other Current Financial Liabilities	294	268
(b) Other Current Liabilities	50	38
(c) Provisions	25	15
(d) Current Tax Liabilities (Net)	93	60
TOTAL CURRENT LIABILITIES	468	400
TOTAL EQUITY AND LIABILITIES	1,382	1,439

Notes :-

- 1 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 the meeting held on October 26, 2017. The 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 results for the current quarter and half year have been subjected to a limited review by the Statutory Auditors of the Company.
- 2 The Ind AS compliant corresponding figures of the corresponding quarter and half year of the previous year as well as for the previous year ended March 31, 2017 have not been subjected to a limited review or an audit. However, the management has exercised the necessary due diligence to ensure that such financial results provide a true and fair view.
- 3 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 financial statements prepared as per "Previous GAAP", notified under Accounting Standards Companies (Accounting Standards) Rules 2006 and Ind AS for the quarter ended September 30, 2016 as per Ind AS 101, First time adoption. There is no change in Equity between previous IGAAP and Ind AS.

Particulars	Quarter ended	Half Year ended	Year ended
	30-Sep-16 (Unaudited)	30-Sep-16 (Unaudited)	31-Mar-17 (Unaudited)
Profit after Tax as reported under previous GAAP	57	140	216
Adjustments:			
Actuarial (gain)/loss on defined benefit liability recognised in Other Comprehensive Income	(3)	(5)	(10)
Tax adjustments	1	2	3
Profit after Tax as reported under Ind AS	59	143	223
Other Comprehensive Income (net of tax)	(2)	(3)	(7)
Total Comprehensive Income as per Ind AS	57	140	216

- 4 The Board of Director's of the Company has declared an Interim Dividend of Rs. 4/- per equity share of Rs. 10 each.
- 5 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.
- 6 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			Half Year ended		Year ended
	30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16	31-Mar-17
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net Exchange Gain / (Loss)	14	24	(22)	38	(33)	(84)

- 7 During the quarter ended and half year ended September 30, 2017, 2,250 and 8,250 stock options respectively have been exercised under the Employee Stock Options Scheme, 2011. These stock options have vested in earlier years.
- 8 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

Place: Chennai

Date: October 26, 2017

Managing Director & CEO