



SEC/SE/106/18-19
Chennai, July 26, 2018

The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

SQS India BFSI Limited
6A, Sixth Floor, Prince Infocity II
No. 283/3 & 283/4
Rajiv Gandhi Salai (OMR)
Kandanchavadi, Chennai 600096, India

Phone: +91 44 4392 3200
Fax: +91 44 4392 3258
info-india@sqs.com
www.sqs-bfsi.com
CIN: L64202TN1998PLC066604

Sub: Outcome of the Meeting of Board of Directors held on July 26, 2018.

Ref: Company Symbol: SQSBFSI

Dear Sir/Madam,

The Meeting of Board of Directors of SQS India BFSI Limited was held on Thursday, July 26, 2018. The Board of Directors of the Company has inter-alia:

1. Considered and approved the Q1 Unaudited Financial Statements of the Company for the quarter ended June 30, 2018. Copy of the Unaudited Financial Statements, Standalone and Consolidated, along with the Limited Review Reports from the Statutory Auditors for the said period are attached herewith.
2. Has appointed Mr. Balaji Viswanathan as Managing Director & CEO (Key Managerial Personnel) of the Company with effect from September 1, 2018. A brief profile of Mr. Balaji Viswanathan is enclosed.
3. Has accepted the resignation letter submitted by Mr. K. Ramaseshan as Additional Director, Executive Director and Chief Financial Officer (Key Managerial Personnel) of the Company due to personal circumstances with effect from July 17, 2018. He will continue to hold office as Chief Financial Officer (Key Managerial Personnel) up to September 21, 2018 after serving the notice period, as decided and approved by the Board.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015, we would like to inform that the meeting of the Board of Directors of the Company commenced at 10.00 a.m. and concluded at 1.30 p.m.

You are requested to take the above on record and oblige.

Thanking you,

Yours faithfully,
For SQS India BFSI Limited

S. Sampath Kumar
Company Secretary and Compliance Officer
FCS No.3838



Brief Profile

Balaji comes with over 24 years of professional experience in the financial services domain of which 16 years have been in the Financial Services Industry and 8 years in the Outsourcing/Offshoring of Financial Services. His last assignment was as Senior Director in charge of Global Delivery for BFSI services at Concentrix which is the outsourced business division of SYNnex Corporation, a Fortune 500 company listed on the NYSE.

Balaji also worked with Serco, Reliance Jio Payments Bank, Yes Bank and HDFC Bank where he has garnered a strong domain knowledge of Core Banking Systems, Cards, Transaction Switching apart from being responsible for operations and technology at MasterCard International on the payment network side.

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:-

- 1 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.
- 2 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.
- 3 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.
- 4 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.
- 5 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
Net Exchange Gain / Loss	(Unaudited)	(Audited)	(Unaudited)	(Audited)
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.

Place: Chennai

Date: July 26, 2018



By order of the Board
For SQS India BFSI Ltd

Aarti Arvind
Aarti Arvind
Managing Director & CEO



KALYANIWALLA & MISTRY LLP

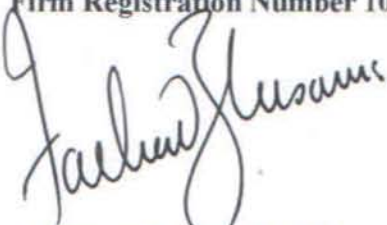
CHARTERED ACCOUNTANTS

The Board of Directors
SQS India BFSI Limited
6A, Sixth Floor, Prince Infocity II,
283/3, 283/4, Rajiv Gandhi Salai (OMR),
Kandanchavadi, Chennai – 600 096

LIMITED REVIEW REPORT

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of SQS India BFSI Limited ("the Company"), for the quarter ended June 30, 2018 ("the Statement"), prepared by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on July 26, 2018. Our responsibility is to issue a report on these standalone financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The Financial information of the Company for the quarter ended June 30, 2017 included in the Statement was reviewed by the predecessor auditor whose report dated July 27, 2017 expressed an unmodified opinion on those Unaudited Standalone Financial Results.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Standalone Financial Results prepared in accordance with the applicable accounting standards and other recognised accounting practices and policies 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 modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166



FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Place: Chennai
Date: July 26, 2018

LLP IN : AAH - 3437

REGISTERED OFFICE : ESPLANADE HOUSE, 29, HAZARIMAL SOMANI MARG, FORT, MUMBAI 400 001
TEL.: (91) (22) 6158 6200, 6158 7200 FAX : (91) (22) 6158 6275

SQS India BFSI Limited

CIN No: L64202TN1998PLC066604

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

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Statement of Consolidated 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	9.76	37.76	31.52	80.60
3	Total Income (1+2)	740.84	794.11	638.89	2,844.98
4	EXPENSES				
	a) Employee benefits expense	479.79	492.63	390.91	1,841.18
	b) Finance Cost	-	2.87	-	2.87
	c) Depreciation and amortisation expense	13.92	13.98	14.35	55.50
	d) Other expenses	123.82	139.04	92.68	466.29
	Total Expenses (4)	617.53	648.52	497.94	2,365.84
5	Profit/(loss) before exceptional items and tax (3-4)	123.31	145.59	140.95	479.14
6	Exceptional Items	-	-	-	-
7	Profit/(loss) before tax (5-6)	123.31	145.59	140.95	479.14
8	Tax expense				
	a) Current Tax	42.04	45.27	50.82	163.35
	b) Deferred Tax	(2.48)	(3.02)	0.11	(3.96)
9	Profit/(loss) for the period (7-8)	83.75	103.34	90.02	319.75
10	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss	1.94	0.70	(4.13)	(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))	85.01	103.80	87.32	318.98
	Attributable to:				
	Owners of the parent	85.01	103.80	87.32	318.98
	Non-controlling interests	-	-	-	-
	Of the Total Comprehensive Income above,				
	Profits for the year attributable to:				
	Owners of the parent	83.75	103.34	90.02	319.75
	Non-controlling interests	-	-	-	-
	Of the Total Comprehensive Income above,				
	Other comprehensive income attributable to:				
	Owners of the parent	1.26	0.46	(2.70)	(0.77)
	Non-controlling interests	-	-	-	-
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	-	-	-	1,178.85
14	Earnings per Equity Share (Face value of Rs. 10/- each) (for continuing operations) (Refer Note 11)				
	- Basic (Rs.)	7.82	9.66	8.43	29.90
	- Diluted (Rs.)	7.82	9.66	8.41	29.90
	See accompanying notes to the Consolidated Financial Results.				



Notes to the Consolidated Financial Results:-

- 1 The above Consolidated 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 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 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.
- 2 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.
- 3 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.
- 4 The Chief Operating Decision Maker (CODM) evaluates the performance of the Group 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 Group has only one business segment and hence segment information has not been separately disclosed.
- 5 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
Net Exchange Gain / Loss	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Other Income	-	29.44	28.09	60.43
Other Expenses	1.87	-	-	-

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

(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 Sales / Income from Operations	731.08	756.35	607.37	2,764.38
Profit/ (Loss) from ordinary activities before tax	100.97	135.36	124.79	429.73
Net Profit/ (Loss) from ordinary activities after tax	64.57	94.62	76.57	280.07

- 7 The Consolidated Financial Results include the results of 100% Wholly owned Subsidiaries, i.e. SQS BFSI Inc., USA, SQS BFSI Pte. Ltd., Singapore, SQS BFSI FZE, UAE and SQS BFSI UK Ltd., UK.
- 8 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.
- 9 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.
- 10 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.
- 11 The earnings per share (basic and diluted) for the interim periods have not been annualised.
- 12 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.
- 13 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.
- 14 The prior period's figures have been regrouped / reclassified wherever necessary to conform to current period's classification.
- 15 The above Consolidated Unaudited Financial Results have been subjected to Limited Review by the Statutory Auditors.

Place: Chennai
Date: July 26, 2018



By order of the Board
For SQS India BFSI Ltd

Aarti Arvind

Aarti Arvind
Managing Director & CEO



KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

The Board of Directors
SQS India BFSI Limited
6A, Sixth Floor, Prince Infocity II,
283/3, 283/4, Rajiv Gandhi Salai (OMR),
Kandanchavadi, Chennai – 600 096

LIMITED REVIEW REPORT

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of SQS India BFSI Limited (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group") for the quarter ended June 30, 2018 ("the Statement"), attached herewith, prepared by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on July 26, 2018. Our responsibility is to issue a report on these consolidated financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The Financial information of the Company for the quarter ended June 30, 2017 included in the Statement was reviewed by the predecessor auditor whose report dated July 27, 2017 expressed an unmodified opinion on those Unaudited Consolidated Financial Results.
4. We did not review the financial results of four subsidiaries incorporated outside India included in the quarterly consolidated financial results, whose interim financial results reflect Group's share of total revenue of Rs. 205.34 million for the quarter ended June 30, 2018, as considered in the consolidated financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the quarterly consolidated financial results, to the extent they have been derived from such financial results is based solely on the report of such other auditors.

These subsidiaries are located outside India whose interim financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the interim financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India (Indian Accounting Standards 'Ind AS'). We have reviewed these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to the balances and affairs



LLP IN : AAH - 3437

REGISTERED OFFICE : ESPLANADE HOUSE, 29, HAZARIMAL SOMANI MARG, FORT, MUMBAI 400 001
TEL.: (91) (22) 6158 6200, 6158 7200 FAX : (91) (22) 6158 6275

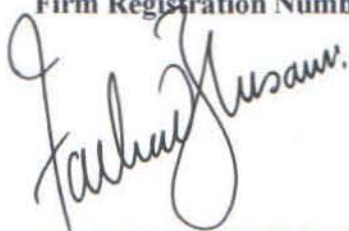
**KALYANIWALLA
& MISTRY LLP**

of such subsidiaries located outside India is based on the report of the other auditors and the conversion adjustments made by the management of the Company and reviewed by us.

Our report on the Statement is not modified in respect of these matters.

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Consolidated Financial Results prepared in accordance with the applicable accounting standards and other recognised accounting practices and policies 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 modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166



FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Place: Chennai
Dated: July 26, 2018