Deloitte
Haskins & Sells LLP

Chartered Accountants
Prestige Trade Tower, Level 19
46, Palace Road, High Grounds
Bengaluru – 560 001
Karnataka, India
Tel: +91 80 6188 6000
Fax: +91 80 6188 6011

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, 2021 ("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 7 of the statement, regarding the demands received by the company in respect of provident fund and 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 out 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.

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

ANAND SUBRAMANIAN
Digitally signed by ANAND SUBRAMANIAN
Date: 2022.02.10 19:00:03 +05'30'

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN:22110815ABEISF8914)

Place: Bengaluru
Date: February 10, 2022

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 2021 *(INR in millions except per share data)*

Sl. No.	Particulars	Standalone					
		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	26,370.60	22,738.61	19,071.06	70,359.27	53,696.83	74,834.06
	b) Other income	725.26	17.38	81.18	929.15	282.22	303.79
	Total income (a + b)	**27,095.86**	**22,755.99**	**19,152.24**	**71,288.42**	**53,979.05**	**75,137.85**
2	**Expenses**						
	a) Cost of material and stores and spare parts consumed	328.41	236.71	173.80	805.17	491.58	712.91
	b) Employee benefits expense	23,206.39	20,474.79	17,430.14	62,876.16	49,093.09	68,187.62
	c) Finance costs	118.83	120.75	115.34	367.38	532.82	634.63
	d) Depreciation and amortisation expense	136.62	100.68	126.08	343.92	410.38	525.09
	e) Other expenses	2,262.04	2,010.07	1,072.87	5,555.03	2,782.34	5,261.92
	Total expenses (a + b + c + d + e)	**26,052.29**	**22,943.00**	**18,918.23**	**69,947.66**	**53,310.21**	**75,322.17**
3	**Profit/ (loss) before exceptional items and tax (1 - 2)**	**1,043.57**	**(187.01)**	**234.01**	**1,340.76**	**668.84**	**(184.32)**
4	Exceptional items *[refer note 11 and 16 (c)]*	-	202.20	-	202.20	112.70	112.70
5	**Profit/ (loss) before tax (3 - 4)**	**1,043.57**	**(389.21)**	**234.01**	**1,138.56**	**556.14**	**(297.02)**
6	**Tax expense/ (credit)**						
	Current tax	-	-	-	-	-	-
	Income tax relating to previous year	-	-	53.82	-	53.82	53.82
	Deferred tax	178.12	(25.68)	162.32	219.17	449.58	647.67
	Total tax expense/ (credit)	**178.12**	**(25.68)**	**216.14**	**219.17**	**503.40**	**701.49**
7	**Profit/ (loss) for the period (5 - 6)**	**865.45**	**(363.53)**	**17.87**	**919.39**	**52.74**	**(998.51)**
8	**Other comprehensive income**						
	Items that will not be reclassified subsequently to profit or loss						
	Remeasurement of defined benefit plans	(20.25)	(28.47)	(1.27)	(129.11)	(88.15)	(81.62)
	Income tax relating to items that will not be reclassified to profit or loss	5.09	7.17	0.32	32.49	22.19	20.54
	Other comprehensive (loss) for the period, net of taxes	**(15.16)**	**(21.30)**	**(0.95)**	**(96.62)**	**(65.96)**	**(61.08)**
9	**Total comprehensive income/ (loss) for the period (7 + 8)**	**850.29**	**(384.83)**	**16.92**	**822.77**	**(13.22)**	**(1,059.59)**
10	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
11	Reserves i.e. Other equity						20,768.11
12	Earnings/ (loss) per equity share	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (in INR)	5.86	(2.46)	0.12	6.22	0.36	(6.76)
	(b) Diluted (in INR)	5.78	(2.43)	0.12	6.14	0.35	(6.67)

See accompanying notes to the financial results

QUESS CORP LTD.

Quess Corp Limited
Registered Office: Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103;
CIN No. L74140KA2007PLC043909
Standalone unaudited financial results for the quarter and nine months ended 31 December 2021

Notes :

1 The standalone financial information of Quess Corp Limited ("the Company") 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 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.quesscorp.com.

3 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.

4 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 branch. On 07 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 standalone 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.

5 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.

6 The Board of Directors at their meeting held on 13 November 2021 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 03 December 2021.

7 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 716.56 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 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.

8 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 Company believes that the matter relates to and is limited to differing interpretations of the statute regarding the manner of claiming and the quantum of the above mentioned deductions. Further, the Company 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 Company has claimed a deduction of INR 1519.03 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 Company 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.

9 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 ("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.

10 During the year ended 31 March 2021, the Company 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 audited financial results for the year ended 31 March 2021 as reduction of rent expenses grouped under other expenses on account of rent concessions received.

11 a) During the nine months ended 31 December 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.

b) During the quarter ended 30 September 2021, the Company recognised an expense of INR 479.81 million related to Goods and Service Tax (GST), based on a comprehensive internal 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 Company 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 fully reconciled the related expense which the Company 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").

QUESS CORP LTD.

c) As at 31 March 2020, the Company had impaired INR 677.68 million of customer relationship related intangible assets from its acquisitions of IFM business 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 Company has recognised a reversal of impairment on these customer relationships aggregating to INR 477.61 million. This reversal stems from the management's demonstrable assessment of sustainable improved business performance of the IFM business at the operating profit level, which is in excess of the projections prepared for the purpose of previously recognising the impairment. The presentation and classification of the reversal is consistent with that of the previously recognised impairment.

12 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 had increased from 49.00% to 74.00% and TSSIPL has become a subsidiary of the Company. 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.

13 a) During the quarter and nine months ended 31 December 2021, the Company has made an additional investment in Stellarslog 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. Investment amount is INR 1125 million, with an option to extend the investment up to INR 1375 million, at a floor pre-money valuation of INR 6000 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 6000 million and cap valuation of INR 7500 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.

14 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.

15 During the quarter and nine months ended 31 December 2021, the Company has received an interim dividend from Conneqt Business Solutions Limited (a wholly owned subsidiary of the Company) amounting to INR 871.37 million, which has been included in "Other income". Dividend income of INR 168.89 million was received in the quarter ended 30 June 2021 and dividend income of INR 702.48 million was received in the quarter ended 31 December 2021.

16 a) The Company'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 businesses 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 Company continue to remain uncertain. As a result of these developments, the Company 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 Company 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 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 Company had recorded a provision of INR 1,217.54 million, being an operating expense, in relation to trade receivables and unbilled revenues arising from certain businesses, financial assets and investment in compulsorily convertible debentures, 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 these assets in certain businesses, the Company recorded an aggregate charge of INR 715.29 million in relation to these assets during the nine months ended 31 December 2021 comprising of INR 515.29 million relating to credit losses and impairment of financial assets which are considered as an operating expense and INR 200.00 million relating to impairment of financial assets which is considered as exceptional, 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.

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

QUESS CORP LTD.

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