

January 27, 2021

To,  
Department of Corporate Services,  
**BSE Limited,**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, PJ Towers,  
Dalal Street,  
Mumbai – 400 001  
**Security Code – 539978**

Department of Corporate Services,  
**National Stock Exchange of India  
Limited**  
Exchange Plaza,  
Bandra- Kurla Complex,  
Bandra (East), Mumbai – 400 001  
**NSE Symbol – QUESS**

Dear Sir/Madam,

**Sub.: Outcome of Board Meeting of the Company held on January 27, 2021**

Time of Commencement : 06: 00 P.M.  
Time of Conclusion : 09: 15 P.M.

This is to inform that the Board of Directors ("**Board**") at their meeting held today, i.e., Wednesday, January 27, 2021 *inter-alia*, considered and approved the following:

1. Unaudited Financial Results of the Company for the third quarter and nine months ended December 31, 2020. Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), we are enclosing herewith the Unaudited (Standalone and Consolidated) Financial Results along with Limited Review Report issued by the Statutory Auditors of the Company for the third quarter and nine months ended December 31, 2020 as **Annexure-1**.
2. **Investment by Quess Corp Limited (Quess) in TaskMo, a digital gig worker platform:**

Pursuant to Regulation 30 of the Listing Regulations, we wish to inform that the Board has approved the subscription of 49% equity shares in Taskmo, legal entity name - Stellarslog Technovation Private Limited, a gig economy start-up for Rs. 10 crores, to be invested in multiple tranches.

Taskmo is a B2B managed marketplace that serves as an on-demand task fulfilment platform for enterprises seeking to outsource task based operations to a distributed network of gig workers. It uses an app and web based proprietary algorithm to train, match and deploy gig workers.

The information required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 is annexed as **Annexure – 2**.

3. **Put Option notice from Tata Sons Private Limited:**

The Board took note of the Put Option notice received from Tata Sons Private Limited for completion of purchase of 4,48,39,166 Put Shares in Conneqt Business Solutions Limited and has authorised the Administration and Investment Committee to do all such acts, deeds and things as they may deem necessary and proper for completion of the purchase as per Shareholders Agreement dated November 20, 2017 entered between the parties.

**Quess Corp Limited**

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Tel: +91 80 6105 6001 | connect@quesscorp.com | CIN No.L74140KA2007PLC043909

www.quesscorp.com



**4. Exercise of Put Option in Vedang Cellular Services Private Limited:**

The Board has considered and approved purchase of 3.76% shares of Vedang Cellular Services Private Limited ("Vedang"), a Subsidiary of the Company from its erstwhile Promoter as per the Promoter's Put Option in the Shareholder's Agreement dated October 25, 2017 for a consideration upto Rs. 70 Lakhs. Consequently, the Company will hold 92.47% shares in Vedang upon completion of the transfer of shares.

The information required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 is annexed as **Annexure – 3**.

This disclosure will be made available on the Company's website at: <https://www.quesscorp.com/investor-other-information/>

Kindly take the above information on records and oblige.

Thanking you  
Yours sincerely,

**FOR QUESS CORP LIMITED**



  
KUNDAN K LAL  
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl. a/a

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF QUESS CORP LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **QUESS CORP LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income / loss of its associates and joint venture company for the quarter and nine months ended December 31, 2020 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities as given in Annexure 1 to this report.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, 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 aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**6. Emphasis of Matter paragraphs**

- i. We draw attention to Note 6 of the Statement, regarding the demands received by the Company in respect of Provident Fund and the contingency related to the pending litigation on the said matter.
- ii. We draw attention to Note 15 of the Statement, which describes the effects of the continuing uncertainty arising from the outbreak of the COVID-19 pandemic on the financial results for the quarter and nine months ended December 31, 2020.

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

7. We did not review the interim financial results of 15 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 6,840.11 million and Rs 18,637.26 million for the quarter and nine months ended December 31, 2020 respectively, total net profit after tax of Rs. 302.91 million and Rs. 932.27 million for the quarter and nine months ended December 31, 2020 respectively and total comprehensive income of Rs 298.49 million and Rs 1,036.91 million for the quarter and nine months ended December 31, 2020 respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

8. The consolidated unaudited financial results includes the interim financial information of 18 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect, total revenue of Rs. 1,074.26 million and Rs 3,092.83 million for the quarter and nine months ended December 31, 2020 respectively, total profit after tax of Rs. 46 million and Rs 98.68 million for the quarter and nine months ended December 31, 2020 respectively and total comprehensive income of Rs 44.44 million and Rs 110.27 million for the quarter and nine months ended December 31, 2020 respectively, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 0.7 million and Rs 0.99 million for the quarter and nine months ended December 31, 2020 respectively and total comprehensive income of Rs 0.7 million and Rs 0.99 million for the quarter and nine months ended December 31, 2020 respectively, as considered in the Statement, in respect of 3 associates and 1 joint venture company, based on their interim financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
Anand Subramanian  
Partner

(Membership No. 110815)  
(UDIN:21110815AAAAAL3209)

Place: Bengaluru  
Date : January 27, 2021

**ANNEXURE 1:**

<b>Nature</b>	<b>S. No.</b>	<b>Entity name</b>
Subsidiary/Step-subsi- dary:	1.	Brainhunter Systems Ltd.
	2.	Mindwire Systems Limited
	3.	MFX Infotech Private Limited
	4.	Quess (Philippines) Corp.
	5.	Quess Corp (USA) Inc.
	6.	Quess Corp Holdings Pte Ltd
	7.	Quessglobal (Malaysia) Sdn. Bhd.
	8.	MFXchange Holdings Inc.
	9.	MFXchange US, Inc.
	10.	Quess Corp Lanka (Private) Limited
	11.	Comtel Solutions Pte. Limited
	12.	Dependo Logistics Solutions Private Limited (till August 17, 2020)
	13.	Excelus Learning Solutions Private Limited
	14.	Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited)
	15.	Vedang Cellular Services Private Limited
	16.	Golden Star Facilities and Services Private Limited
	17.	Comtelpro Pte. Ltd.
	18.	Comtelink Sdn. Bhd.
	19.	Monster.com.SG PTE Limited
	20.	Monster.com.HK Limited
	21.	Agensi Pekerjaan Monster Malaysia Sdn. Bhd (formerly known as Monster Malaysia Sdn Bhd)
	22.	Monster.com (India) Private Limited
	23.	Quess Corp Vietnam LLC
	24.	Simpliance Technologies Private Limited
	25.	Qdigi Services Limited (formerly known as HCL Computing Products Limited)
	26.	Greenpiece Landscapes India Private Limited
	27.	Quesscorp Management Consultancies (formerly known as StyraCorp Management Services)
	28.	Quesscorp Manpower Supply Services LLC [formerly known as S M S Manpower Supply Services (LLC)]
	29.	Allsec Technologies Limited
	30.	Allsectech Inc., USA
	31.	Allsectech Manila Inc., Philippines
	32.	Retreat Capital Management Inc., USA
	33.	Quess Services Limited
	34.	Trimax Smart Infraprojects Private Limited
	35.	Terrier Security Services (India) Private Limited (w.e.f. May 27, 2020)
	36.	Quess East Bengal FC Private Limited (w.e.f. July 16, 2020)
Associate:	1.	Heptagon Technologies Private Limited
	2.	Quess Recruit, Inc.
	3.	Agency Pekerjaan Quess Recruit Sdn. Bhd.
Joint Venture:	1.	Himmer Industrial Services (M) Sdn. Bhd.

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**Quess Corp Limited**

Registered Office: Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103  
CIN No. L74140KA2007PLC043909

Part 1: Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2020

(INR in millions except per share data)

Sl. No.	Particulars	Consolidated					
		Quarter ended			Nine months ended		Year ended
		31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a) Revenue from operations	28,078.87	26,150.74	29,500.19	78,323.91	79,968.97	1,09,914.82
	b) Other income	98.56	242.99	96.63	417.37	424.71	510.89
	<b>Total income (a + b)</b>	<b>28,177.43</b>	<b>26,393.73</b>	<b>29,596.82</b>	<b>78,741.28</b>	<b>80,393.68</b>	<b>1,10,425.71</b>
2	<b>Expenses</b>						
	a) Cost of material and stores and spare parts consumed	563.55	541.19	723.69	1,436.59	2,071.36	2,670.55
	b) Employee benefit expenses	24,003.52	22,496.07	24,488.48	67,336.37	65,533.73	90,634.38
	c) Finance costs	244.57	322.68	423.48	946.58	1,280.58	1,668.01
	d) Depreciation and amortisation expense	562.24	577.76	657.82	1,734.21	1,889.71	2,486.07
	e) Other expenses	2,003.46	1,716.00	2,493.76	5,348.21	7,471.70	10,031.87
	<b>Total expenses (a + b + c + d + e)</b>	<b>27,377.34</b>	<b>25,653.70</b>	<b>28,787.23</b>	<b>76,801.96</b>	<b>78,247.08</b>	<b>1,07,490.88</b>
3	<b>Profit before share of profit/(loss) of equity accounted investees, exceptional items and tax (1 - 2)</b>	<b>800.09</b>	<b>740.03</b>	<b>809.59</b>	<b>1,939.32</b>	<b>2,146.60</b>	<b>2,934.83</b>
4	Share of profit/(loss) of equity accounted investees (net of income tax)	0.70	0.24	(10.05)	(105.97)	(47.02)	(138.33)
5	<b>Profit before exceptional items and tax (3 + 4)</b>	<b>800.79</b>	<b>740.27</b>	<b>799.54</b>	<b>1,833.35</b>	<b>2,099.58</b>	<b>2,796.50</b>
6	Exceptional items (refer note 4 and 5)	-	(76.62)	-	(326.88)	-	6,640.52
7	<b>Profit/(loss) before tax (5 - 6)</b>	<b>800.79</b>	<b>816.89</b>	<b>799.54</b>	<b>2,160.23</b>	<b>2,099.58</b>	<b>(3,844.02)</b>
8	<b>Tax expense/(credit)</b>						
	Current tax	111.51	114.05	220.72	312.19	570.30	335.14
	Income tax relating to previous year	54.84	-	2.76	76.96	2.76	2.76
	Deferred tax	178.69	203.49	(172.52)	451.47	(453.86)	136.86
	<b>Total tax expense</b>	<b>345.04</b>	<b>317.54</b>	<b>50.96</b>	<b>840.62</b>	<b>119.20</b>	<b>474.76</b>
9	<b>Profit/(loss) for the period (7 - 8)</b>	<b>455.75</b>	<b>499.35</b>	<b>748.58</b>	<b>1,319.61</b>	<b>1,980.38</b>	<b>(4,318.78)</b>
10	<b>Other comprehensive income</b>						
	(i) Items that will not be reclassified subsequently to profit or loss						
	Remeasurement of defined benefit plans	(34.48)	(18.48)	(16.64)	(127.39)	(98.73)	(143.80)
	Income tax relating to items that will not be reclassified to profit or loss	6.47	8.70	5.80	32.72	34.43	34.82
	Share of other comprehensive income of equity accounted investees (net of income tax)	-	-	(4.03)	(5.33)	(11.39)	(36.81)
	(ii) Items that will be reclassified subsequently to profit or loss						
	Exchange differences in translating financial statements of foreign operations	60.59	(36.77)	86.93	111.83	148.76	243.23
	<b>Other comprehensive income/(loss) for the period, net of taxes</b>	<b>32.58</b>	<b>(46.55)</b>	<b>72.06</b>	<b>11.83</b>	<b>73.07</b>	<b>97.44</b>
11	<b>Total comprehensive income/(loss) for the period (9 + 10)</b>	<b>488.33</b>	<b>452.80</b>	<b>820.64</b>	<b>1,331.44</b>	<b>2,053.45</b>	<b>(4,221.34)</b>
12	<b>Profit/(loss) attributable to:</b>						
	Owners of the Company	417.54	456.88	713.15	1,212.12	1,877.68	(4,446.93)
	Non-controlling interests	38.21	42.47	35.43	107.49	102.70	128.15
13	<b>Other comprehensive income/(loss) attributable to:</b>						
	Owners of the Company	33.92	(46.18)	72.06	5.90	73.07	82.80
	Non-controlling interests	(1.34)	(0.37)	-	5.93	-	14.64
14	<b>Total comprehensive income/(loss) attributable to:</b>						
	Owners of the Company	451.46	410.70	785.21	1,218.02	1,950.75	(4,364.13)
	Non-controlling interests	36.87	42.10	35.43	113.42	102.70	142.79
15	Paid-up equity share capital (Face value of INR 10.00 per share)	1,476.38	1,476.38	1,475.11	1,476.38	1,475.11	1,475.11
16	Reserves i.e. Other equity						21,284.29
17	<b>Earning/(loss) Per Share</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (INR)	2.83	3.09	4.84	8.21	12.80	(30.28)
	(b) Diluted (INR)	2.79	3.05	4.83	8.10	12.78	(30.22)

See accompanying notes to the financial results



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CIN No. L74140KA2007PLC043909

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Workforce management, Operating asset management and Global technology solutions. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

Statement of consolidated unaudited segment wise revenue, results, assets and liabilities for the quarter and nine months ended 31 December 2020 (INR in millions)

Sl. No.	Particulars	Consolidated					
		Quarter ended			Nine months ended		Year ended
		31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment revenue</b>						
	a) Workforce management	18,433.55	16,861.26	19,588.84	51,475.93	51,155.82	71,541.69
	b) Operating asset management	4,284.86	4,267.89	4,475.71	12,232.45	13,064.75	17,340.44
	c) Global technology solutions*	5,360.46	5,021.59	5,435.64	14,615.53	15,748.39	21,032.69
	<b>Total Income from operations</b>	<b>28,078.87</b>	<b>26,150.74</b>	<b>29,500.19</b>	<b>78,323.91</b>	<b>79,968.97</b>	<b>1,09,914.82</b>
2	<b>Segment results</b>						
	a) Workforce management	682.24	625.96	1,034.14	1,910.29	2,841.68	3,874.32
	b) Operating asset management	289.34	296.56	331.46	846.69	940.25	1,223.55
	c) Global technology solutions*	742.83	670.85	655.18	1,965.85	1,749.86	2,327.16
	<b>Total</b>	<b>1,714.41</b>	<b>1,593.37</b>	<b>2,020.79</b>	<b>4,722.83</b>	<b>5,531.79</b>	<b>7,425.03</b>
	Less: (i) Unallocated corporate expenses	206.07	195.89	226.53	520.09	639.61	847.01
	Less: (ii) Depreciation and amortisation expense	562.24	577.76	657.82	1,734.21	1,889.71	2,486.07
	Less: (iii) Finance costs	244.57	322.68	423.48	946.58	1,280.58	1,668.01
	Add: (iv) Other income	98.56	242.99	96.63	417.37	424.71	510.89
	Add: (v) Share of profit/(loss) of equity accounted investees (net of income tax)	0.70	0.24	(10.05)	(105.97)	(47.02)	(138.33)
	<b>Total profit before tax</b>	<b>800.79</b>	<b>740.27</b>	<b>799.54</b>	<b>1,833.35</b>	<b>2,099.58</b>	<b>2,796.50</b>
3	<b>Segment assets</b>						
	a) Workforce management	12,687.05	12,053.50	12,678.67	12,687.05	12,678.67	13,370.84
	b) Operating asset management	11,527.33	11,841.42	15,383.39	11,527.33	15,383.39	10,597.05
	c) Global technology solutions*	12,102.31	12,212.50	15,298.02	12,102.31	15,298.02	13,188.46
	d) Unallocated	11,321.53	12,522.29	14,111.88	11,321.53	14,111.88	16,028.86
	<b>Total</b>	<b>47,638.22</b>	<b>48,629.71</b>	<b>57,471.96</b>	<b>47,638.22</b>	<b>57,471.96</b>	<b>53,185.21</b>
4	<b>Segment liabilities</b>						
	a) Workforce management	5,379.02	4,986.72	4,811.87	5,379.02	4,811.87	4,503.70
	b) Operating asset management	3,476.57	3,728.29	3,325.70	3,476.57	3,325.70	3,270.23
	c) Global technology solutions*	6,371.60	6,761.23	7,830.79	6,371.60	7,830.79	7,739.98
	d) Unallocated	7,464.10	8,726.33	11,367.74	7,464.10	11,367.74	14,142.86
	<b>Total</b>	<b>22,691.29</b>	<b>24,202.57</b>	<b>27,336.10</b>	<b>22,691.29</b>	<b>27,336.10</b>	<b>29,656.77</b>

See accompanying notes to the financial results

\*With effect from 1 April 2020, the business segment Tech Services is renamed as Global technology solutions.



**Consolidated unaudited financial results for the quarter and nine months ended 31 December 2020**

**Notes :**

- 1 The statement of consolidated unaudited financial results ("the Statement") of Quess Corp Limited ("the Company") including its subsidiaries (collectively known as the "Group"), its associates and its joint venture (as mentioned in Appendix 1 to these notes) for the quarter and nine months ended 31 December 2020 have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27 January 2021. The statutory auditors have issued an unmodified review report.
- 3 The consolidated unaudited financial results and the review report of the Statutory Auditors is being filed with Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") and will be made available on the Company's website [www.quescorp.com](http://www.quescorp.com).

**4 Acquisitions:**

During the quarter ended 30 June 2020, the Company acquired additional 25.00% stake in Terrier Security Services (India) Private Limited ("TSSIPL") for a purchase consideration of INR 645.00 million. Consequent to the additional 25.00% acquisition, the total shareholding in TSSIPL has increased from 49.00% to 74.00% and TSSIPL has become subsidiary of the Company. The purchase consideration included the fair value of the existing stake of 49.00% and additional stake of 25.00% adjusted for equity method accounting loss of INR 107.46 million resulting in a total purchase consideration of INR 1,510.00 million. The additional purchase consideration of INR 645.00 million was settled by adjusting loans which was outstanding to be received from Heptagon Technologies Private Limited ("HTPL"). The management has opted for the measurement period exemption and has carried out provisional Purchase Price Allocation which has resulted in a goodwill of INR 1,497.90 million and fair value gain on the acquisition of INR 250.26 million which is disclosed under exceptional item in the above results. For the quarter ended 30 June 2020 and for the nine months ended 31 December 2020, the consolidated unaudited financial results of the group include proportionate financials results of TSSIPL.

- 5 During the quarter ended 30 September 2020, the Company sold Dependo Logistics Services Private Limited for a consideration of INR 100.00 million and has recognised profit on sale of INR 76.62 million which is disclosed under exceptional item in the above results.
- 6 During the previous year, the Company had received a notice from the Regional PF Commissioner ("RPFC") under Section 7-A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the Act") stating that Company has failed to remit Provident Fund ("PF") on wages for its employees for the period from April 2018 to March 2019 on the grounds that PF deductions were not made on certain components of the salary amounting to INR 716.56 million. On 26 August 2019, the Company filed an appeal before the Central Government Industrial Tribunal ("CGIT") under section 7-I of the Act challenging the Employees' Provident Fund Organisation's ("EPFO") order along with the application under Section 7-O of the Act seeking a waiver from pre-deposit of the alleged Provident Fund Contributions till the final disposal of the Appeal. Consequent to the appeal, on 23 October 2019, the CGIT after hearing the submissions made by the parties passed an Order allowing complete waiver from any pre-deposit and also staying the operation of the EPFO order for a period of 3 months. The matter has been further adjourned to 17 March 2021. The Company has obtained external independent legal advice as per which the EPFO's order is prima facie erroneous and unsustainable in law and the liability has been wrongly determined by the RPFC. Further the Company has contractual rights with its customers wherein any such statutory liabilities could be passed on to them and the Company has obtained confirmation from the customers in this regard. Based on the legal advice, pending the hearing of the appeal and contractual arrangement with customers, no provision or contingent liability has been recognised or disclosed.
- 7 Other expenses in the Statement of consolidated unaudited financial results for the quarter and nine months ended 31 December 2020 includes direct expenses incurred by the Group to generate revenue which is presented in the table below:

(INR in millions)

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
Shipment delivery expenses in Dependo Logistics Solutions Private Limited.	-	51.27	180.03	131.95	452.95	582.32
Marketing expenses in Monster.com (India) Private Limited	12.45	9.09	30.26	21.61	178.98	196.87

- 8 On 31 March 2020 pursuant to approval by the shareholders by way of a special resolution through postal ballot, the Nomination and Remuneration Committee / Board has been authorized to introduce, offer, issue and provide Restricted Stock Units ("RSU") to eligible employees of the Company and its subsidiaries under the Quess Stock Ownership Plan – 2020 ("QSOP 2020"). The maximum number of shares under QSOP 2020 shall not exceed 3,650,000 equity shares. The RSUs granted under QSOP 2020 shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). These instruments will be equity settled and will generally vest between a minimum of 1 to maximum of 6 years from the grant date. The total expense recorded for the same during the quarter and nine months ended 31 December 2020 amounts to INR 31.51 million and INR 79.41 million respectively. The Company has received in-principle approval for listing from BSE and NSE on 29 April 2020 and 30 April 2020 respectively. On 11 May 2020, the Nomination and Remuneration Committee approved the grant of 2,629,795 RSU's under QSOP 2020 subject to necessary approvals. Further on 24 July 2020, the Nomination and Remuneration Committee has approved additional grant of 74,141 RSU's under QSOP 2020.
- 9 The Board of Directors of the Company at its meeting held on 18 February 2020 had considered and approved the Scheme of Amalgamation ("Scheme AAA") among Quess Corp Limited ("Transferee Company") with four of its wholly owned subsidiaries viz. Golden Star Facilities and Services Private Limited ("GSFS"), MFX Infotech Private Limited ("MFXI"), Trimax Smart Infraprojects Private Limited ("TSIP"), and Green Piece Landscape India Private Limited ("GLPL") together known as ("Transferor Companies") and their respective shareholders and creditors, subject to the approval of shareholders and other regulatory authorities as may be applicable under the Companies Act, 2013. The Board has delegated its power to the Administration and Investment Committee of the Board for finalisation of the Scheme AAA. Upon the Scheme AAA becoming effective the Transferor Companies shall dissolve and all the assets and liabilities of the transferor companies will be recorded at the carrying values in the consolidated financial statements effective 1 April 2020. The carrying amount of the Transferee Company's investment in the shares of the Transferor Companies, which shall stand cancelled in the terms of this Scheme, and the aggregate face value of such shares shall, subject to other provisions contained in Scheme AAA, be adjusted and reflected as in the consolidated financial statements as it relates to Transferor companies. On 29 June 2020, the Committee approved the final Scheme AAA and the same was submitted with the Stock Exchanges. On 29 September 2020, the Company has received the approval of the shareholders in the Annual General Meeting and filed the forms with Ministry of Corporate Affairs for approval of the Scheme AAA.
- 10 During the quarter ended 30 September, the Company entered into a Termination agreement ("Agreement") with Quess East Bengal FC Private Limited ("QEBFC") and the East Bengal Club ("Club") for terminating the shareholders agreement ("SHA") dated 5 July 2018 among the Company, QEBFC and the Club on mutual consent. As per the agreement, the sporting rights has been surrendered to the Club with effect from 16 July 2020 and the Company has acquired the balance 30.00% equity stake in QEBFC for a nominal value of INR 1,000. On 28 July 2020 the Board of Directors had approved the proposal for voluntary liquidation of QEBFC and subsequently, the Shareholders of QEBFC had approved the Voluntary Liquidation pursuant to Section 59 of the Insolvency and Bankruptcy Code, 2016 and appointed a Liquidator on 2 September 2020 for carrying out the Voluntary Liquidation process. The effective date of commencement of liquidation is 2 September 2020. The impact of the transaction on the results for the quarter and nine months ended 31 December 2020 is insignificant.



- 11 The Group has applied practical expedient in Indian Accounting Standard (Ind AS 116) notified vide Companies (Indian Accounting Standards) Amendment Rules, 2020 by Ministry of Corporate Affairs on 24 July 2020 to all rent concessions received as a direct consequence of COVID-19 pandemic. Accordingly, the Group recognised an amount of INR 0.18 million and INR 85.49 million in the consolidated unaudited financial results for the quarter and nine months ended 31 December 2020 respectively as reduction of rent expenses grouped under other expenses on account of rent concessions received.
- 12 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 13 The Company has decided to exercise the call option for redemption of redeemable Non-convertible debentures ("NCD's"). Accordingly the outstanding NCD's of INR 750.00 million along with interest was repaid on 22 January 2021.
- 14 On 24 December 2020, Tata Sons Private Limited ("Tata Sons"), remaining shareholder of Conneqt Business Solutions Limited (a subsidiary of Quesq Corp Limited) has exercised the Put Option and has requested the Company to complete the purchase of 44,839,166 equity shares ("Shares") as per the Shareholders Agreement ("the Agreement") dated 20 November 2017. The Company carried a provision for put option liability amounting to INR 2,098.97 million as at 31 December 2020. The Company shall abide with the terms and conditions of the Agreement and will decide about the purchase of the Shares in due course. Management believes that there is no additional accrual or payout which is expected based on negotiations till date with Tata Sons.
- 15 The spread of the COVID-19 pandemic in India and globally has created significant pervasive volatility, uncertainty and economic disruption, including disruption to capital markets, deteriorating credit, liquidity concerns, increasing unemployment, reduction in production output levels, lower demand and lower discretionary consumer spending. Since the outbreak of the COVID-19 emerged in early 2020, it has quickly spread across India and the world. The Group's business operations for the quarter ended 31 December 2020 continue to be affected by applicable regulatory restrictions including stay-at-home/work from home requirements of the Central and State governments in India and the disruptive factors mentioned above. The duration of the pandemic and its consequential economic and financial impact continue to remain highly uncertain.
- As a result of these developments, the Group considered the possible effects that may result from the pandemic relating to COVID-19 in preparation of the financial results including evaluating the recoverability of financial assets and non-financial assets particularly, trade receivables, unbilled revenues, goodwill, intangible assets, investments and loans granted to associates. The COVID-19 pandemic began to impact the Group's operations in the quarter ended 31 March 2020 and the Group has since applied judgements and related assumptions in relation to carrying value of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group, as on date of approval of these consolidated financial results has used internal and external sources of information to the extent available and based on current estimates expects the carrying amount of these assets to be recovered. Specifically for the purpose of assessing the recoverable value of goodwill related to its subsidiary companies of INR 9,906.81 million and loans granted to associate companies of INR 277.75 million, significant revised judgment was applied during the quarter in certain cases while finalising assumptions on growth in revenues, EBITDA and discount rates. These assumptions are subject to change in future as events unfold within the uncertain environment.
- The impact of COVID-19 on the Group's financial results may differ from that currently estimated as at the date of approval of these consolidated financial results. Such changes, if any, will be prospectively recognised.

for and on behalf of Board of Directors of  
**Quesq Corp Limited**

  
**Ajit Isaac**  
Chairman & Managing Director  
Place: Bengaluru  
Date: 27 January 2021



Appendix - 1

Nature	S. No.	Entity name
Subsidiary/Step-subsiidiary:	1	Brainhunter Systems Ltd.
	2	Mindwire Systems Limited
	3	MFX Infotech Private Limited
	4	Quess (Philippines) Corp.
	5	Quess Corp (USA) Inc.
	6	Quess Corp Holdings Pte. Ltd.
	7	Quessglobal (Malaysia) Sdn. Bhd.
	8	MFXchange Holdings, Inc.
	9	MFXchange US, Inc.
	10	Quess Corp Lanka (Private) Limited
	11	Comtel Solutions Pte. Limited
	12	Dependo Logistics Solutions Private Limited (refer note 5)
	13	Excelus Learning Solutions Private Limited
	14	Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited)
	15	Vedang Cellular Services Private Limited
	16	Golden Star Facilities and Services Private Limited
	17	Comtelpro Pte. Ltd.
	18	Comtelink Sdn. Bhd.
	19	Monster.com.SG PTE Limited
	20	Monster.com.HK Limited
	21	Agensi Pekerjaan Monster Malaysia Sdn. Bhd (formerly known as Monster Malaysia Sdn Bhd)
	22	Monster.com (India) Private Limited
	23	Quess Corp Vietnam LLC
	24	Simpliance Technologies Private Limited
	25	Qdigi Services Limited (formerly known as: HCL Computing Products Limited)
	26	Greenpiece Landscapes India Private Limited
	27	Quesscorp Management Consultancies (formerly known as Styracorp Management Services)
	28	Quesscorp Manpower Supply Services LLC [formerly known as S M S Manpower Supply Services (LLC)]
	29	Allsec Technologies Limited
	30	Allsectech Inc., USA
	31	Allsectech Manila Inc., Philippines
	32	Retreat Capital Management Inc., USA
	33	Quess Services Limited
	34	Trimax Smart Infraprojects Private Limited
	35	Terrier Security Services (India) Private Limited (refer note 4)
	36	Quess East Bengal FC Private Limited (refer note 10)
Associate:	1	Heptagon Technologies Private Limited
	2	Quess Recruit, Inc.
	3	Agency Pekerjaan Quess Recruit Sdn. Bhd.
Joint venture:	1	Himmer Industrial Services (M) Sdn. Bhd.



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF QUESS CORP LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **QUESS CORP LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 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 aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**5. Emphasis of Matter Paragraphs**

- i. We draw attention to Note 11 of the Statement, regarding the demands received by the Company in respect of Provident Fund and the contingency related to the pending litigation on the said matter.



- ii. We draw attention to Note 16 of the Statement, which describes the effects of the continuing uncertainty arising from the outbreak of the COVID-19 pandemic on the financial results for the quarter and nine months ended December 31, 2020.

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

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Anand Subramanian  
Partner

(Membership No. 110815)  
(UDIN: 21110815AAAAAK4987)

Place: Bengaluru  
Date: January 27, 2021

**Quess Corp Limited**  
Registered Office: Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103  
CIN No. L74140KA2007PLC043909

Part 1: Statement of standalone unaudited financial results for the quarter and nine months ended 31 December 2020

(INR in millions except per share data)

Sl. No.	Particulars	Standalone					
		Quarter ended			Nine months ended		Year ended
		31 December 2020	30 September 2020	31 December 2019	31 December 2020	31 December 2019	31 March 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a) Revenue from operations	19,071.06	17,666.35	20,896.73	53,696.83	55,607.91	77,402.32
	b) Other income	81.18	159.53	91.14	282.22	407.84	475.46
	<b>Total income (a + b)</b>	<b>19,152.24</b>	<b>17,825.88</b>	<b>20,987.87</b>	<b>53,979.05</b>	<b>56,015.75</b>	<b>77,877.78</b>
2	<b>Expenses</b>						
	a) Cost of material and stores and spare parts consumed	173.80	166.27	341.58	491.58	978.20	1,309.54
	b) Employee benefit expenses	17,430.14	16,203.20	18,505.22	49,093.09	48,642.20	67,914.63
	c) Finance costs	115.34	182.52	223.80	532.82	734.51	967.99
	d) Depreciation and amortisation expense	126.08	136.82	171.12	410.38	506.63	656.18
	e) Other expenses	1,072.87	891.90	1,191.36	2,782.34	3,604.62	4,842.87
	<b>Total expenses (a + b + c + d + e)</b>	<b>18,918.23</b>	<b>17,580.71</b>	<b>20,433.08</b>	<b>53,310.21</b>	<b>54,466.16</b>	<b>75,691.21</b>
3	<b>Profit before exceptional items and tax (1 - 2)</b>	<b>234.01</b>	<b>245.17</b>	<b>554.79</b>	<b>668.84</b>	<b>1,549.59</b>	<b>2,186.57</b>
4	Exceptional items (refer note 6)	-	-	-	112.70	-	5,261.18
5	<b>Profit/ (loss) before tax (3 - 4)</b>	<b>234.01</b>	<b>245.17</b>	<b>554.79</b>	<b>556.14</b>	<b>1,549.59</b>	<b>(3,074.61)</b>
6	<b>Tax expense/ (credit)</b>						
	Current tax	-	-	98.58	-	264.02	-
	Income tax relating to previous year	53.82	-	-	53.82	-	-
	Deferred tax	162.32	211.28	(173.01)	449.58	(424.80)	294.46
	<b>Total tax expense/ (credit)</b>	<b>216.14</b>	<b>211.28</b>	<b>(74.43)</b>	<b>503.40</b>	<b>(160.78)</b>	<b>294.46</b>
7	<b>Profit/ (loss) for the period (5 - 6)</b>	<b>17.87</b>	<b>33.89</b>	<b>629.22</b>	<b>52.74</b>	<b>1,710.37</b>	<b>(3,369.07)</b>
8	<b>Other comprehensive income</b>						
	<i>Items that will not be reclassified subsequently to profit or loss</i>						
	Remeasurement of defined benefit plans	(1.27)	(20.57)	(16.58)	(88.15)	(53.59)	(68.42)
	Income tax relating to items that will not be reclassified to profit or loss	0.32	5.18	5.80	22.19	18.73	17.20
	<b>Other comprehensive income/ (loss) for the period, net of taxes</b>	<b>(0.95)</b>	<b>(15.39)</b>	<b>(10.78)</b>	<b>(65.96)</b>	<b>(34.86)</b>	<b>(51.22)</b>
9	<b>Total comprehensive income/ (loss) for the period (7 + 8)</b>	<b>16.92</b>	<b>18.50</b>	<b>618.44</b>	<b>(13.22)</b>	<b>1,675.51</b>	<b>(3,420.29)</b>
10	Paid-up equity share capital (Face value of INR 10.00 per share)	1,476.38	1,476.38	1,475.11	1,476.38	1,475.11	1,475.11
11	Reserves i.e. Other equity						21,709.68
12	<b>Earning/ (loss) Per Share</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (INR)	0.12	0.23	4.27	0.36	11.67	(22.94)
	(b) Diluted (INR)	0.12	0.23	4.26	0.35	11.64	(22.89)

See accompanying notes to the financial results



**Standalone unaudited financial results for the quarter and nine months ended 31 December 2020**

**Notes :**

- 1 The statement of standalone unaudited financial results ("the Statement") of Quess Corp Limited ("the Company") for the quarter and nine months ended 31 December 2020 have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules there under and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27 January 2021. The statutory auditors have issued an unmodified review report.
- 3 Pursuant to the provisions of the Listing Agreement, the Management has decided to publish consolidated unaudited financial results in the newspapers. The standalone unaudited financial results and the review report of the statutory auditors is being filed with Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") and will be made available on the Company website [www.quescorp.com](http://www.quescorp.com).
- 4 In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated unaudited financial results of the Company and therefore no separate disclosure on segment information is given in these standalone unaudited financial results.
- 5 **Acquisitions:**  
During the quarter ended 30 June 2020, the Company acquired additional 25.00% stake in Terrier Security Services (India) Private Limited ("TSSIPL") for a purchase consideration of INR 645.00 million. Consequent to the additional 25.00% acquisition, the total shareholding in TSSIPL has increased from 49.00% to 74.00% and TSSIPL has become a subsidiary of the Company. The additional purchase consideration of INR 645.00 million was settled by adjusting loans which was outstanding to be received from Heptagon Technologies Private Limited ("HTPL").
- 6 During the quarter ended 30 June 2020, the Company reassessed the recoverable value of investment made in Heptagon Technologies Private Limited ("HTPL"), an associate company and recognised an impairment of INR 112.70 million, disclosed as exceptional item in the above results.
- 7 During the quarter ended 30 September, the Company entered into a Termination agreement ("Agreement") with Quess East Bengal FC Private Limited ("QEBFC") and the East Bengal Club ("Club") for terminating the shareholders agreement ("SHA") dated 5 July 2018 among the Company, QEBFC and the Club on mutual consent. As per the agreement, the sporting rights has been surrendered to the Club with effect from 16 July 2020 and the Company has acquired the balance 30.00% equity stake in QEBFC for a nominal value of INR 1,000. On 28 July 2020 the Board of Directors had approved the proposal for voluntary liquidation of QEBFC and subsequently, the Shareholders of QEBFC had approved the Voluntary Liquidation pursuant to Section 59 of the Insolvency and Bankruptcy Code, 2016 and appointed a Liquidator on 2 September 2020 for carrying out the Voluntary Liquidation process. The effective date of commencement of liquidation is 2 September 2020. The impact of the transaction on the results for the quarter and nine months ended 31 December 2020 is insignificant.
- 8 During the quarter ended 30 September 2020, the Company sold Dependo Logistics Services Private Limited for a consideration of INR 100.00 million.
- 9 The Company has decided to exercise the call option for redemption of redeemable Non-convertible debentures ("NCD's"). Accordingly the outstanding NCD's of INR 750.00 million along with interest was repaid on 22 January 2021.
- 10 On 24 December 2020, Tata Sons Private Limited ("Tata Sons"), remaining shareholder of Conneqt Business Solutions Limited (a subsidiary of Quess Corp Limited) has exercised the Put Option and has requested the Company to complete the purchase of 44,839,166 equity shares ("Shares") as per the Shareholders Agreement ("the Agreement") dated 20 November 2017. The Company shall abide with the terms and conditions of the Agreement and will decide about the purchase of the shares in due course. Management believes that there is no additional accrual or payout which is expected based on negotiations till date with Tata Sons.
- 11 During the previous year, the Company had received a notice from the Regional PF Commissioner ("RPFC") under Section 7-A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the Act") stating that Company has failed to remit Provident Fund ("PF") on wages for its employees for the period from April 2018 to March 2019 on the grounds that PF deductions were not made on certain components of the salary amounting to INR 716.56 million. On 26 August 2019, the Company filed an appeal before the Central Government Industrial Tribunal ("CGIT") under section 7-I of the Act challenging the Employees' Provident Fund Organisation's ("EPFO") order along with the application under section 7-O of the Act seeking a waiver from pre-deposit of the alleged Provident Fund Contributions till the final disposal of the Appeal. Consequent to the appeal, on 23 October 2019, the CGIT after hearing the submissions made by the parties passed an Order allowing complete waiver from any pre-deposit and also staying the operation of the EPFO order for a period of 3 months. The matter has been further adjourned to 17 March 2021. The Company has obtained external independent legal advice as per which the EPFO's order is prima facie erroneous and unsustainable in law and the liability has been wrongly determined by the RPFC. Further the Company has contractual rights with its customers wherein any such statutory liabilities could be passed on to them and the Company has obtained confirmation from the customers in this regard. Based on the legal advice, pending the hearing of the appeal and contractual arrangement with customers, no provision or contingent liability has been recognised or disclosed.
- 12 The Board of Directors of the Company at its meeting held on 18 February 2020 had considered and approved the Scheme of Amalgamation ("Scheme AAA") among Quess Corp Limited ("Transferee Company") with four of its wholly owned subsidiaries viz. Golden Star Facilities and Services Private Limited ("GSFS"), MFX Infotech Private Limited ("MFXI"), Trimax Smart Infraprojects Private Limited ("TSIP"), and Green Piece Landscape India Private Limited ("GLPI") together known as ("Transferor Companies") and their respective shareholders and creditors, subject to the approval of shareholders and other regulatory authorities as may be applicable under the Companies Act, 2013. The Board had delegated its power to the Administration and Investment Committee of the Board for finalisation of the Scheme AAA. Upon the Scheme AAA becoming effective the Transferor Companies shall dissolve and all the assets and liabilities of the transferor companies will be recorded at the carrying values in the consolidated financial statements effective 1 April 2020. The carrying amount of the Transferee Company's investment in the shares of the Transferor Companies, which shall stand cancelled in the terms of this Scheme, and the aggregate face value of such shares shall, subject to other provisions contained in Scheme AAA, be adjusted and reflected as in the consolidated financial statements as it relates to Transferor Companies. On 29 June 2020, the Committee approved the final Scheme AAA and the same was submitted with the Stock Exchanges. On 29 September 2020, the Company has received the approval of the shareholders in the Annual General Meeting and filed the forms with Ministry of Corporate Affairs for approval of the Scheme AAA.



- 13 On 31 March 2020 pursuant to approval by the shareholders by way of a special resolution through postal ballot, the Nomination and Remuneration Committee / Board has been authorized to introduce, offer, issue and provide Restricted Stock Units ("RSU") to eligible employees of the Company and its subsidiaries under the Qess Stock Ownership Plan – 2020 ("QSOP 2020"). The maximum number of shares under QSOP 2020 shall not exceed 3,650,000 equity shares. The RSUs granted under QSOP 2020 shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). These instruments will be equity settled and will generally vest between a minimum of 1 to maximum of 6 years from the grant date. The total expense recorded for the same during the quarter and nine months ended 31 December 2020 amounted to INR 31.51 million and INR 79.41 million respectively. The Company has received in-principle approval for listing from BSE and NSE on 29 April 2020 and 30 April 2020 respectively. On 11 May 2020, the Nomination and Remuneration Committee approved the grant of 2,629,795 RSU's under QSOP 2020 subject to necessary approvals. Further on 24 July 2020, the Nomination and Remuneration Committee has approved additional grant of 74,141 RSU's under QSOP 2020.
- 14 The Company has applied practical expedient in Indian Accounting Standard (Ind AS 116) notified vide Companies (Indian Accounting Standards) Amendment Rules, 2020 by Ministry of Corporate Affairs on 24 July 2020 to all rent concessions received as a direct consequence of COVID-19 pandemic. Accordingly, the Company recognised an amount INR 31.77 million in the standalone unaudited financial results for the nine months ended 31 December 2020 as reduction of rent expenses grouped under other expenses on account of rent concessions received.
- 15 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 16 The spread of the COVID-19 pandemic in India and globally has created significant pervasive volatility, uncertainty and economic disruption, including disruption to capital markets, deteriorating credit, liquidity concerns, increasing unemployment, reduction in production output levels, lower demand and lower discretionary consumer spending. Since the outbreak of the COVID-19 emerged in early 2020, it has quickly spread across India and the world. The Company's business operations for the quarter and nine months ended 31 December 2020 continues to be affected by applicable regulatory restrictions including stay-at-home/ work from home requirements of the Central and State governments in India and the disruptive factors mentioned above. The duration of the pandemic and its consequential economic and financial impact continue to remain highly uncertain.
- As a result of these developments, the Company considered the possible effects that may result from the pandemic relating to COVID-19 in preparation of the financial results including evaluating the recoverability of financial assets and non-financial assets particularly, trade receivables, unbilled revenues, goodwill, intangible assets, investments and loans granted to subsidiaries and associates. The COVID-19 pandemic began to impact the Company's operations in the quarter ended 31 March 2020 and the Company has since applied judgements and related assumptions in relation to carrying value of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as on date of approval of these standalone unaudited financial results has used internal and external sources of information to the extent available and based on current estimates expects the carrying amount of these assets to be recovered. Specifically for the purpose of assessing the recoverable value of investments in and loans granted to subsidiary companies aggregating INR 11,877.31 million and investments in and loans granted to associate companies amounting to INR 277.68 million, significant revised judgment was applied during the quarter in certain cases while finalising assumptions on growth in revenues, EBITDA and discount rates. These assumptions are subject to change in future as events unfold within the uncertain environment.
- The impact of COVID-19 on the Company's financial results may differ from that currently estimated as at the date of approval of these standalone unaudited financial results. Such changes, if any, will be prospectively recognised.

for and on behalf of Board of Directors of  
**Qess Corp Limited**



**Ajit Isaac**  
Chairman & Managing Director  
Place: Bengaluru  
Date: 27 January 2021



**Annexure- 2**

**Information as per Regulation 30 of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015, dated September 09, 2015**

S. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	<ul style="list-style-type: none"> <li>Name: Stellarslog Technovation Private Limited ("Company").</li> <li>The Company owns and operates a digital platform – Taskmo, which is an online marketplace for gig workers.</li> <li><u>Size &amp; Turnover</u>: Its turnover stood at Rs. 1.61 crores in FY 2019-20 and it had 11,000+ users as on 31<sup>st</sup> December, 2020.</li> </ul>
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms' length"	<ul style="list-style-type: none"> <li>The proposed transaction would not fall within related party transactions.</li> <li>The promoter/promoter group/ group companies do not have any interest in the Company.</li> </ul>
3.	Industry to which the entity being acquired belongs	<ul style="list-style-type: none"> <li>Provision of on-demand gig workers for task based assignments.</li> </ul>
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<ul style="list-style-type: none"> <li>This Investment will mark Quess' entry into the digital gig economy and enable it to serve the demand for flexible gig workers from existing and new clients.</li> </ul>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
6.	Indicative time period for completion of the acquisition	<ul style="list-style-type: none"> <li>1st Tranche of Rs 2 crore for 16.1% stake by 31st January, 2021</li> </ul>
7.	Nature of consideration - whether cash consideration or share swap and details of the same	<ul style="list-style-type: none"> <li>Cash Consideration.</li> <li>Investment by way of fresh issuance of 1,92,156 equity shares at price consideration of approx. Rs. 520 per share, starting with the 1<sup>st</sup> Tranche as mentioned above and the remaining shares spread over tranches as per the transaction agreements.</li> <li>Post completion of the stipulated investment or 1<sup>st</sup> April 2022, whichever is later, Quess shall also have the right to increase its stake to 51% on a fully diluted basis via a call option.</li> </ul>

**Quess Corp Limited**

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8.	Cost of acquisition or the price at which the shares are acquired	<ul style="list-style-type: none"> <li>Refer point no. 7.</li> </ul>
9.	Percentage of shareholding/ control acquired and/or number of shares acquired	<ul style="list-style-type: none"> <li>49% equity stake to be subscribed, starting with 16.1% by 31st January, 2021.</li> </ul>
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<ul style="list-style-type: none"> <li>Taskmo is a leading platform that enables enterprises to outsource tasks to a distributed network of gig workers. It uses a proprietary algorithm for screening, training, deploying, and managing gig workers.</li> <li>It earned revenues of Rs 1.61 crores, Rs 1.43 crores and Rs. 0.74 crores in FY20, FY19 and FY18 respectively.</li> </ul>

*Danjan.*



**Annexure- 3**

**Information required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015, dated September 09, 2015.**

Sl. No	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.;	<p><b>Name:</b> Vedang Cellular Services Private Limited ("Vedang")</p> <p><b>Business:</b> Vedang is in the business of Telecom Network Optimization, Installation of Active components in Telecom Network and Managed Services in India.</p> <p><b>Size &amp; Turnover:</b> Vedang has a workforce of over 1,750+ professionals as on 31<sup>st</sup> March 2020 and it reported revenue of Rs. 98.1 crores in FY 20.</p>
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length";	<p>Vedang is a subsidiary of Quess Corp Limited.</p> <p>The Proposed Transaction is being undertaken at an arm's length basis.</p> <p>The Promoter and Promoter Group of Companies of Quess do not have any interest in Vedang.</p>
3.	Industry to which the entity being acquired belongs;	Telecom Services
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	<ul style="list-style-type: none"> <li>Vedang is a key player in the Telecom Network Operations &amp; Maintenance space, present across 20 Telecom circles with strong industry relations, superior service offerings and deep technical capability.</li> <li>The erstwhile Promoter has exercised his Put Option as per the Shareholder's Agreement.</li> </ul>
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	Not Applicable.
6.	Indicative time period for completion of the acquisition;	By February 25, 2021
7.	Nature of consideration - whether cash consideration or share swap and details of the same;	<ul style="list-style-type: none"> <li>Cash Consideration.</li> <li>Investment of upto Rs. 70 Lakhs (Seventy Lakhs Only) for acquiring additional 3.76% stake.</li> </ul>

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Sl. No	Particulars	Details								
8.	Cost of acquisition or the price at which the shares are acquired;	As above.								
9.	Percentage of shareholding / control acquired and / or number of shares acquired;	Total holding will increase from existing 88.71% to 92.47%.								
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<div>Vedang was incorporated on 5th April, 2010.</div> <div><b><u>Background-</u></b> Refer Sl. No. 1</div> <div>Key Financials</div> <div>(In Rs. Crores )</div> <table><tr><th>Particulars</th><th>FY 2018</th><th>FY 2019</th><th>FY 2020</th></tr><tr><td>Revenue</td><td>99.5</td><td>107.2</td><td>98.1</td></tr></table>	Particulars	FY 2018	FY 2019	FY 2020	Revenue	99.5	107.2	98.1
Particulars	FY 2018	FY 2019	FY 2020							
Revenue	99.5	107.2	98.1							

*[Signature]*



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