



SEC/SE/243/17-18
Chennai, January 25, 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

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info-india@sqis.com
www.sqs-bfsi.com
CIN: L64202TN1998PLC066604

Sub: Outcome of the Meeting of Board of Directors held on January 25, 2018.
Ref: Company Symbol: SQSBFSI

Dear Sir/Madam,

The Meeting of Board of Directors of SQS India BFSI Limited was held on Thursday, January 25, 2018. The Board of Directors of the Company has inter-alia:

1. Considered and approved the Q3 Unaudited Financial Statements of the Company for the quarter ended December 31, 2017. 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 allotted 12,250 Equity Shares to 2 Employees of the Company under "Thinksoft – Employee Stock Option Scheme 2011".
3. Has accepted the resignation of Ms. Aarti Arvind as Managing Director & CEO of the Company due to personal reasons. She will continue to hold office up to July 24, 2018 after serving the notice period as per Service Agreement.
4. Has appointed Mr. K. Ramaseshan as Executive Director of the Company with effect from January 25, 2018, subject to approval of the Shareholders in the ensuing General Meeting. He continues to hold the position of CFO. A brief profile of Mr. K. Ramaseshan is enclosed herewith.

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 2.15 p.m.

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

Thanking you,

Yours faithfully,
For SQS India BFSI Limited

**SESHADRI
SAMPATH
KUMAR**

Digitally signed by SESHADRI SAMPATH KUMAR
DN: cn=S. Sampath Kumar,
c=IN, o=SQS India BFSI Limited, ou=SQS India BFSI Limited,
email=s.sampath@sqs-bfsi.com, postalCode=600096,
serialNumber=1
Date: 2018.01.25 14:11:16 +05'30'

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

Profile of Mr. Ramaseshan. K

Ramaseshan. K is an Associate Member of the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India. He has more than 23 years of professional experience and has held key positions in TVS Suzuki, WIPRO Limited and IBM India Limited. He was formerly an appointee in the Board of Directors of Network Solutions (Netsol), a subsidiary of IBM India Limited and worked both in India and outside India on international assignments. His key areas of expertise include compliance, financial analysis, financial consolidation and reporting, Merger & Acquisition, strategic planning and taxation.

Prior to joining SQS, he worked as Chief Financial Officer and Head-Business Excellence of Tata Elxsi Limited, a listed Indian entity and a member of risk management committee of the board of directors. As Chief Financial Officer and Head-Business Excellence, he was responsible for accounting, audit, business support, financial planning and analysis, treasury, tax and driving strategic initiatives across Tata Elxsi.

He joined SQS India BFSI Limited as Chief Financial Officer on June 09, 2017.

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 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	1	16	2	44	6	7
3	Total Income (1+2)	705	713	611	2,052	2,030	2,606
4	EXPENSES						
	a) Employee benefits expense	309	293	255	843	818	1,048
	b) Finance Cost	-	1	1	1	1	1
	c) Depreciation and amortisation expense	14	14	15	42	38	52
	d) Other expenses	304	314	289	872	896	1,159
	Total Expenses (4)	627	622	560	1,758	1,753	2,260
5	Profit/(loss) before exceptional items and tax (3-4)	78	91	51	294	277	346
6	Exceptional Items	-	-	-	-	-	-
7	Profit/(loss) before tax (5-6)	78	91	51	294	277	346
8	Tax expense						
	a) Current Tax	27	35	18	110	99	117
	b) Deferred Tax	(1)	-	1	(1)	3	6
9	Profit/(loss) for the period (7-8)	52	56	32	185	175	223
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)	54	56	30	184	170	216
12	Paid Up Equity Share Capital	107	107	107	107	107	107
12	Reserves (excluding Revaluation Reserves)	-	-	-	-	-	933
13	Earnings per Equity Share (for continuing operation):						
	- Basic (Rs.)	4.86	5.33	3.03	17.35	16.43	20.85
	- Diluted (Rs.)	4.85	5.32	3.02	17.33	16.37	20.79

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 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 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 the 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	31-Dec-16	31-Dec-16	31-Dec-16	31-Mar-17
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit after Tax as reported under previous GAAP	30		170		216
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	32		175		223
Other Comprehensive Income (net of tax)	(2)		(5)		(7)
Total Comprehensive Income as per Ind AS	30		170		216

- 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)	(6)	14	(24)	32	(57)	(84)

- During the quarter 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.

 Place: Chennai
Date: January 25, 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 for the quarter and nine months ended December 31, 2017, prepared by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with 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 January 25, 2018. Our responsibility is to issue a report on these standalone financial statements 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 statements 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 results for the quarter and nine months ended December 31, 2016 and for the year ended March 31, 2017, included in the Statement, are based on the previously issued financial results of the Company, prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 ('previous GAAP'), which were reviewed/ audited by the predecessor auditor, whose reports dated February 2, 2017 and April 27, 2017 respectively expressed an unmodified opinion on those unaudited/ audited standalone financial results. Management has adjusted these results for the differences in accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind AS') and presented a reconciliation of profit under Ind AS of the corresponding quarter and nine months ended December 31, 2016 and for the year ended March 31, 2017 with the profit reported under the previous GAAP, which have been approved by the Company's Board of Directors and reviewed by us.



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, read with 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: January 25, 2018

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 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	31-Dec-16	31-Mar-17
	(Unaudited)	(Unaudited)	(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 (SI. no. 2) and Other Expenditure (SI. 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
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
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.

Place: Chennai
Date: January 25, 2018

By order of the Board
For SQS India BFSI Ltd

Aarti Arvind
Managing Director & CEO


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

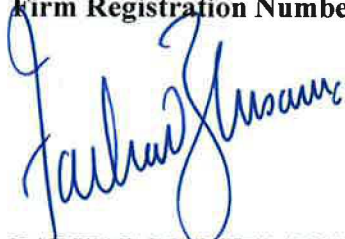
1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of SQS India BFSI Limited for the quarter and nine months ended December 31, 2017, prepared by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with 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 January 25, 2018. Our responsibility is to issue a report on these consolidated financial statements 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 statements 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 results for the quarter and nine months ended December 31, 2016 and for the year ended March 31, 2017, included in the Statement, are based on the previously issued financial results of the Company, prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 ('previous GAAP'), which were reviewed/ audited by the predecessor auditor whose reports dated February 2, 2017 and April 27, 2017 respectively expressed an unmodified opinion on those unaudited/ audited consolidated financial results. Management has adjusted these results for the differences in accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind AS') and presented a reconciliation of profit under Ind AS of the corresponding quarter and nine months ended December 31, 2016 and for the year ended March 31, 2017 with the profit reported under the previous GAAP, which have been approved by the Company's Board of Directors and reviewed by us.
4. We did not review the financial statements of four subsidiaries incorporated outside India included in the consolidated quarterly and nine months consolidated financial results, whose interim financial statements reflect total revenue of Rs. 210.12 million and Rs. 617.89 million for the quarter and nine months ended on that date respectively. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the quarterly and nine months consolidated financial results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors. Our report on the Statement is not modified in respect of this matter.



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 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.

5. The financial result of the German subsidiary which is in the process of winding up, whose financial result reflects the Group's share of total revenue of Rs. Nil for the quarter and nine months ended on that date as considered in the Consolidated Financial Results, are not reviewed as of the date of this report and have been included in the Consolidated Financial Results on the basis of Unaudited Management Accounts. The interim financial information of this subsidiary is not material to the Group. Our report on the Statement is not modified in respect of this matter.
6. 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, read with 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: January 25, 2018