

**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 after tax and total comprehensive income of its associates and joint venture company for the quarter and nine months ended December 31, 2021 ("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 management and 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 financials 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 paragraph

- We draw attention to Note 5 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.

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- We draw attention to Note 11 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, 2021.

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

7. We did not review the interim financial information / financial results of 16 subsidiaries included in the consolidated unaudited financial results, whose interim financial information / financial results reflect total revenues of Rs. 8,205.05 millions and Rs. 22,474.26 millions for the quarter and nine months ended December 31, 2021 respectively, total net profit after tax of Rs. 1059.65 millions and Rs. 2,384.31 millions for the quarter and nine months ended December 31, 2021 respectively and total comprehensive income of Rs. 1,066.97 millions and Rs. 2,386.13 millions for the quarter and nine months ended December 31, 2021 respectively, as considered in the Statement. These interim financial information / 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 matter.

8. The consolidated unaudited financial results includes the interim financial information/ financial results of 17 subsidiaries which have not been reviewed by their auditors, whose interim financial information/ financial results reflect total revenues of Rs. 1,317.65 millions and Rs. 3,530.14 millions for the quarter and nine months ended December 31, 2021 respectively, total profit after tax of Rs. 107.26 millions and Rs. 240.75 millions for the quarter and nine months ended December 31, 2021 respectively, Total comprehensive income of Rs. 106.66 millions and Rs. 242.16 millions for the quarter and nine months ended December 31, 2021 respectively, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs. 5.96 millions and Rs. 10.22 millions for the quarter and nine months ended December 31, 2021 respectively and total comprehensive loss of Rs. 5.96 millions and Rs. 10.22 millions for the quarter and nine months ended December 31, 2021 respectively, as considered in the Statement, in respect of 4 associates and 1 joint venture company, based on their interim financial information/ financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial information / financial results are not material to the Group.

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

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

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Anand Subramanian
Partner
(Membership No. 110815)
(UDIN:22110815ABEJNG2265)

Place: Bengaluru
Date : February 10, 2022

Deloitte Haskins & Sells LLP

ANNEXURE 1:

Nature	S. No.	Entity name
Subsidiary/Step-subsubsidiary:	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.	Quesscorp Singapore Pte Limited (formerly known as Comtel Solutions Pte. Limited)
	12.	Quess East Bengal FC Private Limited
	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.	Quess Selection & Services Pte Limited (formerly known as 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.	Quess Services Limited
	33.	Trimax Smart Infraprojects Private Limited
	34.	Terrier Security Services (India) Private Limited
	35.	Billion Careers Private Limited
Associate:	1.	Heptagon Technologies Private Limited
	2.	Quess Recruit, Inc.
	3.	Agency Pekerjaan Quess Recruit Sdn. Bhd
	4.	Stellarslog Technovation Private Limited
Joint Venture:	1.	Himmer Industrial Services (M) Sdn. Bhd

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

Part I Statement of unaudited consolidated financial results for the quarter and nine months ended 31 December 2021 (INR in millions except per share data)

Sl. No.	Particulars	Quarter ended		Nine months ended		Year ended	
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	a) Revenue from operations	36,849.82	32,278.35	28,078.87	98,997.31	78,323.91	1,08,368.95
	b) Other income	28.70	74.47	98.56	151.64	417.37	450.90
	Total income (a + b)	36,878.52	32,352.82	28,177.43	99,148.95	78,741.28	1,08,819.85
2	Expenses						
	a) Cost of material and stores and spare parts consumed	773.32	702.40	563.55	1,950.03	1,436.59	2,007.49
	b) Employee benefits expense	31,019.67	27,579.84	24,003.52	84,588.33	67,336.37	92,968.43
	c) Finance costs	183.82	195.19	244.57	596.90	946.58	1,112.93
	d) Depreciation and amortisation expense	493.82	486.34	562.24	1,477.63	1,734.21	2,285.28
	e) Other expenses	3,262.43	2,872.77	2,003.46	8,072.52	5,348.21	8,811.93
	Total expenses (a + b + c + d + e)	35,733.06	31,836.54	27,377.34	96,685.41	76,801.96	1,07,186.06
3	Profit before share of profit/(loss) of equity accounted investees, exceptional items and tax (1 - 2)	1,145.46	516.28	800.09	2,463.54	1,939.32	1,633.79
4	Share of profit/(loss) of equity accounted investees (net of income tax)	(5.96)	(4.45)	0.70	(10.22)	(105.97)	(114.27)
5	Profit before exceptional items and tax (3 + 4)	1,139.50	511.83	800.79	2,453.32	1,833.35	1,519.52
6	Exceptional items (refer note 10 and 11(c))	-	(86.19)	-	(86.19)	(326.88)	(326.89)
7	Profit/(loss) before tax (5 - 6)	1,139.50	598.02	800.79	2,539.51	2,160.23	1,846.41
8	Tax expense/(credit)						
	Current tax	119.72	124.38	111.51	523.74	312.19	423.29
	Income tax relating to previous year	0.01	-	54.84	13.63	76.96	68.21
	Deferred tax	134.60	61.34	178.69	258.37	451.47	618.02
	Total tax expense	254.33	185.72	345.04	795.74	840.62	1,109.52
9	Profit/(loss) for the period (7 - 8)	885.17	412.30	455.75	1,743.77	1,319.61	736.89
10	Other comprehensive income						
	(i) Items that will not be reclassified subsequently to profit or loss						
	Remeasurement of defined benefit plans	(33.73)	(53.08)	(34.48)	(161.25)	(127.39)	(78.10)
	Income tax relating to items that will not be reclassified to profit or loss	6.31	13.37	6.47	38.44	32.72	21.68
	Share of other comprehensive income of equity accounted investees (net of income tax)	-	-	-	-	(5.33)	(5.33)
	(ii) Items that will be reclassified subsequently to profit or loss						
	Exchange differences in translating financial statements of foreign operations	23.82	(61.08)	60.59	42.78	111.83	45.99
	Other comprehensive income/(loss) for the period, net of taxes	(3.60)	(100.79)	32.58	(80.03)	11.83	(15.76)
11	Total comprehensive income/(loss) for the period (9 + 10)	881.57	311.51	488.33	1,663.74	1,331.44	721.13
12	Profit/(loss) attributable to:						
	Owners of the Company	838.22	375.64	417.54	1,675.74	1,212.12	578.77
	Non-controlling interests	46.95	36.66	38.21	68.03	107.49	158.12
13	Other comprehensive income/(loss) attributable to:						
	Owners of the Company	0.07	(93.60)	33.92	(75.22)	5.90	(26.80)
	Non-controlling interests	(3.67)	(7.19)	(1.34)	(4.81)	5.93	11.04
14	Total comprehensive income/(loss) attributable to:						
	Owners of the Company	838.29	282.04	451.46	1,600.52	1,218.02	551.97
	Non-controlling interests	43.28	29.47	36.87	63.22	113.42	169.16
15	Paid-up equity share capital (Face value of INR 10.00 per share)	1,478.84	1,477.85	1,476.38	1,478.84	1,476.38	1,476.79
16	Reserves i.e. Other equity						21,954.31
17	Earning/(loss) per equity share	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (in INR)	5.67	2.54	2.83	11.34	8.21	3.92
	(b) Diluted (in INR)	5.59	2.51	2.79	11.19	8.10	3.87

See accompanying notes to the financial results



Quess Corp Limited
Registered Office Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103.
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 unaudited consolidated segment wise revenue, results, assets and liabilities for the quarter and nine months ended 31 December 2021 (INR in millions)

Sl. No.	Particulars	Consolidated					
		Quarter ended			Nine months ended		Year ended
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Segment revenue						
	a) Workforce management	24,715.45	21,429.34	18,433.55	66,196.33	51,475.93	71,590.09
	b) Operating asset management	5,778.67	4,898.58	4,284.86	15,322.72	12,232.45	16,883.08
	c) Global technology solutions*	6,335.70	5,950.43	5,360.46	17,478.26	14,615.53	19,895.78
	Total Income from operations	36,849.82	32,278.35	28,078.87	98,997.31	78,323.91	1,08,368.95
2	Segment results						
	a) Workforce management	763.35	394.42	682.24	1,853.01	1,910.29	2,283.07
	b) Operating asset management	368.00	168.33	289.34	943.14	846.69	323.22
	c) Global technology solutions*	944.57	846.06	742.83	2,385.43	1,965.85	2,702.13
	Total	2,075.92	1,408.81	1,714.41	5,181.58	4,722.83	5,308.42
	Less: (i) Unallocated corporate expenses	281.52	285.47	206.07	795.15	520.09	727.32
	Less: (ii) Depreciation and amortisation expense	493.82	486.34	562.24	1,477.63	1,734.21	2,285.28
	Less: (iii) Finance costs	183.82	195.19	244.57	596.90	946.58	1,112.93
	Add: (iv) Other income	28.70	74.47	98.56	151.64	417.37	450.90
	Add: (v) Share of profit/(loss) of equity accounted investees (net of income tax)	(5.96)	(4.45)	0.70	(10.22)	(105.97)	(114.27)
	Total profit before tax	1,139.50	511.83	800.79	2,453.32	1,833.35	1,519.52
3	Segment assets						
	a) Workforce management	15,248.69	14,563.96	12,687.05	15,248.69	12,687.05	13,015.55
	b) Operating asset management	12,434.41	11,376.91	11,527.33	12,434.41	11,527.33	10,536.26
	c) Global technology solutions*	13,198.28	12,823.91	12,102.31	13,198.28	12,102.31	11,963.37
	d) Unallocated	11,471.22	11,265.38	11,321.53	11,471.22	11,321.53	11,686.93
	Total	52,352.60	50,030.16	47,638.22	52,352.60	47,638.22	47,202.11
4	Segment liabilities						
	a) Workforce management	8,140.06	7,183.90	5,379.02	8,140.06	5,379.02	5,310.18
	b) Operating asset management	4,104.78	3,539.96	3,476.57	4,104.78	3,476.57	3,497.12
	c) Global technology solutions*	6,915.50	6,756.23	6,371.60	6,915.50	6,371.60	6,333.33
	d) Unallocated	8,903.58	8,403.82	7,464.10	8,903.58	7,464.10	7,691.08
	Total	28,063.92	25,883.91	22,691.29	28,063.92	22,691.29	22,831.71

See accompanying notes to the financial results

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



Quess Corp Limited

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CIN No. L74140K.A2007PLC043909

Unaudited consolidated financial results for the quarter and nine months ended 31 December 2021

Notes :

- 1 The consolidated financial information of Quess Corp Limited ("the Company") including its subsidiaries (collectively known as the "Group"), its associates and its joint venture (as mentioned in Appendix I to these notes) for the quarter and nine months ended 31 December 2021 have been approved by the Board of Directors at its meeting held on 10 February 2022. The statutory auditors have expressed an unqualified review conclusion on the financial results for the quarter and nine months ended 31 December 2021.
- 2 The unaudited consolidated financial results and the 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.
- 3 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 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 resulted in a total purchase consideration of INR 1,510 million. The purchase consideration of INR 645 million was settled by adjusting loans which was outstanding to be received from Heptagon Technologies Private Limited ("HTPL"), an associate of the Company. During the year, the Company has completed the purchase price allocation and has recognised assets and liabilities at its fair value. Post allocation of purchase price, the Company has recorded goodwill of INR 1,500.93 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 year ended 31 March 2021, the respective consolidated financial results of the group include proportionate financial results of TSSIPL.
- 4 During the year ended 31 March 2021, Tata Sons Private Limited ("Tata Sons"), the non-controlling shareholder of Conneqt Business Solutions Limited ("CBSL") (a subsidiary of the Company) exercised the Put Option and requested the Company to complete the purchase of 44,839,166 equity shares ("Put Shares") as per the Shareholders Agreement ("the Agreement") dated 20 November 2017. On 16 April 2021, the Administration and Investment committee of the Company has approved the acquisition of the remaining 30.00% equity stake for a consideration of INR 2,080 million. Consequently, the Company completed the acquisition of equity stake in CBSL on the same date, and CBSL became wholly owned subsidiary of the Company.
- 5 During the year ended 31 March 2020, 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") alleging that Company had 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 716.36 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 shortfall in 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. On 08 January 2021 the order staying the operation of the EPFO order was extended until further orders. The matter has been further adjourned to 30 March 2022. The Company has obtained external 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. Based on the legal advice, pending the hearing of the appeal, no provision or contingent liability has been recognised or disclosed.
- 6 The Board of Directors of the Company at its meeting held on 03 June 2021 considered and approved the Scheme of Amalgamation ("Scheme AAA") among Quess Corp Limited ("Transferee Company") with two of its wholly owned subsidiaries viz. MFX Infotech Private Limited ("MFXI") and Greenpiece Landscape India Private Limited ("GLPL") together known as ("Transferor Companies") and their respective shareholders and creditors under the provisions of Section 230-232 of the Companies Act, 2013 subject to the approval of the shareholders and the National Company Law Tribunal ("NCLT"), Bengaluru bench. On 7 July 2021, the Board of Directors approved revision in Scheme AAA by adding another wholly owned Subsidiary Conneqt Business Solutions Limited ("CBSL") as an additional Transferor Company. The new Scheme AAA will be effected in the consolidated financial results once it is approved by National Company Law Tribunal ("NCLT"), Bengaluru Bench. The Company has filed the application before Hon'ble NCLT, Bengaluru bench on 21 January 2022.
- 7 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.
- 8 The Board of Directors at their meeting held on 05 May 2021 declared interim dividend of INR 7.00 per equity share (face value of INR 10.00 each) for the financial year ended 31 March 2021 aggregating to INR 1,033.75 million which was paid on 20 May 2021. During the current quarter, the Board of Directors at their meeting held on 13 November 2021 have declared an interim dividend of INR 4.00 per equity share (face value of INR 10.00 each) for the current financial year aggregating to INR 591.14 million, which was paid on 3 December 2021.
- 9 The Income Tax Department ("Department") conducted survey operations at the Company's registered office from 08 July 2021 to 10 July 2021. The queries raised during the survey primarily related to the manner of availing deduction under section 80JJAA of the Income Tax Act and the claim of tax depreciation on goodwill arising from acquisition/ mergers. The queries raised pertained to four financial years, FY 2016-17 to FY 2019-20. The Group believes that the matter relates to and is limited to differing interpretations of the statute regarding the manner of claiming the quantum of the above mentioned deductions. Further, the Group believes that the deductions were validly claimed, in accordance with the statute and judicial precedents and believes it can strongly defend its position. In the absence of any claim from the Department till date, no meaningful evaluation or analysis can be carried out at this stage. Accordingly, no contingency or provision has been recognized as at 31 December 2021. For the purpose of computing the tax liability for the quarter and nine months ended 31 December 2021, the Group has claimed a deduction of INR 1534.76 million under section 80JJAA in a manner consistent with its past practice, and which is the subject matter of the survey operations carried out by the Department. In addition, for FY 2017-18, as part of assessment proceeding a special audit under the provisions of section 142(2A) has been initiated. The Group is committed to defending its position, although specific actions, including any potential financial result related disclosures and adjustments, will be based on the future actions by the Department.



10 a) During the quarter ended 30 September 2021, the Group recognised an expense of INR 479.81 million related to Goods and Service Tax (GST), based on a comprehensive review across its businesses, geographic locations and assessment years, including reconciliations with suppliers and vendors. Due to the pandemic related disruptions, this review was finally concluded during the quarter ended 30 September 2021. Based on such review the Group has, on a prudent basis, identified certain ineligible credits arising from vendor reconciliations, clarifications and opinions related to input credits, delays by vendors in filing GST returns, etc. and recorded and paid the related expense which the Group believes is an exceptional item in the extraneous circumstances involved and in the context of paragraph 9.6 of the Guidance note on Schedule III to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India ("ICAI").

b) As at 31 March 2020, the Group had impaired INR 1,155.32 million of customer relationship related intangible assets from its acquisitions of IFM business and Allsec after considering the then assessed impact of COVID-19 and uncertainties in future economic condition caused by the pandemic. During the quarter ended 30 September 2021, the Group has recognised a reversal of impairment on these customer relationship aggregating to INR 766 million. This reversal stems from the management's demonstrable assessment of sustainable improved business performance of the IFM business and Allsec at the operating profit level, which is in excess of the projections prepared for the purpose of recognizing the impairment. The presentation and classification of the reversal is consistent with that of the previously recognised impairment.

11 a) The Group's business operations as a whole, for the quarter and nine months ended 31 December 2021 continue to be affected by the COVID-19 pandemic. The impact of the pandemic across the business and locations could vary depending on the nature of the businesses and specific severity of the pandemic within a location/state. The ultimate duration of the pandemic and its consequential economic and financial impact as a whole on the Group continue to remain uncertain. As a result of these developments, the Group considered the possible effects that may result from the pandemic in preparation of the financial results, specifically for each line of business, 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.

b) The Group has exercised specific and discrete judgements in relation to each of its businesses and applied appropriate assumptions, using internal and external sources of information. The net carrying amount of these assets as reflected in the financial results are expected to be recovered on 31 December 2021. These assumptions are subject to change in future as events unfold within the uncertain environment.

c) During the year ended 31 March 2021, the Group had recorded a provision of INR 1,033.53 million, being an operating expense, in relation to trade receivables and unbilled revenues arising from certain businesses and financial assets, based on the then prevalent circumstances. Based on further developments arising from the pandemic and on a cumulative consideration of the variables involved, specifically related to recovery timelines of certain businesses, the Group recorded an aggregate charge of INR 384.77 million in relation to these assets during the nine months ended 31 December 2021 comprising of INR 184.77 million relating to credit losses and impairment of financial assets which are considered as an operating expense and INR 200 million relating to impairment of financial assets which is considered as exceptional during the quarter ended 30 September 2021, within the pandemic environment and in terms of paragraph 9.6 of the Guidance note on Schedule III to the Companies Act, 2013 issued by ICAI.

12 a) During the quarter and nine months ended 31 December 2021, the Company has made an additional investment in Stellarstlog Technovation Private Limited for INR 80 million. Investment of INR 32 million was made in the quarter ended 30 September 2021 followed by a further investment of INR 48 Million during the quarter ended 31 December 2021 which resulted in a holding of 49% at 31 December 2021.

b) Subsequent to the quarter ended 31 December 2021, the Company has subscribed to 7,216 equity shares of the Monster Com(India) Private Limited having face value of INR 10 at a premium of INR 79,566 at an issue price of INR 79,576 per equity share aggregating to INR 574.22 million pursuant to the Monster.com (India) Private Limited Board meeting held on 18 January 2022.

c) During the quarter ended 31 December 2021, the Company has entered into Share Subscription agreement for investment in Monster.com (India) Private Limited (Monster India) (a wholly owned subsidiary of the Company) by Meridian Investments and Volrado Venture Partners Fund II (collectively, Investors) along with the Company.

The funds raised will be utilised towards enhanced investments on Product Development and Marketing in India, South East Asia and Middle East markets. The investment amount is INR 1,125 million, with an option to extend the investment up to INR 1,375 million, at a floor pre-money valuation of INR 6,000 million as follows:

- INR 625 million by the Investors as compulsory convertible preference shares (CCPS), which was received by Monster India on 24 January 2022. Post investment of INR 625 million by the Investors, the Investors are expected to hold 9.43% shareholding in Monster India on a fully diluted basis. Remaining shares of Monster India will be held by the Company and employees under employee stock options plan.

- INR 500 million split as, INR 125 million by the Investors and INR 375 million by the Company, as compulsory convertible debentures (CCD). The funding of INR 500 million may be drawn by the management of Monster India as per the business plan approved by the Board. CCD shall be converted to CCPS at a valuation of 25% discount to the valuation of next round of funding subject to the floor valuation of INR 6,000 million and cap valuation of INR 7,500 million.

- The Investors has an option to subscribe to additional CCPS up to INR 375 million, within 4 months from the closing of investment in CCPS by the Investors. If the Investors subscribes to additional CCPS of INR 375 million then the obligation of the Investors to subscribe to the above CCD of INR 125 million falls away.

Further, reorganisation within the Monster group subsequent to 31 December 2021 has resulted in Monster India becoming the parent company of Monster.com.SG Pte Ltd, Monster.com.HK Ltd and Agensi Pekerjaan Monster Malaysia Sdn Bhd

for and on behalf of Board of Directors of
Quest Corp Limited



Aji Isaac
Executive Chairman
Place: Bengaluru
Date: 10 February 2022



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	Quesscorp Singapore Pte Limited (formerly known as Comtel Solutions Pte. Limited)
	12	Quess East Bengal FC Private Limited
	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	Quess Selection & Services Pte Limited (formerly known as 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	Quess Services Limited
	33	Trimax Smart Infraprojects Private Limited
	34	Tertier Security Services (India) Private Limited (refer note 3)
	35	Billion Careers Private Limited
Associate:	1	Heptagon Technologies Private Limited
	2	Quess Recruit, Inc.
	3	Agency Pekerjaan Quess Recruit Sdn. Bhd.
	4	Stellarislog Technovation Private Limited
Joint venture:	1	Himmer Industrial Services (M) Sdn. Bhd

