



Integrating People, Process and Technology

Date: 13<sup>th</sup> February, 2019

To Listing Department National Stock Exchange of India Limited Exchange Palza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	To Deputy Manager Dept. of Corporate Services (CRD) Bombay Stock Exchange Limited P J Towers, Dalal Street, Fort, MUMBAI – 400001
Scrip Code(NSE): GSS	Scrip Code (BSE): 532951

Dear Sir/Madam,

**Sub: Outcome of Board Meeting held on 13<sup>th</sup> February, 2019 – Approval of Un-Audited Financial Results (Standalone and Consolidated) for the quarter ended December 31, 2019.**

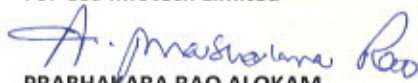
**Ref: Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

With reference to the above captioned subject, we hereby inform you that the Board of Directors at the Meeting held today i.e 13<sup>th</sup> February, 2019, that commenced at 04.30 PM and Concluded at PM, inter-alia, considered and approved the following:

1. The Un-Audited Financial results of the Company (both Standalone and Consolidated) for the quarter ended December 31, 2019, as recommended by the Audit Committee read with limited review report from the Statutory Auditors thereon.
2. Appointment of Mr. Saikiran Satya Surya Raghavendra Gundu (DIN 02224296) as Additional Director, Non-Executive Non – independent Director on the Board of Directors of the Company w.e.f. 13<sup>th</sup> February, 2019
3. Appointment of Mr. Rambabu Sampangi Kaipa (DIN 08238968) as Additional Director, Non-Executive Non – independent Director on the Board of Directors of the Company w.e.f. 13<sup>th</sup> February, 2019

We request you to take the above information on record and Oblige.

Thanking you,  
Yours faithfully,  
For GSS Infotech Limited



PRABHAKARA RAO ALOKAM  
DIRECTOR  
(DIN : 02263908)



**GSS Infotech Limited**

Wing-B, Ground Floor, N heights, Plot No.12, TSIC Software Units Layout, Madhapur, Serilingampally Mandal,  
Rangareddy District, Hyderabad – 500081, Telangana, India

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CIN No: L72200TG2003PLC041860

**GSS INFOTECH LIMITED**  
**Statement of Standalone Unaudited Financial results for the Quarter ended December 31, 2018**

(All amounts in Indian Rupees, except share data and where otherwise stated)

	Particulars	Quarter ended December 31, 2018 (Unaudited)	Quarter ended September 30, 2018 (Unaudited)	Quarter ended December 31, 2017 (Unaudited)	Year ended March 31, 2018 (Audited)
	<b>Income:</b>				
I	Revenue from operations	101,027,379	56,508,401	61,443,464	227,512,569
II	Other Income	360,604	9,305,994	9,032	99,251
III	<b>Total income</b>	<b>101,387,983</b>	<b>65,814,395</b>	<b>61,452,496</b>	<b>227,611,820</b>
IV	<b>Expenses:</b>				
	a) Direct costs	13,821,834	7,643,532	10,975,325	31,940,271
	b) Employee Benefits Expenses	46,802,652	31,477,976	29,914,091	117,301,420
	c) Finance Costs	546,568	51,261	636,239	2,831,270
	d) Depreciation & Amortization expenses	562,969	110,465	25,490	1,530,486
	e) Administrative & Other Expenses	22,107,112	(3,926,550)	18,693,026	42,167,299
	<b>Total expense</b>	<b>83,841,135</b>	<b>35,356,684</b>	<b>60,244,171</b>	<b>195,770,746</b>
V	<b>Profit before exceptional items and tax</b>	<b>17,546,848</b>	<b>30,457,711</b>	<b>1,208,325</b>	<b>31,841,074</b>
VI	Exceptional Items	-	-	-	-
VII	<b>Profit before tax</b>	<b>17,546,848</b>	<b>30,457,711</b>	<b>1,208,325</b>	<b>31,841,074</b>
VIII	<b>Tax expense:</b>				
	(1) Current tax	381,093	1,271,187	249,333	(14,613,500)
	(2) Deferred tax benefit	(513,196)	(145,690)	119,974	1,701,154
	<b>Total Tax Expense</b>	<b>(132,103)</b>	<b>1,125,497</b>	<b>369,307</b>	<b>(12,912,346)</b>
IX	<b>Profit After Tax</b>	<b>17,678,951</b>	<b>29,332,214</b>	<b>839,018</b>	<b>44,753,420</b>
X	<b>Other comprehensive income</b>	-	-	-	<b>254,418</b>
XI	<b>Total comprehensive income for the year</b>	<b>17,678,951</b>	<b>29,332,214</b>	<b>839,018</b>	<b>45,007,838</b>
XII	Earning per equity share:				
	(1) Basic	1.04	1.73	0.05	2.64
	(2) Diluted	1.04	1.73	0.05	2.64

**Notes:**

- The above Standalone Unaudited Financial Results of GSS Infotech Ltd ("the Company") were reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors of the Company held on February 13, 2019.
- The standalone financial results relates to "software services" as the only reportable single segment of the company
- The above financial results are also available on Stock Exchange websites "www.bseindia.com" and "www.nseindia.com" and on our website "www.gssinfotech.com".
- Previous period figures have been regrouped / reclassified wherever necessary to conform to the current period classification.

Hyderabad  
13.02.2019

For and on behalf of the board

*A. Prabhakara Rao*

A.Prabhakara Rao  
DIN: 02263908  
DIRECTOR



**GSS INFOTECH LIMITED**  
**Statement of Consolidated Unaudited Financial results for the Quarter ended December 31, 2018**

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Quarter ended December 31, 2018 (Unaudited)	Quarter ended September 30 2018 (Unaudited)	Quarter ended December 31, 2017 (Unaudited)	Year ended March 31, 2018 (Audited)
<b>Income:</b>				
I. Revenue from operations	410,985,431	385,248,570	370,433,564	1,417,747,406
II. Other Income	360,604	9,305,994	9,032	784,547
<b>III Total Income</b>	<b>411,346,035</b>	<b>394,554,564</b>	<b>370,442,596</b>	<b>1,418,531,953</b>
<b>IV Expenses:</b>				
a) Direct costs	36,238,533	45,651,329	44,498,364	171,341,045
b) Employee Benefits Expenses	311,834,798	295,854,561	275,841,006	1,088,845,595
c) Finance Costs	2,987,339	2,262,805	2,589,629	10,660,292
d) Depreciation & Amortization expenses	562,969	189,844	156,528	2,319,795
e) Administrative & Other Expenses	38,362,346	7,254,689	29,215,054	83,094,331
<b>Total Expenses</b>	<b>389,985,985</b>	<b>351,213,229</b>	<b>352,300,581</b>	<b>1,356,261,058</b>
V <i>Profit before exceptional items and tax</i>	21,360,050	43,341,336	18,142,015	62,270,895
VI Exceptional Items	-	-	-	-
VII <i>Profit before tax</i>	21,360,050	43,341,336	18,142,015	62,270,895
<b>VIII Tax expense:</b>				
(1) Current tax	404,451	1,316,932	312,919	(12,706,483)
(2) Deferred tax benefit	(513,196)	(145,690)	126,318	1,769,478
<i>Total Tax Expense</i>	<i>(108,745)</i>	<i>1,171,242</i>	<i>439,237</i>	<i>(10,937,005)</i>
IX <i>Profit After Tax</i>	21,468,795	42,170,093	17,702,778	73,207,900
X <i>Other comprehensive income</i>	(25,041,010)	48,120,528	-	3,009,604
XI <i>Total comprehensive income for the year</i>	<b>(3,572,215)</b>	<b>90,290,621</b>	<b>17,702,778</b>	<b>76,217,504</b>
<b>XII Earning per equity share:</b>				
(1) Basic	1.27	2.49	1.05	4.32
(2) Diluted	1.27	2.49	1.05	4.32

**Notes :**

- The above Consolidated unaudited Financial Results of GSS Infotech Ltd ("the Company") were reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors of the Company held on February 13, 2019.
- The Consolidated financial results relates to "software services" as the only reportable single segment of the company
- The above Consolidated financial results are also available on Stock Exchange websites "www.bseindia.com" and "www.nseindia.com" and on our website "www.gssinfotech.com".
- Previous period figures have been regrouped / reclassified wherever necessary to conform to the current period classification.

Hyderabad  
13.02.2019

For and on behalf of the board

*A. Prabhakara Rao*  
A. Prabhakara Rao  
DIN: 02263908  
DIRECTOR





# SARATH & ASSOCIATES

## CHARTERED ACCOUNTANTS

### LIMITED REVIEW REPORT – CONSOLIDATED FINANCIAL RESULTS

To

**The Board of Directors  
M/s GSS Infotech Limited  
Hyderabad**

Limited Review Report for the Quarter ended 31<sup>st</sup> December, 2018.

We have reviewed the accompanying Statements of Unaudited Consolidated Ind AS Financial Results of M/s GSS Infotech Limited (the 'Company') and its subsidiaries (together referred to as 'the Group') for the quarter ended December 31, 2018 and year to date from April 01, 2018 to December 31, 2018 (the "Statement") prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (the "Listing Regulation, 2015"), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

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 inquire of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized Accounting practices and Policies has not disclosed the Information required to be disclosed in terms of Regulation, read with the Circular, including the manner in which is disclosed, or that it contains any Material Misstatement.

We did not review the financial results and other financial information, in respect of US Subsidiaries and its step down subsidiaries, whose Ind AS Financial results include total assets of Rs 14403.31 lakhs as at December 31, 2018, and total revenues for the quarter ended Rs.3450.38 lakhs and total revenue of Rs 10409.16 lakhs for the nine months period ended on that date. These Ind AS Financial results and other financial information has been reviewed and been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries, based solely on the report of the management.



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**VIJAYAWADA :** Flat No.404, Sri Sai Bhagavati Towers, D.No. 24-28-45, BRTS Road, Gandhinagar, VJA – 520003, Ph: 8977624890, e-mail: [vjabranch@sarathcas.in](mailto:vjabranch@sarathcas.in)

Further, We did not review the financial results and other financial information, in respect of USA ,Singapore & Bangladesh Branches of Standalone Ind AS financial results, whose Ind AS Financial results include total assets of Rs 2063.66 lakhs as at December 31, 2018, and total revenues for the quarter ended Rs.248.85 lakhs and total revenue of Rs 610.52 lakhs for the nine months period ended on that date. These Ind AS Financial results and other financial information has been reviewed and been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such branches, based solely on the report of the management.

For **Sarath & Associates**

Chartered Accountants

Firm Regn. No. 005120S

*P. Gopi*

**P.Gopi Krishna**

Partner

M. No. 225868



Place: Hyderabad

Date: 13<sup>th</sup> February 2019



# SARATH & ASSOCIATES

## CHARTERED ACCOUNTANTS

### Limited Review Report- Standalone Financial Results

To

The Board of Directors  
M/s GSS Infotech Limited  
Hyderabad

1. We have reviewed the accompanying Statements of Unaudited Standalone Ind AS Financial Results of M/s GSS Infotech Limited ( the 'Company') for the Quarter ended December 31, 2018 ( the "Statement") prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (the "Listing Regulation, 2015"), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 inquire of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized Accounting practices and Policies has not disclosed the Information required to be disclosed in terms of Regulation, read with the Circular, including the manner in which is disclosed, or that it contains any Material Misstatement.

Place: Hyderabad

Date: 13<sup>th</sup> February 2019

For Sarath & Associates  
Chartered Accountants  
Firm Regn. No. 0051205

*P. Gopi*  
P. Gopi Krishna  
Partner  
M. No. 225868



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## Press Release

**GSS Infotech, announces its quarterly results for Q3 FY2019 reporting an increase in revenues of 78% QoQ and 64.4% on YoY basis for the standalone entity.**

**Similarly, Consolidated entity reported top line increase of 6.7% on QoQ basis and 10.1% on YoY basis.**

**Standalone PAT decreased by 39.5% on a QoQ basis while Consolidated PAT decreases by 49% largely due to foreign exchange losses.**

**Hyderabad, Feb 13, 2019:** GSS Infotech Limited, a global IT services company, today announced its results for the third quarter of FY19, ending December 31, 2018, on a consolidated and standalone basis.

### Financial Highlights

- **Sept - Dec 2018**
  - **Consolidated Revenues were Rs.41.09 Cr. for Q3 FY 19 compared to Rs 38.52 cr. for Q2 FY 19., reporting a QoQ increase of 6.7% and 10.1% on YoY basis.**
  - **Consolidated PAT stood at Rs. 2.14 Cr. for Q3 FY 19 compared to Rs.4.21 Cr for the previous quarter reporting a QoQ drop of 49% but grew from Rs. 1.77Cr. to Rs. 2.14Cr. showing about 20.9% on a YoY basis.**
  - **On a standalone basis, the Revenues reported were Rs.10.13 Cr. in the Q3 FY 19 up from Rs.5.65 Cr. the previous quarter and from Rs. 6.14 cr. from the same quarter the last year, representing a QoQ growth of 78.7% and YoY growth of 64.4%.**
  - **Standalone PAT stood at Rs 1.76 Cr. down from Rs.2.93 Cr. for Q2 FY 2019 and up from Rs. 0.08Cr from the same period last year.**

The results for Q3 FY19 were taken on record at the meeting of the Board of Directors held today.

During the current quarter, the revenue growth has been encouraging and operationally the company has been showing strong performance, but the profitability has been effected due to foreign exchange losses from that of the previous quarter. We foresee the strong performance for rest of the year.

## **Management Outlook**

GSS Infotech enhances its current focus on Digital transformation and Automation for enterprises and technology providers in key technologies like Application development, Infrastructure management services, Mobility, Cloud and Security focused on the ME, ASEAN and US region and having its global delivery centre in Hyderabad.

GSS continues to strengthen its proven expertise in Application development, Infrastructure Management and IT services while adding Automation capabilities.

Speaking on the company's performance, **Mr. Bhargav Marepally, Founder CEO, GSS Infotech Limited** said, "Our revenue growth has been strong owing to adding new contracts and performance of the acquisition. Operationally, the company has strengthened by optimizing the costs but the forex losses have been the main reason for the drop in profitability".

"We are further strengthening by inviting two more directors to join the Board, Mr. Rambabu Kaipa and Mr. Saikiran Gundu.

Mr. Rambabu Kaipa, comes with 25 years of global experience in delivering IT services globally for large clients managing in excess of USD 150 Million in revenues. A post graduate in Computer Science from NIT, Warangal, has spent 25 years with Infosys Limited, building their global delivery model working from the Chairman's office and currently is spearheading their CSR initiatives "The Akshaya Patra Foundation.

Mr. Saikiran Gundu has strong global experience in IT infrastructure and Automation and has rolled out many products and services to address key problem through automation. A post graduate in computer applications, Sai is passionate about solving business problems through automation. He combines business acumen with technical knowledge to create innovative solution to address industry challenges.

Their experience in the IT industry will add significant technology and business capabilities to the organization and will further strengthen our delivery model and explore niche service areas to expand our reach into the market".

## **About GSS INFOTECH**

**GSS Infotech**, established in 1999, is an Information Technology company headquartered in Hyderabad, India. The company specializes in cloud computing, Security and remote infrastructure management services, virtualization solutions and application management services. GSS Infotech has offices in Connecticut, New Jersey and Hyderabad

### **For queries please contact:**

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