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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
QUESS CORP LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2020 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year ended March 31, 2020 of **QUESS CORP LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2020:

i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net loss after tax and total comprehensive loss and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2020

With respect to the Standalone Financial Results for the quarter ended March 31, 2020 based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2020 prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

- We draw attention to Note 7 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.
- As discussed in Note 14 of the Statement, the Company has recorded an impairment of Rs. 2,787.83 million of Goodwill, Rs. 677.68 million of Intangible assets and Rs. 1,795.68 million of Investment in and Loans given to certain subsidiaries and associate pursuant to an impairment assessment as at March 31, 2020

Our report is not modified in respect of these matters.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2020 has been compiled from the related audited standalone interim financial information. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net loss after tax and total other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2020

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2020 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 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 SAs specified under Section 143(10) of the Act 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.

Deloitte
Haskins & Sells LLP

Other Matters

- As stated in Note 2 to the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended December 31, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2019. Our report on the Statement is not modified in respect of this matter.

- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

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

Anand Subramanian
Partner

(Membership No. 110815)
(UDIN: 20110815AAAAAT5953)

Place: Bengaluru
Date: May 27, 2020

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 financial results for the quarter and year ended 31 March 2020 *(INR in millions except per share data)*

Sl. No.	Particulars	Standalone				
		Quarter ended			Year ended	
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019*
		(Refer note 2)	(Unaudited)	(Refer note 2)	(Audited)	(Audited)
1	**Income**					
	a) Revenue from operations	21,794.43	20,896.73	15,574.65	77,402.32	56,947.89
	b) Other income	67.62	91.14	120.00	475.46	465.44
	Total income (a + b)	**21,862.05**	**20,987.87**	**15,694.65**	**77,877.78**	**57,413.33**
2	**Expenses**					
	a) Cost of material and stores and spare parts consumed	331.35	341.58	363.12	1,309.54	1,397.40
	b) Employee benefit expenses	19,272.44	18,505.22	13,093.05	67,914.63	47,664.93
	c) Finance costs	233.48	223.80	166.05	967.99	636.66
	d) Depreciation and amortisation expense	149.16	171.12	112.06	656.18	454.02
	e) Other expenses	1,238.24	1,191.36	1,172.16	4,842.87	4,715.66
	Total expenses (a + b + c + d + e)	**21,224.67**	**20,433.08**	**14,906.44**	**75,691.21**	**54,868.67**
3	**Profit before exceptional items and tax (1 - 2)**	**637.38**	**554.79**	**788.21**	**2,186.57**	**2,544.66**
4	Exceptional items *(refer note 14)*	5,261.18	-	-	5,261.18	-
5	**Profit/(loss) before tax (3 - 4)**	**(4,623.80)**	**554.79**	**788.21**	**(3,074.61)**	**2,544.66**
6	**Tax expense/(credit)** ***(refer note 15)***					
	Current tax	(264.02)	98.58	182.46	-	543.37
	Income tax relating to previous year	-	-	51.77	-	51.77
	Deferred tax	719.39	(173.01)	(164.73)	294.46	(390.81)
	Total tax expense/(credit)	**455.37**	**(74.43)**	**69.50**	**294.46**	**204.33**
7	**Profit/(Loss) for the period (5 - 6)**	**(5,079.17)**	**629.22**	**718.71**	**(3,369.07)**	**2,340.33**
8	**Other comprehensive income** *Items that will not be reclassified subsequently to profit or loss*					
	Remeasurement of defined benefit plans	(14.77)	(16.58)	46.20	(68.42)	(26.05)
	Income tax relating to items that will not be reclassified to profit or loss	(1.52)	5.80	(14.58)	17.20	10.67
	Other comprehensive income/(loss) for the period, net of taxes	**(16.29)**	**(10.78)**	**31.62**	**(51.22)**	**(15.38)**
9	**Total comprehensive income/(loss) for the period (7 + 8)**	**(5,095.46)**	**618.44**	**750.33**	**(3,420.29)**	**2,324.95**
10	Paid-up equity share capital (Face value of INR 10.00 per share)	1,475.11	1,475.11	1,460.85	1,475.11	1,460.85
11	Reserves i.e. Other equity				21,709.68	24,749.55
12	Earning Per Share (EPS)	(not annualised)	(not annualised)	(not annualised)	(annualised)	(annualised)
	(a) Basic (INR)	(34.43)	4.27	4.92	(22.94)	16.05
	(b) Diluted (INR)	(34.37)	4.26	4.89	(22.89)	15.96

See accompanying notes to the financial results

**Previously audited and restrospectively adjusted to give effect to matters stated in note 9*

QUESS CORP LTD.

Quess Corp Limited

Registered Office: Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103;

CIN No. L74140KA2007PLC043909

Standalone Balance Sheet as at 31 March 2020 *(INR in millions)*

	Particulars	As at 31 March 2020 (Audited)	As at 31 March 2019* (Audited)
A	**ASSETS**		
1	**Non-current assets**		
	Property, plant and equipment	411.98	514.59
	Right-of-use assets	684.67	-
	Goodwill	2,777.73	5,565.56
	Other intangible assets	714.47	1,546.16
	Intangible assets under development	2.42	53.12
	Financial assets		
	Investments	12,036.12	6,863.03
	Loans	1,350.74	2,713.72
	Other financial assets	87.70	305.59
	Deferred tax assets (net)	1,384.78	1,662.03
	Income tax assets (net)	2,898.45	2,006.27
	Other non-current assets	65.05	62.40
	Total non-current assets	**22,414.11**	**21,292.47**
2	**Current assets**		
	Inventories	102.53	108.68
	Financial assets		
	Investments	-	384.68
	Trade receivables	4,749.09	5,381.83
	Cash and cash equivalents	3,902.90	3,396.15
	Bank balances other than cash and cash equivalents above	363.39	761.30
	Loans	427.43	1,317.75
	Unbilled revenue	6,219.96	4,602.93
	Other financial assets	130.43	91.96
	Other current assets	479.24	358.57
	Total current assets	**16,374.97**	**16,403.85**
	Total Assets	**38,789.08**	**37,696.32**
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
	Equity share capital	1,475.11	1,460.85
	Other equity	21,709.68	24,749.55
	Total equity	**23,184.79**	**26,210.40**
2	**Liabilities**		
	Non-current liabilities		
	Financial liabilities		
	Borrowings	-	1,489.47
	Lease liabilities	543.60	-
	Non-current provisions	1,125.48	811.92
	Total non-current liabilities	**1,669.08**	**2,301.39**
3	**Current liabilities**		
	Financial liabilities		
	Borrowings	7,767.88	4,206.59
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	551.44	591.83
	Lease liabilities	188.34	-
	Other financial liabilities	3,308.22	2,992.79
	Current provisions	22.14	28.38
	Other current liabilities	2,097.19	1,364.94
	Total current liabilities	**13,935.21**	**9,184.53**
	Total liabilities	**15,604.29**	**11,485.92**
	Total Equity and Liabilities	**38,789.08**	**37,696.32**

See accompanying notes to the financial results

**Previously audited and restrospectively adjusted to give effect to matters stated in note 9*

QUESS CORP LTD.

Quess Corp Limited
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CIN No. L74140KA2007PLC043909

Standalone Statement of Cash flows for the year ended 31 March 2020 *(INR in millions)*

Particulars	**For the year ended**	
	31 March 2020	**31 March 2019**
Cash flows from operating activities		
Profit/(loss) after tax	(3,369.07)	2,340.33
Operating cash flow before working capital changes	4,769.09	(1,210.25)
Net cash flows from operating activities (A)	**1,400.02**	**1,130.08**
Net cash (used in)/from in investing activities (B)	**(3,189.35)**	**364.71**
Net cash from/(used in) in financing activities (C)	**2,296.07**	**(2,207.96)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**506.75**	**(713.17)**
Cash and cash equivalents at the beginning of the year	3,396.15	4,109.32
Cash and cash equivalents at the end of the year	**3,902.90**	**3,396.15**

Components of cash and cash equivalents *(INR in millions)*

Particulars	**For the year ended**	
	31 March 2020	**31 March 2019**
Cash and cash equivalents		
Cash on hand	3.95	2.81
Balances with banks		
In current accounts	3,898.95	3,393.34
Cash and cash equivalent as per standalone statement of cash flows	**3,902.90**	**3,396.15**

QUESS CORP LTD.

Quess Corp Limited
Registered Office: Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103;
CIN No. L74140KA2007PLC043909
Standalone financial results for the quarter and year ended 31 March 2020

Notes :

1 The statement of standalone financial results ("the Statement") of Quess Corp Limited ("the Company") for the quarter and year ended 31 March 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 interim Standalone financial information for the quarter and year ended 31 March 2020 have been taken on record by the Board of Directors at its meeting held on 27 May 2020. The statutory auditors have expressed an unqualified review conclusion on the financial results for the quarter ended 31 March 2020 and have expressed an unqualified audit opinion on the financial results for the year ended 31 March 2020. These Standalone financial results have been extracted from the interim Standalone financial information. The Statement includes the results for the quarters ended 31 March 2020 and 31 March 2019 being the balancing figure of audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial years. The statutory auditors have not issued a separate limited review report on the results and figures for the quarter ended 31 March 2020.

3 Pursuant to the provisions of the Listing Agreement, the Management has decided to publish consolidated financial results in the newspapers. The standalone 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.quesscorp.com.

4 In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial results of the Company and therefore no separate disclosure on segment information is given in these standalone financial results.

5 During the year ended 31 March 2018, the Company had completed the Institutional Placement Programme (IPP) and raised a total capital of INR 8,739.22 million by issuing 10,924,029 equity shares of INR 10.00 each at a premium of INR 790.00 per equity share. The proceeds from IPP is INR 8,475.49 million (net of issue expenses).
Details of utilisation of IPP proceeds are as follows:

(Amount in INR millions)

Particulars	Objects of the issue as per the prospectus	Utilised upto 31 March 2020	Unutilised amount as on 31 March 2020
Acquisitions and other strategic initiatives	6,250.00	6,250.00	-
Funding incremental working capital requirement of our Company	1,500.00	1,500.00	-
General corporate purpose	725.49	725.49	-
Total	**8,475.49**	**8,475.49**	-

Expenses incurred by the Company amounting to INR 263.73 million, in connection with IPP have been adjusted towards the securities premium in accordance with Section 52 of the Companies Act, 2013 during the year ended 31 March 2018.

6 **Acquisitions:**

(a) On 7 May 2019, the Company acquired balance 10.00% equity stake in Greenpiece Landscapes India Private Limited ("GLIPL") at a consideration of INR 28.00 million and GLIPL has become 100.00% subsidiary of the Company.

(b) During the quarter ended 30 June 2019, the Board of Directors of the Company at its meeting held on 17 April 2019, considered and approved an additional investment of (a) INR 1,931.07 million by way of subscription to equity shares to be issued and allotted by Conneqt Business Solutions Limited ("CBSL") ("the Equity Subscription") and (b) Not exceeding INR 2,100.00 million by way of subscription to compulsorily convertible debentures ("CCDs") to be issued and allotted by CBSL. Accordingly on 23 May 2019, the Company had invested INR 1,931.07 million thereby increasing the total shareholding of the Company in CBSL from 51.00% to 70.00%. On 1 June 2019, the Company invested INR 780.00 million in CCD's of CBSL and a further amount of INR 1,270.87 million had been given as Intercorporate Deposits ("ICDs"). The amount given as ICDs, to the extent utilised for open offer (INR 587.64 million) with respect to the acquisition of Allsec Technologies Limited [refer note 5 (c) below] was converted into CCDs and the balance was transferred back to the Company.

(c) During the quarter ended 30 June 2019, the Company ("PAC") through its subsidiary Conneqt Business Solutions Limited ("Acquirer") has entered into a Share Purchase Agreement ("SPA") with Mr Ramamoorthy Jagadish and Mr Adisheshan Saravanan ("SPA1") and First Carlyle Ventures Mauritius ("SPA2") and shareholders of Allsec Technologies Limited ("Target") to acquire 13,311,060 fully paid equity shares. On 17 April 2019, the Acquirer has entered into a SPA with SPA1 to acquire 5,387,155 shares and with SPA2 to acquire 3,961,940 shares. Pursuant to Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011, as amended ("SEBI SAST Regulations") the Acquirer along with the PAC made a Public Announcement ("PA") for Open Offer ("Offer") to the shareholders of the Target Company to acquire up to 3,961,965 fully paid equity shares of INR 10.00 each at a price of INR 320.00 per share, payable in cash. On 3 May 2019 the Draft Letter of Offer was filed with Securities and Exchange Board of India ("SEBI"). The Acquirer and the PAC appointed Axis Capital Limited as the Managers to the Open Offer, in terms of Regulation 12 of the SEBI SAST Regulations. On 3 June 2019, the Acquirer has completed the acquisition of 9,349,095 shares representing 61.35% equity shares of the Target, from SPA1 and SPA2 for a consideration of INR 2,711.97 million and the Target has become a subsidiary of the Company. On 21 June 2019 the Acquirer made the open offer and acquired 1,833,817 shares representing 12.03% equity shares of Target at a price of INR 320.00 per share amounting to INR 587.64 million which was completed on 10 July 2019.

(d) On 19 December 2019, the Company acquired additional 18.71% equity stake in Vedang Cellular Services Private Limited ("VCSP") at a consideration of INR 84.38 million, pursuant to the clauses relating to NCI-Put option of the Original Share purchase agreement dated 25 October 2017 among Quess Corp Limited, Vedang Radio Technology Private Limited, VCSP and Ashish Kapoor. As of 31 March 2020, the Company holds 88.71% equity stake in VCSP.

(e) On 5 November 2019, the Company acquired balance 30.00% equity stake in Golden Star Facilities and Services Private Limited ("GSFS") at a consideration of INR 400.00 million, pursuant to the clauses relating to NCI-Put option of the Share holders agreement dated 18 July 2017 among Quess Corp Limited, Manipal Integrated Services Private Limited, GSFS and Anita Verghese. Consequently GSFS has become 100.00% subsidiary of the Company.

7 On 29 June 2019 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 ("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. Subsequently on 8 August 2019, RPFC passed an Order under Sec 7-A of the Act demanding a sum of 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. 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 was listed for hearing on 3 January 2020, wherein the CGIT on request of the RPFC extended the time till 1 April 2020. Due to lockdown the same has been adjourned to 23 June 2020. The Company has taken 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 at this stage.

QUESS CORP LTD.

8 During the previous year ended 31 March 2019, the Company had entered into a Composite Scheme of Arrangement and Amalgamation ("the Scheme AA") with Thomas Cook India Limited ("TCIL"), Travel Corporation (India) Limited, TC Travel and Services Limited, TC Forex Services Limited and SOTC Travel Management Private Limited and their respective shareholders and creditors, wherein TCIL had demerged its Human Resource Services business (including investment in shares of Quess Corp Limited) into the Company on a going concern basis. The Board of Directors vide its meeting dated 23 April 2018 approved the draft Scheme AA. Subsequently, the Administration and Investment Committee duly empowered by the Board approved amendment in the share entitlement ratio in the draft Scheme AA vide its meeting dated 19 December 2018 and filed the Scheme AA with BSE and NSE and subsequently with the National Company Law Tribunal ("NCLT"). During the quarter ended 31 December 2019, the Company had obtained the approval from the NCLT dated 7 November 2019. The appointed date of the Scheme AA is 1 April 2019 which is the effective date of the Scheme AA approved by NCLT. As per the Scheme AA, the consideration was settled by issue of 132,744 equity shares of the Company on a net basis. As part of the Scheme AA equity shares held by Thomas Cook India Limited were extinguished and an equivalent number of equity shares were allotted to the shareholders of Thomas Cook India Limited as at 6 December 2019 being the record date fixed in this respect. The change in shareholding pattern therewith is captured in the below table.
In accordance with the requirements of Ind AS 103, Business Combination and the NCLT approved Scheme AA, the Company retrospectively adjusted its financial results from the periods commencing from 1 April 2019 to give necessary effect of the Scheme AA. The impact of the above is not significant for the periods commencing from 1 April 2019 and therefore, not separately presented.

Share holding pattern prior and post implementing of the Scheme:

Name of the Shareholder	Prior to implementation of Scheme		Prior to implementation of Scheme	
	No of Shares	Holding (%)	No of Shares	Holding (%)
Ajit Isaac	17,728,674	12.07%	17,728,674	12.02%
Isaac Enterprises Private Limited	15,365,824	10.46%	15,365,824	10.42%
Thomas Cook (India) Limited	71,323,496	48.57%	-	-
Fairbridge Capital (Mauritius) Limited*	-	-	46,876,237	31.78%
HWIC Asia Fund	748,100	0.51%	748,100	0.51%
Public	41,692,271	28.39%	66,791,859	45.28%
Total	**146,858,365**	**100.00%**	**147,510,694**	**100.00%**

**Wholly owned subsidiary of Fairfax Financial Holdings Limited, = A GBL1-CIS expert fund of Fairfax Financial Holdings Limited.*

9 The Board of Directors of the Company at its meeting held on 25 October 2018, approved the Scheme of Amalgamation ("Scheme A") among Quess Corp Limited ("Transferee Company") with four of its wholly owned subsidiaries viz. Aravon Services Private Limited ("ASPL"), CentreQ Business Services Private Limited ("CBSP"), Coachieve Solutions Private Limited ("COAL"), and Master Staffing Solutions Private Limited ("MSSP") together known as ("Transferor Companies") and their respective shareholders and creditors. Upon the Scheme A becoming effective the Transferor Companies stands dissolved, all the assets and liabilities of the transferor companies were recorded at the carrying values in the consolidated financial statements. 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 A, and the aggregate face value of such shares shall, subject to other provisions contained herein, be adjusted and reflected in the Capital Reserve of Transferee Company. The Scheme A upon approval by the Administration and Investment committee has been filed with NSE and BSE on 27 March 2019 and subsequently with the Ministry of Corporate Affairs ("MCA"). During the quarter ended 31 December 2019, the Company has obtained the approval from the Regional Director, South East Region, MCA dated 15 November 2019. The appointed date of the Scheme A is 1 April 2019 which is the effective date of the merger approved by MCA. In accordance with the requirements of Ind AS 103, Business Combination and the MCA approved Scheme A, the Company has retrospectively adjusted its financial results from the periods commencing from 1 April 2018 to give necessary effect of the Scheme A. The impact of the above is not significant for the year/periods commencing from 1 April 2018 and therefore, not separately presented.

10 On 30 March 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases with effect from 1 April 2019. The standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right-of-use asset and a lease liability (representing present value of unpaid lease payments). Such right-of-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs. The Company has adopted this standard using modified retrospective method effective 1 April 2019, and accordingly, the comparatives have not been restated retrospectively. In the Statement of Profit and Loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability. The impact on profits and earnings per share is not material. Application of Ind AS 116 has resulted in recognizing right-of-use asset to the extent of INR 512.37 million and lease liability to the extent of INR 520.42 million.

11 The Company through a subcontracting arrangement with its associate, Trimax Smart Infraprojects Private Limited ("TSIPL") provides hardware, software, maintenance and technical support to Trimax IT Infrastructure & Services Limited ("Trimax"). The joint venture partner, Trimax, executed an agreement with Smart City Ahmedabad Development Limited ("SCADL") a government undertaking, in 2017 for supply, installation, commissioning and operation and maintenance for a Pan CIT infrastructure and intelligent command and control centre for the Ahmedabad Smart City ("Project"). As per the Tripartite agreement between TSIPL, Trimax and Axis Bank ("Escrow Agent"), amounts recoverable from SCADL will be deposited into an escrow account and 99.00% of the money received will be paid to TSIPL. TSIPL will utilize the proceeds to settle the obligation of the Company. On 21 February 2019, the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench ordered the commencement of Corporate Insolvency Resolution Process (CIRP) for Trimax based on a petition filed by Corporation Bank which had declared Trimax as an NPA on 31 March 2018.
During the quarter ended 31 December 2019, the Company, TSIPL and Trimax has entered into a Settlement cum Share Purchase Agreement ("SSPA") dated 15 October 2019 with the approval of Committee of Creditors ("CoC"). SSPA inter-alia provides for (i) Trimax IT's Agreement with SCADL shall be unconditionally and irrevocably assigned in favour of TSIPL (ii) TSIPL would be owner of 100.00% of rights to the escrow account (iii) Acquisition of remaining 49.00% stake in TSIPL by Company from Trimax for a purchase consideration of INR 130.00 million. Consequently, as per the SSPA, the Company acquired remaining 49.00% equity stake in TSIPL and TSIPL has become 100% subsidiary of the Company.
During the quarter ended 31 March 2020, SCADL has remitted INR 54.60 million (net of TDS) for the quarter and 306.08 million (net of TDS) for the year ended March 2020 to Escrow and a total of INR 53.50 million for the quarter and 381.00 million for the year ended March 2020 has been transferred from Escrow account to TSIPL bank account and then to Company's bank account. As at 31 March 2020, the group has outstanding trade receivables of INR 1,157.00 million from SCADL

12 On 26 September 2019, the Company allotted 7,54,437 equity shares to Amazon.com NV Investment Holdings, LLC, a Category II Foreign Portfolio Investor ("Investor") for an aggregate amount of INR 510.00 million at an issue price of INR 676.00 by way of preferential allotment ("Issue"). As per the investment agreement with the Investor and Qdigi Services Limited, a wholly owned subsidiary of the Company, the proceeds from the above allotment will be utilised in Qdigi Services Limited.

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13 On 23 January 2020 the Company had redeemed 750 secured redeemable Non-Convertible Debentures (NCDs) of INR 1.00 million each aggregating INR 750.00 milions of SBI Credit Risk Fund.

14 (a) During the quarter and year ended 31 March 2020, the Company after exploring various options decided to terminate the joint arrangement with Quess East Bengal FC Private Limited ("QEBFC"), an associate of the Company after considering its long term economic viability. Consequently the Company reassessed the recoverable value of the loans given to and investments made in this associate and recognised an impairment of INR 343.20 million, disclosed as an exceptional item in the above results.

(b) The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered disruptions to our businesses and resulted in uncertainties pertaining to future operations. The Group has considered the possible effects that may result from COVID-19 on the carrying amount of goodwill and intangibles. As at March 31, 2020, the Company had INR 677.68 million of Intangible assets recognised through purchase price allocation and INR 5,565.56 million of Goodwill allocated to the Company's Integrated facility management (IFM) business. Further, investments in subsidiaries as at 31 March 2020 is INR 13,547.12 million. The Company performed an impairment analysis for its IFM business and its investments in subsidiaries and considered the impact of COVID-19 and uncertainties in future economic condition in the determination of recoverable amounts. Consequent to the impairment analysis, the Company impaired INR 677.68 million of Intangible assets, INR 2,787.83 million of Goodwill and INR 1,452.47 million of investments in subsidiaries during the quarter and year ended 31 March 2020 and shown this as exceptional items in these results. In determining the recoverable amount, the Company considered assumptions around future revenue, EBITDA and discount rates. Key judgments included the anticipated reduction in revenues and EBITDA due to COVID-19 and the time to recovery post COVID 19. In developing the assumptions relating to the recoverable amounts, the Company considered both internal and external information as appropriate. If the assumptions considered change in future due to possible effect of uncertainties due to COVID-19 , this could result in additional impairments the effects of which may not have been estimated as at the date of the approval of these standalone financial results. Further an amount of INR 872.20 million being reversal of deferred tax liability in relation to goodwill impairment has been adjusted to Statement of profit and loss through tax expenses.

15 During the quarter and year ended 31 March 2020, the Company has decided to exercise the option of lower tax rate available under Section 115BAA of the Income Tax Act, 1961, as introduced by Taxation Laws (Amendment) Ordinance, 2019, with effect from FY 2020. Accordingly, the Company has written off through the statement of profit and loss, accumulated MAT credit of INR 1,239.45 million and re-measured other accumulated net deferred tax assets at 31 December 2019 based on the rate prescribed under Section 115BAA resulting in additional expense of INR 105.33 million in these standalone financial results.

16 The Board of Directors of the Company at its meeting held on 18 February 2020 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 April 1, 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 AAA, and the aggregate face value of such shares shall, subject to other provisions contained in Scheme AAA, be adjusted and reflected in the Capital Reserve of Transferee Company. The Scheme AAA shall be filed with NSE/BSE upon approval of the final Scheme AAA by the Administration and Investment Committee.

17 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of assets including receivables and unbilled revenues. 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 financial results has used internal and external sources of information to the extent available and has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets to be recovered. The Company will continue to monitor future economic conditions for any significant change. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these standalone financial results. Such changes, if any, will be prospectively recognised.

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

Ajit Isaac
Chairman & Managing Director
Place: Bengaluru
Date: 27 May 2020

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Disclosures in compliance with regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2020.

(a) Details of Outstanding Non-Convertible Debentures:

Sl.No	Name of Series	No of debentures	Amount of Issue in INR
1	8.50% NCD's (issued on 21 January 2017)	750.00	75,00,00,000

(b) Credit Rating :

The Credit rating in respect of the above mentioned NCD series is **"AA"** by ICRA. During the year ended 31 March 2020 the credit rating was upgraded from **"AA-"** to **"AA"**

(c) Asset coverage : 3.37 times*

(d) Debt-Equity ratio: 0.38 times**

(e)

Previous due date for payment of Interest: 20-Jan-2020

Next due date for payment of principal and interest

Particulars	Principal due date	Amount in INR	Interest due date	Amount in INR
8.50% NCD's (issued on 21 January 2017)	NIL	NIL	20-Jan-21	63,750,000
8.50% NCD's (issued on 21 January 2017)	20-Jan-22	75,00,00,000	20-Jan-22	63,750,000

(f) Debt service coverage ratio: 0.38 times***

(g) Interest service coverage ratio: 2.77 times****

(h) Debenture redemption reserve: INR 103.13 million as at 31 March 2020

(i) Net worth: INR 23,184.79 million as at 31 March 2020

(j) Net profit after tax: INR (3,369.07) million as at 31 March 2020

(k) Earnings per share: Included in the results

* Asset coverage ratio = [(Total assets-Intangible assets)-(Current liabilities-short term debt)] divided by total debt.
** Debt-equity ratio = Total debt divided by Equity.
*** DSCR = [Net operating income divided by total debt service]
**** ISCR = [Profit before interest and exceptional items divided by interest expense]

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