QUESS

WINNING TOGETHER

Quess Corp Limited

Annual Report 2021-22

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15TH ANNUAL GENERAL MEETING

22 September 2022 at 3.30 p.m
through video conference and other
audio visual means

To view the online version of the
Annual Report please scan the above QR code.

Forward-looking statements

Some information in this report may contain forward- looking statements regarding Company's expected financial position and results of operations, business plans and prospects etc and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward- looking statements are dependent on assumptions or basis underlying such statements. We have based these assumptions in good faith, and we believe they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

CORPORATE INFORMATION

Board of Directors

Ajit Isaac
Non-Executive Chairman

Revathy Ashok
Non-Executive, Independent Director

Kalpathi Ratna Girish
Non-Executive, Independent Director

Sanjay Anandaram
Non-Executive, Independent Director

Gaurav Mathur
Non-Executive, Independent Director

Chandran Ratnaswami
Non-Executive Director

Gopalakrishnan Soundarajan
Non-Executive Director

Guruprasad Srinivasan
Executive Director and Group CEO

Registered Office

3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru – 560103, Karnataka, India
www.quesscorp.com

Investor Cell

Kundan K Lal
Vice President & Company Secretary
investor@quesscorp.com

Registrar

Link Intime India Private Limited
C-101, 247 Park, L B S Marg,
Vikhroli (W), Mumbai – 400083,
Maharashtra, India
www.linkintime.co.in

Auditors

Deloitte Haskins & Sells LLP
Prestige Trade Tower,
Level 19 46, Palace Road,
High Grounds, Bengaluru – 560001,
Karnataka, India

Bankers

Axis Bank Limited
Citibank N.A
HDFC Bank Limited
HSBC Limited
ICICI Bank Limited
IDFC First Bank Limited
Kotak Mahindra Bank Limited
State Bank of India
Standard Chartered Bank
The Federal Bank Limited
Yes Bank Limited

ABOUT US

Quess is India's leading business services provider- that leverages its extensive domain knowledge and future-ready digital platforms to drive client productivity through outsourced solutions.

We provide a host of technology enabled staffing and managed services across processes such as customer life cycle management, sales & marketing, customer care, after sales service, back office operations, manufacturing operations, facilities and security management, HR & F&A operations, Information Technology, etc.

Our passion for delivering exceptional services, augmented by proprietary digital platforms, has strongly established us as one of the largest private sector employers in India with the most diversified business services offerings in the country in a short span of 14 years.

The core value driving our business is to constantly make our workforce more productive by bringing them into the formal economy. Through this, we accelerate the transition of informal jobs to formal platforms, thereby ensuring predictable incomes, social security, healthcare, and other benefits to thousands of workers across India.

Established in 2007 and headquartered in Bengaluru, Quess today has an unmatched geographic presence and scale, with more than 96 locations across India, South East Asia, North America and Middle East. Backed by our domain specialization, we are now transforming into a digital first services company by conceptualizing and investing into Digital Platforms, to provide greater value for our clients.

Purpose

To build a leading institution that drives productivity for clients by outsourcing and optimising their key business processes and to be the preferred firm for employees, customers and investors alike.

HIGHLIGHTS OF THE YEAR

Associates

~4,37,000

Women Employees

74,200+

3,000+
Clients

4,800+
Specially abled associates hired in 2022

96
Offices

34
Indian Cities

75 million +
Database, tech-led hiring via monsterindia.com and Qjobs

TOP
5
Women Employers in India by Burgundy Private Hurun India 500, 2021

83%
of 1,10,000+ respondents rated high on satisfaction survey

10,297 + Kgs
of paper waste recycled

AWARDS AND RECOGNITIONS

Diversity Champion (Search & Staffing)
LinkedIn Talent Awards 2021

Recognised as one of the most promising brands by ET in 2021

Re-certified Great Place to Work in 2022 for the third consecutive year

Ranked
48
In SIA's top 100 largest global staffing firms in 2021

Ranked
137
In the Fortune India 500 list in 2021

Top
100
Ranked within top 100 best companies to work for in India

Ranked
2
Amongst India's largest employers by Burgundy Private Hurun India 500, 2021

Top 500 companies

Ranked
100
In Business World real 500 in the non-financial sector

Among the TOP
10
HR tech firms by The Enterprise World Magazine 2021

QUESS CORP AT A GLANCE

At Quess, we believe that every service and product should be optimally designed to deliver maximum value to our clients. We combine our domain expertise and pool of skilled resources with a digital-first approach to deliver unparalleled business solutions. From end-to-end integrated Facility Management Services to ManTech security services, Omni-channel Customer Life Cycle Management to digital IT Services; **we are India's largest business services platform, driving productivity for our clients across processes.**

Our operations are spread across synergistic platforms

Workforce Management

General staffing
Retail, BFSI, Telecom, Industrial, etc.,mostly grey collared talent

Professional staffing services in India & APAC

On-demand Gig workforce solutions

Global Technology Solutions

CLM Solutions
(Voice and Non-voice) delivered from India and the Philippines

Non-Voice BPO:
Collections and F&A outsourcing

Platform Business:
Insurtech Platform
North America
Payroll services

IT services in North America & India

Operating Asset Management

Facilities Management Solutions
Commercial
Healthcare and Education
Public Utility Space
Residential

Manned & electronic security

O&M services for

Industrials Plants
Power Plants
Telecom Network

Product Led Business

Monster
Job portal

Qjobs
Blue collar hiring

Qdigi
Installation and after sales services

WorQ
Workforce management platform

DASH
Employee benefits platform

We are a leading service provider in India for most of the services provided

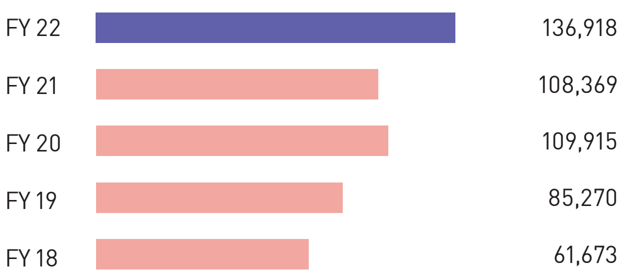
Our global footprint

- Bangladesh
- Canada
- India
- Malaysia
- Philippines
- Singapore
- Srilanka
- UAE
- USA
- Vietnam

FINANCIAL HIGHLIGHTS

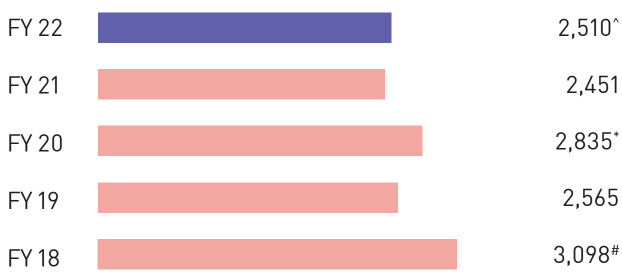
Revenue from operations

(₹ in millions)



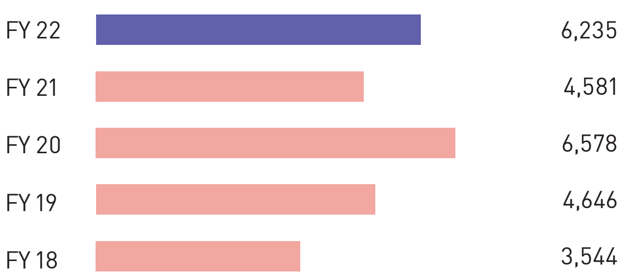
Operational PAT

(₹ in millions)



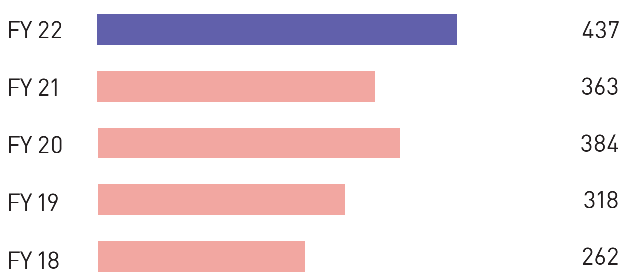
EBITDA

(₹ in millions)



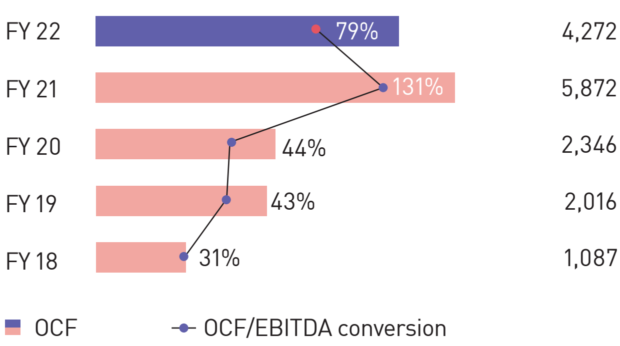
Total Headcount

(in thousands)



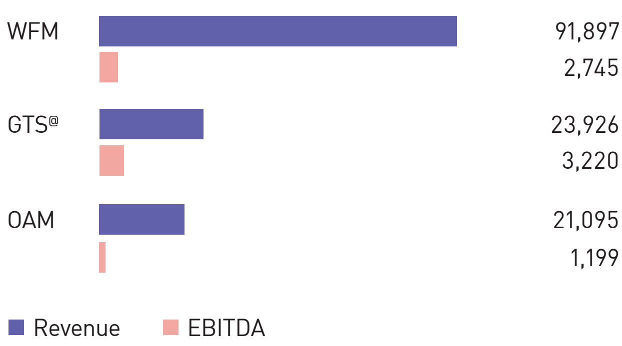
OCF and % of OCF/EBITDA conversion

(₹ in millions)



Revenue and EBITDA Mix

(₹ in millions)



^ Reported PAT for FY22 includes extraordinary ECL of ₹ 0.45 billion for FY'22.
* Reported PAT for FY'20 is ₹ (4,319) million down 268% YoY including one off exceptional items on account of Goodwill/intangibles impairment and change in tax regime
# FY'18 PAT includes one off benefit of ₹ 565 million under section 80JJAA of the Income Tax Act, 1961
@ Includes Product Led Business

WORKFORCE MANAGEMENT

We rank amongst the top 48 global staffing firms providing workforce management solutions. Our end-to-end HR services, ranging from customised solutions to managed workforce solutions, empower our clients to enhance productivity and efficiency.

Our Sub-brands

Simpliance®
Simple, Beautiful, Effective Compliance

Digital Labour Law Compliance Solutions

Services offered

Human Resources

- Recruitment and staffing
- Labour compliance management
- Core skills training and development

IT & Staff Augmentation

- IT staffing solutions
- Workforce management tools

Sales

- In-store execution
- Feet on street execution
- Outbound and inbound logistics

Marketing

- Market activation
- Visual merchandising
- Product promotion
- Field campaigns

Industries Served

- BFSI
- FMCG
- IT/ITeS
- Healthcare & Hospitality
- E-Commerce & Logistics
- Agro
- Telecom
- Retail
- Manufacturing & Infrastructure

Key Highlights for FY22

3,00,000+
Associates

24,000
New associates are recruited every month

1,86,177
WorQ - MAV in Q4 FY22

428
Core to Associate Ratio

76%
Collect & Pay

Top 48
Largest Staffing Firms globally

GLOBAL TECHNOLOGY SOLUTIONS

We harness the power of technology to drive productivity and optimal efficiency in our clients' business processes.

Our Sub-brands

CONNEQT Business Solutions Limited, A Quess Company – Domestic BPM & CLM

Allsec Technologies, Building Lasting Relationships, A Quess Company – International CLM, Payroll & HR Compliance

Qtek Systems, A Quess Company – Integrated IT Services Company

Mindwire, A Quess Company; MFX, A Quess Company – Digital Platform for Insurance Solutions

heptagon, A Quess Company – Digital Transformation Services

Services offered

Platform Business

- Payroll processing and HRO
- InsurTech insurance processing platform

Customer Lifecycle Management

- Omni-channel CRM
- CRM digitisation
- Tele-sales support

Non-Voice BPO

- Collections
- F&A outsourcing

IT Services

- IT infra management
- Automation and RPA
- Cyber security
- IT services

Industries Served

- BFSI
- E-Commerce
- IT/ITeS
- Telecom
- Retail
- Agro

Key Highlights for FY22

54
Insurance carriers on our Insur Tech Platform

37
Geographies covered through our SaaS-based payroll solution

$3.1 billion
Premium per annum processed

12.2 million
Payslips processed per year

38,000+
Full time employees in our CLM business

OPERATING ASSET MANAGEMENT

30+ years of extensive industry experience with an expert team of professionals. We integrate technology with manpower to provide specialised services, customised to meet the operational and maintenance requirements of our clients.

Our Sub-Brands

Hofincons
A QUESS COMPANY
Industrial O&M Services

TERRIER
SECURITY SERVICES
A QUESS COMPANY
Integrated Security Solutions

VEDANG
CELLULAR SERVICES
A QUESS COMPANY
Telecom Network O&M Services

Services offered

Facilities and Security

- Integrated facilities management services
- Food services
- Landscaping
- Security
- Sterifumigation

Maintenance of Client Assets

- Asset management
- Industrial O&M
- IoT-based solutions Telecom network design, implementation and optimisation
- Meter reading and billing

Industries Served

- BFSI
- Govt. & Public Utility
- Education
- Healthcare
- IT/ITeS
- Manufacturing
- Tele-communications

Key Highlights for FY22

84,000+
Associates

19,073
Security guards deployed

16,280
Hospital beds managed

44,250
Student beds managed

47,943
WorQ - MAV in Q4 FY22

283 million sq. ft
Managed space

PRODUCT-LED BUSINESS

monster
Find Better.™

A leading job portal in India, South East Asia and Middle East, Monster.com is a talent marketplace that bridges the gap between job seekers and employers. We provide end-to-end online employment solutions, offering services for job seekers and recruiters.

Services offered

For Recruiters / Corporates

- Database access services
- Job posting services
- Employer branding services
- Assisted Search
- Virtual Career Fairs

For Job Seekers

- Advanced job search
- Resume services
- Custom Job Recommendation
- Monster First Job
- Virtual Career Fairs
- Assessments

Key Highlights for FY22

4.6 million
Job views per month

10 million+
Site traffic per month

1.2 million
Job openings in formal section

TOP 3
Job portal in India

Blue Collar Talent Platform

Our Sub-Brands

Qjobs
Blue Collar hiring platform

WorQ
Workforce management platform

Dash
Benefits and Engagement platform

Platform has been built to manage key friction points in hiring, managing and engaging blue collar workforce. With its three products, Qjobs, WorQ, and Dash, the platform offers a comprehensive tech solution for large and mid-size companies to accelerate their workforce hiring, management, engagement, and non-compensation benefit needs.

Services offered

- Digital hiring for Blue and Grey collar workforce
- Mobile- first, vernacular workforce management and productivity platform
- Benefits and Engagement platform for Blue and Grey Collar workforce

Key Highlights for FY22

3.5 million
Job-seekers on Qjobs

4.9 million
Candidate-recruiter interactions

3,60,000+
Activated Users in WorQ

1,50,000+
Activated Users in DASH

QDIGI SERVICES
A QUESS COMPANY

Qdigi is one of India's leading after-sales service providers offering on-site and in-home installation and troubleshooting services for smartphones, consumer electronics and consumer durables.

Key Highlights for FY22

600+
Cities covered in India

15 million
Service orders per annum

CHAIRMAN'S MESSAGE

I am confident that our transformation drivers will propel us to become a world class organization which is amongst the top 3 players in every business line and among the top 25 global staffing companies, with women constituting at least 50% of the workforce.

Dear Shareholders,

March 11th, 2020 – that was the date the World Health Organization (WHO) declared the novel coronavirus as a global pandemic. It is now 29 months and counting!

Some of the changes that it has caused to the world are irreversible, particularly related to employment. While the use of technology in everyday life has gone up significantly, so has the role of Government to provide equitable healthcare facilities to all.

Changes of this nature also represent opportunities for enterprises - the renewed focus on technology and the digitization of business operations that lead to a better customer experience.

Through this, Quess has pivoted to a simpler structure with an ability to nimbly respond to these opportunities. At the beginning of the pandemic, we had 318k associates and we are currently at 437k (FY22), a growth of ~40%. **Our cash generation has almost doubled from ~₹ 500 mn per quarter (prior to the pandemic) to ~₹1,070 mn per quarter, along with an improving ROE**. A brief snapshot of our key Financial & Operational metrics, pre-Covid (FY19) and now (FY22), are given below:

Key Metrics	FY19	FY22	Change
Headcount	318k	437k	37.4%
Revenue	₹ 85,270 mn	₹ 1,36,918 mn	60.6%
OCF	₹ 2,016 mn	₹ 4,272 mn	111.9%
OCF / Op. EBITDA	43.4%	79.0%	3,553 bps
Net debt / (cash)	₹ 1,605 mn	₹ (159) mn	(1.8)
RoE	9.9%	10.0%	~ 10 bps
Dividend Pay-out	₹ 0	₹ 8	₹ 8

I would like to address the drivers for the transformation at Quess, which has resulted in beneficial outcomes for shareholders, and are articulated below:

- **Path to 20% RoE & 20% OCF growth**
- **Target EBITDA of $200 Mn (₹ 15,000 mn) by FY25**
- **Stable Leadership team driving the transformation**
- **Define Avenues for value creation through revised operating structure**
- **Creating an employee and customer centric organization, focused on "Winning Together"**

Each of these initiatives are expanded below

Path to 20% RoE & 20% OCF growth

Pre-COVID, we communicated to our investors that our North Star is to achieve and sustain an ROE of 20%, while growing our OCF at 20%. The past 2 years has seen us take several steps towards this objective. Key drivers towards the realization of this goal are: **Sustained growth via entry into new verticals / geographies, cross sell initiatives, higher EBITDA to PAT conversion** coupled with a **disciplined capital allocation policy.**

We are encouraged by our **cross sell initiatives** generating more than ₹ 5,000 mn ACV in FY22, focus on **new growth verticals** (Construction, Manufacturing and Healthcare) coupled with **extensive efficiency improvement efforts** (including consolidation of real estate footprint, rationalizing IT spend and driving organizational efficiencies), which should improve our EBITDA and OCF going forward

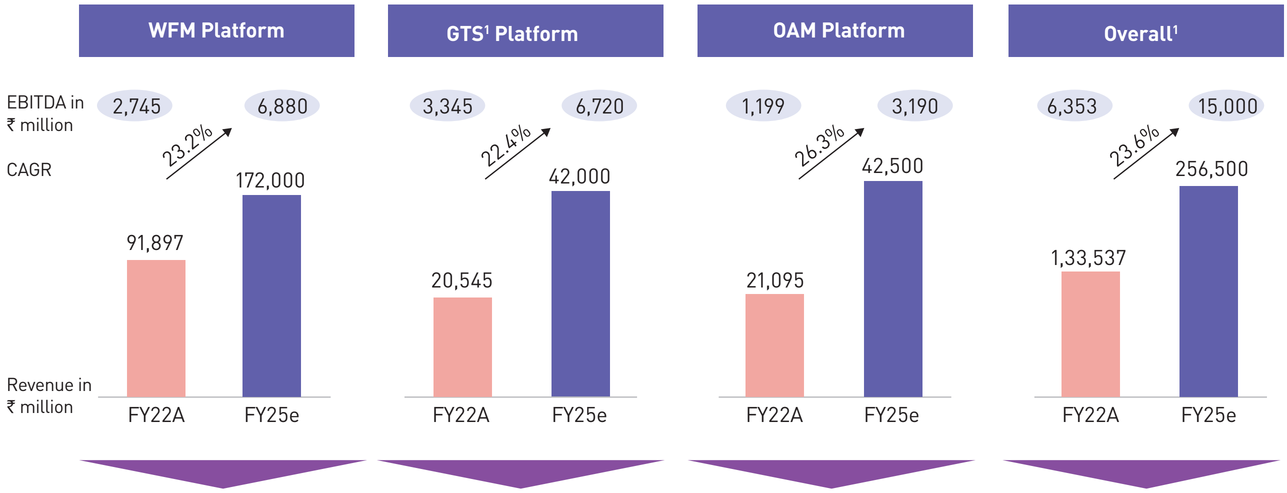
Moreover, our focus on reducing DSO and tighter cash management delivered improvements in **cash generation**, with OCF improving to ~₹4,272 mn (vs. ~₹ 2,016 mn in FY19; 28.4% CAGR). This allowed us to transform from a **net debt position of ₹ 1,605 mn in FY19**, to a **net cash position of ₹ 159 mn** in FY22.

Consequent to an improved cash generation cycle, we have adhered to our updated capital allocation policy, where **we will return one-third** of our annual free cash flow to shareholders, with the rest allocated to fund growth.

Post the first year dividend of ₹ 7 per share for FY21, we have declared INR 8 per share for FY22.

Target EBITDA of $200 Mn (₹15,000[1] mn) by FY25

From ₹ 6,353[1] mn of EBITDA[1] in FY22, we aspire to achieve ₹ 15,000 mn EBITDA by FY25. We envision a growth of → 20% across all segments, with a brief snapshot of key growth drivers across segments provided below



Margin accretive Growth	Digital Transformation	Demand Revival	Firing all cylinders...
• Growth focus on Construction, Manufacturing & Industrials • Improve revenue mix of domestic business vs. international business to 75:25 • Measure VAS revenues across WFM service lines	• Create capability for large deals (> ₹ 500 million), under ConneQt • Focussed verticals with dedicated business heads - BPM - Digital IT services - Digital Apps	• Return to work • Steep growth outside IT / ITES segment • Security business to grow > 35% CAGR • Core to Associate ratio of 1: 150 (vs.1:84 presently)	• Cross sell intensification • Measure digital revenues separately • Explore adjacencies in the same business with higher margins • Monetize the datasets resident in Quess

[1] Without Monster

[1] Without Product Led Business (PLB). Assuming a Rs. 75 / $ exchange rate

➔ Stable Leadership team driving the transformation

Developing talent from within has always been a priority for Quess. This year when we had to take a decision to appoint a new CEO, we found an exceptional candidate in Mr. Guruprasad Srinivasan, a founder member of Quess Corp and the 4th employee of the Company. Since our inception, Guru has had oversight on many segments of our business with an outstanding track record of delivering growth & profits.

With Guru as the Group CEO and a competent leadership team for each business working closely with our Board for guidance, I do not have an iota of doubt that the Company is in safe hands. As mentioned in my message in the previous annual report, I will serve as a Non-Executive Chairman (w.e.f. 1st April 2022), and will work with the Board to enhance value for our shareholders through a greater focus on **performance goal setting and review**, **capital allocation decisions** and planning for **people and leadership.**

It has been a privilege to work with the present leadership team at Quess, and I take this opportunity to congratulate each and every one of them, for the institution that they have built.

(a) **Guru**, Executive Director and CEO, effective Feb 2022, has been with us since Quess' inception in 2007, and will continue to lead various business transformation initiatives to put Quess on a growth path towards achieving the twin long-term goals of 20% RoE and 20% OCF growth.

(b) **Lohit Bhatia**, President Workforce Management, has been with Quess for over a decade and has grown considerably within the organization – from Sales Head to CEO of General Staffing to President of WFM platform. He has been instrumental in making Quess the one of the largest private sector employers in India.

(c) **Pinaki Kar**, President GTS, has been with us since 2018 and has over two decades of experience in IT and ITES industry. His leadership of this vertical has been marked by a phase of consolidation and operational improvements, leading to GTS becoming the highest EBITDA segment for FY22.

(d) **Sekhar Garisa**, President Product Led Business, has been there with us for more than 2 years, since 2020 and has been working towards making our digital business profitable –Monster, BCPL and Digicare. Further, he is leading monetization of various digital assets, which will be a significant value driver for Quess.

(e) Our CFO **Mr. Ravi Vishwanath**, has made significant improvements in systems, processes and ensuring a better governance structure in the finance department.

➔ Define Avenues for value creation through revised operating structure

As at FY22, Quess operates under 3 segments namely WFM (Workforce Management), GTS (Global Technology Solutions) and OAM (Operating Asset Management). One of the key focus areas of Phase 3 is to build the **Product Led Business (PLB) segment** – Monster, Blue Collar Jobs and Qdigi, which is presently reported as a part of the GTS segment.

While all our businesses have achieved a certain consistency and maturity in terms of top line growth and cash generation, the PLB segment is still in early stages and requires a separate set of operating priorities.

We have already taken initial steps towards unlocking the value of PLB segment:

- **Monster** raised an investment of ₹ 1,375 mn, valuing Monster at ~$100 Mn, against an initial investment of ~₹ 1,448 mn (~$ 20 Mn) in 2018. This investment represents the validation of progress that has been made by us, and the capital infused will accelerate the transformation towards building Monster into a category defining company.

We consolidated all our Blue Collar Jobs products under one subsidiary, **BCPL ("billion Careers Private Limited")**. BCPL houses **Qjobs (hiring platform), WorQ (employee management platform) and DASH (employee engagement platform).** I will briefly touch upon the progress made in incubating these digital **"hire to retire"** assets:

- **QJobs**, the country's most productive blue collar auto-hiring platform, launched in November 2020. The app currently has **3.5 mn+ registered candidates** and **2 mn+ active job openings in FY22.**
- **WorQ**, India's largest **workforce management tool** with over **240k MAU**. WorQ is an HRMS & productivity tool that helps employees improve their productivity through digital workflow management and training.
- **Dash, with 150k+ MAU, is a curated employee benefits platform with** exclusive offers for Quess associates through **70+** partnerships across financial well-being products, accommodation solutions, and lifestyle products.

While we remain confident in the potential of the business and our ability to unlock the same, further investments in PLB could result in additional cash burn in the near future. Hence, it would be prudent to create a clear demarcation in our analysis of Quess, between cash generating business and those business that are technology and product led. Starting from **Q1FY23, we will see 4 segments within Quess i.e. WFM, GTS, OAM and PLB**. This would ensure the greater clarity and focus toward realizing value of our digital businesses.

Creating an employee and customer centric organization, focused on "Winning Together"

No organization is sustainable unless it provides a satisfactory place to work, to all its employees. Your Company has a track record of investing in the development and well-being of its people. This is reflected in its continuing to be one of 'India's Best Companies to Work For' in 2022, as recognized by the Great Place to Work®

Quess Corp Ltd. is a Great Place to Work-Certified organization, for 3 years in a row now. Great Place to Work® Certification is recognized world over by employees and employers alike and is considered the 'Gold Standard' in identifying and recognizing Great Workplace Cultures. Quess Corp Ltd. has created a Great Place to Work for all their employees by excelling on the 5 dimensions of a High-Trust, High-Performance Culture – Credibility, Respect, Fairness, Pride and Camaraderie.

Customer delight has been the cornerstone of Quess as a company. We made significant progress last year in this direction. Our customer lifecycle management business saw its NPS score improve to 65 from 60 a year back. Qjobs continues to enjoy industry leading NPS of 50. Moreover, Monster has also recorded a C-SAT score of 95%, which reinforces the faith reposed by customers in Quess.

Our largest shareholder Fairfax Group led by its Founder and Chairman, Prem Watsa, has been an investor in Quess since 2013. Fairfax has not only been an investor in Quess, but has also been our partner in various social initiatives. Both Fairfax and Quess have a strong conviction in giving back to the society we operate in. As recently as 6th May, 2022, Fairfax & Quess has pledged up to ₹ 3,000 mn towards Christian Medical College ("CMC") Vellore, to set up a pediatric specialty center at its Kannigapuram campus, with the vision to provide leading state-of-the-art pediatric medical and surgical services.

Way Ahead

The only certainty of the future is that it is uncertain, which none of us can claim to predict. With inflation raising its head across the world (US: 8.5[2]%, India: 6.7[3]%, Euro zone: 8.9[4]%, UK: 10.1[5]%), rising interest rates by Central Banks, the disruption of supply chains across the world, corporate leaders are still grappling with complexities and challenges in the new world.

At Quess, we are optimistic about the future, and remain pragmatic of the present. I am confident that our transformation drivers will propel us to become a world class organization which is amongst the top 3 players in every business line and among the top 25 global staffing companies, with women constituting at least 50% of the workforce.

We thank investors for the confidence in the company, our employees for all the effort that they put in and our customers for being partners in our growth.

Regards,

Ajit Isaac
Chairman

[2] https://tradingeconomics.com/united-states/inflation-cpi
[3] https://tradingeconomics.com/india/inflation-cpi
[4] https://tradingeconomics.com/euro-area/inflation-cpi
[5] https://tradingeconomics.com/united-kingdom/inflation-cpi

MESSAGE FROM EXECUTIVE DIRECTOR & GROUP CEO

> "We have direct and positive impact on India's vast labour force – last year we hired ~120,000 FTE, with our activities extending right from training and skilling, to providing secure jobs, to making talent ready for employment"

Dear Stakeholders,

Before I walk you through the progress made by your company during the year, I would like to thank each and every one of you for the support that I have received since becoming ED and CEO. I am even more excited today about the opportunity and growth potential of our company, than in 2007 when we founded Quess and I look forward to achieving all the goals that we have set for ourselves.

The year had its up and downs, the beginning of the year saw impact of the delta wave followed by a quick recovery. Even though the second wave stalled expansion / recovery plans across sectors, fewer rationalisations were observed for existing manpower. As a result, business saw a fast turnaround post Q1 and we ended the year with the highest ever revenue and profit before taxes on an annual basis. We have become more agile, efficient and focused; and for this we must thank each of the ~437,000 Quessians, who have worked tirelessly to get us to this stage.

Digital transformation and tech adoption has been the driving theme for the year and it shows in our performance as well. Not only the Global Technology Solutions vertical remained our most profitable vertical, but 2 of our GTS service lines - Multi Country Payroll (MCP) Solutions and Insurance Platform IT Services debuted amongst global contenders on the Everest Group PEAK Matrix. Quess was also named amongst the Top 10 HR Tech solution providers in India by the Enterprise World magazine. We continue to invest in and strengthen our digital platforms with single minded zeal. Our efforts have been validated by external investment in Monster – Our White Collar Jobs Platform and over 4 million downloads of Qjobs- Our Blue Collar Jobs Platform.

In the recent investors meet, we re-iterated our purpose to build a leading institution that drives productivity for our clients by outsourcing and optimizing their key business processes, and to be the preferred firm for employees, customers and investors alike. We made significant progress on all 3 fronts and have laid out the vision for the future.

Starting with our customers, whom we can't thank enough for standing by us during tough times and for trusting us with their mission critical processes. Thanks to them, we are today one of the world's leading business services providers and one of the largest employers in the Indian private sector. The year saw us adding over 700 new customers while securing new cross-sell deals worth ₹ 5 billion of annual contract value from our existing and new customers. As a result, we saw headcount increase across verticals, crossing 300k associate headcount in Workforce Management, 38k in the domestic CLM business and 50k in integrated facility management business. Our WFM vertical is now ranked globally 48th largest staffing company by value. Indeed, now 5 of our businesses, i.e. General Staffing, IT Staffing and Selection, ConneQt, Allsec and IFM, are on the verge of achieving or have already achieved over ₹ 1 billion annual EBITDA run-rate.

While focus on volume has always been our calling card, we have also continued our tradition of driving service innovation. In our Workforce Management Platform, our General Staffing business continued to strengthen the outcome-based contracting business, via our investment in Taskmo. Our IT Staffing business has strengthened its presence in high end digital skills with its head count contributing a GM over INR 10,000 PAPM. This contributes 33% of the total associate base against 28% a year ago. We have also formed dedicated teams for new revenue streams with a focus on Construction, Manufacturing and Industrial sectors during the year. These teams will work on providing tailor made solutions for customer's special needs in these segments. Initial response has been really encouraging with around 20,000 associates deployed in these verticals.

Our Global Technology Solutions business has rapidly expanded its presence in platform and transaction-led services, with our omni-channel customer lifecycle support offerings seeing increased traction.

Operating Asset Management solutions saw a partial rebound during the year. Food business saw limited recovery as meals served per day improved by 63% in Q4 FY22 vs. same quarter last year. We started providing the 'Production Support services', under which we perform a range of duties to aid and optimize production processes. Increased digital adoption in front end and back end process has brought in efficiency in operations. The associate to core ratio improved to 84:1 in Q4 FY22 from 70:1 Q4 FY21. Similarly, average fill ratio improved by 300 basis points in FY22 against FY21.

We are very excited about the strides our Product Led Business have made. Monster is continuing its strong run with customer acquisitions up 68% Y, job postings up 66%, and average resume search up 47%, all on a YoY basis.

Improvements in product experience have led to Top 1k order renewal rate crossing 100% benchmark. The business also raised ₹ 1,375 million to turbo charge the growth and we are very excited for the next phase.

Speaking next of our people. Being a people centric business, our employees are our greatest resources and continuously improving the employee experience from hiring till retiring is critical to our success. To ensure employee satisfaction, we conduct many internal surveys and participate in third parties surveys as well. I am happy to inform you that Quess has been selected as Top 100 'Great Place to Work' for the year 2022. In addition to this our Canada business has been selected as Top 10 'Great Place to Work' for the year 2022. We also conducted an internal employee satisfaction survey, where out of 110,000 respondents, 83% rated themselves Very Satisfied or Satisfied with Quess.

We have a direct and positive impact on India's vast labour force – last year we hired ~120,000 FTE, with our activities extending right from training and skilling, to providing secure jobs, to making talent ready for employment, to providing social security benefits. Over 90k of the people we hired entered formal and secure employment for the first time and over 140k of of our employees are from Tier 2 / 3 cities, signifying a broad economic impact.

Pre-COVID, we had promised our investors of achieving and sustaining an ROE of 20%, whilst growing our OCF at an ongoing CAGR of 20%. The twin goals remain our guiding light, now and in the future.

Our extensive efficiency improvement efforts (including reducing real estate footprint, rationalising IT spend, driving organizational efficiencies, etc.) resulted in a decline of SG&A as a %age of revenue by 60bps to 5.4%. The leaner and more focused execution engine has raised the RoE to 10% from 3% last year and we will continue to see rapid expansion of ROE as all sectors of economy come back to normal.

Our razor-sharp focus on cash generation (including tax refund collection, better LTDS compliance, tighter cash management) delivered progress in the year, with an OCF of ₹ 4,272 million which is 79% of operating EBITDA, comfortably exceeding the guidance of 70%. This allowed us to keep a net cash position of ₹ 159 million in FY22, while financing the 26% revenue growth and the acquisition of residual equity of Conneqt.

In Quess we believe in a meaningful engagement with the communities that we operate in to build a sustainable business. During last year, we renovated Infrastructure for 75 schools benefiting 13,000+ students and teachers. Through School Health Programs 13,000+ students were provided Drinking water facility. To further strengthen the corporate governance, we formed Cyber-Security Council formed with executive level oversight to continuously improve the security posture. Following a philosophy of reduce, reuse and recycle we fixed over a million devices, which extended their lives. We recycled ~10,300 kgs of paper waste and disposed ~10,700 kgs of e-waste responsibly FY22. We have started measuring our carbon footprint and are committed to reduce the same by 20% from FY21 baseline.

In closing, I would like to extend my gratitude to the Board for their continuous support and guidance. To our world class management team, and every Quessian for the admirable resilience displayed in these volatile times. And to you, the shareholder, for your continued trust and support.

Sincerely,

Guruprasad Srinivasan
Executive Director and Group CEO

MESSAGE FROM GROUP CHIEF FINANCIAL OFFICER

"Despite the impact of multiple waves of pandemic, Quess has continued to deliver stellar results in the past year, with a laser focus on profitability, cash generation and improvement in debt levels by focusing intensely on collections, agility, automation & operational efficiencies"

Dear Shareholders,

Life will never be the same for most of the world's population. The world in general and Quess in particular, has witnessed the impact of multiple waves of the Covid-19 pandemic on our company and the world's economy very closely. As they say adversity pushes you to find new paths, we took the challenge thrown by the pandemic head on and successfully adapted to new working norms.

Thanks to our diversified portfolio of offerings, we were able to respond swiftly to the volatile impact of the pandemic with a continued focus on customer acquisition, service quality, cost optimization and cash generation.

Having said that, it is also true that some of our business like facilities management, Qdigi, Training and Skills Development, and Food Services did not witness the recovery like the other businesses due to a continued work-from-home scenario. Notwithstanding the impact of Covid-19 on the global economy and the labour market, most of our businesses quickly began to resurge, reaching pre-COVID levels of performance,

Financial Performance

This year saw a steady growth during the year especially in our two critical business – Staffing and CLM, backed by strong execution in sales, delivery and operations. Full Year revenues from operations grew 26% to ₹ 136.92 billion from ₹ 108.37 billion in FY'21.

Our reported EBITDA for FY'22 grew 36% in the same period to ₹ 6.23 billion vs. ₹ 4.58 billion in FY'21. This year we took an extraordinary Expected Credit Loss provision in Q2 to the tune of ₹ 0.45 billion. Adjusted for that, our EBITDA would stand at ₹ 6.68 billion for FY'22.

Our reported EBITDA margins across operations was 4.55% for the year, an improvement of 32 bps from 4.23% reported in FY21. Our normalized EBITDA margin for the same period was 4.88% for FY'22 vs. 5.33% for FY'21, a drop of 45 bps mainly due to service mix changes.

The EBITDA growth has been slower than revenue growth mainly due to the faster growth in WFM platform led by General Staffing business where margins are lower than other business and higher SG&A cost due to increased business activity and investments in digital assets. We had optimized our SG&A during COVID times and with the reopening of the economy, we have made investments in growth and digital assets in alignment to our vision.

Our operating PAT stood at ₹ 2.96 billion, in FY22 up 21% year on year. Our normalized EBITDA to PAT conversion for FY'22 stands at 44%.

During FY'22, we saw a continued rebound and growth across our major businesses in our Workforce Management Platform (WFM) - revenue grew 28% YOY from ₹ 71.59 billion in FY'21 to ₹ 91.90 billion for the year. The General Staffing business which contributes majority of the revenues in the WFM segment, witnessed steady growth during the year; head count grew by 20% and revenues grew 26% during the year. We surpassed our FY'21 historical high CORE to associate ratio of 367 to 428 at the end of FY'22. Our professional staffing business grew to strength, as we increased our focus on high margin mandates, our recruitment business grew to strength bolstered by Great Resignation that run amok through the talent industry this year.

Global Technology Solutions (GTS) was our first platform to hit a normal trend post COVID. It continues to be the largest contributor to EBITDA despite our investments in Monster. GTS accounted for 17% of the total revenue mix at ₹ 23.93 billion and 52% of the reported EBITDA at ₹ 3.2 billion. Our focus on platform business has contributed to our EBITDA growth during the year. With the fund raise in Monster, we will see some further burn in this platform and we aim to start reporting the Digital assets separately from Q1 FY23 to give a clearer picture of the product-led platform business vs. existing business

Operating Asset Management (OAM) platform revenue grew 25% backed by IFM and Security, contributing 15% to the total revenue at ₹ 21.10 billion. The platform growth was augmented by opening up of office spaces and educational institutions. This platform is still facing the tailwinds of the impact of lockdowns with resumption of office is at much slower pace than expected.

Our Product-led-platform businesses - Qdigi and Monster have grown significantly in FY'22. Qdigi's revenue grew at 28% during the year. Our newly launched extended warranty business has been growing significantly, thereby building us a revenue pipeline for the coming fiscals. The investors interest Monster business is a testimony to the product capability and growth potential for this business as it grew by 18% during the year. We continue to invest in Qjobs- our platform for blue and grey collared workforce and it is proving to be a critical component of our General Staffing business's recruitment engine internally as well as massive adoption with job seekers externally.

Balance Sheet

Our company has maintained a Net Cash position at the end of FY'22 similar to FY'21. Our gross debt has increased to ₹ 5.88 billion as of year-end March. Our continued focus on collections and better cash management has helped control gross debt levels. Our interest cost for the year stood at ₹ 0.79 billion, a 20% drop on a YoY basis.

Day Sales Outstanding (DSO) was stable at 62 days for the year end and OCF to EBITDA ratio stands at 79% for FY'22.

We are on track to our commitment of achieving 20% ROE by FY'23 (without Product Led Business), while delivering 20% year-on-year OCF growth. We continue to focus on capital monitoring and allocation, continued cash generation and reducing debt along with investments in digital asset, as we see value and great alignment with our existing businesses.

Corporate Action

In May 2021 we declared our first dividend of ₹ 7 per share and the Board adopted a new Dividend policy under which 1/3rd of the free cash flows would be returned to shareholders. To follow that through, the Board also declared an interim dividend of ₹ 4 per share in Nov 2021 and followed that up another interim dividend of ₹ 4 per share in May 2022.

We will continue to simplify our corporate structure both within and outside India. The Board of Directors accorded their approval for the merger of Greenpiece, ConneQt and MFX Infotech into Quess Corp Ltd and that process is currently underway.

All in all this has been a very satisfying year in all respects and we are confident that we will continue to maintain the current momentum in the coming fiscals too!

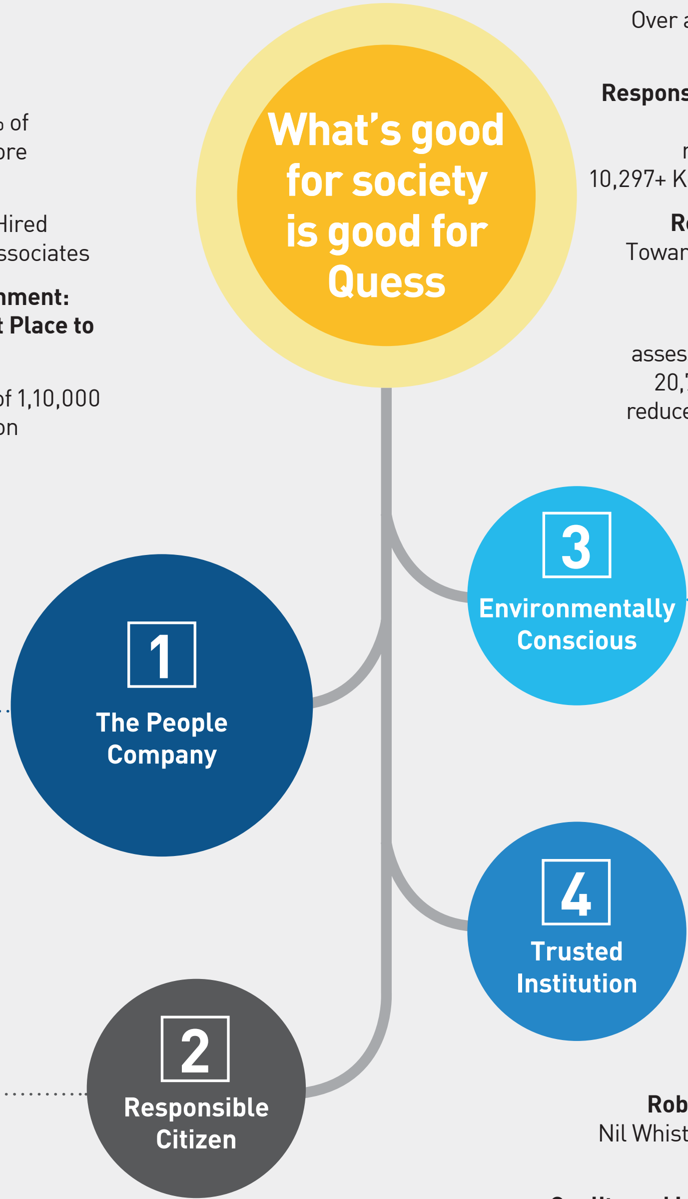
Regards,

N. Ravi Vishwanath
Group CFO

PROGRESS WITH PURPOSE

Our growth aspirations are closely tied with our core purpose and values of responsible business conduct. Our unique business model of creating formal employment opportunities at scale will continue to positively impact society.

Our ESG policy has four components, described below



1 The People Company

Diverse workforce: 17% of associates and 29% of core employees are women

Promoting inclusivity: Hired 4,800+ specially abled associates

Nurturing work environment: Ranked Top 100 in **Great Place to Work®** for India FY22

We are listening! 83% of 1,10,000 respondents rated high on satisfaction survey

2 Responsible Citizen

Community education: 13,500+ beneficiaries from the school enhancement programs

Community health: 13,000+ beneficiaries from the health and wellness programs

ESG beyond boundaries: 100% ESG compliant new vendors by 2025

3 Environmentally Conscious

Environmentally positive: Over a million devices repaired / refurbished by QDigi

Responsible waste management: 10,650+ Kgs of e-waste responsibility disposed and 10,297+ Kgs of paper waste recycled

Responsible procurement: Towards 100% usage of recycled paper

Carbon footprint: Detailed assessment of carbon footprint at 20,719.7 tCO2e. Plan in place to reduce emissions by 20% by 2025

4 Trusted Institution

Robust code of conduct: Nil Whistle blower complaints filed during the year

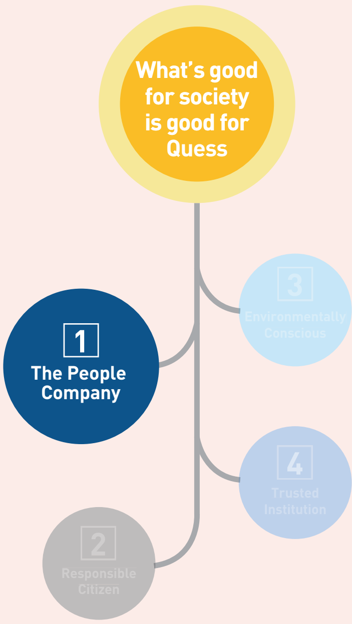
Quality and Information security: Quess Corp is ISO 37001: 2016, ISO 27001: 2013 and ISO 9001: 2015 certified

Data Privacy and Cyber Security: Cyber Security Council with C-suite level oversight

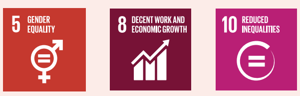
ESG Evolution: Considered specific ESG targets to drive and implement our ESG strategy

THE PEOPLE COMPANY

We are India's largest business services platform, and amongst the top 48 global staffing firms[1]. Our strong focus on digitisation and progressive policies are not just enabling formal employment creation but also personal and professional growth for our people.



UN SDG Linkages



[1] Source: Staffing Industry Analysts FY22

Diversity and Inclusion

At Quess, we have taken conscious measures to build an organisation that prides on diversity and inclusion. Representation of women in our core employees is at 29% this year, and we have an aspirational target of 50% women employee representation by 2025. We are building a strong base through various organisational-wide initiatives such as Qween and GROW to reach our ambitious diversity targets. Initiatives under the Qween umbrella, for instance focus on psychological, financial, educational and social empowerment of women.

Our Equal Employment Opportunity Policy lays down our guidelines and processes to ensure inclusive and non-discriminatory growth. We have proactively hired 4,800+ specially abled associates to gainfully employ them in mainstream jobs. Our focus on building an inclusive workforce has improved productivity for ourselves and our customers. We believe that a diversified and inclusive workforce truly represents society at its best and enhances productivity through empowerment.

Quess plans on promoting over 1% inclusion hiring and endeavours to build and sustain a strong workforce. Moreover, Quess has established a secure partnership with National Career Service to strengthen the outreach for specially abled associates in Punjab, Haryana, Uttarakhand & West Bengal. We are happy to announce that Quess is now an official partner with Sector Skill Council for the specially abled.

23 women employees at levels L3 and L4 graduated from the Getting Ready for Opportunities at Work (GROW) program.

15% of women in leadership bands (L2 and above).

33% of women associate are from Tier 3 cities.

Mobilising talent for secure jobs

Being a manpower intensive business, mobilising talent is one of our core competencies. Our employee headcount has grown strongly from slightly under 100,000 in FY15 to almost 4,37,000 by FY22. These employees serve over 3,000 clients in 10 countries. As the Indian economy continues to formalise, we expect massive workforce movement from the informal to formal segment across India, over the coming decade. Indeed we had over 90K+ employees hired this year who enjoyed first time social security benefits. Our inclusive approach enabled by digitisation helped us engage over 140K + employees from outside Tier 1 and Tier 2 cities in this year.

Digitising job discovery

We are rapidly accelerating digitisation of job discovery and access through our QJobs and Monster platforms. QJobs, our vernacular enabled job platform specifically for blue-collar job seekers launched last year, is facilitating 1 million+ recruiter-candidate interactions and has 2 million active jobs at present.

We aspire to connect 5 million opportunities with the candidates on this platform by 2025, furthering our purpose to ease the hiring process for a broad section of the workforce.

2 million+ active jobs on Digital platforms.

1 million+ recruiter-candidate interactions monthly.

1,44,250+ employees are from outside Tier-1 and Tier -2 cities.

Monster our white collar employment platform, has grown to 75+ million job-seekers base from 72 million last year and is currently enabling more than 8,200 customers to effectively acquire talent.

Upskilling and training

In line with our focus on conducting business with the highest professional ethics, we have enabled Health & Safety, Human Rights, PoSH and Code of Conduct trainings for our ~4,37,000 associate and core employee base, with an optimal mix of digital and classroom formats. Our core employees have access to 181 training modules, and received an average of ~6.5 hours of training each during FY 2021-22.

Nurturing our talent

We are mindful of the evolving needs of our employees and associates and strive to create a caring work environment.

Dash, our employee benefits platform offers 200+ products across 12 benefit categories. Leveraging our capabilities of group buying and partnerships, we deliver benefits to a user base of 437K associates with over 150K MAU (monthly active users). WorQ, our HRIMS and productivity tool, is India's largest workforce management tool. WorQ helps employees improve their productivity through digital workflow management and training.

To improve transparency and responsiveness in our grievance redressal process for associates, we launched a Unified Help Desk (UHD) this year. We have handled an average of 50,000 calls per month on the UHD with multiple response mechanisms including calls and chatbots.

We are delighted to share that Quess has emerged as a Great Place to Work®, for the third year in a row and ranked within top 100 best places to work in India for the first time. In the spirit of listening to our associates, we conducted a satisfaction survey, wherein 83% of the ~1,10,000 respondents rated as being satisfied or very satisfied with Quess.

Highlights

93,400+
Employees enjoyed first time social benefits

17%
Women Associates

29%
Women core Employees

4,800+
Specially abled Associates

2 million+
Active jobs on QJobs platform

1,50,000+
Users on Dash, non-compensation employee benefits platform

83%
of 1,10,000+ respondents rated high on satisfaction survey

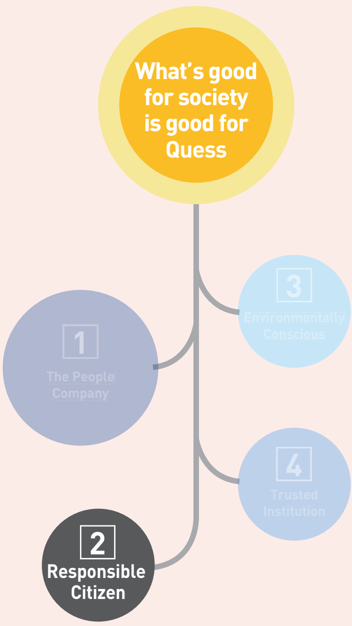
50%
of core employees to be women by 2025

Great Place To Work® Certified INDIA

Ranked Top 100 great places to work in India FY22

RESPONSIBLE CITIZEN

Our responsibility extends beyond our organisational boundaries to our vendors, customers and the communities that we operate in, and we are committed to build strong relationships though our services and initiatives.



UN SDG Linkages

ESG beyond organisational boundaries

We plan to onboard new vendors based on ESG self-declarations and further plan to impart training on pertinent ESG issues, with 100% coverage targeted by 2025. Of the total vendors added in FY22, 14% were MSME vendors.

In FY23, we also plan to have ESG related discussions with our customers to support them on their ESG targets especially with respect to diversity and inclusion.

Societal Impact

As we navigated through the challenges of COVID-19 last year, we realised that the aftermath of COVID has been especially harsh on the education continuity and health of the underprivileged. As a people-centric company, we continue to focus on enabling aspects of health and education through our Careworks Foundation (CWF) to benefit a larger section of society.

Our CSR initiatives spread across 5 programs in multiple states are structured across student enrichment, School Upgradation, Health & Wellbeing, Teacher Mentoring and Stakeholder Engagement. We helped schools to restart functioning in a safe and hygienic manner post the pandemic. Our focus on health and hygiene in schools has focused both on infrastructure provision such as safe drinking water as well as imparting training on good health practices to young children.

Our focus on digitisation in our businesses has also translated to multiple innovations on digitising school education with appropriate devices and engaging content. Last but not the least, as teachers are most integral to building strong foundations for young children, we are also actively mentoring and building skills for teaching community.

Highlights

13,500+
beneficiaries from the school enhancement programs

13,000+
beneficiaries from the health and wellness programs

100%
New vendor ESG compliance by 2025

A glimpse into our Digital Learning Program

10,000+
Students were supported across 42 government schools on remedial education

72 Schools
Were sanitised and implemented COVID SOP to help restart schools post pandemic

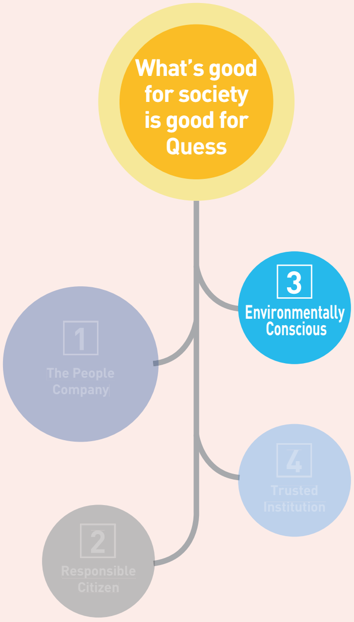
13,000+ Students

72 Schools
Benefited from safe drinking water facilities.

10,000+
Students were given Health education including COVID precaution and hand wash practices

ENVIRONMENTALLY CONSCIOUS

While we mindfully lower the environmental footprint of our core business, we are scaling up environmentally positive businesses such as QDigi to contribute to our planet's wellness.



UN SDG Linkages

13 CLIMATE ACTION

Despite being an outsourced services business with a low environmental footprint, we are investing to identify opportunities to constantly reduce our environmental impact. Several organisation-wide initiatives have helped reduce emissions and waste sent to landfill. We have recently concluded an energy audit of six of our largest facilities that make up for almost half of our energy consumption to identify opportunities for savings. We have proactively replaced all CFL lights with LEDs across 11 facilities to reduce our energy consumption. Further, we have developed guidelines to procure device that meet energy efficiency criteria of 4-star or above.

We recognise that business travel is a significant contributor to Scope 3 emissions. We have formalised a tie-up with an EV vendor for Quess employees to use EVs on business travel, and we plan to transition to >90% of EV based business travel by 2025.

We have completely digitised our on-boarding process for associates, leading to significant savings in paper usage. To further lower our footprint from other business processes, we have partnered with expert service providers to recycle more than 10 tonnes of waste paper. We are conscious of our e-waste generation and have responsibly disposed more than 10 tonnes of e-waste through authorised agencies.

Our QDigi business has expanded its service reach to more than 17,000 serviceable pin codes across India. We have extended the life of over a million electronic devices year by year through repair or refurbishment, contributing to massive reduction of electronic waste.

Highlights

1 million+
devices repaired / refurbished by QDigi

2,000+ kms
of EV based business travel

10,650+ Kgs
of e-waste responsibly disposed

10,297+ Kgs
of paper waste recyclced

100%
LED lighting in Quess offices by 2025

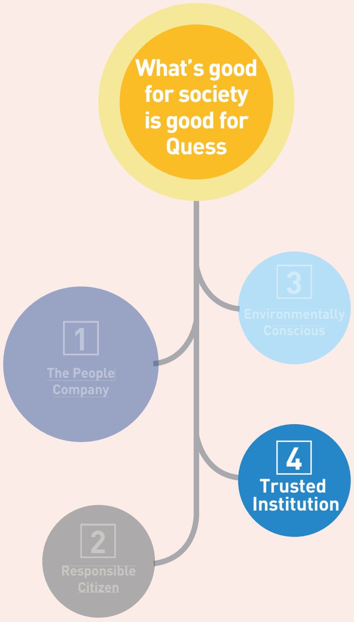
Continuing from last year, we have repeated the organisation-wide exercise to compute our Scope 1, Scope 2 and Scope 3 emissions across our facilities in India, and have estimated our total emissions at 20,719.7 tCO2e. We are committed to achieve 20% reductions in our emissions intensity by 2025, through our energy savings and alternative green energy procurement initiatives.

Emissions (tCO2e)

Scope 1	Scope 2	Scope 3	Total
1,111.0	13,571.2	6,037.5	20,719.7

TRUSTED INSTITUTION

Our company is built on the foundation of values and robust governance principles. We periodically evaluate and update our policies and processes to strengthen the trust of our stakeholders.



UN SDG Linkages

Corporate Governance

As our organisation grows in scale across new business lines and new geographies, we recognise that strong governance is key to sustainable growth.

Our set of policies (hyperlink) encompass employee conduct, business ethics, employee wellbeing, customer service, employee health and safety, grievance redressal, IT security, risk management and board governance among other areas integral to an organisation's operations. We have codified our ESG philosophy into an ESG Policy framework that details our ESG vision, key focus areas and ESG related disclosure measures. We aspire to set higher standards for ourselves on ESG. Further, our continual employee and associate engagement efforts have ensured that we have nil pending PoSH and employee complaints cases at end of the year. Simpliance, our internal compliance subsidiary has enabled digital tracking of compliances for Quess for its massive scale of people operations and requisite labour law compliances.

Our Board sub-committees such as CSR Committee, Stakeholders Relationship Committee, Administration and Investment Committee, Ethics Committee, Risk Management Committee, and others ensure our policies are implemented in their true spirit and corrective action(s), if any, be taken in a timely manner.

Information Security and Data Privacy

Our business will be increasingly conducted on digital platforms and we recognise the growing importance of information security and privacy of our customer, vendor and employee data. Our information security policy and data privacy policy lay out guidelines and processes to ensure security as well as compliance as we scale up our digital reach.

Real time security information and event management systems (SIEM tools) are in place to continuously monitor and secure the network against identified and unidentified threats. A secure access management system along with VAPT (Vulnerability Assessment and Penetration Testing) for applications facilitates remote working of employees. Our Cyber Security Council comprising of C-suite, business IT Heads and professionals meet fortnightly to constantly assess, improve and implement industry leading technologies for our security position.

Our ESG philosophy developed last year is being interwoven in our operations through the ESG policy framework, governance mechanisms and aspirational targets considered till 2025, for us to continually progress on ESG.

Highlights

Nil
Whistle blower complaints filed during the year

UHD
Unified Help Desk for resolution of workforce grievances

ISO
Quess Corp is ISO 37001: 2016, ISO 27001: 2013 and ISO 9001: 2015 certified

Cyber Security Council
with c-suite level oversight

CORPORATE SOCIAL RESPONSIBILITY

"From what we get, we can make a living; however, what we give, makes a life" - Quess Corp has always charted out its trajectory on this belief system.

Careworks Foundation (CWF), brought into existence in 2014, is a living example of how Quess Corp understands that Corporate Social Responsibility is all about having a purpose on how to utilise resources, responsibly and sincerely, for the larger benefit of the society, which will have a long-term impact, whilst being in sync with the sustainability goals of the business.

CWF was born with a need to bring about a catalytical change in the lives of the weaker sections of the society, who needed assistance in various aspects of life.

The major thrust areas for CWF are education and health.

Our Programs

Student Enrichment Program

Digital Learning – Acquainting and Adapting

Adapting to disasters, whether natural or manmade, has induced man to develop innovative methods of learning and earning. COVID 19 is one such example which disrupted the education sector to a large extent, but CWF intervened at the right time by helping students adapt to the new technologies and digital mode of learning. It also distributed tabs uploaded with audio visual content and assessments for 9th and 10th grade students and also installed a tab lab as a pilot project for student learning.

665
Tabs Distributed

2,892
Hours of Learning

Early Childhood Care and Education – Embodying Character and Values

The main aim is to provide quality education and all-round cognitive and socio-emotional development in the initial 6 years of a child. In FY2022, we have had 27 anganwadis/preschools with 27 teachers enriching the lives of 845 young children and offering them meaningful learning experience through teachers & caregivers to bring holistic development of children.

Impact : Through this program about 82% of children showed high socio emotional skill , 74% children showed improvement in cognitive development and 57% improvement in literacy rate.

27
Anganwadi's (Pre-School)

845
Children Benefited

Education Kit – Supporting Educational Accessories

One of our milestone achievements is having a program which is specially designed for families who cannot afford purchasing school supplies, due to COVID induced financial constraint.

It is a wonderful feeling, when we organise this annual activity of educational kit distribution. In FY22, we could reduce financial burden of parents, through 46 schools across 2 states, facilitating 13,169 students with School Bags bags and Note Books.

12,071
School Bags

53,396
Note Books Distributed

Life skill Education – Equipping for Multidisciplinary Learning

In association with National Institute of Mental Health and Neuro Science-Bangalore, CWF has designed a life skill program for children between 6 to 14 years, which involves both teachers and parents. In today's world, life skill education is the need of the hour, which helps the learners recognise their strengths and shortcomings and live life to its full potential. Our program has made a meaningful impact.

Impact : Through this Initiative 27% of children showed improvement in Managing Conflict, 31% improved in Taking Initiative, 29% improved in Overcoming difficulties.

2,610
Students

71
Teachers

330
Parents

Remedial Education – Switching to Adaptive Instruction

CWF has aspired to provide uninterrupted learning opportunities to children in government schools, in the wake of school closure during the pandemic. Children were supported with bridge course sessions to address learning gaps once they returned to school. Under this initiative, 10,077 students from 42 government schools were supported by 321 teachers with 10,077 learning kits for remedial education given in FY22.

Impact : Through This program Average 76.6% students improved Numeracy Skills & 72% Improved in Literacy Skills.

10,077
Students

42
Govt Schools

321
Teachers

Scholarship Program – Recognising Young Talents

In India, getting absorbed into the higher education system is yet another challenge, especially for the socio-economic weaker sections of the society. Inequality relating to gender, medium of instruction, location, and financial and social status exists in the student enrollment process. The CWF scholarship program recognises meritorious students and awards them with scholarships to pursue the education of their choice, overcoming the above hurdles. In FY2022, 47 students were shown the way to a successful educational life through this scholarship.

47
Scholarships Awarded

School Upgradation Program (SUP) – Adopting Beyond Borders, Transforming into a Quality Institution

A school not only imparts knowledge and education, but is also an abode of safety, comfort and happiness. Hence, through its SUP initiative, since its inception, CWF has transformed 75 government schools by building or renovating their infrastructure like classrooms, computer labs, science labs, hand wash areas and toilets. Around 50+ water purifiers have also been installed. There is a deep sense of fulfilment to watch the children from government schools have a gleam in their eyes when they have access to quality infrastructure and conducive learning environments.

75
Govt Schools

50+
Water purifiers installed

Teacher Mentoring Program – Empowering through Guidance

Teachers, the strongest pillar of support to schools, were also under the radar of CWF. Training and educating teachers is a pre-requisite for community development. 990 teachers were trained across 74 schools in 2 states in professional development programs, early childhood education courses, as well as life skills.

990
Teachers

74
Schools in 2 states

Health and Wellbeing

Schools play a dominant role in imbibing health and hygiene practices right from childhood. CWF uses various measures and techniques to assess the health conditions and well-being of the students and help to formulate programs under the guidance of professionals. It is a humble achievement of CWF of having screened 19,000+ children and treated close to 3,500 children since 2014. Keeping in mind hygiene and physiological health of the girl child, sanitary pad vending machines were put up in 30 schools. In the recent times of the pandemic, COVID awareness programs were conducted for 10845 Students and 300+ teachers and 32 oxygen concentrators were donated.

Water and Sanitation – Education on hygiene benefits

Sanitation process is one of the most crucial practices required to be followed in schools. With activities and awareness sessions conducted by professionals, CWF ensures that children are made aware of the benefits of proper hygiene. We are glad to have extended our reach to 72 schools, by getting deep cleaning done, constructing 350+ toilets, drinking water terminals and maintenance of water purifiers, affecting 13,000+ students.

72
Schools

350+
Toilets

13,000+
Students Benefited

Covid Response – Resistance and Hope

With opening up of the schools post COVID lockdowns, our team at CWF worked not only towards creating a joyful learning environment but safety was also our priority.

In such times, to be of assistance to the schools is an honor, and it is with immense satisfaction we can claim that we trained 400 teachers of 74 schools on School Safety Standard Operating Procedures (SOPs). COVID 19 help desks were setup with Thermal Scanners, Oximeters and Sanitizers along with frequent fumigation and sanitisation of the premises. CWF also formed a Covid Response team (comprising of Anganwadi teachers, ASHA workers, teachers, SDMC, parents & primary health centre doctors) in 74 schools to handle suspected Covid cases.

74
Schools

10,000
Students educated on COVID 19

Psychosocial care – Support system for the child

One of the primary motives of setting up CWF is the holistic development of the child, and that definitely includes addressing the psycho-social needs as well. We are pleased that around 335 children with special needs, have benefitted from this program. We have also donated 18 assistive devices.

1,049
Children Benefited

18
Assistive Devices Donated

335
children with special needs were supported.

BOARD OF DIRECTORS

Ajit Isaac
Non-Executive Chairman
(w.e.f. 1 April, 2022)

Guruprasad Srinivasan
Executive Director and Group CEO
(w.e.f. 10 February, 2022)

Chandran Ratnaswami
Non-Executive Director

Gopalakrishnan Soundarajan
Non-Executive Director

Gaurav Mathur
Non-Executive, Independent Director

Kalpathi Ratna Girish
Non-Executive, Independent Director

Revathy Ashok
Non-Executive, Independent Director

Sanjay Anandaram
Non-Executive, Independent Director

PROFILE OF THE DIRECTORS

Ajit Isaac
Non-Executive Chairman
(w.e.f. 1 April, 2022)

Appointed to the Board:
(April 6, 2009)

Ajit Isaac, the founder of Quess Corp, is an entrepreneur who over a period of 20 years, has been involved in creating market-leading enterprises in the business services sector in India. At Quess, and under his leadership, the Company is now a 4,70,000+ strong family, with ~US$ 2 Billion in revenues, and has accelerated the transition of informal jobs to formal platforms, helping bring financial and social security to many not-so-privileged sections of Indian society.

His initiatives in transformative deals, with a focus on operational efficiency and business development, have helped Quess scale rapidly. All these attributes culminated in Fairfax investing in Quess in 2013, and it continues to be the single largest shareholder of Quess.

Socially committed, he set up Care Works Foundation, which today supports over 13,500 students across 75 schools. His strong social commitment to the larger cause is demonstrated in the partnership with the Indian Institute of Science (IISC), Bangalore to set up The Isaac Centre of Public Health (ICPH). Along with Fairfax and Quess, he has also anchored the establishment of a pediatric specialty center in CMC Vellore.

A gold medalist in PG-HR and a British Chevening Scholar from Leeds University, he has worked for 10 years in leadership roles in the private sector including companies like Adecco, IDFC, Godrej and Boyce, before becoming an entrepreneur in the year 2000.

He serves on the Board of Allsec Technologies, Net Resources Investments and Isaac Enterprises. In addition, he serves on the Board of Governors of the St. Joseph's University in Bangalore

Nationality: Indian

In the Governance Committees of:

CSR | SRC | RMC (C)

Guruprasad Srinivasan
Executive Director & Group CEO
(w.e.f. 10 February, 2022)

Appointed to the Board:
(February 10, 2022)

Skills and Experiences:

Guruprasad is the Executive Director and Group CEO of the company. A founding member, he was the fourth employee of the company. He has more than 25 years of industry experience, including leadership roles at GE Health, Hewitt Associates and People One Consulting. Over the years at Quess, he has built the Work Force Management Platform to be an industry-leading one, set up the Shared Services Centre, integrated the Asset Management Business, and has been part of the team that takes key decisions at the corporate level. A natural leader, he has keen interest in photography and restoring Vintage vehicles.

Career:

Guruprasad is a Stanford Ignite Graduate from the Stanford University Graduate School of Business, in addition to having a Master's in Business Administration.

Other Directorship:

Indian Entities –

Allsec Technologies Limited,

Qdigi Services Limited,

Conneqt Business Solutions Limited

Trimax Smart Infraprojects Private Limited

Stellarslog Technovation Private Limited

Global Entities - 8

Nationality: Indian

In the Governance Committees of:

RMC

Chandran Ratnaswami
Non-Executive Director

Appointed to the Board:
(January 18, 2016)

Skills and Experiences:

Chandran is a Non-Executive Director of the company since January 2016 and comes with over three decades of experience in investment management. He has driven business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.

Career:

Chandran holds a Bachelor's degree in Civil Engineering from IIT Madras and an MBA from the Rotman School of Management, University of Toronto.

He is the Chief Executive Officer and Director of Fairfax India Holdings, a company listed on the Toronto Stock Exchange and is also a Managing Director of Hamblin Watsa Investment Counsel, a wholly-owned investment management company of Fairfax Financial Holdings. Hamblin Watsa provides discretionary investment management to all the insurance and reinsurance subsidiaries of Fairfax and currently manages approximately US$ 50 billion of assets. At Hamblin Watsa, he is responsible for all Fairfax and subsidiary investments in Asia.

Details of Other Directorship:

Indian Entities: Thomas Cook (India) Limited, Bangalore International Airport Limited, IIFL Finance Limited, National Commodities Management Services Limited, Sanmar Engineering Services Limited, Go-Digit General Insurance Limited, Fairbridge Capital Private Limited and Chemplast Sanmar Limited.
Global Entities: 18

Nationality: Canadian

In the Governance Committees of:

NRC | AC

Gopalakrishnan Soundarajan
Non-Executive Director

Appointed to the Board:
(April 1, 2020)

Skills and Experiences:

Gopal is a Managing Director at Hamblin Watsa Investment Counsel. He has leadership experience in handling financial management of various enterprises. He has an incisive ability to identify as well as address resolutions at organisations exposed to financial and business risks including exposure to legal and regulatory vagaries. Mr. Soundarajan also brings with him immense experience in corporate business strategy and capital

PROFILE OF THE DIRECTORS

allocation, a knowledge so useful in today's environment where maximisation of shareholder value is of utmost concern.

Career:

He is a Bachelor of Commerce from the University of Madras, is a member of the Institute of Chartered Accountants of India and is a Qualified Chartered Financial Analyst and Member of the CFA Institute in the US.

Before joining Quess, Mr. Soundarajan was the Chief Investment Officer at ICICI Lombard, the largest private sector property and casualty insurance company in India. He held that position for 17 years and was a member of the insurer's investment committee as well.

Details of other Directorship:

* Thomas Cook India

* Bangalore International Airport

* IIFL Wealth Management

* Anchorage Infrastructure Investments Holdings

Global Entities: 4

Nationality: Indian

In the Governance Committees of:

AC

Gaurav Mathur

Non-Executive Independent Director

Appointed to the Board:
(August 31, 2020)

Skills and experience:

A pioneer in the private equity space in India, Gaurav started his career in 1998 with the European High Yield Capital Markets group at Deutsche Bank in London. He brings with him over 20 years of astute investing, nurturing and growing companies and has created tremendous value for shareholders over the years. Apart from private equity, Gaurav also comes with sound expertise in venture capital funding, capital markets, corporate development, financial modelling and valuation.

While Gaurav's entrepreneurial abilities are well known to the world, he also possesses rich experience in service industries and overseeing technology-led transformation at corporates.

Career:

He has a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad and a BA (Hons.) in Economics from Delhi University.

Gaurav Mathur is the Founder Director at InVent Capital, a long-term investment firm that focuses on listed equity and control oriented investments in consumer and services businesses in India. He is also the CEO of Digital Gold India, a leading digital gold platform. He also co-founded private equity outfit India Equity Partners. He was a Principal at JPMorgan and has served as a Director, representing investors on the boards of numerous companies. The list of such firms who have benefited from Gaurav's deep understanding of complex business issues includes Jubilant Foodworks, Manappuram Finance, Piramal Glass, Innovative Foods and MTR Foods.

Details of Other Directorship:

Digital Gold India Private Limited

Invent Advisors Private Limited.

Nationality: Singapore

In the Governance Committees of:

AC CSR

K. R. Girish

Non-Executive Independent Director

Appointed to the Board:
(August 31, 2020)

Skills and Experiences:

Over a span of 35 years, Girish has lent his considerable expertise to corporates in financial analysis and reporting, international taxation including that related to M&As, internal controls and business strategy. He also holds the flag in the areas of technology adoption for ERP and regulatory frameworks.

Girish is much sought by corporates for his views on their business plans and for a second opinion on their strategic initiatives. He often advises corporates on the right capital allocation policy, keeping tax consequences and shareholder interests in mind.

He has been involved with many large technology companies, particularly those with services as a major revenue stream.

In today's world where the importance of ESG cannot be overemphasised, he has provided critical inputs to corporates keen to address these global concerns.

Career:

Mr. Girish is a fellow member of the Indian Institute of Chartered Accountants and a graduate from Karnataka State Law University. He is also an associate member of the Australian Taxation Institute and holds a Post Graduate Diploma in Taxation practice from M S University, Baroda.

He spent 18 years at KPMG and was its Partner and Head of Tax for South India and National leader for tax dispute resolution practice. He has also been associated with tax advisory firms Baker Tilly DHC and LeapRidge. He now operates his CA proprietary firm KR Girish and Associates.

Details of Other Directorship:

Credens Fiduciary Solutions

Founder Director of International Tax Research and Analysis Foundation (ITRAF), Section 8 Company

Nationality: Indian

In the Governance Committees of:

AC C

Revathy Ashok

Non-Executive Independent Director

Appointed to the Board: (July 24, 2015)

Skills and Experiences:

Revathy has spent over 3 decades pursuing capital raising, business development, financial management and commercial with an ability to understand and analyze key financial statements assess financial viability and performance, contribute to strategic financial planning and analyze budgets with strategic goals and priorities.

She holds a Bachelor's degree in Science from Bangalore University and a Post Graduate Diploma in Management from the Indian Institute of Management, Bangalore.

Career:

She is the Co-founder of Strategy Garage, which aims to foster entrepreneurship in

PROFILE OF THE DIRECTORS

India, along with being an active mentor at the Indian Angel Network. She is passionate about women's economic empowerment and evangelising entrepreneurship and is actively involved with many start-ups, helping them with their business strategy and promoting transparency and good governance. She is a managing Trustee of Bengaluru Political Action Committee, a non-partisan citizen's group that aims to improve governance and to enhance the quality of life of every Bangalorean.

She last served as Managing Director of Tishman Speyer India and currently serves on the Board of leading listed companies. She has held senior management positions in global corporations such as Syntel, Microland and Tyco Electronics.

Details of other Directorship:

AstraZeneca Pharma India Ltd.,

Welspun Corp Ltd.

ADC India Communications Ltd,

Shell MRPL Aviation Fuels and Services Limited,

Microland Limited,

Sansera Engineering Limited,

Khemeia Technologies Private Limited

Athena Infonomics India Private Limited

Manipalcigna Health Insurance Company Limited

Barbeque-Nation Hospitality Limited

Welspun Metallics Limited

Nationality: Indian

In the Governance Committees of:

AC | NRC (C) | CSR (C) | SRC | RMC

Sanjay Anandaram

Non-Executive Independent Director

Appointed to the Board:
(December 22, 2015)

Area of Expertise

Corporate strategy and capital allocation,

Corporate and Board Governance,

Global Business Management,

Services Business Management,

Technology-led transformation,

and Environment, Sustainability and Governance

Skills and Experiences:

Sanjay has spent over 30 years as a corporate executive, investor, early-stage venture capitalist, teacher and advisor to funds and entrepreneurs. He has significant experience in M&As and funding startups.

Sanjay has written extensively in The Wall Street Journal and The Financial Express and various magazines. He often shares his knowledge with students and corporate executives from various countries on innovation and entrepreneurship and has been a visiting faculty at Singapore campus of France's INSEAD business school. He is the founder of Sattva, a consulting in the much-sought area of ESG.

Career:

He holds a Bachelor degree in Electrical Engineering from Kolkata's Jadavpur University and a Post Graduate Diploma in Management from the Indian Institute of Management, Bengaluru.

He co-founded Neta, a Silicon Valley VC-backed software company, that became a part of Infoseek/Disney. He was a founding partner of JumpStartUp, a US$ 45 million early-stage US-India cross border VC fund that invested in technology businesses. Early in his career, he spent several years with Wipro in India and overseas where he established several new business initiatives for the company.

He is an Executive Board Member of Modular Open Source Identity Platform. He is a Governing body member of TiE Bengaluru and leads the digital diplomacy initiative at ISPIRT, a not-for-profit technology think-tank

Details of Other Directorship:

Allsec Technologies Limited,

Syzygy Consultants Private Limited,

Sattva Media and Consulting Private Limited,

The Sec 8 company Network of Indian Cultural Enterprises

Conneqt Business Solutions Limited.

Nationality: Indian

In the Governance Committees of:

AC | NRC | SRC (C) | RMC

Board Committee Membership Indicators

- AC — Audit Committee
- RMC — Risk Management Committee
- NRC — Nomination & Remuneration Committee
- CSR — Corporate Social Responsibility Committee
- SRC — Stakeholders' Relationship Committee
- C — Chairman of the Committee

MANAGEMENT DISCUSSION & ANALYSIS

Industry overview

Indian economy is going through a tectonic shift in both composition and focus, providing massive economic tailwinds to the formalised outsourcing industry.

Economic Growth: Coming out of a Covid induced contraction Indian GDP grew by 8.7% in FY22. Furthermore, as per UN, India will remain the fastest growing major economy in coming years.[1] India is expected become a US$ 5 trillion economy by FY26.

Growing labour market: India is a very young country with a median age of 28 years. It has one of the largest labour forces in the world at 563 million growing at 5% CAGR (2017-20)[2]. India's working age population (15 – 59 years of age) is expected to remain over 60% of the total population till 2036[3]. To generate work opportunities that tap into this base, the Government of India has announced a number of schemes including 'Aatmnirbhar Bharat', Prime Minister Employment Generation Programme (PMEGP) and Production Linked Incentive (PLI) Scheme. PLI, specifically, has the potential to double the workforce engaged in production & manufacturing activities. As per Goldman Sachs, urban blue collar workforce can reach to 147 million by FY26, if domestic manufacturing continues to be promoted.

Focus on capital expenditure: GoI had made increased capital expenditure a priority in FY23 budget. The targeted capital expenditure increase of 35% to ₹7.5 lakh crore in FY23 will induce demand for services and manufactured inputs from large industries and micro, small and medium enterprises (MSMEs). This is expected to create employment for 35 lakh people.

Evolving legal landscape: By simplifying the legal landscape, the newly legislated labour codes will most likely accelerate formalization and compliance. This shift should be positive for outsourcing players. The new labour laws also address the formalization of the gig economy, which is estimated by BCG to create ~90 million jobs and contribute an incremental 1.25% to the country's GDP.[4] This will provide additional opportunities for technology-enabled outsourcing players.

Increasing formalization: As per PLFS survey, around 70 million non-farm workforce is still classified as casual labour, signifying a large untapped opportunity. Goldman Sachs estimates that formalisation will increase from around 21% today to 30.3% by 2025 and 38.3% by 2030. Formalization has already picked up pace as evident in ~43 million new PF subscribers and ~70 million new ESIC subscribers in India since FY18, and the increase in GST registered firms from 7.5 million in 2017 to over 13 million currently.

Greater outsourcing penetration: India has a low base of outsourcing in the formal sector. For example, according to ISF, flexi-staffing penetration in India is 0.7% compared to ~3% in the developed markets. As the focus on compliance and costs increase, large Indian companies are increasingly exploring outsourcing to drive productivity and flexibility.

Workforce Management

General Staffing

The general staffing industry provides manpower augmentation services across blue and grey collar jobs. The Indian general staffing market is poised for rapid growth in the years ahead.

With one of the largest flexible staffing workforces in the world, currently India's flexi staffing market size is ~US$ 12billion. As per Goldman Sachs, Temp staffing is expected to grow to 10% of formal sector employment by 2025. The staffing industry is therefore poised to grow 2x by FY26 and 5 times in the coming decade from 60 billion.

Larger players are likely to benefit disproportionately from this growth, especially as technology investments play a significant role in enabling remote hiring, driving down pay-rolling and compliance costs, and managing employees remotely.

IT Staffing

The COVID-19 pandemic has turbocharged the worldwide adoption of digital technologies across consumers and businesses. Surveys have shown that 5 years' worth of progress was made in the first three months of the pandemic[5]. In a survey of US companies, 52% of companies accelerated their AI adoption plans because of the Covid crisis. Just about all, 86%, say that AI is becoming a "mainstream technology" at their company.[6]

According to IDC, Global spending on the digital transformation (DX) of business practices, products, and organizations is forecast to reach US$ 1.8 trillion in 2022, an increase of 17.6% over 2021. DX spending will sustain this pace of growth over the 2021-2025 forecast period with a five-year compound annual growth rate (CAGR) of 16.6%. Accordingly, demand for talent with digital niche and super niche skills has witnessed a surge, following growth in the digital economy, mainly fuelled by the banking, financial services and insurance (BFSI) industry.[7]

Demand for talent with digital niche and super niche skills including Cloud Infrastructure, Full Stack, React JS, Android and Angular JS, among others, has also seen a surge as technology

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[1] United Nations: World Economic Situation Prospects as of mid-2022

[2] Economic Survey 2021-22

[3] National Commission on Population: Population Projections for India and States 2011 – 2036

[4] Boston Consulting Group, 2021

[5] https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/the-covid-19-recovery-will-be-digital-a-plan-for-the-first-90-days

[6] https://hbr.org/2021/09/ai-adoption-skyrocketed-over-the-last-18-months

[7] https://www.idc.com/getdoc.jsp?containerId=prUS49114722

transformations have become a key priority for organisations.

In FY22, the country's technology industry employed more than 5.1 million people of which some 1.6 million were digitally skilled. India's digital tech talent is growing 5x faster compared to core IT talent. Notably, digital talent supply across key digital skills such as cloud computing, AI, big data analytics and IoT has increased at a CAGR of over 20% in the last five years[8].

Fuelled by these forces, from FY 2021 – FY2026 the IT Staffing Solutions segment market is forecast to grow at a CAGR of 20% to reach ₹ 546.0 billion.

Global Technology Solutions

Business Process Management (BPM)

The Indian Information Technology-Business Process Management (IT-BPM) sector accounts for 52% of the overall global outsourcing market in 2020-21[9]. The industry accounted for 8% of India's GDP in 2021 and is one of the largest employers within the private sector, employing around 5.1 million people.

The sector is poised for growth due to use of IT in emerging verticals such as retail, healthcare, utilities & increased digital adoption in the country. In FY22, UPI processed more than 46 billion transactions, amounting to over ₹ 84.17 trillion, thus breaching the US$ 1 trillion mark[10]. Also, 102 tech unicorns are driving digital engagement and governments push towards digital penetration such as Digital India Campaign which envisages a US$ 20 billion investment covering mobile connectivity throughout the country are growth drivers for the IT sector.

According to a report by Nasscom, about 500 new multinationals are likely to set up captive centres in India by financial year 2025, while exports from global captive centres (GCCs) could double to between US$ 58 billion and US$ 81 billion from US$ 35.9 billion currently. The sector would go on to employ 1.8-2 million people by then, up from 1.38 million at present[11].

IT spend of Healthcare providers will increase by 4.8% in 2020 to US$ 136 billion. Healthcare providers are focusing on improving digital capabilities, building analytics solutions and optimizing electronic health records, resulting in software and IT services spend growing at 10% and 6.3% CAGR, respectively[12].

The future of BPM industry, referred to as BPM 4.0 will be characterised by an increased penetration of Robotic Process Automation (RPA), Adaptive Case Management, and increasing demand for no-code or low-code BPM and Artificial Intelligence (AI). BPM will also be deeply domain focused and will provide increased depth as well as an amalgamation of process-based, industry-oriented, and technology-based domain expertise.

According to Nasscom, BPM penetration in Contact centre, F&A and Banking BPO is only 30%, 25% and 15% respectively in comparison with 40% penetration in IT services outsourcing. Consequently, the BPM industry is expected to grow at an accelerated pace over the next five years reaching a market size of US$ 336 billion globally by 2025[13].

45% of Nasscom-surveyed respondents cited Finance and Accounting (F&A) specifically as a key area to be outsourced. In fact, 76% of enterprises currently using GCCs have shown openness to leverage third party outsourcing providers. With 70% of the F&A outsourcing workforce already in India, Indian F&A outsourcing players are poised to take advantage of this opportunity.

Another key growth area for domestic BPM companies is collections. The total addressable market for collections outsourcing is valued at over ₹ 1 Lakh Cr, out of which the pre-NPA segment contributes 80%. The pre-NPA market is driven largely through calling / emails and notices followed by on-site collection, while the Post NPA market is usually a more complex operation involving robust analytics, litigation, site visits, skip tracing, re-hypothecation and reconciliation (for corporate deals) etc. With deeper analytics and AI intensity, pre-NPA management is the prime focus area for larger BPOs.

Payroll Outsourcing

Due to an increase in the demand for time-saving and cost-effective measures, such as payroll outsourcing, management is allowed to focus on core concerns and run the business efficiently. Furthermore, the use of digitised services such as business analytics, big data, and the cloud is driving up demand for payroll outsourcing around the world. In addition, the growing trend of multi-country payroll outsourcing (MCPO), bundling payroll services, and process automation is fuelling market expansion. Aside from that, leading providers are offering hybrid payroll solutions, which allow businesses to choose customised payroll sub-services based on their needs that avoid compromising sensitive data.

Globally, payroll outsourcing is one of the fastest-growing segments of the human resource outsourcing (HRO) market. The global payroll market is expected to reach US$ 23 billion by 2027 from US$ 18 billion in 2020[14]. Payroll outsourcing services can be availed for Accounting and Finance (A&F), human capital management (HCM), and shared service centres.

With an estimated 87 million Indians being salaried in the formal sector, only around 18-20 million are currently estimated to be payrolled on an outsourced platform. This number is expected to grow rapidly with increasing formalisation of the economy and a growing propensity of players to outsource this specialised activity rather

[8] Nasscom

[9] https://www.ibef.org/download/IT-and-BPM-October-2021.pdf

[10] https://www.business-standard.com/article/finance/upi-hits-record-high-in-april-with-5-58-bn-transactions-worth-rs-9-83-trn-122050100480_1.html#:~:text=In%20March%2C%20UPI%20processed%205.4,transactions%20worth%20Rs%204.93%20trillion.

[11] https://nasscom.in/knowledge-center/publications/gcc-india-landscape-2021-beyond

[12] https://www.gartner.com/en/documents/3980888

[13] Business Process Management (BPM) 4.0: Heralding the Start of a New Era by Nasscom and Everest Group

[14] https://www.researchandmarkets.com/reports/5030463/payroll-outsourcing-services-global-market

than execute in-house. The outsourced space itself is highly fragmented, with a clear potential for low cost and technology-led players to grow rapidly.

IT Services

The IT services market in India was US$ 13.4 billion in 2020 and is expected to grow at a CAGR of 7.2 % 2020-2025 and touch nearly US$ 19 billion by the end of 2025 on the back of increased spending in areas like cloud and artificial intelligence[15]. India's public cloud services market, including infrastructure-as-a-service (IaaS), platform-as-a-service (PaaS) solutions, and software-as-a-service (SaaS), revenue totalled US$ 4.6 billion for July-December 2021. SaaS continued to be the largest component of the overall public cloud services market, followed by IaaS and PaaS in 2021. The overall Indian public cloud services market is expected to reach US$ 13.5 billion by 2026, growing at a CAGR of 24% during 2021-26[16].

India's cyber security industry nearly doubled in size amid the pandemic, with revenues from cyber security products and services growing from US$ 5.04 billion in 2019 to US$ 9.85 billion in 2021. This growth was largely led by rapid digitalisation, increased regulatory attention on data and privacy, as well as growing boardroom awareness around cyber threats, among other factors[17].

Operating Asset Management in India

Integrated Facilities Management

The Indian facilities management industry has been valued at ~US$ 15 billion in 2021. Outsourcing of non-core operations and expansion of the real estate sector is driving growth of the industry in India. Retail (i.e. malls, hyper-market, and shopping arcades) and Commercial segments has market penetration of 92% and 75%, compared to 36% and 35% for residential and government segments respectively.

Corporate offices, such as those in the Information Technology (IT), Business Process Outsourcing (BPO), and Banking, Financial Services and Insurance (BFSI) sectors are continuously opting for outsourced services, resulting in the growth of the integrated facilities management sector in India. While COVID has created a temporary disruption in office-going, the industry is projected to expand at a healthy CAGR of 20% between 2021 and 2026, to reach US$ 35 billion by 2026.

Through the pandemic, Indian corporates across industries have put special focus on creating a hygienic workplace for their employees without significantly increasing the cost of operations. This will drive the adoption of technology-enabled services such IoT device operation, automated cleaning, etc. This increasing sophistication will over time result in increased formalisation of the industry, as larger service providers pull ahead in their technology and delivery capabilities.

Security Services

The Private Security Industry (PSI) has been growing at a CAGR of 20% for over a decade.[18] As of December 2020, the Indian PSI is estimated to be around ₹ 99,000 crore and it is projected to be valued at ₹ 1.5 lakh crore by 2022[19].

The demand for private security services is growing due to increasing urbanisation and low police to citizen ratios. India currently employs only 156 police personnel[20] per 1 lakh people, against 211 in Brazil, 464 in Mexico, and 238 in the USA. Currently, there are only about 3 million sanctioned police force operatives[21] while there are over 9 million privately employed security guards. The security service sector is also aided by a favourable economic climate and by a rise in urbanisation. The National Commission on Population in India predicts that in the next 15 years (i.e., by 2036), about 38.6 % of Indians (600 million) will live in urban areas[22] and increased construction activity which prompts the use of advanced security solutions for commercial as well as residential properties.

Similar to staffing industry, security services are also expected to formalize and consolidate. As on 2020, 50% of the security services market still remains unorganized. On the other hand, cash and electronic security which constitute 20-25% of the private security industry is mainly organised with the top 7-8 industry players controlling 75-80% of the market.

Moreover, rising minimum wages in India are making manned guarding services more expensive. This, coupled with the trend towards minimizing person-to-person contact, is driving increased adoption of electronic security systems such as centralized command centres, CCTV cameras, video analytics, and technology-equipped security guards to drive collaboration and productivity. The Indian video surveillance market is expected to reach US US$ 8.24 billion by 2022, and grow at 22.5 % between 2020 and 2025.[23]

Product Led Business

Online Recruitment

India has the world's second-largest internet users, behind only China[24]. The number of internet users is rising in both urban and rural areas, indicating a rapid increase in internet access.

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[15] IDC: https://www.business-standard.com/article/economy-policy/indian-it-business-services-market-grows-5-41-to-13-4-bn-in-2020-idc-121051800849_1.html

[16] IDC: https://www.livemint.com/technology/tech-news/digital-innovation-accelerates-india-s-public-cloud-adoption-says-idc-11653389842458.html

[17] Data Security Council of India (DSCI)

[18] https://www.hindustantimes.com/brand-post/kunwar-vikram-singh-led-capsi-has-been-successfully-represenjting-the-private-security-industry-in-india/story-JR8IjYkv168aLwrqgLYtAN.html

[19] https://ficci.in/spdocument/23012/Private%20Security%20Industry%20Report.pdf

[20] Ministry of Home Affairs

[21] https://prsindia.org/policy/analytical-reports/police-reforms-india

[22] https://www.orfonline.org/expert-speak/managing-india-urban-transition-2021/

[23] https://www.asmag.com/showpost/32098.aspx

[24] https://www.statista.com/statistics/262966/number-of-internet-users-in-selected-countries/#:~:text=China%20ranks%20first%20in%20this,population%20in%20China%20are%20online.

The digital adoption is increasing at a rapid pace especially in rural India with a spurt in smartphone usage, as the total active internet population is likely to touch 900 million by 2025 from 622 million in 2020. While internet users grew by 4 % in urban India - reaching 323 million users (67 % of urban population) in 2020, digital adoption continues to be propelled by rural India, clocking 13 % growth to 299 million internet users (31 % of rural population) over the past year[25].

With mobile phones infiltrating daily lives for all, an increasing number of job seekers for blue-and grey-collar jobs use smartphones today for job search. The major hurdle in finding jobs for such workers is a lack of trust in the current system as job seekers are often duped by job brokers/agents. In addition, a massive 90 % of the blue-and grey-collar workforce in the country belongs to the unorganized sector.

The global online recruitment market size is anticipated to reach US$ 43.39 billion till 2027[26]. The increasing demand for automation in all sectors has led to the development of evolved technologies applicable in all sectors. Both blue collar and white collar hiring has firmly moved to online platforms.

Online Recruitment will continue to thrive as talent management continues to be a critical priority for organizations. The Indian job market registered a 15% year-on-year growth in hiring demand in April 2022, according to Monster Employment Index[27].

Further, online platforms are enabling multiple modes of engagement between companies and candidates – full time, flexi-time and gig.

The post-pandemic boom in the gig economy also offers professionals the impetus to quit their full-time jobs for a more flexible work-life and to be able to pursue passion projects. In a study conducted by Skillsoft, 59% of respondents who switched jobs in the past year cited a lack of growth and development opportunities as their primary reason for doing so, taking precedence over better compensation and work/life balance[28].

Buoyed by above-mentioned trends, the Talent Marketplace (i.e. Job boards, seeker services and assisted search) market size is expected to reach US$ 16.4 billion across India, South East Asia and Middle East.

[25] https://www.business-standard.com/article/technology/india-s-active-internet-population-to-hit-900-million-by-2025-report-121060300444_1.html

[26] https://www.fortunebusinessinsights.com/online-recruitment-market-103730

[27] Monster Employment Index, April '22

[28] https://www.livemint.com/industry/human-resource/great-resignation-wave-impacting-new-hiring-trends-job-shifting-11642405623659.html

Financial Performance

(₹ in millions except per share data)

Particulars	Consolidated		Standalone	
	FY 2022	FY 2021	FY 2022	FY 2021
Revenue	**1,36,917.78**	**1,08,368.95**	**97,584.98**	**74,834.05**
Less: Cost of Materials and Stores and Spare Parts Consumed	2,787.25	2,007.49	1,110.39	712.91
Less: Employee Expenses	1,16,869.92	92,968.43	87,045.27	68,187.62
Less: Other Expenses	11,025.76	8,811.93	7,558.23	5,261.92
EBITDA	**6,234.85**	**4,581.10**	**1,871.09**	**671.60**
EBITDA Margin	4.55%	4.23%	1.92%	0.90%
Add: Other Income	198.01	450.90	1315.70	303.79
Less: Finance Costs	792.15	1,112.93	476.99	634.63
Less: Depreciation & Amortisation Expense	2120.47	2,285.28	481.04	525.09
Add: Share of Loss in Associates	(16.87)	(114.27)	-	-
Less: Exceptional Item	(72.24)	(326.89)	422.52	112.70
Profit Before Tax	**3,575.61**	**1,846.41**	**1,806.24**	**(297.03)**
Profit Before Tax Margin	2.61%	1.70%	1.85%	0.37%
Less: Tax Expense	1,065.84	1,109.52	357.96	701.49
Profit After Tax	**2,509.77**	**736.89**	**1,448.28**	**(998.52)**
Profit After Tax Margin	1.83%	0.68%	1.48%	(1.33)%
Add: Other Comprehensive Income/ (Losses)	16.26	(15.76)	(78.42)	(61.08)
Total Comprehensive income for the year	2,526.03	721.13	1,369.86	(1,059.60)
Diluted EPS (in ₹)	16.18	3.87	9.71	(6.76)

Key Highlights for FY'22

Revenue from operations

The company's consolidated revenue registered a growth of 26% during the year to reach ₹136.92 billion as compared to ₹108.37 billion in FY'21. The company saw steady growth during the quarters with resurgence of growth in line with resumption of economic activity across all sectors, staffing and CLM business drove the growth during the year.

Employee headcount increased from 3,63,000 in FY'21 to 4,37,000 in FY'22 with significant growth in staffing business

EBITDA

Consolidated EBITDA for the year grew to ₹6.23 billion from NR 4.58 billion in FY'21, registering a growth of 36% year on year. FY'21 included ₹ 1.19 billion provision taken towards legacy Government business.

EBITDA margins improved from 4.23% in FY'21 to 4.55% in FY'22, improvement of 33 bps year on year.

Cost of Materials and Stores and Spare Parts Consumed

Cost of Materials and Stores and Spare Parts Consumed increased 39% year on year to ₹ 2.79 billion from ₹2.01 billion in FY'21 with tapering off lockdown impact both in our food business and break fix business

Other Expenses

Other expenses increased during the year with increased business activity and normalisation of operations across all business. FY'22 saw an increase in Travel and Conveyance, Recruitment and Training and Business promotion and advertisement expenses coming back to pre-COVID levels. Other expenses was also higher during the year with higher sub-contractor costs with our focus on growing the MSP business in Professional IT staffing

Our SG&A cost has reduced to 5.4% of revenue in comparison to 6% in FY'21 as we continue our focus in driving our cost lower with operational efficiencies, and automation.

Finance Cost

Finance cost for the year was ₹0.79 billion against ₹1.11 billion for the previous year, a decrease of 29%. Decrease in Finance cost is mainly due to interest rate negotiations with just in time debt

Finance Cost - The gross debt increased to ₹5.88 billion in FY'22 from ₹5.16 billion in FY'21, due to 26% increase in revenue

Finance cost for FY'21 includes impact of Non-Controlling Put Option (NCI Put Option) to the tune of ₹0.13 billion in FY'21 pertaining to charges against Quess' obligation to acquire balance equity shares in our subsidiaries, mainly Conneqt.

Depreciation and Amortization Expenses

The Consolidated Depreciation & Amortization (D&A) Expenses decreased 7.2% to ₹2.12 billion in FY'22 from ₹2.29 billion in FY'21.

Intangible Amortisation has increased from ₹0.24 billion in FY'21 to ₹0.47 billion in FY'22 mainly due to write back of intangibles across Allsec and Facility Management business during the year.

Share of Loss in Associates

Share of loss in Associates during the year was at ₹16.87 million against ₹ 114.27 million for FY'21.

FY'21 included equity pick up of losses from Terrier (₹ 88.2 million).

Exceptional Items

Exceptional items during FY22 mainly include ₹0.2 billion of Expected Credit Loss, ₹0.48 billion of GST reconciliation expense and ₹ 13.95 million Monster settlement offset by ₹ 770 million of impairment reversal of intangible assets across Allsec and IFM

Exceptional items during FY'21 include net gain from fair valuation of previously held equity interest on Terrier acquisition (₹250 million) and profit on sale of Dependo (₹80 million)

Income Taxes

Tax expenses during the year were ₹1.07 billion against ₹ 1.11 billion in FY'21. Effective tax rate for the year was 25.168%

Balance Sheet Analysis

Particulars	FY 2022	FY 2021
Leverage Metrics		
Debt: Equity (#)	**0.23x**	**0.21X**
Working Capital Metrics		
Receivable DSO	**62 days**	**61 days**
Return Metrics		
RoCE (pre-tax) (#)	**16.60%**	**9.10%**
RoE (post tax)	**10.03%**	**3.08%**
Credit Rating		
Long Term	**ICRA AA [Stable]**	**ICRA AA [Stable]**
Short Term	**ICRA A1+**	**ICRA A1+**

Goodwill : Increase in goodwill due to reversal of impairment across Allsec and IFM

Property, Plant and Equipment: Increase in Property, Plant and Equipment during the year with investments made in computer equipment as a part of the normal refresh cycle

Right of use assets : Right of use assets higher during the year with investment made in new buildings to support growth and also consolidation of work spaces

Investments : Investments higher due to additional investment in Taskmo (₹ 80 million) offset by negative equity pick up of associate company

Receivable DSO: Receivable DSO stayed flat at 62 days year on year.

Cash and Cash Equivalents: The cash and cash equivalent balance including bank balances and current investments stood at ₹6.04 billion as of 31st March 2022 in comparison to ₹6.14 billion as of 31st March 2021.

Borrowings: Long term Debt reduced by ₹306.31 million to ₹236.76 million as of 31st March 2022. Short term Debt increased by ₹1.03 billion to reach ₹5.64 billion as on 31st March 2022. Debt: Equity ratio remained flat year on year.

Non-Controlling Interest increased during the year due to dilution of Quess stake in Monster

Cash Flow from Operations: Cash flow from operations decreased by 22.5% to ₹5.54 billion for FY'22 from ₹7.15 billion in FY'21. FY'21 cash flow included ₹3.02 billion of Income Tax refunds

Financial Ratios

Ratios	FY 2021-22	FY 2020-21
DSO days	62 days	61 days
Interest Coverage Ratio	8x	5x
Current Ratio	1.58x	1.58x
Debt Equity Ratio (#)	0.23x	0.21x
EBITDA Margin	4.55x	4.23x
Net Profit Margin	1.83x	0.68x
Return on Net Worth	10.03x	3.08x
Debtor Turnover Ratio	12.65	11.45
Working Capital Turnover Ratio	15.68	13.96

Few ratios have been re-stated as debt has been amended to include current maturities of long term debt from other financial liabilities as per schedule III of the Company Act

BUSINESS SEGMENT OVERVIEW

Workforce Management (WFM)

Quess is the market leader in the Indian workforce management space with a presence across Asia Pacific and Middle East offering multiple services including General Staffing, IT staffing, RPO , MSP, Permanent Recruitment and Digital compliance solutions. In the last 14 years, our biggest strength has been building and sustaining our reach and scale within the segment. With 73 offices across the country and 23 offices across APAC, ME, North America and Canada we aim to deliver a seamless service experience to our clients.

As per SIA (Staffing Industry Analysts), Quess WFM division has been ranked 48th in the world for 2021, with approximately US$ 992 million revenue which is the highest ever rank by an South Asian company in value terms.

Our company plays a pivotal role in ensuring productivity of the workforce through vocational training and the use of technology to manage all the back-end activities of our associates.

General Staffing

a. Services Offered

General Staffing on India's most advanced hire to retire platform	Managed Services on our leading WorQ© platform
• Long and Short-Term Staffing Services • One Time Recruitment • Payroll Management • Engagement Programs • Statutory & Compliance Management • Exit Formalities	• Engagement Programs • Rewards & Recognition Programs • Asset Deployment • Training Management • Hire Train & Deploy

b. Key Highlights for FY 2021-22

- We are India's largest general staffing services company providing resources to 1,100+ clients located across 400+ cities and towns.
- We were ranked 48th in SIA's prestigious Largest Global Staffing Firms 2021 list.
- In a typical month, we have capacity to hire and on-board up-to 30,000 people
- **We leverage India's leading hire to retire platform to drive superior productivity of 1:428 (Core to associate).** The platform facilitates accelerated hiring through automation of pre-screening, assessment, mandate creation, and offer letter generation processes.
- The General Staffing business maintained the volume growth, recording a total headcount of 285k associates. A 19% YoY growth, chiefly driven by hiring in BFSI, Telecom, Manufacturing and recovery in Retail.
- We have added 311 new customers this year, a significant portion of whom were either first-time outsourcers or previously using unorganized staffing companies.
- Associate satisfaction survey 114k took the survey and 83% of the associates said that they are satisfied or very satisfied with Quess, results and our aspiration is to get to associate satisfaction level to 90%

IT Staffing

a. Serviced Offered

- Staffing Services
- Managed Solutions
- Selection, Search and RPO

b. Key Highlights for FY 2021-22

- The IT staffing division of Quess is one of the largest in India and is equipped with over two decades of experience in staffing IT professionals across 300+ companies.
- Our 8,400+ associates deployed are proficient in over 500 technological skills. It enables us to deliver all-inclusive talent management solutions for our clients from different geographies and businesses.
- EBITDA grew 47% over last year, owing to high margins the digital segment. Increased demand for IT professionals has helped us to realize higher revenue per associate per month and improved our gross margins in the IT staffing business in India.
- Middle East staffing business revenue business grew by 53% YoY in FY22, driven by 43% addition in headcount
- Employee headcount grew by 14% YoY in the Singapore IT staffing business driven by opening up of the economy in the second half of FY22. The business saw 62% EBITDA growth on QoQ basis during Q4 FY22.
- Selection business saw massive tailwinds on account of 'Great resignation wave' leading to revenue increase of over 260% in FY22 vs. FY21

Digitally enabled services driving higher productivity

- During the year under review, we continue to digitize out operations. This has resulted in substantial operational efficiencies for example, 1) Reduction in cost to hire by 25%, 2) Recruiter Productivity improved by 2x, and 3) Speed of on-boarding has improved by 42%
- We have adopted WorQ as a complete workforce management product delivering employee governance, productivity tracking & engagement on a single platform. A focussed adoption drive has helped improve MAU of WorQ by about 85% making it one of the most widely used workforce management products in India. WorQ aims to assist employees right from the start of their employment journey, helping them to complete formalities related to F&F and availing experience certificate, relieving letter, gratuity payments, etc.
- The value added services, led by digital solutions, accounted for 20% of general staffing gross margin in Q4 FY22.

Foray into the gig economy

As discussed earlier, Gig economy in India has vast employment potential. To tap into the opportunity, Quess entered into a definitive agreement to buy 49% stake in one of the leading gig economy start-ups Taskmo for ~ ₹ 100 million till FY22, making us the first organised staffing player to enter this segment. As expected, Taskmo grew by leaps and bounds in FY22, achieving annual revenue of ₹ 118 million against ₹ 13 million in FY21, a 9x growth. The platform currently has 75k taskers on its platform and completes 10k tasks per day against 750 tasks per day in FY21.

Focus areas

General Staffing:

- Use technology in all areas. 50% of the sourcing to be through alternate channels
- New segments such as Construction and Manufacturing to bolster growth
- Continue to be preferred employer for associates, No 1 with associates with satisfaction levels above 90%

IT Staffing:

- Focus on Global Captive/ Development Centers, managed services and new age platform based hiring in India
- Focus on new client addition in Singapore
- Ramping up capacity and productivity

Overseas Staffing:

- Center Of Excellence being set up in Philippines for creating recruiting capacity across APAC
- Focusing on industry diversification – Fin Tech, e-commerce, ITeS and Customer lifecycle

Global Technology Solutions

The Global Technology Solutions platform offers 4 key service lines: 1. Platform based services, 2. Customer lifecycle management (CLM) solutions, 3. Non-voice BPO solutions, and 4. IT Services.

At present, our GTS platform generates 77% of business from India and 23% from North America, with CLM, Non-voice BPO, IT services and Platform business accounting for 42%, 24%, 20% and 14% of the business respectively.

GTS without Product Led Business surpassed WFM to become highest EBITDA generating platform in FY22. It remained the highest margin platform in Quess ecosystem with an EBITDA margin of 16.8% in Q4 FY22. Despite the slowdown, the business grew its absolute EBITDA by 20% on YoY basis to ₹ 930 million in Q4 FY22 from ₹ 738 million Q4 FY20[1]. Higher profitability was achieved due to growth in CLM vertical coupled with improvement in operational efficiencies in response to the pandemic.

Platform Business

a. Services offered

HR Outsourcing	InsurTech Platform
- Human Resources Outsourcing includes outsourcing of HR services from on-boarding to payroll processing and compliance management - Payroll outsourcing services provides the customer global configurable payroll and tax engine - Analytics-driven first call resolution (FCR), multilingual support, and custom training modules - SaaS based solutions includes SmartPay, SmartHRMS – powerful RPA enabled processing engine, fully customizable, flexible, and scalable Compliance Solutions	- InsurTech Platform is an on-demand comprehensive suite that covers the entire insurance processing life cycle, leveraging our proprietary solution in combination with partner vendor solutions - Provides a digital operating system for insurance companies and includes services with subscription-based & outcome-based rental models – to process various transactions like policy underwriting and claims. - Industry-leading SaaS solution for Policy, Underwriting, Billing & Claims processing for the North American P&C insurance industry

[1] All numbers excluding Product Led Businesses

b. Key Highlights for FY 2021-22

- Platform business continues to be consistent in FY22. The business maintained Q4 FY21 revenue run-rate in Q1 FY22 despite delta wave and concluded Q4 FY22 with 14% YoY revenue growth
- Multi Country Payroll (MCP) Solutions and Insurance Platform IT Services debuted amongst global contenders on the Everest Group PEAK Matrix
- InsurTech platform won 14 contracts in FY22 v/s 10 in FY21, leading to enhanced margins due to the inherent operating leverage of the platform. The platform recorded average revenue per FTE of US$ 108k FY2022, and processed premiums worth US$ 3.1 billion
- HRO platform business added 64 clients in FY22, against 44 in FY21. The platform business processed 32 million payslips in Q4FY 22 vs. 26 million in Q4 FY21, an improvement of 25% YoY

Customer Lifecycle Management

a. Services offered

- All facets of customer experience across traditional voice and emerging omni-channel models built on a strong Digital Operations architecture

b. Key Highlights for FY 2021-22

- Leading Domestic CLM player with over 38k+ FTEs serving 150+ clients in 24 Indian and 12 international languages
- Providing services in over 600+ locations across India through the unique 'Feet on Street' offering
- Business won CII Digital Experience Awards for excellence in digital services offerings
- Customer NPS improved from 60 to 65 during the year
- Managed over 1 million customer contacts per day, via multiple touch points, and empowered each client to make full use of next-generation technology and exceed set targets in record time.
- Our domestic leadership in the CLM space is complemented by international CLM footprint serviced through a globally distributed delivery model across India, the Philippines and the US
- Conneqt Business Service Solutions got ranked amongst the 50 Best Places to work in India by the Great Place to Work (GPTW) Institute

Non-voice BPO

a. Services offered

Collections	F&A Outsourcing
- Digital Solutions for o Debt Collection o Fraud & Dispute Management o Revenue Cycle Management	- Delivered through a powerful combination of automated tools, analytics-driven decisions, and rapidly scalable processes - Transaction processing powered by RPA - Compliance Management to ensure smooth implementation of processes while conforming to regulatory requirements for clients. It involves processes such as monitoring, employing competent experts, liaising with legal consultants, upskilling employees, and mortgage processing

b. Key Highlights for FY 2021-22

- Collection business increased the headcount by 12% during the year. The business ended Q4 at ₹ 915 million v/s ₹ 803 million a year ago.
- Continue to witnessing momentum in domestic F&A business: revenue increased by 16% in FY22.

IT Services

a. Services offered

Cloud/Infra & Cyber Security	IT Consulting
- Private Cloud-based Platform Solution providing Infra management across Data Centres & End-users. - SOC based Cyber Security monitoring - Consulting, Migration & System Integration Services	- Leading IT Consulting player for the Canadian Government services sector - Expanding in the Canadian Private Sector - High-value Digital, Business Analytics, and Program Management skills
Analytics/Automation & Digital Testing Services	
- Data warehouse & Business Intelligence in P&C RPA - Domain-led Digital Testing Services for both Packaged Apps & Custom solutions	

b. Key Highlights for FY 2020-21

- One of the fastest-growing players in the Indian market, with a service delivery architecture based on an optimum mix of NOC/SOC based Managed Cloud and Data Centre Services, End User Compute, and System Integration services.
- IT services business in Canada signed 89 contracts in FY22 v/s 61 contracts in FY21.
- Domestic IT Services achieved annual revenue of ₹ 932 million, over 50% increase on FY21 base
- Canadian Government sector business bounced back in FY22, the business singed signed 89 contracts in FY22 v/s 61 contracts in FY21.
- Our Canada business got ranked amongst the 10 Best Places to work in Canada by the Great Place to Work (GPTW) Institute.

Focus Areas

- Premiumization of – F&A, Social ORM, digital marketing, platforms
- Focus on new geographies (US and Middle East) in BPM
- Aggressive automation plan in Payroll for FY'23
- Digital IT Services: Reinforcement of proposition in Digital Business Apps, Cyber Security, Data Analytics and Automation

Operating Asset Management

We offer a range of asset maintenance solutions, from manpower based to managed services, across industry segments. Our services offerings include Soft Services, Hard Services, Security Solutions and Industrial asset maintenance. Our integrated service offering under one roof simplifies vendor management for our customers and allows us to undertake more SLA-based projects. Our deep domain expertise ensures efficiency and reliability in the services we provide.

Integrated Facilities Management

We are India's premier integrated facility management and food solutions provider. We strive to deliver functionality, comfort, safety and efficiency of the built-in environment by integrating our skilled people and robust processes with modern technology tools.

a. Services offered

Soft Services	Hard Services - Installation and Maintenance	Pest Control	Corporate F&B Services
• Housekeeping, Cleaning & Janitorial • Pantry Services • Waste Management • Landscaping- Softscape, Hardscape and Maintenance • Reception, Reprographic, Concierge & Helpdesk Services • Store Management	• HT & LT • HVAC System • UPS • Building Management Systems	• Residential, Commercial and Institutional Pest Control • Sterifumigation	• Corporate Cafeteria Operations • Dietary food operations for hospitals • Canteen Operations for educational institutions

b. Key Highlights for FY 2021-22

- With 2,700+ sites and 280 million sq.ft. facilities under our management, we are one of the largest facility management services companies in India.
- Leverage the skills of 50,000+ associates to deliver exceptional service.
- Revenue grew by 26% in FY22 against FY21. Fuelled by 120+ new customer signings during the year and ease of restrictions post delta wave
- Post lockdown, Education sector saw a rebound. The segment accounted for 23% of the revenue in Q4 FY22 against 17% in Q4 FY21.
- Food business also saw partial recovery as meals served per day improved by 63% in Q4 vs. same quarter last year.
- **New Offerings:** We started providing the 'Production Support services', under which we perform a range of duties to aid and optimize various production processes. We also play an active role in the pre-production stage, and verify all applicable project documentation.
- Increased digital adoption in front end and back end process has brought in efficiency in operations.

The associate to core ratio improved to 84:1 in Q4 FY22 from 70:1 Q4 FY21. Similarly, average fill ratio improved by 300 basis points in FY22 against FY21.

Security Services

Terrier Security is one of the leading integrated security solutions providers in India today. Our systems leverage innovative technologies, such as IoT and analytical solutions to offer robust security services to our clients. From offering Manned Guarding, Asset Management, Video Analytics, and Command Centre-led Business Solutions to Perimeter Intrusion Detection Systems, we provide security services that are specifically designed to meet client requirements.

a. *Serviced Offered*

- Manned guarding services
- Electronic Security Solutions
- Integrated Security Services

b. *Key Highlights for FY 2021-22*

- Revenue grew by 39% in FY22 v/s FY21 driven by 129 client additions in the year.
- Holds PSARA license across 22 states.
- Strong pan-India presence for diverse sectors such as Airports, Industries, Manufacturing, BFSI, Hospitality, Education, Logistics, IT/ITES, and Retail.
- Increased traction in demand for security services in the manufacturing, Retail and logistics sectors during the year.
- Command centre strengthening our electronic security services.

Industrial Services

We provide asset maintenance service for Industrial and Telecom sector. Services includes Plant Operations, Preventive and Predictive Maintenance, Condition Monitoring, and Shutdown Maintenance Services. In Telecom we offer services like telecom network optimization, project management and in-building solutions.

a. *Services offered*

Industrial	Telecom
• Operations & Maintenance for: o Steel Plants o Aluminium Smelters o Copper Smelters o Captive Power Plants • Oil & Gas Shutdown services	• Telecom Tower Installation • Network Planning, Rollout and Optimization • Performance Management

b. *Key Highlights for FY 2021-22*

- Acquired 11 customers across power, petrochemical and metals segments
- Telecom business jumped in value chain by obtaining Small Cell Business directly from Network Operators

Focus Areas

- IFM: SLA based and integrated projects, shifting towards outcome-based services and specialized cleaning
- Security: Building all India presence, scaling electronic security and premium services
- Continued digitization of operations to improve efficiency and quality of services

Platform-led business

We made significant strides in Platform led businesses in FY22. With relentless focus on product improvement and customer acquisition, these businesses were able to achieve non-linear growth. We believe that these businesses will continue build on FY22 and will become a significant value driver for the group.

Monster

Monster is India's second-largest job portal with an international presence in Southeast Asia (35% of the business) and the Middle East (3% of the business).

The new generation of job seekers is looking for frequent job changes, career advancement opportunities and work flexibility, while the companies look to hire for right fitment in shortest possible time. In such environment, Monster's vision is to transform from a job board to a talent platform – delivering full stack services to both candidates & recruiters with superior engagement and network effects. We have made significant strides in this direction while improving the product experience for recruiters as well as candidates. This has resulted in disruptive growth validating our efforts:

- Sales outpacing revenue in 3 out of 4 quarters in FY22
- Number of new orders in a quarter crossed 3,000, up by 68% YoY, in Q4 FY22
- Recruiter searches up by 144% YoY in Q4 FY22
- Top 1k order renewal rate crossing 100% benchmark

The business raised ₹ 1.37 billion at ₹ 6 billion pre-money valuation during Dec'21, validating management's vision and business team's execution.

Focus Areas:

- Continue to focus on building talent eco-system, the company has already partnered with leading tech OEMs and colleges in order to gain strategic advantage
- Transforming the product thru AI / ML and extensive use of data science – enabling move from desktop to mobile driven & build engagement layer into the platform to deliver stickiness
- Product expansion: To deliver multiple products beyond the core services of RDA and Job postings like – virtual career fairs, range of candidate services, automated hiring.

Blue Collar Talent Platform

Blue collar talent platform consists of hitherto separate digital assets organized under a common platform to create an end to end solution. With its three products, Qjobs, WorQ, and Dash, the company offers a comprehensive tech platform for large and mid-size companies accelerate their workforce hiring, management, engagement, and benefits needs.

This model will deliver operational synergies, lower customer acquisition cost and higher customer life time value.

Qjobs	WorQ	Dash
Digital hiring for Blue and Grey collar workforce • Connects verified employers with pre-screened job seekers • Job seekers upskilling through certifications and micro learning • AI-assisted recruiter hiring for on boarding ready candidates	Mobile- first, vernacular workforce management and productivity platform • Manage, engage, upskill & boosts productivity of employees on one app • Dashboard and analytics for CXOs and Managers to drive productivity • Reduce compliance risk and attrition building an engaged workforce	India's largest Benefits and Engagement platform for Blue and Grey Collar workforce • 200+ benefits from 70+ partners across 12+ categories • Daily micro engagement with 80% monthly repeat rate • Reduces employee attrition by 19%

Highlights:

Qjobs	WorQ	Dash
• Job-seekers: 3.5 Million (Until 31st March, 2022) • Job Vacancies: 2 Million+ in Q4 • Candidate-recruiter interactions: 4.9 Million (Until 31st March, 2022) • Up-skilling engagement: 2.5 Million (Until 31st March, 2022) • Recruiters: 10K (Until 31st March, 2022)	• Activated Users: 3.6L • Attendance Managed Users: 88K • Productivity Managed Users :11K	• Monthly Active Users: 150K+ • Visits Per User Per Month: 7 • Annual Gross Transaction Value (GTV) Run Rate: ₹ 70Cr

Qdigi

Qdigi is leading provider of B2B installation and break-fix services. We service close to 2 million service requests every year, adhering to the highest service standards mandated by marquee partners.

The business posted annual revenue growth of 28% despite the first quarter of the year being severely impacted by covid wave. The business delivered highest ever quarterly revenue in Q2 FY22, demonstrating resilience of the business and the team despite pandemic induced challenges in a field driven business.

The transformation of the legacy business continues to be underway as the business introduced an Asset-Light model to enable accelerated growth, we were able to add 78 centres at Zero capex as a result.

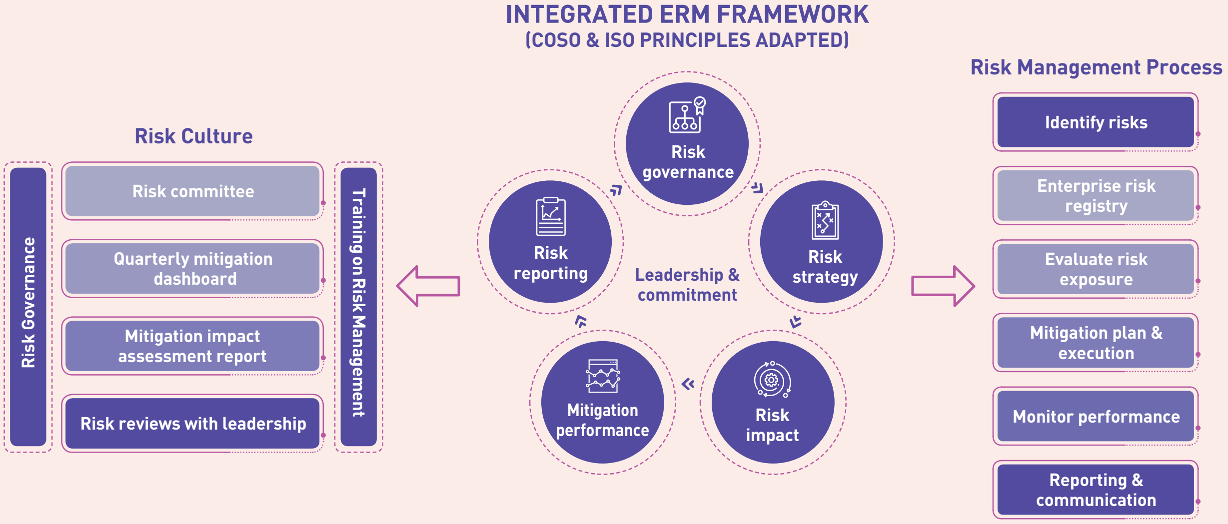
The on-demand extended warranty business, under the brand 'Quess care', continue to scale quite well with it being the top selling brand in insurance on Amazon in the categories that it competes in. We sold approx. 100k policy during the year.

Going forward the business will continue to invest in building the tech platform to deliver efficiencies in both sales and servicing in order to build a scalable and sustainable omni-channel business.

RISK MANAGEMENT

Risk Management Framework

We have adopted an integrated ERM Framework that is implemented across the organisation by the Risk Management Team. Our ERM Framework is tailored to suit our unique and diverse business requirements based on the best practices and principles of COSO and ISO 31000:2018.



As a diversified enterprise, our global ERM framework is designed to incorporate Risk Management while developing strategies against a portfolio of businesses that best match market opportunities, leadership & succession planning, automation & technology, etc. all within the risk appetite of the Company. Strategic decisions are taken after careful consideration of primary risks, secondary risks, consequential risks and residual risks. We have further extended our risk management to include sustainability risks of the Company.

Our framework provides for systematic & proactive identification of risks, by effectively engaging with Business Leaders, Functional Heads & Process Owners. Through risk identification and the mitigation thereof, it enables our organisation to boost performance effectively and provides for timely decision-making. Further, our ERM framework provides for the identification of strategic, operational, financial, compliance and sustainability risks. All of these categories have internal and external dimensions taken into consideration while identifying risks.

Our ERM Framework, supported by a robust and dynamic internal control systems, has the following salient features

- Our Risk Management Policy approved by the Board, clearly establishes a structured & disciplined approach to risk management in order to help guide strategic decision making. The Risk Management Committee constituted by the Board and C-suite Executives, review and monitor the progress on the mitigation plans and provide necessary guidance and direction.
- The Corporate level Risk Management Team, constantly engages with the independent Internal Auditors to identify areas where processes and internal controls needs to be strengthened for better risk management. Audit findings are discussed and reviewed by the Audit Committee of the Board, including management action plans
- Business level SOPs and policies together with centrally issued policies, govern the internal control landscape and enhance our robust risk management processes.
- Periodic Top Management Reports such as Risk Dashboards, Risks Review Reports, Internal Audit Reports, etc. constantly help in monitoring the risk exposure and effectiveness of mitigation plans executed.

Key Business Risks

Risk	Opportunities	Mitigation Actions
Digital Platforms How do we ensure our business models and services are constantly evolving and dynamic	• Leader in digital business solutions • Digitisation opportunities for greater productivity • Agility in adoption of new technology	Through our digital employment channels such as Qjobs (blue collared employees) and Monster (white collared employees), we provide digital solutions, for bridging the gap between demand and supply of human capital across the country. These digital solutions help in reducing the time required to recruit, train and deploy resources for our customers, there by helping them to scale their operations quickly.
Cyber Security & Data Protection Data breaches and cyber-attacks will negatively impact the reputation of the company	• Better security posture • Enhanced data protection • Recovery strategies to prevent business disruptions	Our Cyber Security Council chaired by the Chief Technology Officer and respective business IT Heads meet fortnightly, with specific focus on cyber security and data protection risks. The Committee tracks emerging practices and technologies, to provide solutions for enhancing IT systems and infrastructure. Through initiatives such as VAPT, SIEM, DLP, MDM, etc. we have strengthened our security posture considerably.
Safety at work Safety incidents leading to injury or death of an employee	• Better safety training and awareness • Safe work environment leading to higher productivity • Prevent employee litigation and disputes	The employee app based HRMS tool, has been enhanced with a separate workflow for safety incident reporting. The central employee grievance cell is tasked with live monitoring and response to such incidents raised in the app. Our comprehensive Health, Safety and Environment Conservation Policy together with the Emergency Procedure Policy governs our employee safety and incident management. Mandatory safety trainings as part of the induction programme/ annual refresher course along with specific on-the-job trainings help increase safety awareness and adherence to set protocols.
Diversity & Inclusion Hire associates of diverse skills and talent, thereby becoming an Equal Employment Opportunity employer	• Work environment that helps foster innovation, creativity, empathy, etc. • Culture of equality, self-awareness, respect, etc. • Creating opportunities and adding value to society	Quess is committed to hiring talent from diverse backgrounds across the world, in order to create a unique working culture that helps maximise our potential and our customers' productivity. Our Equal Employment Opportunity Policy, reiterates the Company's commitment towards non-discrimination of candidates based on age, colour, gender, disability, marital status, race, religion and sexual orientation. We were able to successfully induct 4,800+ specially abled associates into the workforce in FY22 and we believe this is just the start. The Company's near term goal is to improve gender diversity to 50% for Core employees through targeted talent acquisitions, over the next three years.
Employee acquisition and retention Timely hiring and retaining of talent in order to improve customer satisfaction	• Highly productive workforce, resulting in met / exceeded business targets • Better customer satisfaction and relationship • Optimised human resource cost	Post COVID, there has been a paradigm shift in the staffing industry, with gig economy becoming mainstream versus traditional manpower supply. Through our digital platforms such as Qjobs, ReQruit, WorQ, etc. and acquisition of Taskmo our gig marketplace. We have significantly reduced time to hire and deploy associates across industries for our customers. We have enabled our WorQ mobile based application to host ethical training modules such as POSH, COC, Safety, ESG, etc. Through this enablement, we have been able to constantly train our workforce while providing them the flexibility of completing these training modules. Further, we also provide reskilling & upskilling opportunities through these digital platforms for our workforce. Our employee non-compensation benefit platform Dash, provides for more than 200+ products from 70+ partners across 12 categories of benefits. With bespoke offers negotiated with each partner for our workforce.

Risk	Opportunities	Mitigation Actions
Carbon Footprint Reducing the impact of the company's operations on the environment	• To mitigate the impact of global warming • Optimisation & effective utilisation of natural resources • To ensure cleaner elements such as air, water, food, etc. for future generations	Even though we are a low carbon emitting company, we continue to drive key sustainability initiatives across our businesses. For the year, we were able to recycle 10,297+ kgs of paper waste and responsibly dispose 10,650+ kgs of e-waste. Our electricity consumption has been a key focus area, in order to further reduce our Scope 2 emissions. During the year, independent Energy Audits were conducted across six of our largest facilities, that accounts for almost half of our energy consumption. The audits findings helped us to identify key focus areas and implement a plan that would help enable is to reduce our emissions by 20%, in the next three years.
Compliance with labour laws How do we enable our systems and processes towards change in labour laws and regulations	• Enhances business reputation and customer trust • Distinguishing factor amongst competitors • Protect investor interest and trust in the company	Given our diversified staffing business across multiple industries and sectors, there is an increased risk of non-compliance with regulatory labour requirements. Our central compliance team together with the support of respective business compliance SPOCS constantly track and monitor adherence to central, state and local labour compliance. Key labour compliances such as Minimum Wages, PF, ESI, PT, LWF, etc. are tracked and reported periodically across business.

Our approach to risk management is designed to provide reasonable, but not absolute assurance that our assets are safeguarded, the risks facing the business are being assessed and mitigated. All information that is required to be disclosed, is reported to the senior management including the Chairman, Group CEO, Group CFO, Audit Committee and the Risk Management Committee of the Board.

Internal Control Systems and their adequacy

The Company has a strong Internal Control System (ICS), which is aligned to the requirement of the Companies Act, 2013. Further, the company has a robust ICS, commensurate with the size, scale and complexity of its business operations. The Board of Directors has laid down internal financial controls through policies and procedures which are adopted by the company, for ensuring the orderly and efficient conduct of its business, compliance with all applicable laws, rules and directives from any statutory or regulatory authority, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

Ernst & Young LLP, internal auditors of the company, oversee and perform our internal audit reviews. The scope and authority of the internal auditors is clearly defined by the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee. The internal auditor monitors and evaluates the efficacy and adequacy of the ICS of the company and its compliance with applicable laws/ regulations, accounting procedures and policies.

The Audit Committee in compliance with Section 177 of the Act, comprises six Directors of the company, of which four Directors are independent. The Audit Committee, meets every quarter to review the Internal Audit reports submitted by the internal auditor of the company. Based on these reports, the committee scrutinises and reviews the key audit findings to evaluate the effectiveness and adequacy of the company's financial controls, internal controls, risk management systems and processes (including those relating to compliance with all applicable laws and regulations) to ensure that they are robust and have been appropriately developed and implemented. The internal auditor also provides a status of all key audit findings based on follow-up reviews conducted every quarter to ensure appropriate resolutions are implemented.

Deloitte Haskins and Sells LLP, the statutory auditors of the company, have audited the financial statements of the company, forming part of the annual report, and have issued a report on our internal controls over financial reporting as defined under Section 143 of the Companies Act, 2013.

Further to the above, implementation of an internal control framework, as defined under Section 177 of the Companies Act, 2013 read with Regulation 17 of SEBI (LODR) Regulations, 2015, the Statutory Auditors, along with Audit Committee have opined that the company has, in all material respects, an adequate internal financial controls system over financial reporting and such controls operated effectively during the year.

BOARD'S REPORT

Dear Members,

Your Board of Directors ("**Board**") with immense pleasure present their 15th Annual Report of Quess Corp Limited **("the Company"** or "**Quess**") for the financial year **("FY")** ended 31 March 2022 **("the year under review"** or **"the year"** or **"FY22")**.

In compliance with the applicable provisions of the Companies Act, 2013, **("the Act")** and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")**, this report covers the financial results and other developments during the financial year from 1 April 2021 to 31 March 2022 in respect of Quess Standalone and Consolidated comprising Quess, its subsidiaries and associate companies. The consolidated entity has been referred to as "**Quess Group**" or "**the Group**" in this report.

1. **Financial Results – An Overview:**

In compliance with the provisions of the Act and the Listing Regulations, the Company has prepared its standalone and consolidated financial statements as per Indian Accounting Standards ("**Ind AS**") for FY22. The standalone and consolidated financial highlights of the Company's operations are as follows:

Particulars	**(₹ in millions, except per equity share data)**			
	Consolidated		**Standalone**	
	FY22	**FY21**	**FY22**	**FY21**
Revenue	136,917.78	108,368.95	97,584.98	74,834.05
Other Income	198.01	450.90	1,315.70	303.79
Total Income	137,115.79	108,819.85	98,900.68	75,137.84
Cost of material and stores and spare parts consumed	2,787.25	2,007.49	1,110.39	712.91
Employee benefit expenses	116,869.92	92,968.43	87,045.27	68,187.62
Other expenses	11,025.76	8,811.93	7,558.23	5,261.92
Finance Costs	792.15	1,112.93	476.99	634.63
Depreciation and Amortization Expense	2,120.47	2,285.28	481.04	525.09
Total Expenses	133,595.55	107,186.06	96,671.92	75,322.17
Share of Profits/(loss) in Associates	(16.87)	(114.27)	0.00	0.00
Profit/(loss) before exceptional items and tax	3,503.37	1,519.52	2,228.76	(184.33)
Exceptional items	(72.24)	(326.89)	422.52	112.70
Profit/(Loss) Before Tax	3,575.61	1,846.41	1,806.24	(297.03)
Tax Expense	(1,065.84)	(1,109.52)	(357.96)	(701.49)
Profit/(Loss) for the year	2,509.77	736.89	1,448.28	(998.52)
Total Comprehensive Income for the year	2,526.03	721.13	1,369.86	(1,059.60)
Basic EPS (in ₹)	16.32	3.92	9.80	(6.76)
Diluted EPS (in ₹)	16.18	3.87	9.71	(6.76)

A detailed performance analysis on various segments, business and operations are provided in the Management Discussion and Analysis which is annexed to this report.

2. **Reserves:**

The Company has not transferred any amount to the general reserves during the year under review.

3. **Transfer of Unclaimed Dividend to Investor Education and Protection Fund:**

The provisions of Section 125(2) of the Act are not applicable to the Company as of 31 March 2022.

4. Dividend:

The Board of Directors of your Company at their meeting held on 5 May 2021 and 13 November 2021 declared an interim dividend of ₹ 7/- and ₹ 4/- per equity share having face value of ₹ 10/- each for the financial year 2020-21 and the financial year 2021-22 aggregating to ₹ 1,033.75 million and ₹ 591.14 million respectively, in due compliance with the applicable laws.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

5. Dividend Distribution Policy:

Pursuant to Regulation 43A of the Listing Regulations, the Board of Directors of the Company has formulated a Dividend Distribution Policy. The policy is available on the Company's website which can be accessed using the following link https://www.quesscorp.com/investor/dist/images/pdf/Policies/Dividend_Distribution_Policy.pdf

6. Share Capital:

During the year under review, there has been no change in the Authorised Share Capital of the Company. However, the paid-up share capital of the Company has been increased from ₹ 1,476.79 million to ₹ 1,479.91 million.

The paid-up share capital of the Company has increased due to the following events/transactions -

a) Quess Employee Stock Option Scheme 2015 ("ESOP 2015")

The Nomination and Remuneration Committee ("**NRC**") vide circular resolution dated 6 July 2021 and 9 March 2022 allotted 4,976 and 21,960 equity shares respectively of ₹ 10 each to the eligible employees & ex-employees of the Company who exercised their options under ESOP 2015.

b) Quess Stock Ownership Plan-2020 ("QSOP 2020")

NRC vide circular resolution dated 6 July 2021, 29 September 2021, 7 December 2021 and 9 March 2022 allotted 70,452, 30,801, 98,437 and 85,067 equity shares respectively of ₹ 10 each to the eligible employees of the Company who exercised their Restricted Stock Units ("**RSU**") under QSOP 2020.

The Company has not issued any debentures, bonds, sweat equity shares, any shares with differential rights or any non-convertible securities during the year under review.

7. Subsidiaries and Associate Companies:

Pursuant to the provisions of Section 129(3) of the Act, a separate statement containing the salient features of the financial statements of all subsidiaries and associate companies/ joint ventures of the Company (in Form AOC - 1) is attached to the financial statements of the Company.

In terms of Section 134 of the Act and Rule 8(1) of the Companies (Accounts) Rules, 2014, the financial position and performance of the subsidiaries are given as an annexure to the Consolidated Financial Statements.

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company along with relevant documents and separately audited financial statements of the subsidiaries, are available on the Company's official website https://www.quesscorp.com/financial-information/

The Company has approved a policy for determining material subsidiaries and the same is uploaded on the Company's website which can be accessed using the link - https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-for-Material-Subsidiary.pdf. In terms of this policy, Conneqt Business Solutions Limited continues to be a material subsidiary of the Company within the meaning of Regulation 16(c) of the Listing Regulations, for which a Secretarial Audit has been conducted pursuant to Regulation 24A of the Listing Regulations. There has been no material change in the nature of the business of the subsidiaries.

As on 31 March 2022, there are total 33 Subsidiary Companies comprising 14 Indian Companies and 19 Foreign Companies. Out of 14 Indian Companies, 9 Companies are wholly–owned subsidiaries, 4 Companies are subsidiaries and 1 Company is a step-down subsidiary. Out of 19 Foreign Companies, 5 Companies are wholly–owned subsidiaries and 14 Companies are step-down subsidiaries. Further, there are 2 Indian and 3 Foreign Associate Companies.

8. Significant Developments in FY 22:

Merger under Section 230 and 232 of the Act 'In-process':

- The Company at its meeting held on 3 June 2021 and 7 July 2021, had obtained the approval from the Board for the proposed merger of Greenpiece Landscapes India Private Limited, MFX Infotech Private Limited and Conneqt Business Solutions Limited (collectively referred to as "**Wholly-Owned Subsidiaries**") with Quess Corp Limited under Section 230 & 232 of the Companies Act, 2013 and rules made thereunder through the National Company Law Tribunal ("**NCLT**") route. The Company has filed an application (CA (CAA) No.22/BB/2022) before the Hon'ble NCLT Bengaluru Bench on 21 January 2022. The matter has been listed for hearing before the NCLT.

Acquisitions / Investments / Disinvestment during the year:

- The Company has invested ₹ 80,000,000 in Stellarslog Technovation Pvt. Ltd. ("**TaskMo**"), a gig economy start-up, over multiple tranches during the year, thereby increasing its stake from 16.12% to 49%, making it an associate of the Company.

Further, the Board at its meeting held on 30 March 2022 approved additional investment in TaskMo for an amount not exceeding ₹ 38,400,000 which was subsequently completed in April 2022, thereby increasing the stake of the Company from 49% to 53.91% in TaskMo.

- The Board at its meeting held on 22 December 2021 approved the subscription to 7,216 equity shares of Monster.com (India) Private Limited which was issued on a rights basis for a consideration aggregating to ₹ 574,220,416.
- The Board at its meeting held on 10 February 2022 approved an additional investment for an amount not exceeding ₹ 100,000,656 by way of primary investment and ₹ 30,000,000 by conversion of existing loans and advances (including interest thereon) into equity shares in Heptagon Technologies Private Limited ("**Heptagon**"), thereby increasing the equity stake by 11.67% in Heptagon. With this, the Company's stake in Heptagon increased from 49% to 60.67% thereby making Heptagon, a subsidiary of the Company w.e.f 10 February 2022.
- The Board of Directors at its meeting held on 30 March 2022 approved additional investment in Billion Careers Private Limited ("**BCPL**"), wholly-owned subsidiary for an amount not exceeding ₹ 60,000,000 in the form of equity on a rights basis at face value in BCPL. Further, at the same meeting it approved the slump sale of business undertaking consisting of 'Qjobs', 'WorQ' and 'Dash', blue-collar platform of 'Quess Corp Limited' to, BCPL, on the terms and conditions contained in the Business Transfer Agreement.

9. Particulars of Loans, Guarantees or Investments:

Details of loans, corporate guarantees and investments covered under Section 186 of the Act form part of the notes to the Financial Statements provided in this Annual Report.

10. Management Discussion & Analysis:

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review is presented in a separate section, forming an integral part of the Annual Report.

11. Directors and Key Managerial Personnel (KMPs):

(a) Director retiring by rotation –

In accordance with the provisions of Section 152 of the Act read with rules made thereunder and the Articles of Association of the Company, Mr. Ajit Isaac (DIN: 00087168), is liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the AGM Notice.

(b) Appointment and Resignation of Directors and KMPs –

Appointments:

The Board, on the recommendation of the Nomination and Remuneration Committee ("**NRC**"), approved the appointment of Mr. Guruprasad Srinivasan (DIN: 07596207), as an Additional Director in the capacity of Executive Director for a period of 3 years and Group CEO of the Company with effect from February 10, 2022, with the approval of the shareholders accorded through postal ballot on 30 March 2022.

The Board, on the recommendation of NRC, at its meeting held on 10 February 2022 approved the re-designation of Mr. Ajit Isaac (DIN: 00087168), from "Executive Chairman" to "Chairman and Non-Executive Director" with effect from April 1, 2022.

The Board approved the appointment of Mr. N. Ravi Vishwanath as Group Chief Financial Officer of the Company with effect from 1 April 2021.

Resignations:

The Board, noted the resignation of Mr. K. Suraj Moraje (DIN: 08594844) from the position of Managing Director and Group CEO of the Company with effect from February 10, 2022.

(c) Declaration of Independence –

The Company has received declarations from the Independent Directors that they meet the criteria of independence as prescribed under Section 149(6) of the Act along with rules framed thereunder and Regulation 16(1) (b) and 25 of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, and reimbursement of expenses incurred by them to attend meetings of the Board/ Committees of the Company.

None of the Directors of the Company is disqualified from being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

12. Directors' Responsibility Statement:

Pursuant to Section 134(3)(c) of the Act, the Board of Directors, to the best of their knowledge and information and explanations received from the Company, confirm that:

a) in the preparation of the accounts for the year ended 31 March 2022, the applicable accounting standards have been followed and there are no material departures from the same;

b) they have selected such accounting policies and applied them consistently, and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit of the Company for the year under review;

c) they have taken proper and sufficient care for the 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 fraud and other irregularities;

d) they have prepared annual accounts of the Company on a 'going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) they have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

13. Annual Board Evaluation and Familiarization Programme for Board members:

The Board of Directors and the NRC have carried out an annual evaluation of its own performance, the performance of its Committees and Individual Directors of the Company, including the Chairman of the Board, pursuant to the provisions of the Act and the Listing Regulations on 1 June 2021. The performance as a whole was evaluated by the Board after seeking input from all the Directors based on the criteria such as the Board composition and structure, meetings and procedures, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on the criteria such as the composition of Committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5 January 2017.

NRC reviewed the performance of Individual Directors based on criteria such as the contribution of the individual director to the Board and Committee meetings, in terms of preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. At the Board Meeting followed by the meeting of the Independent Directors and meeting of NRC, the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company were evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Statutory Auditors and Internal Auditors of the Company make presentations to the Board of Directors on Financial Statements and Internal Controls and also on regulatory changes from time to time.

The familiarization programme aims to provide insight to the Independent Directors to understand the business of the Company, its stakeholders, leadership team, senior management, operations, policies and industry perspective and issues. The Independent Directors are made aware of their roles, rights and responsibilities at the time of their appointment/re-appointment through a formal letter of appointment. A familiarization programme for all the Independent Directors was held on 20 January 2022. Further, the Directors were also familiarized with the different business functions of the Company at the Quess Annual meet held in the month of March 2022.

A note on the Familiarisation programme adopted by the Company for orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations is referred herewith is made available on the Company's official website at – https://www.quesscorp.com/investor/dist/images/pdf/Policies/Directors_Familiarization_Programme.pdf

14 Business Responsibility Report:

As stipulated under Regulation 34 of the Listing Regulations, the Business Responsibility Report, describing the initiatives taken by the Company from environmental, social and governance perspectives forms a part of the Annual Report as **'Annexure – A'.**

15. Audit & Auditors:

(a) Statutory Auditors -

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366 W/W - 100018) were appointed as Statutory Auditors of the Company at the 11th AGM held on 26 July 2018 to hold office from the conclusion of the 11th AGM till the conclusion of the 16th AGM.

The Board has duly examined the Statutory Auditors' Report to the financial statements, which is self-explanatory. Clarifications, wherever necessary, have been included in the notes to the financial statements section of the Annual Report. The Auditor's report for FY22 does not contain any qualification, reservation or adverse remark for the year under review. The Auditors

Report is enclosed with the financial statements in this Annual Report. During the year under review, the Auditors have not reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134(3) (ca) of the Act.

(b) Secretarial Auditors -

Pursuant to Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board, at its meeting held on 3 June 2021 had approved the appointment of Mr. S.N. Mishra, proprietor of M/s. SNM & Associates, Practicing Company Secretary (C.P. No. 4684) as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the FY22. The Company had also received written consent from Mr. S. N. Mishra to act as such.

The Secretarial Audit Report for FY22 is annexed as **'Annexure – B'** and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remark for the year under review. During the year under review, the Auditors have not reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134(3)(ca) of the Act.

Further, as per the amended Regulation 24A vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, the Secretarial Audit Report of Conneqt Business Solutions Limited, wholly-owned subsidiary of the Company, being a material issued by Mr. CS P V S Ramanjaneyulu (C.P No 22999) is annexed as **'Annexure – C'**

Pursuant to Regulation 24A of the Listing Regulations, a Secretarial Compliance Report for the financial year ended 31 March 2022 is annexed as **'Annexure – D'**

(c) Internal Auditors –

The Board, on the recommendation of the Audit Committee, in its meeting held on 3 June 2021 had approved the appointment of M/s. Ernst & Young LLP as the Internal Auditors of the Company for FY22 to conduct the audit on basis of a detailed internal audit plan which is reviewed each year in consultation with the Internal Audit Team and the Audit Committee. On a quarterly basis also, Internal Auditors give presentations and provide a report to the Audit Committee of the Company.

(d) Cost Audit -

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act, is not required by the Company and accordingly, such accounts and records are not made and maintained.

16. Risk Management:

The Board of the Company has adopted the Risk Management Policy in order to assess, monitor and manage risk throughout the Company. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of the Risk Management Policy have been covered in the Management Discussion and Analysis, which forms part of this report. Risk is an integral part of the Company's business and sound risk management is critical to the success of the organization. The Risk Management policy, as approved by the Board, is displayed on the official website of the Company and can be accessed using the link – https://www.quesscorp.com/investor/dist/images/pdf/Policies/Risk-Management-Policy.pdf

17. Internal Financial Control Systems and their Adequacy:

Internal Financial Controls are an integrated part of the risk management process which in turn is a part of Corporate Governance addressing financial and financial reporting risks. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company has established a strong framework for internal financial controls. During the year, such controls were assessed and no reportable material weaknesses in the design or operation were observed. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY22 and their adequacy is included in the Management Discussion and Analysis, which forms part of this Report.

18. Related Party Transactions:

All Related Party Transactions entered during the FY22 were on an arm's length basis and in the ordinary course of business. There were no material significant Related Party Transactions entered by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations. Prior omnibus approval from the Audit Committee is obtained for transactions that are repetitive in nature. The Audit Committee reviews all transactions entered into pursuant to the omnibus approvals so granted on a quarterly basis. Pursuant to Regulation 23(9) of the Listing Regulations, the Company has filed reports on related party transactions with the Stock Exchanges(s).

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section

134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **'Annexure – E'** in Form AOC-2 and the same forms part of this report.

The Company has adopted a policy for dealing with Related Party Transactions and is made available on the Company's website at – https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Criterial-for-determining-RPT.pdf

19. Nomination and Remuneration Committee and Company's Policy on Nomination, Remuneration, Board Diversity, Evaluation and Succession:

(a) Policy on Director's Appointment and Remuneration–

In compliance with the provisions of Section 178(3) of the Act and Regulation 19 of the Listing Regulations, the Board, on the recommendation of NRC has approved the criteria for determining qualifications, positive attributes, and independence of Directors in terms of other applicable provisions of the Act and the rules made thereunder, both in respect of Independent Directors and other Directors as applicable. The Board has adopted a policy which provides for the appointment of Directors, viz. educational and professional background, general understanding of the Company's business dynamics, global business and social perspective, personal achievements and Board diversity, removal and remuneration of Directors, Key Managerial Personnel ("**KMP**") and Senior Management Personnel and also on succession planning and evaluation of Directors. The policy on remuneration can be accessed at the web link -https://www.quesscorp.com/investor/dist/images/pdf/Policies/Nomination-and-Remuneration-Policy.pdf

(b) Board Diversity –

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will leverage differences in thought, perspective, knowledge and industry experience to help us retain our competitive strength. The Company has evaluated the policy with the purpose to ensure adequate diversity in its Board of Directors, which enables them to function efficiently and foster differentiated thought processes at the back of varied industrial and management expertise. The Board recognizes the importance of diverse composition and has therefore adopted a Board Diversity Policy. The policy is made available on the Company's website which can be accessed at the web link - https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Board-Diversity.pdf

20. Criteria for making payments to Non-Executive Directors

The criteria for making payment to Non-Executive Directors is available on the website of the Company at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Nomination-and-Remuneration-Policy.pdf

21. Employee Stock Option Plan ("ESOP")/ Restricted Stock Units ("RSUs"):

The Company grants share-based benefits to eligible employees to attract and retain the best talent, encouraging employees to align individual performances with the Company objectives, and promoting increased participation by them in the growth of the Company. The Company has instituted employee stock option schemes, namely-

(1) Quess Corp Limited Employees' Amended Stock Option Scheme, 2009;

(2) Quess Corp Limited - Employees' Stock Option Scheme, 2015; and

(3) Quess Stock Ownership Plan-2020.

(1) Quess Corp Limited Employee Stock Option Scheme 2009 ("ESOP 2009") –

During the year under review, no options were exercised by any eligible or ex-employees under this Scheme.

(2) Quess Employee Stock Option Scheme 2015 ("ESOP 2015")-

During the year under review, total 26,936 options were exercised by the eligible employees and ex-employees. As on 31 March 2022, a balance of 41,263 options are outstanding which constitutes 0.03% of the issued equity share capital of the Company.

(3) Quess Stock Ownership Plan-2020 ("QSOP 2020")–

During the year under review, total 2,84,757 options were exercised by the eligible employees. As on 31 March 2022, a balance of 49,292 options are outstanding which constitutes 0.03% of the issued equity share capital of the Company.

A detailed disclosure with respect to stock options, as required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 and SEBI Circular dated 16 June 2015, has been uploaded on the official website of the Company at - https://www.quesscorp.com/investor-other-information/

M/s. SNM & Associates, Practicing Company Secretary (C.P. No. 4684), have certified that the aforementioned employee stock option plans of the Company which have been implemented in accordance with the regulations and the resolutions passed by the members in this regard.

22. **Particulars of Employees:**

The Company is required to give disclosures under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is annexed as **'Annexure – F'** and forms an integral part of this Report.

The statement containing the top 10 employees on roll and particulars of employees employed throughout the year whose remuneration is more than ₹ 10.20 million or more per annum and employees employed part-time and in receipt of remuneration of ₹ 0.85 million or more per month as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, forms an integral part of this Report. However, the same is not being sent along with this Annual Report to the members of the Company in line with the provision of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

The aforesaid annexure is also available for inspection by the Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing AGM during the business hours on working days.

23. **Corporate Governance:**

Your Company endeavours to adopt the best prevalent Corporate Governance practices. A detailed report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms an integral part of the Annual Report. A certificate from Mr. S. N. Mishra, Practicing Company Secretary, Bengaluru, confirming compliance to conditions of Corporate Governance, as stipulated under the Listing Regulations, is annexed to the Corporate Governance Report. A statement containing additional information as required under Part II of Schedule V of the Companies Act, 2013 is provided in the Report on Corporate Governance, which forms part of this Annual Report.

24. **Vigil Mechanism/ Whistle Blower Policy:**

In compliance with Section 177(9) of the Act and Regulation 22 of the Listing Regulations, the Company has a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees in confirmation with the above laws, to report concerns about unethical behaviour, violations of system, actual or suspected fraud or grave misconduct by the employees. The details of the Policy have been disclosed in the Corporate Governance Report, which is a part of this report and is also available on the website of the Company – https://www.quesscorp.com/investor/dist/images/pdf/Governance/Whistle-BlowerPolicy.pdf

25. **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo under Section 134(3)(m) of the Act:**

The provisions of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption do not apply to the Company. The Company is a pioneer in workforce management, technologies and has used information technology extensively in its operations.

The details of Foreign exchange earnings and outgo are given below:

- Expenditure in foreign currency : ₹ 26.30 million
- Earnings in foreign currency : ₹ 395.45 million

26. **Corporate Social Responsibility ("CSR"):**

The Company believes in building and maintaining a sustainable societal value, inspired by a noteworthy vision to actively participate, contribute and impact not just individual lives but create a difference on a social level as well. CSR initiatives are primarily carried out through the Careworks Foundation (CWF), a non-profit initiative established in January 2014. The Company has filed Form CSR-2 for the financial year 2020-21 and will be filing the aforesaid form for the financial year 2021-22 along with Form AOC-1, as prescribed under the provisions of the law.

The consolidated contribution of the Company towards various CSR activities during the financial year 2021-22 is ₹ 10.32 million. CSR spending is guided by the vision of creating long-term benefits for Society. As of March 31, 2022, ₹ 22.88 million Unspent Amount was transferred to a separate bank account opened with a scheduled bank, which will be used over a three-year period on ongoing projects as defined in the Company's CSR annual action plan and policy.

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established the CSR Committee.

The Board has adopted the CSR Policy, as formulated and recommended by the CSR Committee, and is available on the Company's website at https://www.quesscorp.com/investor/dist/images/pdf/Policies/CSR-Policy.pdf

The disclosure of contents of CSR policy pursuant to the provisions of Section 134(3)(o) of Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed herewith as **'Annexure – G'** to the Board's Report.

27. **Secretarial Standards:**

Pursuant to the provisions of Section 118 of the Act, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India ("**ICSI**") and notified by the Ministry of Corporate Affairs ("**MCA**").

28. Deposits:

During the year under review, the Company has neither invited nor accepted deposits from the public/members under Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

29. Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company operations in the future:

There were no significant and material orders passed by the Regulators, Courts or Tribunals that would impact the going concern status of the Company's operation in the future.

30. Debentures:

As on 31 March 2022, the Company does not have any debentures.

31. Credit Rating:

In order to comply with Basel-II guidelines, the Company has received credit ratings from ICRA Limited concerning the Company's long-term and short-term fund-based limits. As on 17 February 2022, ICRA has re-affirmed the credit ratings. Hence, there is no change in the credit rating during the year under review. The credit rating is [ICRA] A1+.

32. Number of Meetings of the Board:

The Board met eight (8) times during the year under review. The details of the meeting are provided in the Corporate Governance Report that forms part of this Annual Report.

33. Extract of Annual Return:

In terms of Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return as on March 31, 2022 is available on the Company's website at https://www.quesscorp.com/investor-other-information/.

34. Information Required under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The Company is committed to provide a safe and conducive work environment to its employees and has zero tolerance for any actions which may fall under the ambit of sexual harassment at the workplace. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Policy aims to promote a healthy work environment and provide protection to employees at the workplace and redress complaints of sexual harassment and related matters thereto. An Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, has been constituted to enquire into complaints, and to recommend appropriate action, wherever required in compliance with the provisions of the Act. Details of complaints pertaining to sexual harassment that was filed, disposed off and pending during the financial year are provided in the Report on Corporate Governance, which forms part of this Report.

35. Code of Conduct:

The Company has laid down a Code of Conduct for the Directors as well as for all senior management of the Company. As prescribed under Regulation 17 of the Listing Regulations, a declaration signed by the Executive Director and Group CEO affirming compliance with the Code of Conduct by the Directors and senior management personnel of the Company for the FY22 forms part of the Corporate Governance Report.

36. Material changes and commitments affecting financial position between the end of the financial year and the date of the report:

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

37. Cyber-security:

The Company is committed to providing a secure IT environment across the various systems and infrastructure, by establishing best practices and standards for Cyber Security.

As our business grows increasingly on digital platforms, we are cognizant of our responsibility in handling information entrusted to us by our employees, associates, clients and vendors. To enable remote working, we have hosted information on a secure cloud environment that is continuously monitored for threats.

We periodically carry out Vulnerability Assessment and Penetration Testing (VAPT) to systematically review security weaknesses, and run a 24x7 Security Information and Event Management (SIEM) for real-time analysis of security alerts.

Our Cyber Security Council chaired by the Chief Technology Officer and respective business IT Heads meets fortnightly, with specific focus on cyber security and data protection risks. The Committee tracks emerging practices and technologies, to provide solutions for enhancing IT systems and infrastructure. Through initiatives such as VAPT, SIEM, DLP, MDM, etc. we have strengthened our security posture considerably.

38. Statement of deviation(s) or variation(s)

The Company raised capital from Amazon.com NV Investment Holdings LLC, a category III Foreign Portfolio Investor amounting to ₹ 50,99,99,412 through the preferential issue on October 25, 2019 for the business purposes of Qdigi Services Limited, a subsidiary of the Company. The Company has been filing every quarter the statement of deviation or variation pursuant to Regulation 32 (3) of the SEBI (LODR) Regulation, 2015. There is no deviation in the usage of the funds.

39. Update on the Income Tax Survey

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 for financial year (FY) 2016-17 to FY 2019-20 were primarily related to the manner of availing deduction under section 80JJAA of the Income Tax Act ("Act") and the claim of tax depreciation on goodwill arising from acquisition/mergers. A special audit under section 142(2A) of the Act was initiated by the Income Tax Department for FY 2017-18. During the quarter ended 31 March 2022, special audit was completed; and report was submitted to the Income Tax Department. A detailed note has been provided under the Notes to the Accounts.

40. Alteration of Articles of Association

The Board of Directors at its meeting held on 10 February 2022 approved the alteration of few clauses of the Articles of Association of the Company which was subsequently approved by the shareholder through postal ballot on 30 March 2022. The copy of the amended Articles of Association is uploaded on the official website of the Company.

41. Acknowledgements:

Your Directors place on record their gratitude to the Central Government, various State Governments and Company's Bankers and advisors for the valuable advice, guidance, assistance, cooperation, and encouragement they have extended to the Company from time to time. The Directors also take this opportunity to thank the Company's customers, suppliers, partners, investors and all other Stakeholders, Regulators and Stock Exchange(s) for their consistent support to the Company.

42. Cautionary Statement:

The Board's Report and Management Discussion & Analysis may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein.

The Company is not obliged to update any such forward-looking statements. Some important factors that could influence the Company's operations include global and domestic economic developments, competitor's behaviour, changes in Government Regulations, tax laws and litigation.

For and on behalf of the Board of
Directors of Quess Corp Limited

Sd/-
Ajit Isaac
Chairman
DIN: 00087168

Place: Bengaluru
Date: 26 May 2022

ADDENDUM TO THE BOARD'S REPORT

This addendum to the Board's Report dated 26 May, 2022 for the year ended 31 March, 2022 is in respect of the following item and forms part of the Board's Report.

4. Dividend:

The following paragraph is added to the subject matter after the existing paragraph 4:

Further, the Board at its meeting held on 31 May 2022 have declared an interim dividend out of profits for the financial year ended 31 March 2022 as per Section 123(3) of the Companies Act, 2013 and amendments thereto and Dividend Distribution Policy of the Company at the rate of ₹ 4/- per equity share of the company of ₹ 10/- each fully paid up aggregating to ₹ 59,19,62,228.

For and on behalf of the Board of
Directors of Quess Corp Limited

Sd/-
Ajit Isaac
Chairman
DIN: 00087168

Place: Bengaluru
Date: 31 May 2022

ANNEXURE – A

BUSINESS RESPONSIBILITY REPORT

for the financial year ended on 31 March 2022 (As per Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Section A: General information about the company

1	Corporate Identity Number (CIN) of the company	L74140KA2007PLC043909
2	Name of the company	Quess Corp Limited
3	Registered address	3/3/2 Bellandur Gate, Sarjapur Road, Bengaluru - 560103, Karnataka, India
4	Website	www.quesscorp.com
5	E-mail id	investor@quesscorp.com
6	Financial Year reported	1 April 2021 to 31 March 2022
7	Sector(s) that the company is engaged in (industrial activity code-wise)	The NIC Code for the services provided by the Company is 7830:
8	List three key products/services that the company manufactures/ provides (as in balance sheet)	i. Staffing and training services ii. Facilities management and security services iii. Business process and IT outsourcing services
9	Total number of locations where business activity is undertaken by the company	
	i. Number of International Locations	The details of the same is available at our website at: http://quesscorp.com/Gmap/offices.php
	ii. Number of National Locations	The details of the same is available at our website at: http://quesscorp.com/Gmap/offices.php

Section B: Financial details of the company

1	Paid-up Capital	₹ 1,479.91 million
2	Total Turnover	₹ 1,36,917.78 million (Consolidated)
3	Total profit/loss after taxes	₹ 2,509.77 million (Consolidated)
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2% of the average net profits made during the three immediate preceding years, as per Sec 198 of the Companies Act amounting to ₹ 33.2 million. Out of which ₹ 10.32 million was spent during the year. Please refer Corporate Social Responsibility report annexed to this Annual Report on pg. 80
5	List of activities in which expenditure in 4 above has been incurred:-	Our CSR Program focus on Health & Education. The Major projects includes: - 1. Student Enrichment Program 2. School Upgradation Program 3. Health & Wellbeing Program 4. Teacher Mentoring Program Please refer Corporate Social Responsibility section annexed to this Annual Report on pg. 26

Section C: Other details

1	Does the Company have any Subsidiary Company/ Companies?	Yes, as on 31 March, 2022 the company has total 38 subsidiaries and associates. Particulars of the subsidiary companies are detailed in Form AOC-1 on page 268 of this Annual Report.
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary Company(s)	Yes, all total 38 subsidiaries and associates. Each follows our basic corporate guidelines, in addition to specific regulations that may apply.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the company does business with, participate in the BR initiatives of the company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Quess engages all its vendors to sign Code of Business and Ethical Conduct. The Code of Conduct Policy ensures engagement of vendors on legal, regulatory, as well as health & safety practices. Vendors are also committed to taking necessary steps to prevent cyber security threats, act with integrity to ensure honesty in business. The Policy also makes sure that the vendors engage in environment friendly activities such as promoting recycling, use of recycled material, etc.

Section D: BR information

1	Details of Director/Directors responsible for BR	
	a) Details of the Director/Director responsible for implementation of the BR policy/policies	
	1. DIN Number	00087168
	2. Name	Mr. Ajit Isaac
	3. Designation	Non-Executive Chairman (w.e.f. 1 April, 2022)
	b) Details of the BR head	
	1. DIN Number	07596207
	2. Name	Mr. Guruprasad Srinivasan
	3. Designation	Executive Director and Group CEO (w.e.f. 10 February, 2022)
	4. Telephone number	080-61056001
	5. e-mail id	investor@quesscorp.com

1. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1: Business Ethics

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Product Responsibility

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Wellbeing of Employees

Businesses should promote the wellbeing of all employees.

P4: Stakeholders Engagement

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P5: Human Rights

Businesses should respect and promote human rights.

P6: Environment

Business should respect, protect, and make efforts to restore the environment.

P7: Public Policy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: CSR

Businesses should support inclusive growth and equitable development.

P9: Customer Relations

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of employees	Stakeholders engagement	Human rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for -	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes, the policies have been formulated after taking into consideration the views of relevant stakeholders. The draft policies /changes are tabled at the Core Committee Meetings, where they are approved by the Top Management. The policies/changes are further approved by the Board of Directors.								
3	Does the policy conform to any national/ international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies defined are at a minimum in conformity with the applicable laws and regulations such as Companies Act 2013, ISO standards, etc. Our policies aspire to go beyond compliance by incorporating industry best practices, processes, procedures and timelines to ensure the highest standards are met in line with Quess's values and culture.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes, all the policies have been approved by the Board of Directors of the company.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes, the company has specified Committees of the Board such as CSR Committee, Stakeholders Relationship Committee, Administration and Investment Committee, Ethics Committee, Risk Management Committee, Audit Committee, Nomination and Remuneration Committee etc. that meet at regular intervals to review the functioning and adequacy of controls mentioned in the polices.								
6	Indicate the link for the policy to be viewed online?	**P1** – Business Ethics Policy – Code of Business Conduct and Ethics Policy & Anti-Bribery and Anti-Corruption Policy, Equal Employment Opportunity, Code of Conduct for Prevention and Prohibition of Insider Trading, Code of Practises for Fair Disclosure of Unpublished Price Sensitive Information **P2** – Service Responsibility Policy **P3** – Wellbeing Of Employees Policy – Employee Health and Safety Policy & Group Insurance Policy **P4** – Stakeholder Engagement Policy – Whistle Blower's Policy **P5** – Human Rights Policy – Prevention of Sexual Harassment Policy & Human Rights Policy, Equal Employment Opportunity **P6** – Environment Policy – ESG Policy Framework **P7** – Public Policy - Code of Business Conduct and Ethics Policy, Code of Conduct for Prevention and Prohibition of Insider Trading, Code of Practises for Fair Disclosure of Unpublished Price Sensitive Information **P8** – CSR Policy **P9** – Customer Relations Policy The above policies are uploaded on our website at https://www.quesscorp.com/corporate-governance and also on our employee service portal.								

Sr. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of employees	Stakeholders engagement	Human rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		For external stakeholders, the policies are available on our website at https://www.quesscorp.com/corporate-governance We have extensive training and communication practices in place to ensure all employees are aware of relevant policies. Extensive compliance training is in place to identify and remediate exceptions.								
8	Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Our employee service portal hosts a repository of all the policies and a training portal, where mandatory training modules/sessions are completed within 30 days of joining the company as part of the induction process with annual re-certification. We have enabled our HRMS app for our associates which is equipped with all Ethics related training modules such as POSH, COC, Anti-bribery & Anti-corruption, Whistle blower, ESG etc. Through the app, we drive awareness and obtain a sign-off from our workforce that they have read and understood the policies of the company.								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stake holders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes, the Company has constituted a Stakeholders Relationship Committee which deals with stakeholder relations and share/debenture holders' grievances and other such issues as may be raised by them from time to time.								
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Our Board and management engages several external partners to independently audit key areas such as Entity Level Controls, ISO Audits, Secretarial Audits, CSAT, etc.								

3. Governance related to BR

• Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the company. Within 3 months, 3-6 months, Annually, More than 1 year	The BR performance of the company is reviewed by the Top Management and regular reviews, typically monthly. In FY21-22, we had only one CSR meeting. Our CSR committee meets once in a year to discuss and review all sustainability related initiatives undertaken and progress made. Further, based on the inputs received from the Board committee we strive to be a leader in the industry for Business Sustainability.
• Does the company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, annually. In addition to this BR Report, Quess has carried out multiple initiatives to improve its Sustainability & corporate awareness. 1. Sustainability Website: https://www.quesscorp.com/sustainability/ 2. ESG Report: https://www.quesscorp.com/sustainability/ 3. Corporate Governance: https://www.quesscorp.com/corporate-governance/ 4. CSR Website: https://www.quesscorp.com/csr/

Section E: Principle-wise performance

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No.	In addition to our company, our policy extends to our vendors and partners. Our policy on Code of Business Conduct and Ethics covers ethical conduct and appropriate use of company assets including conflict of interest. Further, we have a policy on Vendor Code of Conduct for our vendor partners.
2.	Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs / Others?	Quess policies such as Whistle Blower's Policy, Vendor Code of Conduct Policy, Health Safety and Environmental Conservation Policy, Human Rights etc. in addition to employees of the company, also extend to customers, vendors, third party intermediaries, etc.
3.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	4 grievances were received and resolved during the FY 2021-22. The company has constituted a Stakeholders Relationship Committee which deals with stakeholder relations and share/debenture holders' grievances and other such issues as may be raised by them from time to time.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Quess provides an array of business services across various platforms and industries. Listed below are 3 unique services that contribute to environmental risks and opportunities 1. Staffing & Recruitment - Involves documentation for processes ranging from recruiting, on-boarding, background verification, employee exit, etc. However, through our various digital & App based recruitment platforms we have significantly reduced our paper consumption. 2. Qdigi break-fix services – During the year ~ 1 million devices (such as mobiles, televisions, air conditioners, washing machines, etc.) have been serviced thereby extending their life and preventing generation of e-waste. 3. Greenpiece landscaping services – A total of ~6 million sqft. of green space was developed and/or maintained for our customers during the year. For further details, refer Sustainability section of our Annual Report on page 20-29
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	Not applicable. Quess is a services company providing technology and manpower related solutions to its customers, we do not manufacture any products.
	i. Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?	
	ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	
3	Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?	As a services company our key input is labour. 100% of our labour is hired with full benefits such as social security, medical insurance, etc. For our food business, we try to procure locally for all sites and to reduce transportation costs. Through our recycling initiative across the country for all our offices, we have been able to collect & responsibly dispose 10,297+ Kgs of paper waste & 10,653+ Kgs of e-waste. We continue to convert manual processes requiring paper such as employee KYC & on-boarding, paperless invoicing and automated them to make them sustainable for the volumes we operate.

4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	During the year, the company through its focus on responsible supply chain practices, has provided opportunities for the procurement of services and goods from MSME vendors, thereby helping them to improve their capacity and capabilities. Of the total number of vendors added during the year, 14% has been MSME vendors. Further, our food business aims to maximise local sourcing of ingredients. Through procurement from MSME vendor & in compliance of the MSME Act, 2006, we ensure that internal processes and systems are strengthened to make timely compliance as per law and ensure we support and enhance the capabilities of our MSME vendors.
5.	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as ←5%, 5-10%, →10%).	Greater than 10%. During the year, the following waste generated was recycled responsibly by the company: i. Paper waste of 10,297+ Kgs ii. E-waste of 10,653+ Kgs

Principle 3 - Businesses should promote the well-being of all employees

<table>
<tr><td>1.</td><td>Please indicate the Total number of employees.</td><td>Our global employees count as on 31 March 22 is 4,36,907, out of which 6,664 are core employees & 4,30,243 are associate employees.</td></tr>
<tr><td>2.</td><td>Please indicate the Total number of employees hired on temporary/ contractual/casual basis</td><td>As on 31 March 22 we have 4,30,243 associates.</td></tr>
<tr><td>3.</td><td>Please indicate the Number of permanent women employees.</td><td>The number of permanent women employees is 1,921 (29% of our core employees) as on 31 March 22.</td></tr>
<tr><td>4.</td><td>Please indicate the Number of permanent employees with disabilities</td><td>The total number of permanent employees with disability as on 31 March 22 is 12.</td></tr>
<tr><td>5.</td><td>Do you have an employee association that is recognised by management?</td><td>No</td></tr>
<tr><td>6.</td><td>What percentage of your permanent employees is members of this recognised employee association?</td><td>Not applicable</td></tr>
<tr><td>7.</td><td>Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year</td><td>
<table>
<tr><th>Sl.No.</th><th>Category</th><th>No of complaints filed during the financial year</th><th>No of complaints pending as on end of the financial year</th></tr>
<tr><td>1</td><td>Child labour/forced labour/ involuntary labour</td><td>Nil</td><td>Nil</td></tr>
<tr><td>2</td><td>Sexual harassment</td><td>5</td><td>0</td></tr>
<tr><td>3</td><td>Discriminatory employment</td><td>Nil</td><td>Nil</td></tr>
</table>
</td></tr>
<tr><td>8.</td><td>What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?</td><td rowspan="5">Our skill upgradation trainings covers all our employees irrespective of gender or disabilities.

Skill upgradation training needs are identified for different employees based on their roles, nature of jobs and customer requirements. Trainings are conducted through awareness sessions, mock drills, classroom sessions, digital platforms, virtual instructor lead trainings, on the job trainings, etc.</td></tr>
<tr><td></td><td>• Permanent Employees</td></tr>
<tr><td></td><td>• Permanent Women Employees</td></tr>
<tr><td></td><td>• Casual/Temporary/Contractual Employees</td></tr>
<tr><td></td><td>• Employees with Disabilities</td></tr>
</table>

Principle 4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1.	Has the company mapped its internal and external stakeholders? Yes/No	Yes. The company has mapped its stakeholders and they include, but are not limited to shareholders, employees, customers, business partners, suppliers, and the wider communities that we serve.
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders	Due to the increasing demand for job opportunities amongst blue collar job seekers, Quess developed an in-house digital platform QJobs, to help them find jobs in a quick and transparent manner. As on 31 March 22, QJobs has 3.5 million registered job seekers and 2 million job openings. There is a pressing need to focus on quality education and healthcare to improve the social standing of the disadvantaged, vulnerable & marginalised stakeholders. Quess established CWF (Careworks Foundation) in 2014 as part of its CSR arm to drive quality education & healthcare for children in India. Please refer Corporate Social Responsibility section annexed to this Annual Report on pg. 26
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders?	During the year, some of the special initiatives undertaken are as follows : **1. Student Enrichment Program:** CWF has become a substantial partner in ensuring to provide educational materials to students to continue in the course without any disruption. 13,169 Education Kits distributed across 46 School. Provided 665 tabs for students who are appearing Board exams to engage in digital learning helps to bridge learning loss. 7,500 students were benefitted from the CSR labs which provided computer education. Remedial Education, supported 10,077 Students across 42 Government school to bridge the learning and focused on improving numeracy & literacy. Early childhood care project focused on School readiness program for 845 students studying at preschools adopted by CWF. We gave 47 scholarships to meritorious students of government schools and 23 Scholarship for the visually impaired students to peruse their higher education. 2,610 students in 12 Government schools has undergone Life Skill Education (LSE) training which empowers them with 21st Century skill. 100 Students benefited from English app given through Madras Dyslexia association. **2. School Upgradation Program:** In-order to create joyful learning space we constructed 1 school building and renovated 1 school befitting 600+ students. **3. Health & Wellbeing Program** Under our School Sanitation Program, Cleaned & Sanitised 72 schools and implemented COVID SOP to help them to restart the schools after pandemic. Safe Drinking Water Facilities provided in 62 Schools benefiting 14,000 Students. 32 Oxygen Concentrators Donated during Pandemic. Health education, includes Menstrual Hygiene, COVID, and hand wash practices given to 10,000+ students. 1,049 Students from difficult circumstances received Psycho Social support. **4. Teacher Mentoring Program** 51 Teachers on Early childhood care, 209 Teachers on remedial Education and 71 Teachers on Life skill education were trained. Refer Sustainability section of our Annual Report on pg. 20

Principle 5 - Businesses should respect and promote human rights

1.	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?	All our Human Rights related policy such as Equal Employment opportunity, Prevention of Sexual Harassment policy etc. covers Quess and all its subsidiaries including our vendors, third party intermediaries, etc.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	In the reporting year, there were no complaints received by the company. Reporting procedure for complaints have been laid down in the Whistle Blower policy. The complaints can either be addressed to the Compliance Officer, Chairman of the Audit Committee or the Ethics Committee for taking appropriate corrective action. Further, the policy legally protects the whistle blower from any form of retaliation such as discrimination or harassment of any kind. A detailed investigation is performed under the supervision of the Chairman of the Ethics / Audit Committee and the report with outcomes are tabled every quarter at the Audit Committee.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1.	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/others.	Yes, our Health Safety & Environment Conservation Policy covers employees, customers, suppliers & other stakeholders.
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	Quess is primarily a services business and has taken several environment related initiatives such as paper and e-waste recycle, using of recycled paper for printing etc. Refer our sustainability webpage: https://www.quesscorp.com/sustainability
3.	Does the company identify and assess potential environmental risks? Y/N	The company has identified paper waste and e-waste as potential environmental risk. During the year, paper waste of 10,297+ kgs, & e-waste of 10,653+ kgs was disposed and/or recycled responsibly. Refer Sustainability section of our Annual Report on pg. 20
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Not applicable
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes, during the year, the company has undertaken energy efficiency initiatives such as 1. Energy audit conducted for six locations consuming almost half of our energy consumption in India, to identify opportunities for energy savings and optimisation 2. Air Conditioner "Switch ON & OFF" Policy across all offices 3. Convert CFL light into LED light across all offices to save power and reduce heat load 4. In order to reduce our Scope 3 emission Quess has recently partnered with a vendor who provides for sustainable transportation for our business travels through EV's. 23 trips were taken using EV covering 2,310 kms in its first 3 months of implementation. Refer Sustainability section of our Annual Report on pg. 20

6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes, we have complied with all environmental laws and regulations applicable to our businesses and in all the locations we operate.
7.	Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	The company has not violated any environmental laws during the year, nor has any pending cases as at the end of the Financial Year.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1.	Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with.	1) Indian Staffing Federation, where our employee is currently President 2) Confederation of Indian Industries 3) Federation of Indian Chamber of Commerce and Industry 4) Karnataka Employer's association 5) Apex Chamber of Commerce and Industry, NCT, Delhi
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).	Yes, the company through its membership in various associations, has proactively worked with Central and State Governments, by providing stakeholder inputs for the contract staffing industry 1) Governance & Administration – Actively worked with the Central government to improve ease of doing business, by providing multiple inputs and suggestions for digitising registration process and documentation for statutory compliances. 2) Economic Reforms – Played a crucial role in providing specific inputs for the contract staffing industry to the Central and State Government, Parliament Standing Committees, etc. particularly with regards to the new labour codes reforms. 3) Inclusive Development Policies – Engaged with the Government at the Tripartite Conference to provide stakeholder inputs on the draft labour codes, rules, model standing orders, etc. Also, provided suggestions to the State Governments on the process of notifying rules under the labour codes.

Principle 8 - Businesses should support inclusive growth and equitable development

1.	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	1. Special emphasis was given on hiring people with disability through our inclusion & diversity hiring initiatives. We have hired ~4,800 associates with disability for the year FY22. 2. Quality education and healthcare - Through CWF, we have focused on providing quality education & healthcare for children in state government schools. 3. Employment opportunities – Through our various digital platforms such as QJobs, ReQruit and WorQ we have provided employment opportunities for blue collar job seeker across tier 1, 2 & 3 cities
2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?	Programmes are undertaken through own foundation. Careworks Foundation (CWF) is an in house Foundation which executes Programs.
3.	Have you done any impact assessment of your initiative?	No, we have not done any Impact Assessment. However through our initiative we have reached 75 Government School & 13,741 Students through our various initiatives. Please refer Corporate Social Responsibility section annexed to this Annual Report on pg. 26

4.	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	2% of the average net profits made during the three immediate preceding years, as per Sec 198 of the Companies Act amounting to ₹ 33.2 million. (in ₹ millions) **Particulars** — **Amount Spent** School Enhancement Program — 8.98 Health & Wellbeing — 0.89 Administrative Overheads — 0.45 **Total** — **10.32** Out of which ₹ 14.6 million was spent during the year.Please refer Corporate Social Responsibility report annexed to this Annual Report on pg. 80
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	Please refer Corporate Social Responsibility section annexed to this Annual Report on pg. 26

Particulars	Amount Spent
School Enhancement Program	8.98
Health & Wellbeing	0.89
Administrative Overheads	0.45
Total	**10.32**

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	There are no consumer cases pending against the company as on 31 March 2022
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. /Remarks (additional information)	Not applicable. The company provides services and does not manufacture any products.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.	In the reporting year, there were no complaints received by the company.
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	During the year, the company engaged with an external agency to conduct a CSAT survey. The survey enables us to understand client's expectations, satisfaction levels and overall experience of service delivery by Quess. The feedback was collected through a mix of web surveys & telephonic calls against a structured questionnaire by the agency. The management has reviewed the report and has identified actions to improve customer experience & delight

For and on behalf of Board of
Director of Quess Corp Limited

Sd/-
Ajit Isaac
Chairman
DIN: 00087168

Date: 26 May 2022
Place: Bengaluru

ANNEXURE – B

FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Quess Corp Limited
CIN: L74140KA2007PLC043909
3/3/2, Bellandur Gate,
Sarjapur Main Road,
Bangalore- 560103

I, S.N. Mishra proprietor of SNM & Associates, Bengaluru bearing Membership No. 6143 and C.P. No. 4684, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Quess Corp Limited CIN: L74140KA2007PLC043909 listed at the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (hereinafter called "the Company") for the financial year ended March 31, 2022. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, registers and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

(iii) The Depositories Act, 1996 and the regulations and the by-laws framed there under;

(iv) The SEBI Act 1992 and its applicable rules and regulations as under;

- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)
- SEBI (Prohibitions of Insider Trading) Regulations, 2015
- Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012
- SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- SEBI (Investor Protection and Education Fund) Regulations, 2009
- SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009
- SEBI (Issue and Listing of Debt Securities) Regulations, 2008
- SEBI (Regulatory Fee on Stock Exchanges) Regulations, 2006
- SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
- SEBI (Depositories and Participants) Regulations 2018
- Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

(v) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

(vi) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

(vii) Labour Laws as applicable and the rules and regulations made thereunder:

(viii) Tax Laws as applicable and the rules and regulations made thereunder;

I have also examined compliance with the requirements under Chapter IV of SEBI LODR.

During the period under review, based on verification of the records maintained by the Company and also on the review of compliance reports / statements by respective department heads / Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exists in the Company to monitor and ensure compliance with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I have conducted online verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report. I have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the Company.

I report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and is in compliance with Section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   The Board met 8 (Eight) times during the year on 05.05.2021. 03.06.2021, 07.07.2021, 05.08.2021, 13.11.2021, 22.12.2021, 10.02.2022 and 30.03.2022. The intervening gap between the Meetings was within the period prescribed under Section 174 of the Companies Act, 2013 and Regulation 17(2) of SEBI LODR.

The participation of Directors in the meetings is duly recorded. During the period under review the requisite quorum was present in all the Board Meetings by participation of Directors in the meetings in person/through video conferencing.

Notices are given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent for all board meetings held during the year under consideration. The Company has a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Company is in compliance with Regulation 29 of SEBI LODR w.r.t. prior intimation of Board Meetings as applicable.

Circular resolutions passed during the period under review were duly recorded in the subsequent meetings.

Majority decision is carried through while the members' views are captured and recorded as part of the minutes.

2. The annual general meeting for the financial year ending on 31st March 2021 was held on September 21, 2021 through electronic mode [Video Conferencing/Other Audio-Visual Means] pursuant to the circulars issued by the Ministry of Corporate Affairs (MCA) and by Securities Exchange Board of India (SEBI) in that respect; after giving due notice to the members of the Company, with the requisite quorum and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

   One postal ballot was conducted during the year in accordance with the provisions of the Companies Act 2013 and Regulation 44 of SEBI (LODR) by giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained of the purpose.

   No extraordinary general meeting was conducted by the Company during the period under review.

3. The Company has the following committees in place and the members of the committees meet at regular intervals to discuss and execute the relevant functions/operations as per the terms of the policy framed for the purpose:

   - Audit Committee
   - Corporate Social Responsibility Committee
   - Nomination and Remuneration Committee
   - Stakeholders Relationship Committee
   - Risk Management Committee
   - Administration and Investment Committee
   - Independent Directors Committee

4. In accordance with Schedule IV of the Act and Regulation 25(3) of SEBI (LODR), 2015, an exclusive meeting of Independent Directors was held without the presence of Non-independent Directors & members of management, on January 20, 2022 at which all Independent Directors were present.

5. The Company is generally regular in filing forms and returns with the Registrar of Companies, and other statutory bodies as applicable from time to time within the time prescribed under the Act and the rules made there under and with additional fees wherever there is a delay.

6. The Company is in regular compliance with Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018.

7. The Company is registered with a Registrar and Transfer Agent as provided hereunder, who are duly registered as per The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 who on behalf of the Company, maintains the records of holders of securities issued by the company and deals with all matters connected with the transfer and redemption of securities.

   Link Intime India Private Limited
   Add: C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai – 400078
   Email id: rnt.helpdesk@linkintime.co.in
   Telephone no. (022) 2596 3838

8. The Company is listed with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and is majorly in compliance with the requirements under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

9. The Company is in regular compliance with SEBI Act 1992 and its applicable rules and regulations as detailed in Point (iv) of this report.

10. The Company is in compliance with the Foreign Exchange Management Act, 1999 and the rules and regulations thereunder to the following extent:

    - The Annual Return on Foreign Assets and Liabilities for the financial year 2020-21 to the Reserve Bank of India was filed within the stipulated time frame in compliance with RBI/ 2013-14/646 A.P. (DIR Series) Circular No. 145.
    - The Annual Performance Report for the wholly owned subsidiaries for the period ended March 31, 2021 were filed within the stipulated time frame in compliance with RBI//2015-16/374 A.P. (DIR Series) Circular No.62.

    Regulation 6 of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations 2004 was not applicable to the Company during the period under review as the Company did not make any investments in Overseas Corporate Bodies during such period.

11. As per the information provided to us the Company has framed a policy on Prevention and Prohibition of Sexual Harassment at Workplace and has constituted an Internal Committee to handle matters under the Sexual Harassment of Women at Workplace Act, 2013 and its corresponding rules and regulations.

12. The compliances under the following Labour Laws have been scrutinised by me:

    a. The Karnataka Shops and Establishments Act, 1961
    b. The Minimum Wages Act, 1948
    c. The Payment of Wages Act, 1936
    d. The Payment of Bonus Act, 1965
    e. Equal Remuneration Act, 1976
    f. The Payment of Gratuity Act, 1972
    g. The Employees' Compensation Act, 1923
    h. The Maternity Benefit Act, 1961
    i. The Child Labour (Prohibition and Regulation) Act, 1986
    j. The Contract Labour (Regulation and Abolition) Act, 1970
    k. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
    l. The Apprentices Act, 1961
    m. Industrial Employment (Standing Orders) Act, 1946 read with Industrial Employment (Standing Orders) (Karnataka) Rules, 1961
    n. Labour Welfare Fund Act

    The Company has complied with the applicable provisions, registrations, filing of returns, maintenance of records and display of abstracts as required under these various Labour laws their corresponding rules, regulations and guidelines thereunder.

13. During the period under review, the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain non-material findings under Company Law, Listing Regulations and Labour Laws as highlighted by me during audit have been addressed suitably by the management by initiating necessary steps.

14. For compliances under various tax laws I have relied on the reports submitted by the Internal Auditors and the Statutory Auditors of the Company. As per the reports provided the Company is in compliance under the various tax laws and the corresponding rules, regulations and guidelines as applicable to the Company.

15. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

    This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Sd/-
S.N.Mishra.
Company Secretary
C. P. No. : 4684
FCS No. : 6143
UDIN : F006143D000394718

Place: Bangalore
Date : 26th May, 2022

ANNEXURE 'A'

To,
The Members
Quess Corp Limited
CIN: L74140KA2007PLC043909
3/3/2, Bellandur Gate,
Sarjapur Main Road,
Bangalore- 560103

My Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
S.N.Mishra.
Company Secretary
C. P. No. : 4684
FCS No. : 6143
UDIN : F006143D000394718

Place: Bangalore
Date : 26th May, 2022

ANNEXURE – C

FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
Conneqt Business Solutions Limited
CIN: U64200KA1995PLC148924
3/3/2, Bellandur Gate, Sarjapur Main Road,
Bangalore, Karnataka – 560103, India

I, P V S Ramanjaneyulu, proprietor of SPV & Company, Company Secretaries, Hyderabad bearing Membership No. 59928 and C.P. No. 22999, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Conneqt Business Solutions Limited, CIN: U64200KA1995PLC148924 (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, for the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 and the rules made thereunder (**"Act"**);

(ii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and the rules and regulations made there under;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

(iv) Labour Laws as applicable and the rules and regulations made thereunder:

(v) Tax Laws as applicable and the rules and regulations made thereunder;

(vi) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

(vii) Secretarial Standards prescribed by the Institute of Company Secretaries of India applicable vide MCA Notification dated April 23, 2015 effective from June 2015.

During the period under review, based on verification of the records maintained by the Company and also on the review of compliance reports / statements by respective department heads / Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exists in the Company to monitor and ensure compliance with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I have conducted online verification & examination of records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report. I have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the Company.

I report that:

1. The Board of Directors of the Company is duly constituted in compliance with Section 149 of the Act, read with Rule 3 of the Companies (Appointment & Qualification of Directors) Rules, 2014. The Board met 9 (nine) times during the year on 16.04.2021, 17.05.2021, 26.05.2021, 07.07.2021, 19.07.2021, 12.08.2021, 12.11.2021, 01.02.2022 and 24.03.2022. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

   Circular resolutions passed during the period under review were in accordance with the provisions of the Act.

   The participation of Directors in the meetings is duly recorded. The requisite quorum was present in the Board Meetings by participation of Directors in the meetings.

   Adequate notice was given to/Short consent was obtained from all directors to schedule the Board Meetings along with agenda and detailed notes on agenda. The Company has a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

   Majority decision was carried through, while the Board's views are captured and recorded as part of the minutes.

2. The Annual General Meeting for the financial year ending on March 31, 2021 was held on 13.09.2021 after giving due notice to the members of the Company and the resolutions passed thereat, were duly recorded in Minutes Book maintained for the purpose.

   One extraordinary general meeting was held on 30.04.2021 during the period under review on short notice to the members of the Company and the resolutions passed thereat, were duly recorded in Minutes Book maintained for the purpose. No postal ballot was conducted by the Company during the period under review.

3. The Company has the following committees in place and the members of the committees meet at regular intervals to discuss and execute the relevant functions/operations as per the terms of the policy framed for the purpose:

   - Audit Committee
   - Nomination and Remuneration Committee
   - CSR Committee

4. In accordance with Schedule IV of the Act an exclusive meeting of Independent Directors was held without the presence of Non-independent Directors & members of management, on 26.05.2021 at which all Independent Directors were present.
5. The Company has duly filed all forms and returns with the Registrar of Companies, and other statutory bodies as applicable from time to time within the time prescribed under the Act and the rules made there under and with additional fees wherever there is a delay.
6. The Company has appointed a Registrar and Transfer Agent (RTA) as provided hereunder, who are duly registered under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 who on behalf of the Company, maintains the records of holders of securities issued by the Company and deals with all matters connected with the transfer and redemption of securities.

   TSR Darashaw Consultants Private Limited
   CIN: U74999MH2018PTC307859
   Address: 1st Floor, Plot-140, Rajesh Mansion,
   Maharshi Karve Road, Oval Maidan, Churchgate,
   Mumbai, Maharashtra – 400020
7. The Company has framed a policy on Prevention and Prohibition of Sexual Harassment at Workplace and has constituted an Internal Committee to handle matters under the Sexual Harassment of Women at Workplace Act, 2013 and its corresponding rules and regulations.
8. The compliances under the following Labour Laws have been scrutinised by me:
   a. The Telangana Shops and Establishments Act, 1988
   b. Professional Tax Act, 1987
   c. The Minimum Wages Act, 1948
   d. The Payment of Wages Act, 1936
   e. The Payment of Bonus Act, 1965
   f. Equal Remuneration Act, 1976
   g. The Payment of Gratuity Act, 1972
   h. The Employees' Compensation Act, 1923
   i. The Maternity Benefit Act, 1961
   j. The Child Labour (Prohibition and Regulation) Act, 1986
   k. The Contract Labour (Regulation and Abolition) Act, 1970
   l. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
   m. The Apprentices Act, 1961
   n. Industrial Employment (Standing Orders) Act, 1946 read with The Telangana Industrial Employment (Standing Orders) Rules, 1953
   o. Rights of Persons with Disabilities Act, 2016

   The Company has majorly complied with the applicable provisions, registrations, filing of returns, maintenance of records and display of abstracts as required under these labour laws and their corresponding rules, regulations and guidelines thereunder;
9. During the period under review, the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. However, there are certain non-material findings made during the course of the audit relating to Company Law, Secretarial Standards and Labour Laws for which the Management has initiated necessary steps to address suitably.
10. For compliances under various tax laws, I have relied on the reports submitted by the Internal Auditors and the Statutory Auditors of the Company. As per the reports provided, the Company is in compliance under the various tax laws and the corresponding rules, regulations and guidelines as applicable to the Company.

    There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. This report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

For **SPV & Company**
Company Secretaries

CS P V S Ramanjaneyulu
Proprietor
M. No: A59928 C.P. No: 22999
UDIN: A059928D000341583

Date: 18th May 2022
Place: Hyderabad

ANNEXURE 'A'

To
The Members
Conneqt Business Solutions Limited
CIN: U64200KA1995PLC148924
3/3/2, Bellandur Gate, Sarjapur Main Road,
Bangalore, Karnataka – 560103, India

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **SPV & Company**
Company Secretaries

CS P V S Ramanjaneyulu
Proprietor
M. No: A59928 C.P. No: 22999
UDIN: A059928D000341583

Date: 18th May 2022
Place: Hyderabad

ANNEXURE – D

SECRETARIAL COMPLIANCE REPORT OF QUESS CORP LIMITED FOR THE YEAR ENDED 31.03.2022

I, S.N. Mishra, proprietor of SNM & Associates, Bengaluru bearing Membership No. 6143 and C.P. No. 4684 have examined:

A. All the documents and records made available to us and explanation provided by Quess Corp Limited, CIN: L74140KA2007PLC043909, listed at the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) ("the listed entity"),

B. The filings/ submissions made by the listed entity to the stock exchanges,

C. Website of the listed entity,

D. any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended on March 31, 2022 ("Review Period") in respect of compliance with the provisions of:

   a. The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

   b. The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

   The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

   a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)

   b) SEBI (Prohibitions of Insider Trading) Regulations, 2015

   c) Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012

   d) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

   e) SEBI (Investor Protection and Education Fund) Regulations, 2009

   f) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

   g) SEBI (Issue and Listing of Debt Securities) Regulations, 2008

   h) SEBI (Regulatory Fee on Stock Exchanges) Regulations, 2006

   i) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003

   j) SEBI (Depositories and Participants) Regulations, 2018

   k) SEBI (Share Based Employee Benefits) Regulations, 2014

And based on the above examination, I/We hereby report that during the Review Period:

a. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
	NIL	NIL	NIL

b. The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

c. No actions have been taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder during the period under review.

d. The listed entity has taken the following actions to comply with the observations made in previous reports:

Not Applicable.

Sd/-
S.N. Mishra
Company Secretary
C. P. No. : 4684
FCS No. : 6143
UDIN : F006143D000394751

Place: Bangalore
Date : 26th May, 2022

ANNEXURE – E

FORM NO. AOC-2

Particulars of Contracts / Arrangements made with Related Parties
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

   There were no contracts or arrangements or transactions entered into during the year ended 31 March 2022, which were not at arm's length basis. The Company has laid down policies and processes/ procedures to ensure compliance with the relevant section in the Companies Act, 2013 and the corresponding Rules. Besides, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and the nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Not Applicable					

There were no material contracts or arrangements or transactions entered into during the financial year ended 31 March 2022 crossing the materiality threshold of 10% of the annual consolidated turnover as per the latest audited financial statements of the Company. The details of contracts or arrangements or transactions at arm's length basis for the year ended 31 March 2022 are detailed in the Notes to Financial Statement annexed to the Annual Report for which appropriate approvals have been taken from the Audit Committee and Board of Directors of the Company from time to time.

For and on behalf of Board of Director of **Quess Corp Limited**

Sd/-
Ajit Isaac
Chairman
DIN: 00087168

Date: 26 May 2022
Place: Bengaluru

ANNEXURE - F

DETAILS OF RATIO OF REMUNERATION OF DIRECTOR

(Pursuant to section 197 (12) read Rule 5(1) of Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014)

A. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1	The ratio of the remuneration of the Director to the median remuneration of the employees of the Company for the financial year;	Ajit Isaac – 62
		K. Suraj Moraje -82
		The Non-Executive Directors nominated by the Promoter were not paid any remuneration. The Independent Directors were paid sitting fees and commission only. Details of the remuneration, sitting fees and commission paid to the Directors are provided under the Corporate Governance Report.
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Ajit Isaac – 8.13%
		K. Suraj Moraje -8.13%
		N Ravi Vishwanath – 0%
		Kundan K Lal – 8.13%
3	The percentage increase in the median remuneration of employees in the financial year;	11.69%
4	The number of permanent employees on the rolls of the Company;	3,022 (approx) (core employees only)
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average annual increase in the remuneration of employees excluding Key Managerial Personnel ("KMP") during FY 2021-22 was 11.69% and the average increase in the remuneration of KMP was 6.10%
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

1. Change in designation of Mr. Ajit Isaac from "Executive Chairman" to "Chairman and Non-Executive Director" w.e.f 1 April 2022.
2. Mr. Guruprasad Srinivasan was appointed as the "Executive Director and Group CEO" w.e.f 10 February 2022.
3. Mr. N Ravi Vishwanath was appointed as the Group Chief Financial Officer of the Company w.e.f. 1 April 2021.
4. Mr. K Suraj Moraje ceased to be Managing Director & Group CEO w.e.f. 10 February 2022.

Variable Pay Compensation

The variable pay of top executives including the Chief Executive Officer and Executive Directors is based on clearly laid out criteria and measures, which are linked to the desired performance and business objectives of the organization.

For and on behalf of Board of Director of Quess Corp Limited
Sd/-
Ajit Isaac
Chairman
DIN: 00087168

Date: 26 May 2022
Place: Bengaluru

ANNEXURE – G

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR ENDED ON 31 MARCH 2022

1. **Brief outline on CSR Policy of the Company:**

   CSR is an integral part of the Quess Group's business strategy, its values and everyday actions. It defines how we act responsibly as an organization not only just for our clients and business, but for the empowerment of the community around us. The Company believes that the true and full measure of growth, success and progress lies beyond financials or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people. Moreover, our vision clearly states – "To actively contribute to the community in which we operate creating a positive impact on the lives of people especially in the areas of health and education. In so doing build a healthy and educated workforce and provide sustainable livelihood for the weaker sections of society."

   The Board adopted the CSR Policy, formulated and recommended by the CSR Committee, indicating the activities to be undertaken by the Company. This policy was amended and approved by the Board of Directors on June 3, 2021, comprising the Company's philosophy for representing its responsibility as a corporate citizen and formulates the guidelines and mechanisms for undertaking development programs for sustainable development of the community at large and is titled as the 'Quess CSR Policy'. This policy applies to all CSR initiatives and activities taken at the various locations of the Quess Group Companies, at the local community for the benefit of different segments of the society, specifically the women, children and the community as a whole.

   Our initiatives are aligned to Careworks Foundation ("CWF"), a non-profit initiative established in January 2014 to act as a catalyst of change and create 'Better Lives'.

   Key Focus areas include Health and Education targeting children through various approaches which is mapped with the activities as prescribed in Schedule VII to the Companies Act, 2013 in the Annexure.

2. **Composition of CSR Committee:**

S. No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Ms. Revathy Ashok	Chairman, Non-Executive Independent Director	1	1
2.	Mr. Ajit Isaac	Member, Non-Executive Director		1
3.	Mr. Gaurav Mathur	Member, Non-Executive Independent Director		1

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

S No.	Particulars	Web-link
1.	Composition of CSR committee	https://www.quesscorp.com/corporate-governance/
2.	CSR Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/CSR-Policy.pdf
3.	CSR projects	https://www.quesscorp.com/csr/

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** Quess has been voluntarily conducting internal impact assessments to monitor and evaluate its strategic CSR programs. The Company takes cognizance of sub-rule (3) of rule 8 of the Companies CSR Policy Rules 2014. There are no projects undertaken or completed after January 22, 2021, for which the impact assessment report is applicable in FY 2022.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

S. No.	Financial Year	Amount available for set-off from preceding FYs (in ₹)	Amount required to be set-off for the FYs, if any (in ₹)
NIL			

6. Average net profit of the Company as per section 135(5): ₹ 1,657.60 million

7. a) Two percent of average net profit of the company as per section 135(5): ₹ 33.20 million

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

c) Amount required to be set off for the financial year, if any: Nil

d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 33.20 million

8. a) CSR amount spent or unspent for the FY 2021-22:

Total Amount Spent for the FY (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in ₹)	Date of Transfer	Name of the Fund	Amount (in ₹)	Date of Transfer
10.32 million	22.88 million	30.03.2022 & 31.03.2022	N.A.		

b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the project (in ₹ millions)	Amount spent in the current FY (in ₹ millions)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ millions)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Reg. No.
1.	School Enhancement Program	(ii)	Yes	Karnataka	Bangalore Urban & Shimoga	3 years	9.91	8.98	0.93	No	Careworks Foundation	CSR00001744
2.	Health & Wellbeing	(i)					22.81	0.89	21.92	No		
Total							32.72	9.87	22.85			

*₹ 0.03 million includes amount unspent under Administrative Overheads

c) Details of CSR amount spent against other than ongoing projects for the financial year: (₹ in millions)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementa tion - Direct (Yes/No)	
				State	District			Name	CSR Reg. No.
NIL									

d) Amount spent in Administrative Overheads: 0.45 million

e) Amount spent on Impact Assessment, if applicable: NIL

f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 10.32 million

g) Excess amount for set off, if any:

S. No.	Particulars	Amount (in ₹ million)
(i)	Two percent of average net profit of the company as per Section 135(5)	33.20
(ii)	Total amount spent for the Financial Year	10.32
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. a) Details of Unspent CSR amount for the preceding three financial years: NIL

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the FY: (asset-wise details)

a) Date of creation or acquisition of the capital asset(s): None

b) Amount of CSR spent for creation or acquisition of capital asset: NIL

c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): **The amount earmarked for one of our Ongoing Projects has been postponed due to unforeseen and unanticipated circumstances that prevented the project from getting underway. We assure spending the same over a three-year period.**

For and on behalf of the Board of Directors of Quess Corp Limited

Sd/-
Guruprasad Srinivasan
Executive Director & Group CEO

Sd/-
Revathy Ashok
Chairperson, CSR Committee

Date: 26 May 2022
Place: Bengaluru

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31 March 2022, in compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

I. Our Corporate Governance Philosophy:

The Corporate Governance principles of Quess Corp Limited ("**Quess**" or "**Company**") are designed to promote a way to sustainable growth, enabling the Company to outperform its business operations in a fair, transparent and ethical manner. It provides a strong framework that defines the roles, rights, and responsibilities of different groups within the organization. The Corporate Governance framework of your Company is based on an effective and Independent Board, separation of the Board's supervisory role from the Senior Management team and constitution of the Board Committees, as required under applicable laws.

Quess is committed in doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Our Code of Business Conduct and Ethics is an extension of our values and reflects our continued commitment to ethical business practices across our operations. This philosophy is further strengthened by its adoption of the Code of Conduct for the Board members and senior management, the Board process, Code of Conduct for the Prevention of Insider Trading and the Code for Fair Disclosure.

The Company acknowledges adherence to all the requirements with regard to Corporate Governance, as stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations. A report on these is detailed below.

II. Board of Directors:

The Board of Directors oversees the Executive Directors and Senior Management including Key Managerial Personnel and ensures that appropriate procedures and controls are in place covering Management's activities in operating the Company on ethical grounds on a day-to-day basis. The Company believes that an effective Board requires an optimum combination of professionals from different spheres with diversity and independence. The Board comprises of enlightened leaders who provide strategic direction and guidance to the management and have the responsibility of ensuring concord between shareholders' expectations, the Company's plans and the management's performance.

a) Board Composition:

As on 31 March 2022, the Board comprised eight (8) Directors, of which four (4) are Non-Executive Independent Directors including one (1) Woman Independent Director, two (2) are Non-Executive Directors and the other two (2) are Executive Directors including Chairman. The Board is headed by an Non-Executive Chairman. The Company has changed the designation of the Chairman from "Executive Chairman" to "Chairman and Non-Executive Director with effect from April 1, 2022. The profiles of the Directors are available on our official website at https://www.quesscorp.com/about/board-of-directors/. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations read with Section 149 of the Companies Act, 2013 ("**Act**").

Pursuant to Regulation 17A of the Listing Regulations, none of the Directors hold directorships in more than seven (7) Listed Companies or ten (10) in Public Companies or acts as an Independent Director in more than seven (7) Listed Companies. Also, none of them is a member of more than ten committees or Chairperson of more than five Committees across all the public companies in which he or she is a Director in terms of Regulation 26 of the Listing Regulations. Necessary disclosures regarding Committee positions in other Public Companies as on 31 March 2022, have been received from the Directors. None of the Directors are related inter-se or are a member of an extended family. None of the employees of the Company are related to any of the Directors. None of the Directors have any business relationship with the Company except Mr. Ajit Isaac. None of the Directors have received any loans or advances from the Company during the year.

Further, in terms of the annual disclosures given by the Directors, none of them are disqualified under Section 164(2) of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014. None of the Directors of the Company have been restrained or debarred from holding the office of director by virtue of any SEBI order or any other authority.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. As required under Regulation 25(8) of the Listing Regulations, the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board opines that all the Independent Directors of the Company strictly adhere to corporate integrity, possess the requisite expertise, experience and qualifications to discharge the assigned duties and responsibilities as mandated by the Act and Listing Regulations diligently. None of them held any equity share(s) or convertible instrument(s) of the Company during the financial year ended 31 March 2022.

The Company has obtained Directors' and Officers' Insurance for all its Directors of such quantum and such risks as determined by its Board of Directors.

The Company has proper online systems to enable the Board of Directors to review periodically compliance reports of all laws applicable to the Company, as prepared by the Company as well as to assess the steps taken by the Company to rectify instances of non-compliances, if any.

b) Board Meetings:

Board meetings are scheduled as required under the Listing Regulations, the Act and the rules made thereunder. The Board met Eight (8) times during the year under review and the gap between two consecutive meetings did not exceed one hundred and twenty days as stipulated under Section 173(1) of the Act and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by The Institute of Company Secretaries of India.

These meetings were held on:

1. 05 May 2021;
2. 03 June 2021;
3. 07 July 2021;
4. 05 August 2021;
5. 13 November 2021;
6. 22 December 2021;
7. 10 February 2022; and
8. 30 March 2022.

The Board meetings were held at the Company's Registered and Corporate Office in Bengaluru. However, few Board members attended the meeting through video conferencing due to the COVID-19 outbreak. The necessary quorum was present for all the Board meetings. All material information was circulated to all the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part-A of Schedule II of the Listing Regulations. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Management apprises the Board through a presentation at every meeting on the overall performance of your Company.

The Company is in compliance with the provisions of the Listing Regulations pertaining to the intimation of a notice of a Board Meeting, publication of the notice and the results and outcome of the meeting, etc. The Board periodically reviews the compliance reports of all laws applicable to the Company. The information is also made available to the investors on the Company's official website at: https://www.quesscorp.com/investor-other%20information/

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting ("**AGM**") and the number of Directorships and Committee Chairpersonship/Memberships held by them in other public limited companies as on 31 March 2022 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/ she is a Director. For the purpose of determining the limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of Listing Regulations.

S. No.	Name & Designation of Director	Category of Director	Attendance at meetings		Number of Directorships in Public Companies (including Quess)(4)	Number of Chairmanship / Membership held in Committees of Public Companies (including Quess)(4)		Name & Category of Directors in Other Listed Entities(4)
			Number of Board Meetings attended during FY2022 (including through electronic mode)	Whether attended the last AGM held on 21 September 2021		Chairman	Member	
1.	Mr. Ajit Isaac (Chairman)(1)	Non-Independent, Non-Executive	8	Yes	2	1	2	Allsec Technologies Ltd. (Non-Independent, Non-Executive)
2.	Mr. Guruprasad Srinivasan (Executive Director & Group CEO)(2)	Non-Independent, Executive	2	NA	4	0	0	Allsec Technologies Ltd. (Non-Independent, Non-Executive)
3.	Mr. K. Suraj Moraje (Managing Director & Group CEO)(3)	Non-Independent, Executive	7	Yes	0	0	0	-
4.	Mr. Chandran Ratnaswami	Non-Independent, Non-Executive	8	Yes	8	0	3	• Thomas Cook (India) Ltd. • IIFL Finance Ltd. • Chemplast Sanmar Limited (Independent, Non-Executive)
5.	Mr. Gopalakrishnan Soundarajan	Non-Independent, Non-Executive	7	Yes	5	0	1	• IIFL Wealth Management Ltd. • Thomas Cook (India) Limited (Non-Independent, Non-Executive)
6.	Mr. K. R. Girish	Independent, Non-Executive	8	Yes	1	1	1	-
7.	Mr. Gaurav Mathur	Independent, Non-Executive	8	Yes	1	0	1	-
8.	Ms. Revathy Ashok	Independent, Non-Executive	7	Yes	10	4	10	• Astrazeneca Pharma India Ltd. • Welspun Corp Ltd. • ADC India Communications Ltd. • Sansera Engineering Limited • Barbeque-Nation Hospitality Limited (Independent, Non-Executive)
9.	Mr. Sanjay Anandaram	Independent, Non-Executive	7	Yes	3	2	5	Allsec Technologies Ltd. (Independent, Non-Executive)

Notes:

(1) Re-designation of Mr. Ajit Isaac from "Executive Chairman" to "Chairman and Non-Executive Director" with effect from 1 April, 2022.

(2) Appointed as an Additional Director in the capacity of Executive Director & Group CEO w.e.f. 10 February 2022 and further approved by shareholders through Postal Ballot on 30 March, 2022.

(3) Ceased to be Managing Director & Group CEO w.e.f. 10 February 2022.

(4) Mentioned as per financial year ended 31 March 2022.

c) **Directors with pecuniary relationship or business transactions with the Company:**

The Executive Directors had received salary, perquisites and allowances and the Non-Executive Independent Directors had received sitting fees for attending meetings of the Board and Committees and commission as approved at the AGM held on 26 July 2018.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

d) **Board qualifications, expertise and attributes:**

Pursuant to corporate governance provisions of the Act and the Listing Regulations, our Board has an optimum combination of Executive and Non-Executive Directors with 50% of the Board comprising Independent Directors. The Nomination and Remuneration Committee (**"NRC"**) along with the Board identifies the right candidate with the right qualities, skills and experience required for an individual member to possess and also the Board as a whole.

Members are expected to possess the required qualifications, integrity, expertise and experience for the position. Members should also possess deep expertise and insights in sectors/areas relevant to the Company, and the ability to contribute to the Company's growth.

In the case of appointment of Independent Directors, NRC satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively and ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013.

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank. In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

The Board comprises qualified members who possess the required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills/ expertise/ competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Corporate strategy and capital allocation	Experience in developing long-term strategies to grow consumer/business, consistently, profitably, competitively and in a sustainable manner in diverse business environments and changing economic conditions.
Corporate and Board Governance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.
Global Business Management	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks and a broad perspective on global market opportunities.
Services Business Management	Service on a board of a public company to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices
Technology-led transformation	A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models, intellectual property in information technology domain, and knowledge of technology trends including BCP and digital transformation of services
Finance and risk management professional	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management and financial reporting processes, or experience in actively supervising a person performing similar functions. Experience in identifying and evaluating the significant risk exposures to the business strategy of the Company and assess the Management's actions to mitigate the strategic, legal and compliance, and operational risk exposures
Environment, Sustainability and Governance (ESG)	Experience in leading the sustainability and ESG visions of organizations, to be able to integrate these into the strategy of the Company

While all the Board members possess the skills identified, their core areas of expertise are given below:

Name of the Director	Area of Expertise
Mr. Ajit Isaac	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, • Finance and risk management professional, and • Environment, Sustainability and Governance
Mr. Guruprasad Srinivasan	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, • Finance and risk management professional, and • Environment, Sustainability and Governance
Mr. Chandran Ratnaswami	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Technology-led transformation, and • Finance and risk management professional.
Mr. Gopalakrishnan Soundarajan	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, and • Finance and risk management professional. • Technology-led transformation
Ms. Revathy Ashok	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Services Business Management, • Technology-led transformation, and • Environment, Sustainability and Governance
Mr. Sanjay Anandaram	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Global Business Management, • Services Business Management, • Technology-led transformation, and • Environment, Sustainability and Governance
Mr. K. R. Girish	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Services Business Management, and • Finance and risk management professional. • Technology-led transformation
Mr. Gaurav Mathur	• Corporate strategy and capital allocation, • Corporate and Board Governance, • Services Business Management, • Technology-led transformation, and • Finance and risk management professional.

e) **Independent Directors:**

(i) Criteria of Independence –

All Independent Directors have given declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

(ii) Number of Directorships –

The number of Companies in which each Independent Director of the Company holds office as an Independent Director is within the limits prescribed under Regulation 17A and 25 of the Listing Regulations.

(iii) Tenure –

None of the Independent Directors have exceeded the tenure prescribed under Regulation 25 of the Listing Regulations and Section 149(10) of the Act.

(iv) Performance evaluation –

NRC has laid down criteria for performance evaluation of Independent Directors which are given below:

- Attendance at Board meetings and Board Committee meetings;
- Chairpersonship of the Board and Board Committees;
- Contribution and deployment of knowledge and expertise at the Board and Committee meetings; and
- Guidance and support provided to Senior Management of the Company.

(v) Separate meeting of Independent Directors –

As stipulated under Section 149(8) read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held on 20 January 2022 without the presence of Non-Independent Directors and members of the management to inter-alia discuss matters pertaining to:

- The performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors;
- The performance of the Non-Independent Directors and the Board as a whole;
- The quality, quantity and timeliness of the flow of the information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction on the Board's freedom to express views on matters transacted at meetings and the manner in which the management discusses various subject matters specified in the agenda of meetings. The suggestions made by the Independent Directors were discussed at the Board meeting and are being implemented.

The Company has issued formal letters of appointment to all the Independent Directors of the Company in the manner as provided in the Act including the tenure of appointment. The terms and conditions of appointment of the Independent Directors are disclosed on the official website of the Company at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Letter-of-Appointment-for-Independent-Director-with-Terms-and-Conditions.pdf

(vi.) Familiarization Programme –

Our Directors, at the time of their appointment, are provided with information about the Company and its organizational structure, business model, vision and values, latest published results and internal policies to enable them to familiarize themselves with the Company's procedures and practices. A detailed letter containing the Company's expectations, the rights, powers, responsibilities and liabilities of the Independent Director and the policies of the Company are issued to the Independent Directors during their appointment. The Independent Directors are required to adhere to these.

Further, immediate updates on significant issues, if any, are provided to all the Directors immediately on the occurrence of such an event. Periodical presentations are made to the Independent Directors on the Company's strategies and business plans. The Independent Directors are also regularly informed about material regulatory and statutory updates affecting the Company. The details of such familiarization programs are uploaded on the official website of the Company at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Directors_Familiarization_Programme.pdf

The Company is in compliance with Regulation 25(7) of the Listing Regulations.

(f) Agenda for the meetings and information furnished to the Board:

Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. More specifically, we present our annual strategic plan and operating plans of our business to the Board for their review, inputs and approval. Likewise, our quarterly financial statements and annual financial statements are first presented to the Audit Committee and subsequently to the Board of Directors for their approval. Besides, specific cases of acquisitions, important managerial decisions and statutory matters are presented to the respective Committees of the Board and later with the recommendation of Committees to the Board for their approval, as applicable. During the year, the Board of Directors accepted all recommendations of the Committees of the Board of Directors, which are mandatorily required to be made.

Information to the Directors is submitted along with the agenda papers well in advance of the Board meeting by the Company Secretary. Detailed agenda is sent to each Director at least 7 days in advance of Board and Committee meetings. All material information is incorporated in the agenda along with supporting documents and relevant presentations. Where it is not practicable to attach a particular document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

The Company provides the information as set out in Regulation 17(7) read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. All information, except critical unpublished price sensitive information (which is circulated at a shorter notice than the period prescribed under the Secretarial Standard on Meetings of the Board of Directors), is given to the Directors well in advance of the Board and the Committee meetings.

g) Code of Business Conduct & Ethics:

The Company has adopted a Code of Business Conduct & Ethics ("**the Code**") which is applicable to the Board of Directors and all employees of the Company. The Board of Directors and the members of the Senior Management Team of the Company are required to affirm the Annual Compliance of this Code. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Executive Director and Group CEO of the Company to this effect is placed at the end of this report.

The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in a professional, courteous and respectful manner.

The Code is displayed on the Company's official website at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Code_of_Business_Conduct_and_Ethics.pdf

h) Conflict of Interests:

Each Director informs the Company on an annual basis about the Board and Committee positions, including Chairmanships, that she or he holds in other firms, as well as any changes that occur throughout the year. Members of the Board avoid conflicts of interest in the decision-making process while performing their duties. Members of the Board refrain from discussing or voting on transactions in which they are concerned or have an interest. The Members of the Management Committee have made the disclosure to the Board of Directors relating to transactions with a potential conflict of interest with the Company. There was no material, financial or commercial transaction, between the Company and Members of the Management Committee that may have a potential conflict with the interest of the Company at large.

i) Code of Conduct for Prevention of Insider Trading:

The Company has adopted 'Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**PIT Regulations**"), as amended from time to time.

The Code is applicable to Promoters, members of Promoters' Group, all Directors and such Designated Persons who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Officer is responsible for monitoring adherence to the said PIT Regulations.

Further, the details of the trading by Designated Persons and their immediate relatives are placed before the Audit Committee on a quarterly basis.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("**UPSI**") in compliance with the PIT Regulations. This Code is displayed on the Company's official website at https://www.quesscorp.com/investor/dist/images/pdf/Governance/Code-of-Conduct-for-prevention-and-Prohibition-of-Insider-Trading-Nov-13-2021.pdf

III. Committees of the Board:

The Board of Directors has constituted various Committees to focus on specific areas and to make informed decisions within their authority. Each Committee is directed by its charter and/or policy which outlines their scope, roles, responsibilities and powers. All the decisions and recommendations of the Committee are placed before the Board for their approval.

The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles. The Minutes of the meetings of all the Committees are placed before the Board for review. The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as practicable.

With a view to have a more focused attention on business and for better governance and accountability, the Board has seven (7) committees, which comprises of five (5) statutory committees and other two (2) are non-statutory committees in line with the requirements of Act and Listing Regulations, details of which are as follows:

a.) Audit Committee;

b.) Nomination and Remuneration Committee ("**NRC**");

c.) Stakeholders' Relationship Committee ("**SRC**");

d.) Corporate Social Responsibility Committee ("**CSR**");

e.) Risk Management Committee ("**RMC**");

f.) Share Transfer Committee; and

g.) Administration and Investment Committee.

The Composition of these committees as on 31 March 2022 is as follows –

Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Share Transfer Committee	Administration & Investment Committee
Mr. K. R. Girish (Chairperson)	Ms. Revathy Ashok (Chairperson)	Mr. Sanjay Anandaram (Chairperson)	Ms. Revathy Ashok (Chairperson)	Mr. Ajit Isaac (Chairperson)	Mr. Ajit Isaac (Chairperson)	Mr. Ajit Isaac (Chairperson)
Ms. Revathy Ashok	Mr. Sanjay Anandaram	Ms. Revathy Ashok	Mr. Gaurav Mathur	Mr. Guruprasad Srinivasan	Mr. Guruprasad Srinivasan	Mr. Guruprasad Srinivasan
Mr. Sanjay Anandaram	Mr. Chandran Ratnaswami	Mr. Ajit Isaac	Mr. Ajit Isaac	Ms. Revathy Ashok	*Mr. Kundan K Lal	-
Mr. Chandran Ratnaswami	-	-	-	Mr. Sanjay Anandaram	-	-
Mr. Gaurav Mathur	-	-	-	#Mr. N Ravi Vishwanath	-	-
Mr. Gopalakrishnan Soundarajan	-	-	-	^Mr. Rajesh Kharidehal	-	-

All members of these Committees are financially literate and have management expertise.
* Company Secretary and Compliance Officer
# Chief Financial Officer
^ Chief Business Officer

A. Audit Committee:

The Audit Committee of the Company functions in accordance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

Terms of reference of the Audit Committee –

The Audit Committee meets at frequent intervals and the terms of reference of the Audit Committee as required under Section 177 of the Act and Regulation 18 of the Listing Regulations, are as follows:

a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory auditor of the Company;

c) Review and monitor the auditor's independence and performance and effectiveness of the audit process;

d) Approval of payments to statutory auditors for any other services rendered by statutory auditors;

e) Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

i) Matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013;

ii) Changes, if any, in accounting policies and practices and reasons for the same;

iii) Major accounting entries involving estimates based on the exercise of judgment by management;

iv) Significant adjustments made in the financial statements arising out of audit findings;

v) Compliance with listing and other legal requirements relating to financial statements;

vi) Disclosure of any related party transactions; and

vii) Modified opinions in the draft audit report.

f) Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

g) Scrutiny of inter-corporate loans and/ or advances made by the Holding Company ("**Quess**") in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the Subsidiary, whichever is lower;

h) Scrutiny of inter-corporate investments;

i) Valuation of undertakings or assets of our Company, wherever it is necessary;

j) Evaluation of internal financial controls and risk management systems;

k) Approval or any subsequent modification of transactions of our Company with related parties;

l) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

m) Vigil mechanism/Whistle blower mechanism:

- Ensuring the establishment of vigil mechanism for its Directors and employees to report genuine concerns;
- Providing for adequate safeguards against mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases;
- Ensuring that the existence of vigil mechanism is appropriately communicated within the Company and also made available on Company's website;
- Overseeing the functioning of vigil mechanism and the Whistle blower mechanism and decide on the matters reported thereunder and
- Ensuring that the interests of a person who uses such a mechanism are not prejudicially.

n) Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;

o) Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

p) Discussion with internal auditors on any significant findings and follow up thereon;

q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

t) Approval of appointment of the chief financial officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging the function) after assessing the qualifications, experience and background, etc. of the candidate;

u) Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee;

v) Reviewing the utilization of loans and/ or advances from / investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date; and

w) Review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

x) consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc on the listed entity and its shareholders."

Attendance details of the members of the Audit Committee are as follows –

Name of the Director	Category	Designation	Dates of Committee Meeting					
			03 June 2021	07 July 2021	05 August 2021	13 November 2021	10 February 2022	30 March 2022
Mr. K. R. Girish	Independent Director	Chairperson	✓	✓	✓	✓	✓	✓
Ms. Revathy Ashok	Independent Director	Member	✓	✓	✓	X	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓	✓	✓	✓	X
Mr. Chandran Ratnaswami	Non-Executive Director	Member	✓	✓	✓	✓	✓	✓
Mr. Gaurav Mathur	Independent Director	Member	✓	✓	✓	✓	✓	✓
Mr. Gopalakrishnan Soundarajan	Non-Executive Director	Member	✓	✓	✓	✓	✓	X

Notes:
The gap between two meetings did not exceed 120 days.

As required under Regulation 18 of the Listing Regulations, the Chairman of the Audit Committee is an Independent Director.

The Chairman, Executive Director and Group Chief Executive Officer, Chief Financial Officer, Chief Business Officer of the Company, who is responsible for the finance function, the Head of the Internal Audit and representatives of the Internal Auditors and the Statutory Auditors are regularly invited to attend meetings of the Audit Committee.

The Company Secretary and Compliance Officer of the Company is the Secretary to the Audit Committee.

As per Regulation 18(1) of the Listing Regulations, Section 177 of the Act and the Secretarial Standards, Mr. K. R. Girish, the Chairman of the Committee was present at the last AGM of the Company, held on September 21, 2021, to answer shareholder queries.

B. Nomination and Remuneration Committee:

NRC of the Company functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

Terms of Reference of the NRC–

a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of the performance of Independent Directors and the Board;

c) Devising a policy on Board diversity;

d) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal, and carrying out evaluations of every;

e) Analysing, monitoring and reviewing various human resource and compensation matters;

f) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

g) Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of fixed and variable components.

h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

i) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

j) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

(i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as and when the same comes into force; or

(ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

k) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

l) Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee; and

m) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Attendance details of the members of the NRC are as follows –

Name of the Director	Category	Designation	Dates of Committee Meeting		
			24 May 2021	01 June 2021	10 February 2022
Ms. Revathy Ashok	Independent Director	Chairperson	✓	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓	✓
Mr. Chandran Ratnaswami	Non-Executive Director	Member	✓	✓	✓
Mr. Gopalakrishnan Soundarajan	Non-Executive Director	Member	✓	✓	✓

Notes:

The Company Secretary and Compliance Officer of the Company is the Secretary to the NRC.

Performance evaluation of Board, Committees and Directors –

Our Company understands the requirement of an effective Evaluation process and accordingly conducts the Performance Evaluation every year, through a structured evaluation process, in respect of the following:

i. Board of Directors as a whole.

ii. Committees of the Board of Directors.

iii. Individual Directors including the Chairman of the Board of Directors.

In compliance with the requirements of the provisions of Section 178 of the Act, the Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI, your Company has carried out a Performance Evaluation process internally for the Board, Committees of the Board, Individual Directors including the Chairman of the Board of Directors for the financial year ended 31 March 2022. During the year under review, the Company has complied with all the criteria of Evaluation as envisaged in the relevant SEBI Circular.

Board and Individual Directors:

The parameters for performance evaluation of Board includes composition of Board, the process for appointment to the Board, succession planning, handling critical and dissenting suggestions, attention to Company's long term strategy, evaluation of the governance levels of the Company, quality of discussions at the meeting, reviewing Management's Performance, working in the interests of all the stakeholders of the company, etc.

The parameters of the performance evaluation process for Directors, inter alia, includes effective participation in meetings of the Board, understanding of the roles and responsibilities, domain knowledge, attendance of Director(s), maintaining confidentiality, openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion, maintaining relationships of mutual trust and respect with Board members, acting in good faith and in the interests of the company as a whole, etc. Independent Directors were evaluated by the entire Board with respect to fulfillment of independence criteria as specified in the Listing Regulations and Companies Act, 2013 and their Independence from the Management.

Additional criteria for evaluation of Chairman of the Board includes the ability to co-ordinate Board discussions, the effectiveness of leadership, impartiality, commitment, steering the meeting effectively, seeking views and dealing with dissent, etc.

Executive Director & CEO:

NRC evaluates the performance of the Executive Director & CEO by setting his Key Performance Objectives at the beginning of each financial year. The Committee ensures that his Key Performance Objectives are aligned with the immediate and long-term goals of the Company. The performance of Managing Director vis-à-vis the Performance Objectives/ Parameters set at the beginning of the financial year are also reviewed by the Committee during the year.

Committees of the Board:

The performance evaluation of committee's included aspects like degree of fulfillment of key responsibilities as outlined by the charter, adequacy of committee composition, effectiveness of discussions at the Committee meetings, quality of deliberations at the meetings and information provided to the Committee's. The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board of Directors deliberated on the outcome and agreed to take necessary steps going forward. Based on the outcome of the performance evaluation exercise, areas have been identified for the Board to engage itself with and the same would be acted upon.

The Directors carry out the aforesaid Performance Evaluation in a confidential manner and provide their feedback on a rating scale of 1-4. Duly completed formats were sent to the Chairman of the Board and the Chairman/Chairperson of the respective Committees of the Board for their consideration. The Chairperson(s) of the respective Committees based on feedback received from the Committee members on the outcome of performance evaluation exercise of the Committee, shares a report to the Board.

Succession Planning:

NRC reviews succession planning mechanism, which focuses on orderly succession for the Board members including CEO and one level below the Board and other key employees and updates the Board about the same on a periodical basis. The Board of Directors are satisfied that plans are in place for orderly succession for the appointment of Board members and other senior management.

Policy on Nomination, Removal, Remuneration and Board Diversity:

In compliance with the requirements of Section 178 of the Act, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel ("**KMPs**"), Senior Management Personnel ("**SMPs**"), Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Directors, KMPs and SMPs, remuneration paid / payable to them, Board diversity, etc. The said policy has been uploaded on the official website of the Company at www.quesscorp.com and is available at the link https://www.quesscorp.com/investor/dist/images/pdf/Policies/Nomination-and-Remuneration-Policy.pdf. The policy forms a part of the Board's Report.

The Non-Executive, Independent Directors are paid sitting fees for attending the Meetings of the Board or Committees which is within the limits laid down by the Act read with relevant rules made thereunder. The Non-Executive Director/ Independent Directors do not have any material pecuniary relationship or transactions with the Company. During the financial year 2021-22, the Company paid sitting fees of ₹ 50,000/- per Board Meeting and ₹ 25,000/- for the Committee Meetings to Independent Directors for attending meetings of the Board and Committees.

Remuneration for the Chairman, Executive Director & Group CEO and other senior officials consists of fixed and variable components. The Executive Directors viz., Chairman, Executive Director & Group CEO are entitled to an annual variable pay each financial year.

The Commission payable to the Independent Directors is as decided by the Board and approved by the Shareholders, the sum of which does not exceed 1% of the net profits for the year, calculated as per the provisions of the Act.

The following are the details of the remuneration paid/payable to the Directors for the FY22: (₹ in Millions)

S. No.	Name of the Director	Sitting Fees	Salary and Perquisites	Contribution to Provident and Other Funds	Commission/ Incentives	Total
1.	Mr. Ajit Isaac	-	26.50	0.78	-	27.28
2.	Mr. Guruprasad Srinivasan[(1)]	-	2.29	0.00		2.29
3.	Mr. K Suraj Moraje[(2)]	-	35.13	0.91		36.04
4.	Mr. Chandran Ratnaswami	-	-	-	-	-
5.	Mr. Gopalakrishnan Soundarajan	-	-	-	-	-
6.	Mr. K. R. Girish	0.55	-	-	0.44	0.99
7.	Mr. Gaurav Mathur	0.57	-	-	0.44	1.01
8.	Ms. Revathy Ashok	0.62	-	-	0.75	1.37
9.	Mr. Sanjay Anandaram	0.60	-	-	0.75	1.35

Notes:

(1) Mr. Guruprasad Srinivasan was appointed as an Executive Director & Group CEO w.e.f. 10 February, 2022.

(2) Mr. K Suraj Moraje ceased to be Managing Director & Group CEO w.e.f. 10 February 2022.

During the year under review, the Company has not advanced loans to any of its Directors.

C. Stakeholders' Relationship Committee:

SRC of the Company functions in accordance with Section 178(5) of the Act and Regulation 20 of the Listing Regulations.

SRC of the Board of Directors deals with stakeholder relations and share/ debenture holders' grievances including matters related to non-receipt of the Annual Report, non-receipt of the declared dividend and other such issues as may be raised by them from time to time. It ensures that investor grievances/ complaints/ queries are redressed in a timely manner and to the satisfaction of the investors. The committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services.

Terms of Reference of the SRC–

a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of the annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

b) Review of measures taken for the effective exercise of voting rights by shareholders;

c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and

d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Attendance details of the members of the SRC are as follows –

Name of the Members	Category	Designation	Date of the Committee meeting
			24 May 2021
Mr. Sanjay Anandaram	Independent Director	Chairperson	✓
Mr. Ajit Isaac	Chairman	Member	✓
Ms. Revathy Ashok	Independent Director	Member	✓

Note: The Committee is chaired by Mr. Sanjay Anandaram, Independent Director and Mr. Kundan K Lal, Company Secretary and Compliance Officer is the Secretary to the SRC.

Investor grievances and queries –

The queries received and resolved to the satisfaction of the investors during the year are:

S. No.	Particulars	Pending as on 01.04.2021	Received during the year	Resolved during the year	Balance as on 31.03.2022
1.	SEBI SCORES Website	-	-	-	-
2.	Registrar of Companies	-	-	-	-
3.	Stock Exchange(s)	-	-	-	-
4.	Miscellaneous	-	04	04	-
	Total	**-**	**04**	**04**	**-**

D. Corporate Social Responsibility Committee:

The CSR Committee of the Company functions in accordance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereof.

The Board has adopted a CSR Policy, according to the recommendations of the CSR Committee. The policy was amended and approved by the Board of Directors on 3 June 2021. It formulates the guidelines for undertaking programs that ensure sustainable development of the community. It encompasses all CSR activities undertaken by the group and works towards the benefit of women, children and the society as a whole.

For further details, please refer our CSR page - https://www.quesscorp.com/csr/ and the policy can be accessed at the official website of the Company at - https://www.quesscorp.com/investor/dist/images/pdf/Policies/CSR-Policy.pdf

Terms of Reference of the CSR Committee –

a) Formulate and recommend to the Board a Corporate Social Responsibility Policy **("CSR Policy")** and the activities to be undertaken by the Company as specified in Schedule VII of the Act;

b) Identifying the areas of CSR activities;

c) Recommending the amount of expenditure to be incurred on the identified CSR activities;

d) Implementing and monitoring the CSR Policy from time to time;

e) Coordinating with "Care Work Foundation" or other such agency in implementing programs and executing initiatives as per the CSR Policy of the Company;

f) Reporting progress of various initiatives and making appropriate disclosures on a periodic basis;

g) Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy;

h) Review Sustainability initiatives of the company and provide guidance on aspects of sustainability policies and programs including environmental sustainability, climate change, responsible sourcing, biodiversity, energy & water conservation;

i) Overseeing the Company's initiatives and reviewing the risk and opportunities related to Environment, Social and Governance **("ESG").**

j) Review regularly and making recommendations about changes to the charter of the Committee;

k) Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable;

l) The Committee shall oversee the process of joint CSR efforts in case of collaboration with other company(ies) to ensure that the Company can meet its reporting obligations in this regard;

m) The Committee shall monitor the administrative overheads in pursuance of CSR activities or projects or programs so that they do not exceed the prescribed thresholds; and

n) The Committee shall formulate necessary monitoring mechanism to enable the Board to satisfy itself that the funds disbursed for CSR activities or projects or programs have been utilized for the purposes and in the manner as approved by it.

Attendance details of the members of the CSR Committee are as follows –

Name of the Members	Category	Designation	Dates of Committee Meeting
			24 May 2021
Ms. Revathy Ashok	Independent Director	Chairperson	✓
Mr. Ajit Isaac	Chairman	Member	✓
Mr. Gaurav Mathur	Independent Director	Member	✓

Notes: The Company Secretary and Compliance Officer is the Secretary to the CSR Committee.

E. Risk Management Committee:

The Risk Management Committee of the Company functions in accordance with Regulation 21 of the Listing Regulations. The Committee meets at frequent intervals depending upon the requirements.

The primary responsibility of the Committee is to assist the Board in monitoring and reviewing the risk management plan, implementation of the risk management framework of the Company and the cyber security.

Terms of Reference of the RMC:

a) The Risk Management Committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).

b) The Risk Management Committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).

c) The Risk Management Committee shall make regular reports/ recommendations to the Board.

d) To formulate a detailed risk management policy which shall include:

   i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   ii. Measures for risk mitigation including systems and processes for internal control of identified risks.

iii. Business continuity plan.

e) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

f) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

g) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

h) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

The Risk Management Policy was amended and approved by the Board of Directors on 3 June 2021 and has been uploaded on the official website of the Company at www.quesscorp.com and is available at the link https://www.quesscorp.com/investor/dist/images/pdf/Policies/Risk-Management-Policy.pdf

Attendance details of the members of the RMC as on 31 March 2022 are as follows –

Name of the Members	Category	Designation	Dates of Committee Meeting	
			24 May 2021	20 November 2021
Mr. Ajit Isaac	Chairman	Chairperson	✓	✓
Mr. K. Suraj Moraje[1]	Managing Director & Group CEO	Member	✓	✓
Mr. Guruprasad Srinivasan[2]	Executive Director & Group CEO	Member	NA	NA
Ms. Revathy Ashok	Independent Director	Member	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓
Mr. Rajesh Kharidehal	Chief Business Officer	Member	✓	✓
Mr. N. Ravi Vishwanath	Chief Financial Officer	Member	✓	✓

Notes:

1. Mr. K. Suraj Moraje ceased to be a member of the Committee w.e.f. 10 February 2022.

2. Mr. Guruprasad Srinivasan was appointed as a member of the Committee w.e.f. 10 February, 2022.

3. The Company Secretary and Compliance Officer is the Secretary to the Committee.

F. Share Transfer Committee:

The Share Transfer Committee was re-constituted by the Board of Directors at its meeting held on 10 February 2022. The Committee generally meets in a regular interval to approve, inter alia, the requests for transfer and transmission of shares.

There is no pending transfer of shares as on 31 March 2022.

Terms of reference of the Share Transfer Committee –

a) Deletion of name of the deceased holder(s) of securities, where the securities are held in the name of two or more holders of securities;

b) Transmission of securities to the legal heir(s), where deceased holder of securities was the sole holder of securities;

c) Transposition of securities, when there is a change in the order of names in which physical securities are held jointly in the names of two or more holders of securities;

d) Transfer of securities, dematerialisation and re-materialisation of shares; and

e) Issue of duplicate or split share certificates.

The processing activities with respect to requests received for share transfers were generally completed within three to five working days.

Attendance details of the members of the Share Transfer Committee are as follows –

Name of the Members	Category	Designation	25 June 2021	02 July 2021	20 July 2021	02 August 2021	16 August 2021	05 October 2021	18 October 2021	02 November 2021	27 December 2021	22 March, 2022
Mr. Ajit Isaac	Chairman	Chairperson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. K. Suraj Moraje[1]	Managing Director & Group CEO	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	NA
Mr. Guruprasad Srinivasan[2]	Executive Director & Group CEO	Member	NA	NA	NA	NA	NA	NA	NA	NA	NA	✓
Mr. Kundan K Lal	Vice President & Company Secretary	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Note:

(1) Mr. K. Suraj Moraje ceased to be a member of the Committee w.e.f. 10 February, 2022.

(2) Mr. Guruprasad Srinivasan was appointed as a member of the Committee w.e.f. 10 February, 2022.

Share Transfer System:

As on 31 March 2022, 99.73% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company.

The Registrars and Share Transfer Agent have put in place an appropriate Share Transfer system to ensure timely share transfers. Share transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt, if the documents are clear in all respects. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days.

SEBI, vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8 June 2018, amended Regulation 40 of the Listing Regulations, pursuant to which after 5 December 2018 transfer of securities could not be processed unless the securities are held in the dematerialised form with a depository. Members holding shares in physical form are requested to dematerialise their holdings at the earliest as it will not be possible to transfer shares held in physical mode as per the extension of the deadline announced by SEBI.

In view of the above and considering the benefits of holding shares in electronic form, the shareholders holding physical share certificates are requested to dematerialize their holding at the earliest.

IV. General Body Meetings (Annual General Meeting):

A. Annual General Meeting ("AGM"):

The details of AGM's convened during the last three (3) years are as follows:

Financial Year	Date	Time	Venue	Special resolutions
2020-21	21 September 2021	03.30 P.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	1. Re-designation of Mr. Ajit Isaac (DIN: 00087168) as a Chairman and Whole-time Director ("Executive Chairman") of the Company and revision of terms. 2. Elevation of Mr. Krishna Suraj Moraje (DIN: 08594844) as Managing Director and Group CEO of the Company and revision of terms. 3. Approval for giving loans, making investments, extending guarantees or securities under Section 185 of the Companies Act, 2013.
2019-20	29 September 2020	03:30 P.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	1. Reappointment of Ms. Revathy Ashok (DIN: 00057539) as a Director of the Company. 2. Reappointment of Mr. Sanjay Anandaram (DIN: 00579785) as a Director of the Company. 3. Approval of Scheme of Amalgamation with its Wholly-Owned Subsidiaries.
2018-19	24 July 2019	11:00 A.M.	Spring Hall, Hotel Royal Orchid, #1, Golf Avenue, Adjoining KGA Golf Course, HAL Airport Road, Bengaluru - 560008	1. Ratification of Quess Corp Limited Employees Stock Option Scheme 2015 and grant of stock options to the Eligible Employees under the Scheme. 2. Ratification for grant of stock options to the Employees of Subsidiaries Companies under Quess Corp Limited Employee Stock Option Scheme 2015.

B. Postal Ballot conducted during the year 2021-22:

During the year, the Company had sought approval by way of necessary resolution vide notice dated 10 February 2022 for Item no. 3 as mentioned herein below, which was duly passed and the results of which were announced on 30 March 2022. Mr. S. N. Mishra, SNM & Associates, Practicing Company Secretary, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Details of Special Resolution passed through Postal Ballot	Voting Pattern
Approval to alter of alteration of Association of the Company.	Resolution passed by a requisite majority of 99.99%.

Procedure for the postal ballot:

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder.

V. Means of Communication with Shareholders:

- **Financial Results:** Prior intimation of the Board Meeting to consider and approve Unaudited/Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the official website of the Company at www.quesscorp.com. The aforesaid Financial Results are immediately intimated to the Stock Exchange(s) after the same is approved at the Board Meeting. The Annual Audited Financial Statements are sent to every member of the Company in the prescribed manner. In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of BSE Limited (BSE), National Stock Exchange of India Limited (NSE) viz., BSE Listing Centre, NSE Electronic Application Processing System (NEAPS).
- **Newspapers:** The quarterly, half-yearly and annual Financial Results of the Company are published in widely circulated daily Newspapers, viz., "Financial Express" (English) and in the "Hosa Digantha" (Kannada).

- **Website:** The website of the Company www.quesscorp.com contains a dedicated section "**Investor Relations**" which contains details/ information of interest to various stakeholders, including Financial Results, Shareholding Pattern, Press Releases, Company Policies, etc. The Members/ Investors can view the details of electronic filings done by the Company on the respective websites of BSE and NSE i.e., www.bseindia.com and www.nseindia.com. The same is updated as per Regulation 46 of listing Regulations.
- **Press Releases:** Official Press Releases including Press Release on Financial Results of the Company are sent to the Stock Exchanges and the same are simultaneously hosted on the official website of the Company.
- **Presentations to institutional investors/ analysts:** All price sensitive information is promptly intimated to the Stock Exchanges before releasing to the media, other stakeholders and uploading on the Company's official website. During the year under review, the Company made a presentation to the investor on 3 June 2021, 5 August 2021, 13 November 2021 and 10 February, 2022 through conference call. The details are also displayed on the Company's official website www.quesscorp.com.
- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redressal system. Centralised database of all complaints received, online upload of the Action Taken Reports (ATRs) by the Company and online viewing by investors of actions taken on the complaint and its current status are updated/ resolved electronically in the SEBI SCORES system.
- **Annual Report:** The Annual Report circulated to members and others entitled thereto in electronic as well as physical modes is disseminated to Stock Exchanges and is also uploaded on the Company's official website.
- **Credit Rating:** List of all Credit Ratings obtained by the entity along with revisions, if any, thereto during the relevant financial year: As on 17 February 2022, ICRA has re-affirmed the credit ratings. Hence, there is no change in the credit rating during the year under review.

VI. General Shareholder Information:

i. **CIN Number:** L74140KA2007PLC043909

ii. **Registered and Corporate Office:** 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru – 560 103

iii. **Annual General Meeting for FY22:**

Date: September 22, 2022

Day: Thursday

Time: 03:30 pm

Venue: VC/OAM

iv. **Financial Calendar:**

Financial year: 1 April to 31 March

v. **Dates of Book Closure:**

As mentioned in the Notice of this AGM.

vi. Name and address of each Stock Exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s) -

Equity shares of the Company are listed and traded on the following Stock Exchange(s).

The annual listing fees for FY22 to BSE and NSE have been paid to both the Exchanges. The annual custodial fees have been paid to NSDL and CDSL.

vii. Stock Exchange codes:

ISIN Number: INE615P01015

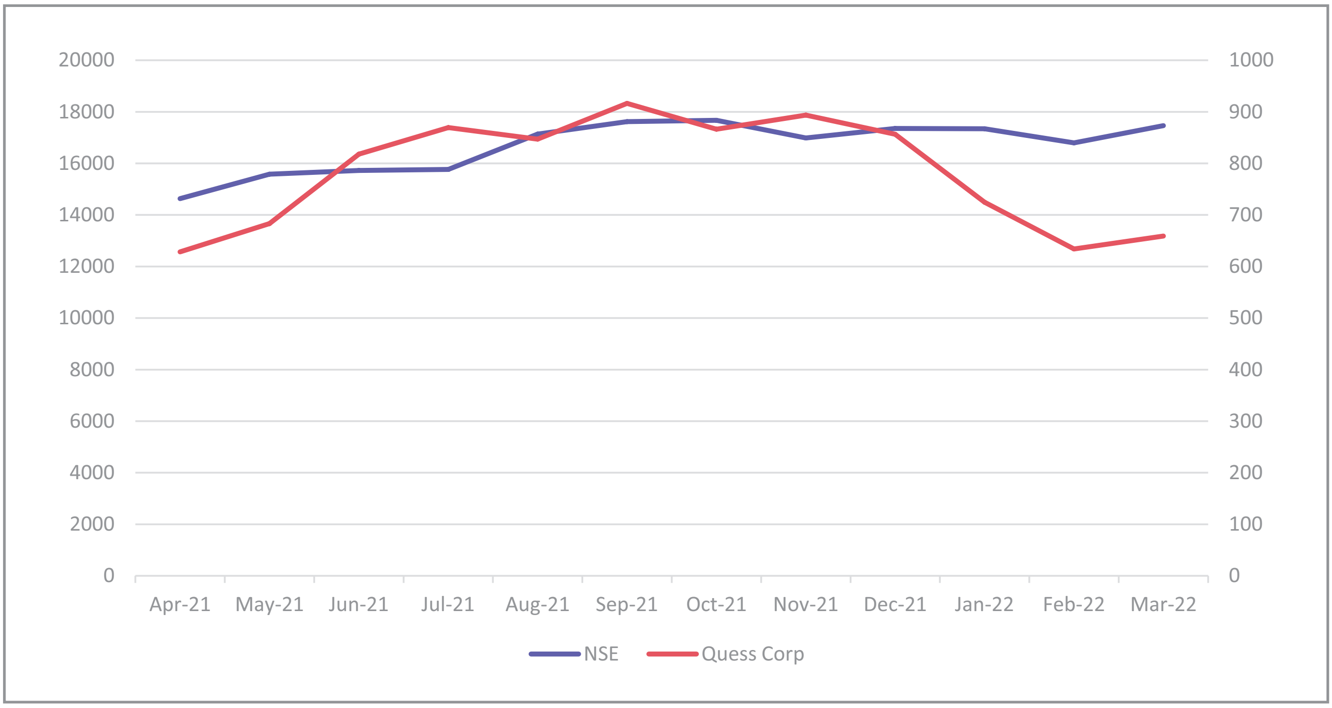
Name of the Stock Exchange(s)	Scrip Code
BSE Limited, Mumbai (BSE)	539978
The National Stock Exchange of India Limited, Mumbai (NSE)	QUESS

viii. Stock Market Performance:

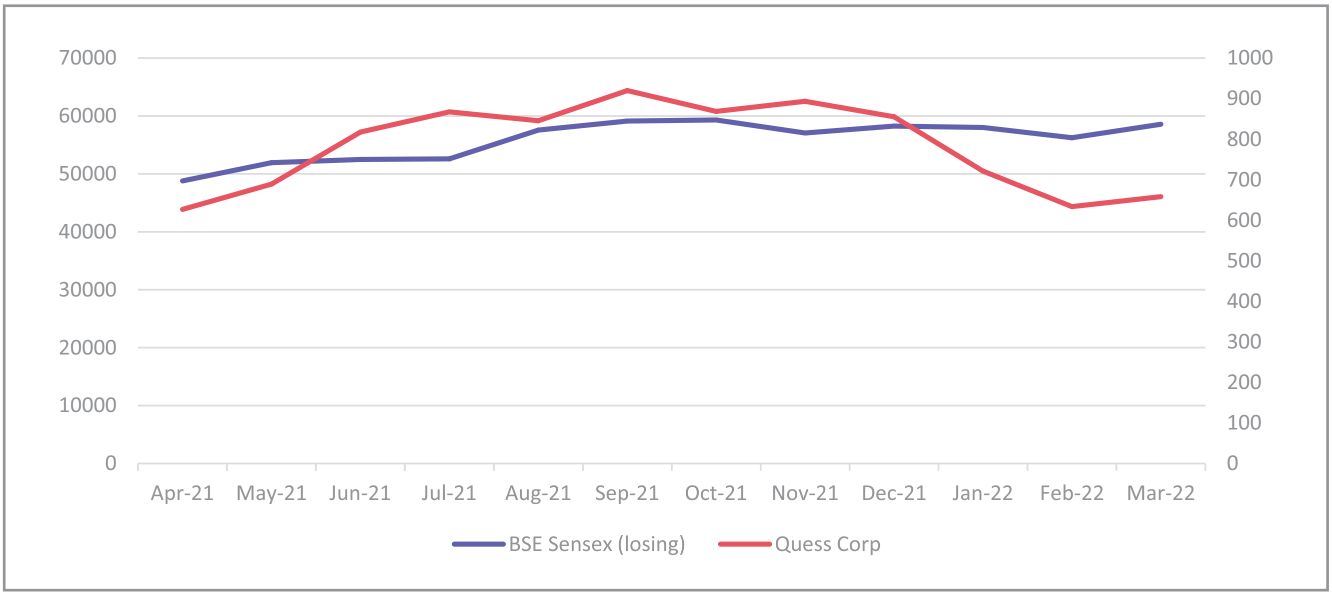
The monthly high and low prices of the Companys' shares, as well as the volume of shares traded at the BSE and NSE for the year ended 31 March 2022 are provided as follows:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
Apr 21	703.35	532.60	414,758	703.85	535.05	35,89,571
May 21	744.00	609.70	237,959	714.90	612.20	46,78,339
Jun 21	888.00	670.00	359,850	887.90	680.30	62,71,043
Jul 21	883.95	735.05	326,015	885.00	736.00	66,99,751
Aug 21	920.25	795.90	6,855,079	926.00	795.05	56,57,433
Sep 21	990.00	828.00	761,774	989.90	827.45	60,81,700
Oct 21	957.75	849.20	215,311	956.90	850.15	25,96,123
Nov 21	966.00	810.85	139,652	967.80	811.50	44,63,656
Dec 21	894.90	780.00	180,236	900.00	779.05	35,24,051
Jan 22	886.95	712.35	156,295	887.40	711.85	27,99,797
Feb 22	753.25	556.85	534,551	753.90	558.00	1,30,41,450
Mar 22	689.70	527.60	4,13,569	688.00	527.40	84,87,413

Performance on NSE versus Quess:



Performance on BSE versus Quess:



ix. Registrar & Share Transfer Agent:

The Company has appointed Link Intime India Private Limited as its Registrar and Transfer Agent (RTA). All share transfers and related operations are conducted by RTA, which is registered with the SEBI.

Name of the Person	Email	Address
Ms. Surabhi Gangatirkar	rtn.helpdesk@linkintime.co.in	Link Intime India Private Limited 247 Park, C 101, 1st Floor, LBS Marg, Vikhroli(W), Mumbai – 400 083, Maharashtra, India Tel: +91 22 49186270, Fax: +91 22 49186060 www.linkintime.co.

x. Distribution of shareholding as on 31 March 2022:

Particulars	Number of Shareholders	% of Total Shareholders	Share Amount (₹)	% of Total Share Amount
1 to 5000	69,040	95.44	36,52,618	2.47
5001 to 10000	1,502	2.08	10,99,437	0.74
10001 to 20000	910	1.26	13,33,972	0.90
20001 to 30000	283	0.39	6,95,478	0.47
30001 to 40000	111	0.15	3,85,529	0.26
40001 to 50000	72	0.10	3,28,392	0.22
50001 to 100000	141	0.19	9,89,587	0.67
100001 to 99999999999	280	0.39	13,95,05,544	94.27
TOTAL :	**72,339**	**100.00**	**14,79,90,557**	**100.00**

xi. Dematerialization of Shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. As at 31 March 2022, 14,75,89,749 equity shares representing 99.73% of the total equity share capital of the Company were held in dematerialised form.

xii. Outstanding GDRs/ ADRs/ Warrants/ Options or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31 March 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

xiii. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15 November 2018 is not required to be given. For details of foreign exchange risk and hedging activities, please refer to the Management's Discussion and Analysis.

xiv. Branch Offices:

The Company had 30 branches as on 31 March 2022 across India.

xv. Address for correspondence:

Shareholders/ Investors may write to the Company Secretary at the following address:

Matters	Contact	Email	Address
For Corporate Governance and Other Secretarial related matters	Mr. Kundan K Lal Vice President & Company Secretary	investor@quesscorp.com	The Company Secretary Quess Corp Limited Registered Office Address: 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru – 560103 Phone No: 080-6105 6001, Fax No: 080-61056406 www.quesscorp.com

xvi. Reconciliation of the share capital audit:

In terms of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, reconciliation of the Share Capital Audit is conducted every quarter by Mr. S.N. Mishra, Practicing Company Secretary to reconcile the total admitted capital with the National Securities Depository Limited (NSDL), the Central Depository Services (India) Limited (CDSL) and physically with the shareholders and the total issued and listed capital. The report is forwarded to the stock exchanges within the prescribed timeline, where the shares of the Company are listed.

xvii. Website disclosures:

Corporate Social Responsibility Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/CSR-Policy.pdf
Risk Management Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Risk-Management-Policy.pdf
Vigil Mechanism	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Whistle-BlowerPolicy.pdf
Code of Conduct	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Code_of_Business_Conduct_and_Ethics.pdf
Nomination and Remuneration Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Nomination-and-Remuneration-Policy.pdf
Code of Conduct for Prevention of Insider Trading	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Code-of-Conduct-for-prevention-and-Prohibition-of-Insider-Trading-Nov-13-2021.pdf
Material Subsidiary Policy	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-for-Material-Subsidiary.pdf
Policy on Related Party Transactions	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Criterial-for-determining-RPT.pdf
Policy on Determination of Materiality of Events and Information	https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Criterial-for-determining-Materiality-of-events-information.pdf
Policy on Preservation of Documents	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Policy_for_Preservation_of_Documents.pdf
Terms and Conditions of Appointment of Independent Directors	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Letter-of-Appointment-for-Independent-Director-with-Terms-and-Conditions.pdf
Archival Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Archival_Policy.pdf
Details of its Business	https://www.quesscorp.com/about/company-profile/
Composition of Various Committees of the Board of Directors	https://www.quesscorp.com/corporate-governance/

VII. Other Disclosures:

Materially significant related party transactions:

Omnibus and prior approval of the Audit Committee is obtained for all Related Party Transactions of the Company. During the financial year ended 31 March 2022, the Company did not have any 'material' related party transaction that may have potential conflict with the interests of the Company at large.

The Board of Directors of the Company has adopted a Related Party Transactions Policy pursuant to the requirements of Section 188 of the Act, and Rules framed thereunder and Regulation 23 of the Listing Regulations. The said Related Party Transactions Policy has been uploaded on the official website of the Company at www.quesscorp.com

The Disclosure on Related Party Transactions forms an integral part of the Notes to Financial Statements of the Company for the financial year ended 31 March 2022 (both standalone and consolidated basis) as included in this Annual Report.

Details of non-compliance by the Company during the last three years -

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. No penalty has been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on such matters.

Whistle-Blower Mechanism:

The Company has adopted the Whistle-Blower Policy pursuant to which employees of the Company can raise their concerns relating to malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company. The Board of Directors has amended the existing Whistle Blower Policy and adopted the revised Whistle Blower Policy, effective from 04 March, 2022. No person has been denied access to the Audit Committee.

The Whistle Blower Policy is available on the official website of the Company https://www.quesscorp.com/investor/dist/images/pdf/Governance/Whistle-BlowerPolicy.pdf

Regulatory orders:

There are no regulatory orders apart from the details provided in the Board's report of this Annual report.

VIII. Subsidiary Companies:

As on 31 March 2022, there are total 33 Subsidiary Companies comprising of 14 India Companies and 19 Foreign Companies. Out of 14 Indian Companies, 9 Companies are wholly–owned Subsidiaries and 4 Companies are subsidiaries and 1 Company is a step-down subsidiary. Out of 19 Foreign Companies, 5 Companies are wholly–owned subsidiaries and 14 Companies are step-down subsidiaries. There are 2 Indian and 3 Foreign Associate Companies.

Conneqt Business Solutions Limited is a material unlisted subsidiary within the meaning of Regulation 16(c) of the Listing Regulations.

The Audit Committee of the Company reviews the financial statements of these subsidiaries at periodic intervals. The Minutes of the Board Meetings of these subsidiaries are placed at the Board Meeting of the Company on a quarterly basis. All significant transactions and arrangements, if any, entered into by the subsidiaries are periodically reported to the Board of Directors.

In terms of Regulation 16 of the Listing Regulations, the Board of Directors formulated a policy for determining material subsidiaries and the policy is available on the official website of the Company at: https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-for-Material-Subsidiary.pdf

Web-link where Policy on dealing with Related Party Transactions:

The Policy on Related Party Transactions, as approved by the Board, is displayed on the official website of the Company at - https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-on-Criterial-for-determining-RPT.pdf

IX. Certificate from a Company Secretary in Practice:

A Certificate confirming that none of the Directors on the Board has neither been debarred nor disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The Company has obtained a Certificate to this effect from Mr. S.N. Mishra Practicing Company Secretary, Bengaluru as mandated under Schedule V, Part C, Clause 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

X. Corporate Governance Compliance Certificate:

A certificate from Mr. S.N. Mishra, Practicing Company Secretary (FCS No. 6143, C.P. No. 4684), Bengaluru, confirming compliance to conditions of Corporate Governance, as stipulated under the Listing Regulations, forms part of the Annual Report.

XI. CEO / CFO Certificate:

The Chief Executive Officer (CEO) / Chief Financial Officer (CFO) certification in terms of the Listing Regulations forms part of the Annual Report.

XII. Consolidated Fees paid to Statutory Auditors

During FY22, the total fees for all services paid by the Company and its subsidiaries including Allsec Technologies Limited (a listed entity), on a consolidated basis, to M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company is as under:

(₹ in millions)

Sl. No.	Particulars	Amount
1	Statutory Audit	12.30
2	Limited Reviews	7.30
3	Other Certification fees	1.55
4	Reimbursement of expenses	0.54
	Total	**21.69**

XIII. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Funds

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("**IEPF Rules**"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("**IEPF**").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority.

Due Dates for Transfer of Unclaimed Dividend to the Investor Education and Protection Fund ("IEPF"):

Year	Dividend	Date of Declaration	Due Date for transfer to IEPF
FY22	Interim Dividend	May 05 2021	June 07 2028
FY22	Interim Dividend	November 13 2021	December 16 2028

XIV. Prevention, Prohibition and Redressal of Sexual Harassment:

The Company is committed to providing a safe and conducive work environment to its employees and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The number of complaints received during the FY22 along with their status of redressal as on FY ended 31 March 2022 are as under:

No. of complaints filed during the FY22	5
No. of complaints disposed of during the FY22	5
No. of complaints pending redressal as on 31 March 2022	0

XV. Disclosure of loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:

The Company and its Subsidiaries have not provided any loans and advances in the nature of loans to firms/ companies in which directors are interested.

XVI. Details of Compliance with Mandatory Requirements:

The Company is fully compliant with the applicable mandatory requirements of Regulation 34 and Schedule V of the Listing Regulations. The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the Listing Regulations.

XVII. Adoption of Non-Mandatory Requirements:

Part E of Schedule II of the Listing Regulations contains certain non-mandatory requirements that a company may implement at its discretion. The status of compliance of the non-mandatory requirements is as follows:

A. The Board:

The Company has Non-Executive Chairperson w.e.f. 1st April, 2022, separate positions were appointed for the post of Chairman and Executive Director & Group CEO.

B. Shareholders' Rights:

The half-yearly declarations of financial performance together with the summary of significant events in the last six months are not individually provided to the shareholders. However, information on financial and business performance is provided in the 'Investors section' of the Company's official website, www.quesscorp.com, on a quarterly basis.

C. Modified opinion(s) in the Audit Report:

The audited financial statements of the Company for the FY22 do not contain any qualifications and the Statutory Auditors Report/Secretarial Audit Report does not contain any adverse remarks. The Audit Reports are unmodified.

D. Reporting by the Internal Auditor:

The Internal Auditor reports to the Audit Committee of the Board of Directors of the Company. The Audit Committee is empowered to hold separate meetings and discussions with the Internal Auditor.

CONFIRMATION ON THE CODE OF CONDUCT

I, Guruprasad Srinivasan, Executive Director & Group Chief Executive Officer of the Company hereby declare that pursuant to Regulation 26(3), 34(3) read with Schedule V (D) of the SEBI Listing Regulations, all the members of the Board and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31 March 2022.

Sd/-
Guruprasad Srinivasan
Executive Director and Group CEO
DIN: 07596207

Place: Bengaluru
Date: 26 May 2022

CEO AND CFO CERTIFICATION

[As per the Regulation 17(8) and 33 of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
Quess Corp Limited
Bengaluru

We, Guruprasad Srinivasan, Executive Director & Group Chief Executive Officer and N. Ravi Vishwanath, Group Chief Financial Officer of Quess Corp Limited ("**the Company**"), to the best of our knowledge and belief, certify that:

(a) We have reviewed financial statements and the cash flow statement for the financial year ended 31 March 2022 and that to best of our knowledge and belief:

    i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

    ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31 March 2022 which is fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee

    i. There have not been any significant changes in internal control over financial reporting during the quarter under reference;

    ii. There has not been any significant changes in accounting policies during the year ended 31 March 2022 and that the same have been disclosed in the notes to the financial statements; and

    iii. There are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Bengaluru
Date: 26 May 2022

Sd/-
Guruprasad Srinivasan
Executive Director & Group CEO
DIN: 07596207

Sd/-
N. Ravi Vishwanath
Group Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Board of Directors
Quess Corp Limited
Bangalore

We have examined all relevant records of **Quess Corp Limited** ("Company"), for the purpose of certifying compliance of the conditions of Corporate Governance pursuance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the financial year ending March 31, 2022.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulation.

In our opinion from the examination of the records produced and to the best of our information and according to the explanations given to us, by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
S.N. Mishra
Company Secretary
C. P. No. : 4684
FCS No. : 6143
UDIN : F006143D000394674

Place: Bangalore
Date : 26 May, 2022

TO WHOMSOEVER IT MAY CONCERN CERTIFICATE – STATUS OF DIRECTORS

I, S.N. Mishra, proprietor of SNM & Associates, Bengaluru, Practicing Company Secretary, have examined all the relevant documents and records made available to us by Quess Corp Limited CIN: L74140KA2007PLC043909 for the period ended on 31 March 2022 and hereby certify as follows:

None of the directors on the Board of Quess Corp Limited as on the date of this certificate have been debarred or disqualified from being appointed or continuing as directors of companies by the Security and Exchange Board of India ("SEBI") or Ministry of Corporate Affairs ("MCA") or any other statutory authorities.

Sd/-
S.N. Mishra
Company Secretary
C. P. No. : 4684
FCS No. : 6143
UDIN: F006143D000394685

Place: Bangalore
Date : 26 May, 2022

INDEPENDENT AUDITOR'S REPORT

To The Members of Quess Corp Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Quess Corp Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 on the standalone financial statements.

Emphasis of Matters

- We draw attention to Note 23.1 and 37.3 of the standalone financial statements, regarding the demands received by the Company in respect of Provident Fund and the contingency related to the pending litigation on the said matter.
- We draw attention to Note 2.3 (vi) of the standalone financial statements, which describes the effects of the continuing uncertainty arising from the outbreak of the COVID-19 pandemic on the standalone financial statements for the year ended 31 March 2022.
- We draw attention to Note 37.4 of the standalone financial statements regarding completion of special audit under section 142(2A) of Income-tax Act, 1961 and receipt of draft assessment order under section 144C of Income-tax Act, 1961 for the financial year 2017-18 resulting in certain disallowances to taxable income and the Company's prima facie evaluation relating to these disallowances.

Our opinion is not modified in respect of these matters.

Key Audit Matter

Key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the standalone financial statements of the current period. This matter was addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition:** Revenue from staffing services in workforce management, operating asset management and global technology solution services is recognised as the related services are performed in accordance with contractual terms. The Company's invoicing cycle is on contractual pre-determined dates and recognised as receivables based on customer acceptances for delivery of work/ attendance of resources. Revenue for the post billing period is recognised as unbilled revenues. Unbilled revenues are invoiced subsequent to the year-end based on customer acceptances. We considered recording of unbilled revenues relating to staffing services as a key audit matter as there is a significant judgement applied by the Company to ensure that revenue is recorded based on (1) contractual terms and (2) attendance which is estimated for the period from the last billing date to the year end based on prior months attendance records. Refer Note 2.21 and 25 to the standalone financial statements.	**Principal audit procedures performed:** Our audit approach was a combination of test of controls and substantive procedures which included amongst others the following: • Tested the effectiveness of controls relating to recording of unbilled revenues. • For a sample of contracts, o Tested revenue recognition by agreeing key terms used for recording revenue with terms in the signed contracts and confirmation received from customers for efforts incurred/ resources deployed. o Tested unbilled revenues with subsequent invoicing based on customer acceptances.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management discussion and analysis, Board's Report including annexures to Board's Report, Business Responsibility Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management 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 Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are 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 these standalone financial statements.

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 standalone financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Company's ability 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 standalone financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 48 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 48 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 47 of the standalone financial statements, the interim dividends declared and paid by the Company during the year and until the date of this report are in compliance with Section 123 of the Act.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 22110815AJRUVB7311)
Place: Bengaluru
Date: 26 May 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Quess Corp Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Quess Corp Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Anand Subramanian
(Partner)
(Membership No. 110815)
(UDIN: 22110815AJRUVB7311)

Place: Bengaluru
Date: 26 May 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Quess Corp Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-Use assets.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and Right-of-Use assets so to cover all the assets in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties (other than properties where the company is lessee and the lease agreements are duly executed in favours of the lessee) and hence reporting under clause 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and Intangible Assets during the year.

(e) As represented to us by the Management, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements (including revised statements as specified in Note 20.3 of the standalone financial statements) comprising book debt statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters, except for the following:

Submission as on	Sanctioned amount to which discrepancy relates (Rs. million)	Details of discrepancies					Remarks
		Nature of current asset	Nature of discrepancy	Amount (Rs. million)			
				As per quarterly statement	As per unaudited books of account	Difference	
10 July 2021	13,920	Trade receivables	Timing difference	10,654.15	10,671.58	(17.43)	The trade receivables statement and trial balance was generated at different points of time during the day. The difference is due to additional entries recorded in books of account.
10 October 2021	13,920	Trade receivables	Timing difference	9,567.86	9,557.99	9.87	The trade receivables statement and trial balance was generated at different points of time during the day. The difference is due to additional entries recorded in books of account.

iii. The Company has made investments in and provided guarantees and granted unsecured loans to companies during the year, in respect of which, we report as under:

(a) The Company has provided loans or stood guarantee during the year, the details of which are given below:

Particulars	Loans (Rs. Million)	Guarantees (Rs. Million)
A. Aggregate amount granted/provided during the year:		
Subsidiaries	1,418.25	810.00
B. Balance outstanding as at balance sheet date in respect of above cases:*		
Subsidiaries	837.07	3,626.41

*The amounts reported are at gross amounts, without considering impairment Rs.128.70 million.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company which are not repayable on demand, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations. The Company has not recognised interest income of Rs. 16.65 million due from Heptagon Technologies Private Limited based on principles of Ind AS 115 Revenue from contract with customers as collection was not considered to be probable.

In respect of loans which are repayable on demand, during the year the Company has not demanded such loans. Having regard to the fact that the repayment of principal has not been demanded by the Company, in our opinion the repayments of principal amounts are regular.

(d) In respect of loans granted by the company, there is no amount overdue for more than 90 days as at the balance sheet date.

(e) During the year loans and interest aggregating to Rs.14.97 million fell due from certain parties which were extended during the year/ after the balance sheet date. The details of such loans are stated below:

Name of the party	Aggregate amount of existing loans extended (Rs. million)	Percentage of the aggregate to the total loans during the year
Excelus Learning Solutions Private Limited	4.10	0.3%

Name of the party	Aggregate amount of interest receivable converted into loan (Rs. million)	Percentage of the aggregate to the total loans during the year
In respect of loans repayable on demand:		
• Quess Corp Vietnam LLC	1.00	0.1%
• Trimax Smart Infra Projects Private limited	5.37	0.4%
In respect of other loans:		
• Excelus Learning Solutions Private Limited	4.50	0.3%

(f) The Company has granted loans which are repayable on demand, details of which are given below:

Particulars	All Parties	Related Parties
Aggregate of loans/advances in the nature of loans - Repayable on demand (Rs. million)*	741.77	741.77
Percentage of loans/advances in the nature of loans to total loans	88.6%	88.6%

*The amounts reported are at gross amounts, without considering impairment Rs. 128.70 million.

The Company has not provided any security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. In respect of Statutory Dues:

(a) (i) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Provident Fund, Employees State Insurance and Profession Tax dues.

(ii) Undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable are as given below:

Name of Statute	Nature of the Dues	Amount (Rs. million)	Period to which amount relates	Due Date	Date of Payment	Remarks, if any
Employees State Insurance Act, 1948	Employees State Insurance Contribution	7.00	April 2021 to September 2021	Various	Unpaid	Management represented that payments were not made as employee's insurance policy was not created.
The Jharkhand Tax on Professions, Trades, Callings and Employments Act, 2011	Profession Tax	0.2	April 2021 to September 2021	Various	Unpaid	Management represented that payments were not made due to Profession Tax portal challenges.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Period to which the Amount Relates	Forum where dispute is pending	Disputed Amount (Rs million)
Finance Act, 1994	Service Tax	Financial year 2007-08 to 2015-16	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	142.47
Finance Act, 1994	Service Tax	Financial year 2013-14 and 2014-15	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	3.62
Employees' Provident fund and miscellaneous Provisions Act, 1952	Provident Fund	Financial year 2008-09 to 2011-12	Employees' Provident Fund Appellate Tribunal	32.17

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) As represented to us by the Management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) The internal audit plan agreed with the internal auditors and approved by the Audit Committee of the Company is for the period January to December 2021. We have considered the internal audit reports of the Company issued till date for the period covered by the internal audit plan in determining the nature, timing and extent of our audit procedures.

xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) The Company does not have 'other than ongoing projects' and hence reporting under clause 3(xx)(a) is not applicable. for the year.

(b) In respect of ongoing projects, the Company has not transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act. The details of the amounts unspent, the amounts transferred and the amounts remaining to be transferred are given below:

Financial Year	Amount unspent on Corporate Social Responsibility activities for "Ongoing Projects" as at Balance Sheet date	Amount Transferred to special account within 30 days from the end of the Financial Year	Amount Transferred after the due date	Amount pending to be transferred as at the report date
2020-21	Rs 34.54 million	-	Rs 34.54 million transferred on 17 May 2021.	-

In respect of ongoing projects, the Company has transferred unspent CSR amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 22110815AJRUVB7311)

Place: Bengaluru
Date: 26 May 2022

STANDALONE BALANCE SHEET

as at 31 March 2022

(Amount in INR millions)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	275.27	275.15
Right-of-use assets	3 (b)	401.83	511.73
Goodwill	4	2,777.73	2,777.73
Other intangible assets	4	944.78	558.89
Intangible assets under development	4	13.91	70.17
Financial assets			
Investments	5	12,889.92	11,144.60
Loans	6	608.31	318.10
Other financial assets	7	577.55	508.22
Deferred tax assets (net)	8	426.04	757.63
Income tax assets (net)	8	2,274.08	1,911.92
Other non-current assets	9	75.92	74.83
Total non-current assets		**21,265.34**	**18,908.97**
Current assets			
Inventories	10	68.24	75.68
Financial assets			
Trade receivables			
Billed	11	7,464.28	4,970.85
Unbilled	11	7,468.08	6,384.13
Cash and cash equivalents	12	934.32	1,021.44
Bank balances other than cash and cash equivalents above	13	484.09	597.75
Loans	14	107.22	25.53
Other financial assets	15	327.74	179.82
Other current assets	16	524.07	466.96
Total current assets		**17,378.04**	**13,722.16**
Total assets		**38,643.38**	**32,631.13**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,479.91	1,476.79
Other equity	18	20,608.77	20,768.10
Total equity		**22,088.68**	**22,244.89**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	3 (c)	307.90	415.77
Non-current provisions	19	1,841.86	1,405.82
Total non-current liabilities		**2,149.76**	**1,821.59**
Current liabilities			
Financial liabilities			
Borrowings	20	4,798.24	3,173.30
Lease liabilities	3 (c)	160.45	164.69
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	34.93	10.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	564.79	511.00
Other financial liabilities	22	5,390.73	2,487.23
Current provisions	23	165.28	164.94
Other current liabilities	24	3,290.52	2,052.89
Total current liabilities		**14,404.94**	**8,564.65**
Total liabilities		**16,554.70**	**10,386.24**
Total equity and liabilities		**38,643.38**	**32,631.13**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 26 May 2022

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

N. Ravi Vishwanath
Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2022

(Amount in INR millions, except per share data)

Particulars	Note	For the year ended	
		31 March 2022	31 March 2021
Income			
Revenue from operations	25	97,584.98	74,834.05
Other income	26	1,315.70	303.79
Total income		**98,900.68**	**75,137.84**
Expenses			
Cost of material and stores and spare parts consumed	27	1,110.39	712.91
Employee benefits expense	28	87,045.27	68,187.62
Finance costs	29	476.99	634.63
Depreciation and amortisation expense	30	481.04	525.09
Other expenses	31	7,558.23	5,261.92
Total expenses		**96,671.92**	**75,322.17**
Profit / (loss) before tax and exceptional items		**2,228.76**	**(184.33)**
Exceptional items	32	422.52	112.70
Profit / (loss) before tax		**1,806.24**	**(297.03)**
Tax expense			
Current tax	8	-	-
Income tax relating to earlier years	8	-	(53.82)
Deferred tax	8	(357.96)	(647.67)
Total tax expense		**(357.96)**	**(701.49)**
Profit / (loss) for the year		**1,448.28**	**(998.52)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans	40	(104.79)	(81.62)
Income tax relating to items that will not be reclassified to profit or loss	8	26.37	20.54
Other comprehensive (loss) for the year, net of income tax		**(78.42)**	**(61.08)**
Total comprehensive profit / (loss) for the year		**1,369.86**	**(1,059.60)**
Earnings / (loss) per equity share (face value of INR 10.00 each)			
Basic (in INR)	38	9.80	(6.76)
Diluted (in INR)	38	9.71	(6.76)
Weighted average equity shares used in computing earnings per equity share			
Basic	38	147,787,738	147,619,501
Diluted	38	149,100,632	147,619,501

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 26 May 2022

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

N. Ravi Vishwanath
Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

STANDALONE STATEMENT OF CASH FLOWS

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Cash flows from operating activities		
Profit / (loss) after tax	1,448.28	(998.52)
Adjustments to reconcile net profit / (loss) to net cash provided by operating activities:		
Tax expense	357.96	701.49
Interest on tax refunds received	(34.69)	-
Interest income on term deposits	(35.55)	(26.56)
Amortised cost adjustments for financial instruments	(24.97)	(21.92)
(Profit) / loss on sale of property, plant and equipment, net	(12.01)	0.67
Dividend income on investments in subsidiaries	(1,175.69)	-
Interest on loans given to related parties	(21.66)	(26.02)
Liabilities no longer required written back	-	(0.37)
Expense on employee stock option scheme	95.70	118.02
Finance costs	476.99	634.63
Depreciation and amortisation expense	481.04	525.09
Loss allowance on financial assets, net	464.38	1,947.06
Exceptional items (refer note 32)	422.52	112.70
Foreign exchange gain	(3.73)	(1.71)
Rent concession received	-	(31.77)
Deposits written off	56.47	0.20
Bad debts written off	54.28	86.22
Operating profit before working capital changes	**2,549.32**	**3,019.21**
Changes in operating assets and liabilities		
Changes in inventories	7.44	26.85
Changes in trade receivables	(4,316.38)	(1,674.42)
Changes in loans, other financial assets and other assets	(52.48)	20.43
Changes in trade payables	78.12	(29.47)
Changes in other financial liabilities, other liabilities and provisions	3,973.77	256.51
Cash generated from operations	**2,239.79**	**1,619.11**
Income taxes (paid) / refund received, net	(240.35)	932.72
Net cash flows from operating activities (A)	**1,999.44**	**2,551.83**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(189.47)	(118.03)
Proceeds from sale of property, plant and equipment and intangibles	58.80	15.34
Investment in subsidiaries and associates	(2,894.32)	(381.78)
Proceeds from redemption of debentures in subsidiaries	1,070.00	1,096.22
Proceeds from sale of investment in subsidiaries (net)	-	0.10

STANDALONE STATEMENT OF CASH FLOWS

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Dividend received (net of tax)	1,088.57	-
Bank deposits (having original maturity of more than three months) and earmarked balances, net	(20.97)	(337.39)
Loans and advances given to related parties	(1,880.48)	(676.73)
Repayment of loans and advances by related parties	1,279.70	1,078.13
Interest received on loans to related parties	12.47	21.49
Interest received on term deposits	31.23	18.69
Net cash (used in) / from investing activities (B)	**(1,444.47)**	**716.05**
Cash flows from financing activities		
Proceeds from / (repayments of) current borrowings, net	1,624.94	(4,594.58)
Redemption of non-convertible debentures	-	(750.00)
Shares issued on exercise of employee stock options	3.12	1.68
Repayment of lease liabilities	(222.61)	(211.45)
Interest paid	(425.88)	(594.99)
Dividend paid	(1,621.66)	-
Net cash used in financing activities (C)	**(642.09)**	**(6,149.34)**
Net decrease in cash and cash equivalents (A+B+C)	**(87.12)**	**(2,881.46)**
Cash and cash equivalents at the beginning of the year	1,021.44	3,902.90
Cash and cash equivalents at the end of the year	**934.32**	**1,021.44**
Components of cash and cash equivalents		
Cash and cash equivalents		
Cash on hand	2.92	3.18
Balances with banks		
In current accounts	931.40	1,013.92
In deposit accounts (with original maturity of less than 3 months)	-	4.34
Cash and cash equivalents as per standalone statement of cash flows	**934.32**	**1,021.44**

STANDALONE STATEMENT OF CASH FLOWS

(Amount in INR millions)

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Borrowings	Total
Debt as at 1 April 2021	3,173.30	3,173.30
Interest accrued but not due as at 1 April 2021	13.85	13.85
Cash flows	1,643.59	1,643.59
Other changes		
- Transaction costs for short-term borrowings	18.65	18.65
- Transaction costs paid	(18.65)	(18.65)
- Interest expense	406.42	406.42
- Interest paid	(425.88)	(425.88)
Interest accrued but not due as at 31 March 2022	(13.04)	(13.04)
Debt as at 31 March 2022	**4,798.24**	**4,798.24**

Particulars	Debentures	Borrowings	Total
Debt as at 1 April 2020	748.09	7,767.88	8,515.97
Interest accrued but not due as at 1 April 2020	-	37.45	37.45
Cash flows	(750.00)	(4,563.07)	(5,313.07)
Other changes			
- Transaction costs for short-term borrowings	-	31.51	31.51
- Transaction costs paid	-	(31.51)	(31.51)
- Interest expense	53.78	488.01	541.79
- Interest paid	(51.87)	(543.12)	(594.99)
Interest accrued but not due as at 31 March 2021	-	(13.85)	(13.85)
Debt as at 31 March 2021	**-**	**3,173.30**	**3,173.30**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 26 May 2022

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

N. Ravi Vishwanath
Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

(A) Equity share capital

(Amount in INR millions)

Particulars	Note	31 March 2022	31 March 2021
Opening balance	17.1	1,476.79	1,475.11
Changes in equity share capital	17.1	3.12	1.68
Closing balance	17.1	**1,479.91**	**1,476.79**

(B) Other equity

(Amount in INR millions)

Particulars	Note	Reserves and surplus						Items of other comprehensive income	Total equity attributable to equity holders of the Company
		Capital reserve	Securities premium	Retained earnings	General reserve	Stock options outstanding account	Debenture redemption reserve	Re-measurement of the net defined benefit liability/asset	
Balance as at 1 April 2020		**1,241.28**	**16,984.51**	**3,303.38**	**21.56**	**134.98**	**103.13**	**(79.16)**	**21,709.68**
Total comprehensive loss for the year ended 31 March 2021									
Loss for the year		-	-	(998.52)	-	-	-	-	(998.52)
Other comprehensive loss (net of tax)		-	-	-	-	-	-	(61.08)	(61.08)
Total comprehensive loss		**-**	**-**	**(998.52)**	**-**	**-**	**-**	**(61.08)**	**(1,059.60)**
Transfer on account of redemption of NCDs	18	-	-	103.13	-	-	(103.13)	-	-
Share based payments	18	-	-	-	-	118.02	-	-	118.02
Total		**-**	**-**	**103.13**	**-**	**118.02**	**(103.13)**	**-**	**118.02**
Balance as at 31 March 2021		**1,241.28**	**16,984.51**	**2,407.99**	**21.56**	**253.00**	**-**	**(140.24)**	**20,768.10**

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

(Amount in INR millions)

Particulars	Note	Reserves and surplus						Items of other comprehensive income	Total equity attributable to equity holders of the Company
		Capital reserve	Securities premium	Retained earnings	General reserve	Stock options outstanding account	Debenture redemption reserve	Re-measurement of the net defined benefit liability/asset	
Balance as at 1 April 2021		**1,241.28**	**16,984.51**	**2,407.99**	**21.56**	**253.00**	**-**	**(140.24)**	**20,768.10**
Total comprehensive income/ (loss) for the year ended 31 March 2022									
Profit for the year		-	-	1,448.28	-	-	-	-	1,448.28
Other comprehensive loss (net of tax)		-	-	-	-	-	-	(78.42)	(78.42)
Total comprehensive income/ (loss)		**-**	**-**	**1,448.28**	**-**	**-**	**-**	**(78.42)**	**1,369.86**
Dividends	47	-	-	(1,624.89)	-	-	-	-	(1,624.89)
Share based payments	18	-	-	-	-	95.70	-	-	95.70
Total		**-**	**-**	**(1,624.89)**	**-**	**95.70**	**-**	**-**	**(1,529.19)**
Balance as at 31 March 2022		**1,241.28**	**16,984.51**	**2,231.38**	**21.56**	**348.70**	**-**	**(218.66)**	**20,608.77**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: Date: 26 May 2022

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

N. Ravi Vishwanath
Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

1) Company overview

Quess Corp Limited ('the Company') is a public limited company incorporated and domiciled in India. The shares of the company are listed in the Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is located in Bengaluru, Karnataka, India. The Company is engaged in the business of providing services in Workforce management, Operating asset management and Global Technology solution.

The standalone financial statements are approved by the board of directors and authorised for issue in accordance with a resolution of the directors on 26 May 2022.

2) Basis of preparation

2.1. Statement of compliance

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation

The standalone financial statements have been prepared on the historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments),

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO") and

iii. Expenses relating to share based payments are measured at fair value on the date of grant.

Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Going concern:

The directors have, at the time of approving the standalone financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the standalone financial statements.

2.3 Use of estimates and judgments

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected. The following are the significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements:

i) Impairment of non-financial assets

Non-financial assets are tested for impairment by determining the recoverable amount. Determination of recoverable amount is based on value in use, which is present value of future cash flows. The key inputs used in the present value calculations include the expected future growth in operating revenues and margins in the forecast period, long-term growth rates and discount rates which are subject to significant judgement. (Refer note 4)

ii) Impairment of financial assets:

The Company recognises loss allowances using the Expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables (billed and unbilled) with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled). (Refer note 34(i))

iii) Measurement of defined benefit obligations:

For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a yearly basis. (Refer note 40)

iv) Property, plant and equipment and intangible assets:

The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically. Ind AS 103 requires the identifiable intangible assets acquired in business combinations to be fair valued and significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by external experts. (Refer note 3(a) and 4)

v) Income taxes:

Significant judgments are involved in determining provision for income taxes, including

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(a) the amounts claimed for certain deductions under the Income Tax Act, 1961 and (b) the amount expected to be paid or recovered in connection with uncertain tax positions.

The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced. (Refer note 8)

vi) Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company's business operations as a whole, for the year ended 31 March 2022 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 (billed and unbilled), goodwill, other intangible assets, investments and loans granted to subsidiaries and associates.The Company has exercised judgements and applied assumptions in relation to these assets and in developing the assumptions relating to the possible future uncertainties in the economic conditions arising from this pandemic. The Company, as on date of approval of these standalone audited financial statements has used internal and external sources of information to the extent available, and based on current estimates expects the net carrying amount of these assets to be recovered.

2.4 Current and non-current classification

Current and non-current classification: The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle for the business activities of the Company covers the duration of the specific project or contract and extends up to the realisation of receivables within the agreed credit period normally applicable to the respective lines of business. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months except for Training and skill development business. For Training and skill development business, the duration of operating cycle has been concluded as 15 - 18 months, depending on the projects, considering the time from mobilisation of candidates till funds are released by relevant government authorities.

2.5 Business combinations

(i) Business combinations (common control business combinations):

Business combination involving entities that are controlled by the company are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the standalone financial statements of the transferor is aggregated with the corresponding

balance appearing in the standalone financial statements of the transferee or is adjusted against general reserve.

- The identity of the reserve are preserved and the reserves of the transferor becomes the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(ii) Business combinations (other than common control business combinations):

In accordance with Ind AS 103, the Company accounts for the business combinations (other than common control business combinations) using the acquisition method when control is transferred to the Company. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Contingent consideration:

Ind AS 103 requires contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration. This valuation is conducted by external valuation expert.

2.6 Foreign currency transactions and balances

The standalone financial statements are presented in Indian Rupees ("INR") which is also the Company's functional currency and all amounts have been rounded off to the nearest millions.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the respective transactions. Foreign-currency denominated monetary assets and liabilities are translated into the functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and such translation of monetary assets and liabilities denominated in foreign currencies are generally recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

2.7 Property, plant and equipment

i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'.

ii) Depreciation:

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset category	Estimated useful life
Furniture and fixtures	5 years
Vehicles	3 years
Office equipment	5 years
Plant and machinery	3 - 8 years
Computer equipment	3 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Leasehold improvements are depreciated over lease term or estimated useful life whichever is lower.

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for the year ended 31 March 2022

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss.

2.8 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.9 Goodwill

The excess of the cost of acquisition over the Company's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the excess is negative, it is considered as a bargain purchase gain. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase. Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

2.10 Intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

Separately acquired Intangible assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Others

Other purchased intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated software is recognised in the statement of profit and loss as and when incurred.

(iii) Amortisation

Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation methods and useful lives are reviewed periodically including at each financial year end.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life
Brand	15 years
Computer software	3 years
Copyright and trademarks	3 years
Customer contracts	3 years
Customer relationships	9 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.11 Impairment of non-financial assets

Tangible and Intangible Assets (excluding Goodwill)

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset or the cash generating unit to which the intangible asset is allocated may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss. If events or changes in circumstances indicate that they might be impaired, they are tested for impairment more frequently.

Goodwill

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.12 Investments in subsidiaries and associates

Investment in equity instruments issued by subsidiaries and associates are measured at cost less impairment. Dividend income from subsidiaries and associates is recognised when its right to receive the dividend is established. The acquired investment in subsidiaries and associates are measured at acquisition date fair value.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written

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down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Investment in debentures of the subsidiaries and associate are treated as equity instruments if they meet the definition of equity as per Ind AS 32 and are measured at cost. Investment in debentures not meeting the aforesaid conditions are classified as debt instruments and are accounted for under Ind AS 109.

2.13 Inventories

Inventories (raw materials, consumables and stores and spares) are valued at lower of cost and net realisable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.15 Dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.16 Share-based payments

Equity instruments granted to the employees of the Company are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in equity (stock options outstanding account). The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

2.17 Earnings per share

Basic earnings per share is computed by dividing the net profit/ (loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.18 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognised as finance cost.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2.19 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Financial assets

(i) Classification and subsequent measurement

For the purpose of subsequent measurement, a financial asset is classified and measured at

- amortised cost;
- fair value through other comprehensive income (FVTOCI) - debt investment;
- fair value through other comprehensive income (FVTOCI) - equity investment; or
- fair value through profit and loss (FVTPL).

1. A financial asset is measured at amortised cost if both the following conditions are met:
   - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
   - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
2. A debt investment is measured at FVTOCI if both of the following conditions are met:
   - the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets ; and
   - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
3. On initial recognition of an equity investment that is not held for trading, the Company irrevocably elects to present subsequent changes in the fair value in OCI (designated as FVTOCI-equity investment). This election is made on an investment-to-investment basis.
4. All financial assets not classified as amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.
Debt investments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVTOCI recognised	These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

(ii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables (billed and unbilled) based on expected lifetime credit losses at each reporting date after initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable and contract assets. Depending on the diversity of its customer base, the company has considered to group its

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customers into two types: government customers and non-government customers.

The provision matrix for non-government customers is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. The provision matrix for government customers is primarily based on the time-based movement within the life cycle of customer receivable further adjusted for forward-looking estimates

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the statement of profit and loss during the period.

(iii) Derecognition of financial assets

A financial asset is derecognised only when the Company:

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost through effective interest method. Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognised at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amortisation.

(iii) Derecognition

A financial liability is derecognised when the Company's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.20 Measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

In determining the fair value of an asset or a liability, the Company uses different methods and assumptions based on observable market inputs. All methods of assessing fair value result in general approximation of value, and such value may not actually be realised.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.21 Revenue recognition

The Company derives revenue primarily from staffing services in the segments of Workforce management, Operating asset management and Global Technology solution. Further, it also provides training and skill development services under the workforce management.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract with customer for staffing services, generally contains a single performance obligation and revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company's contracts may include variable consideration including discounts and penalties which are reduced from revenues and recognised based on an estimate of the expected payout relating to these considerations.

Revenue from staffing services in the segments of Workforce management, Operating asset management and Global Technology solution is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost plus a service fee or fixed fee model.

Revenue from training and skill development services are recognised over time based on satisfaction of specific performance criteria included in contractual arrangements with customers.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer.

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. Unbilled revenues are presented under Trade receivables, while invoicing in excess of revenues are classified as unearned revenue.

Other income

Other income comprises primarily interest income on deposits, dividend income and gain/ (loss) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

2.22 Employee benefits

a) Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short-term employee benefits are measured on an undiscounted basis as the related service is provided.

b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by actuarial valuation performed by an external actuary at each balance sheet date using projected unit credit method.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits and those expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

c) Defined contribution plan

Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The expenditure for defined contribution plan is recognised as expense during the period when the employee provides service.

d) Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's gratuity fund is managed by Life Insurance Corporation of India (LIC) and State Bank of India (SBI). The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuations carried out by an external actuary using the Projected Unit Credit Method. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Actuarial gains or losses are recognised in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead, net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the statement of profit and loss in subsequent periods.

2.23 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.24 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be used. Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.25 Contingent liability

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

2.26 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.27 Segment reporting

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

2.28 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company is currently in the process of evaluating the impact of the amendment on its standalone financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

3 (a) Property, plant and equipment

(Amount in INR millions)

Particulars	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Lease hold improvements	Computer equipment	Total property, plant and equipment
Gross carrying amount as at 1 April 2020	**451.15**	**106.08**	**224.53**	**21.29**	**52.36**	**312.54**	**1,167.95**
Additions	25.91	1.40	8.03	-	0.65	5.33	41.32
Disposals	(30.09)	-	-	(12.68)	-	-	(42.77)
Balance as at 31 March 2021	**446.97**	**107.48**	**232.56**	**8.61**	**53.01**	**317.87**	**1,166.50**
Additions	42.91	0.41	2.94	-	0.17	93.49	139.92
Disposals	(3.19)	-	(9.40)	-	-	(1.35)	(13.94)
Balance as at 31 March 2022	**486.69**	**107.89**	**226.10**	**8.61**	**53.18**	**410.01**	**1,292.48**
Accumulated depreciation as at 1 April 2020	**308.45**	**55.63**	**125.24**	**20.19**	**34.53**	**211.93**	**755.97**
Depreciation for the year	45.46	15.51	33.10	1.05	8.55	58.46	162.13
Disposals	(14.07)	-	-	(12.68)	-	-	(26.75)
Balance as at 31 March 2021	**339.84**	**71.14**	**158.34**	**8.56**	**43.08**	**270.39**	**891.35**
Depreciation for the year	43.38	13.36	28.04	0.03	6.81	42.23	133.85
Disposals	(2.63)	-	(5.18)	-	-	(0.18)	(7.99)
Balance as at 31 March 2022	**380.59**	**84.50**	**181.20**	**8.59**	**49.89**	**312.44**	**1,017.21**
Net carrying amount							
As at 31 March 2022	**106.10**	**23.39**	**44.90**	**0.02**	**3.29**	**97.57**	**275.27**
As at 31 March 2021	**107.13**	**36.34**	**74.22**	**0.05**	**9.93**	**47.48**	**275.15**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

3 (b) Right-of-use assets

Following are the changes in the carrying value of right-of-use assets for the year ended 31 March 2022:

(Amount in INR millions)

Particulars	Buildings*
Balance as at 1 April 2021	511.73
Additions	86.64
Disposals	(20.50)
Depreciation for the year	(176.04)
Balance as at 31 March 2022	**401.83**

Following are the changes in the carrying value of right-of-use assets for the year ended 31 March 2021:

(Amount in INR millions)

Particulars	Buildings*
Balance as at 1 April 2020	684.67
Additions	116.95
Disposals	(83.39)
Depreciation for the year	(206.50)
Balance as at 31 March 2021	**511.73**

*Building leases represent right-of-use assets

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

3 (c) Lease liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current lease liabilities	307.90	415.77
Current lease liabilities	160.45	164.69
	468.35	**580.46**

The following is the movement in lease liabilities:

(Amount in INR millions)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance as at the beginning of the year	**580.46**	**731.93**
Add: Additions	81.76	116.95
Less: Deletions	(23.18)	(118.30)
Add: Finance cost accrued during the period	51.92	61.33
Less: Repayment of lease liabilities	(222.61)	(211.45)
Balance as at the end of the year	**468.35**	**580.46**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2022 and 31 March 2021 on an undiscounted basis:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	180.88	212.70
One to five years	324.82	411.42
More than five years	75.75	99.79
Total	**581.45**	**723.91**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

4 Goodwill, other intangible assets and intangible assets under development

(Amount in INR millions)

Particulars	Goodwill (refer note 4.1)	Other intangible assets (refer note 4.2)						Intangible assets under development (refer note 4.3)
		Computer software	Brand	Copyright and trademarks	Customer relation-ships	Customer contracts	Total other intangibles assets	
Gross carrying amount as at 1 April 2020	**5,565.56**	**376.55**	**894.60**	**0.48**	**1,030.00**	**23.54**	**2,325.17**	**2.42**
Additions	-	0.88	-	-	-	-	0.88	67.75
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	**5,565.56**	**377.43**	**894.60**	**0.48**	**1,030.00**	**23.54**	**2,326.05**	**70.17**
Additions	-	29.76	-	-	-	-	29.76	34.25
Capitalised during the year	-	90.51	-	-	-	-	90.51	(90.51)
Disposals*	-	(42.61)	-	-	-	-	(42.61)	-
Balance as at 31 March 2022	**5,565.56**	**455.09**	**894.60**	**0.48**	**1,030.00**	**23.54**	**2,403.71**	**13.91**
Accumulated amortisation and impairment as at 1 April 2020	**2,787.83**	**238.10**	**322.64**	**0.48**	**1,030.00**	**19.48**	**1,610.70**	**-**
Amortisation for the year	-	87.88	64.52	-	-	4.06	156.46	-
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	**2,787.83**	**325.98**	**387.16**	**0.48**	**1,030.00**	**23.54**	**1,767.16**	**-**
Amortisation for the year	-	49.46	64.55	-	57.14	-	171.15	-
Disposals	-	(1.77)	-	-	-	-	(1.77)	-
Impairment reversal (refer note 4.2)	-	-	-	-	(477.61)	-	(477.61)	-
Accumulated amortisation and impairment as at 31 March 2022	**2,787.83**	**373.67**	**451.71**	**0.48**	**609.53**	**23.54**	**1,458.93**	**-**
Net carrying amount								
As at 31 March 2022	**2,777.73**	**81.42**	**442.89**	**-**	**420.47**	**-**	**944.78**	**13.91**
As at 31 March 2021	**2,777.73**	**51.45**	**507.44**	**-**	**-**	**-**	**558.89**	**70.17**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

* During the year ended 31 March 2022, the Company has transferred its digital business undertaking comprising of "Qjobs" (Marketplace platform for blue collar and frontline workers), "Worq" (Blue Collar Workforce Management Tool) and "Dash" (Employee Benefits and Engagement Platform) as a going concern on a slump sale basis to Billion Careers Private Limited ("BCPL"), a wholly-owned subsidiary of the Company, for a lumpsum cash consideration of INR 50.39 millions.

4.1 Testing for impairment of goodwill:

As at 31 March 2022, the Company has INR 2,777.73 millions (31 March 2021: INR 2,777.73 millions) of goodwill allocated to the Company's Integrated facility management (IFM) CGU. The recoverable value was determined based on value in use.

The cash flows related to revenue and operating margins have been estimated based on historical trends and future market expectations specific to the CGU.

The growth in revenue estimations used in the impairment testing for the year ended 31 March 2022 was in the range of 18.00% to 22.00% (31 March 2021: 16.00% to 22.00%). The operating margin estimations used in the impairment testing for the year ended 31 March 2022 are in the range of 6.96% to 8.06% (31 March 2021: 7.22% to 9.18%).

Other key assumptions used by the Company for impairment assessment are captured in the table below:

IFM CGU	As at 31 March 2022	As at 31 March 2021
Pre-tax discount rate	25.26%	27.06%
Terminal growth rate	4.00%	4.00%

Sensitivity to changes in assumptions:

The impairment assessment is sensitive to changes in discount rate. Increase in discount rate by 100bps would not have resulted in any additional impairment for the current year (31 March 2021: INR Nil).

4.2 Reversal of impairment loss relating to customer relationships related to IFM business:

As at 31 March 2020, the Company had impaired INR 677.68 millions 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 year, the Company has recognised a reversal of impairment on these customer relationships aggregating to INR 477.61 millions. 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 and therefore presented as exceptional item.

4.3 Intangible assets under development ageing schedule: (Amount in INR millions)

Particulars	Amount in intangible assets under development for the period of:				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress - QW					
As at 31 March 2022	13.91	-	-	-	13.91
As at 31 March 2021	70.17	-	-	-	70.17

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

5. Non-current investments

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Unquoted		
Investment carried at cost		
Investments in equity instruments of subsidiaries		
86,000 (31 March 2021: 86,000) fully paid up equity shares of par value of 100.00 pesos each of Quess (Philippines) Corp.	12.27	12.27
1,000,000 (31 March 2021: 1,000,000) fully paid up equity shares of par value of INR 10.00 each of MFX Infotech Private Limited*	11.05	11.05
7,000,100 (31 March 2021: 7,000,100) Common Shares of Brainhunter Systems Limited, fully paid up*	17.51	17.51
1 (31 March 2021: 1) Common Stock of Quess Corp (USA) Inc. of USD 100,000 each, fully paid-up	361.07	361.07
45,269,608 (31 March 2021: 45,269,608) ordinary shares of Quesscorp Holdings Pte. Ltd of SGD 1.00 each, fully paid-up*	2,268.67	2,278.01
10,000 (31 March 2021: 10,000) fully paid up equity shares of par value of INR 10.00 each of Excelus Learning Solutions Private Limited*	1.85	1.85
168,377 (31 March 2021: 168,377) fully paid up equity shares of par value of INR 10.00 each of Vedang Cellular Services Private Limited*	491.10	491.10
Less: Impairment in value of investments	(297.41)	(297.41)
	193.69	193.69
149,463,871 (31 March 2021: 104,624,705) fully paid up equity shares of par value of INR 10.00 each of Conneqt Business Solutions Limited [formerly known as Tata Business Support Services Limited]	5,533.28	3,453.28
1,000,000 (31 March 2021: 1,000,000) fully paid up equity shares of par value of INR 10.00 each of Golden Star Facilities and Services Private Limited*	778.57	778.57
Less: Impairment in value of investments	(385.71)	(385.71)
	392.86	392.86
60,318 (31 March 2021: 49,998) fully paid up equity shares of par value of INR 10.00 each of Monster.com (India) Private Limited	1,629.39	947.93
800,000 (31 March 2021: 800,000) fully paid up equity shares of par value of INR 10.00 each of Greenpiece landscapes India Private Limited*	244.81	244.81
Less: Impairment in value of investments	(244.81)	(244.81)
	-	-
5,349,644 (31 March 2021: 5,349,644) fully paid up equity shares of par value of INR 10.00 each of Qdigi Services Limited*	352.00	352.00
12,405 (31 March 2021: 12,405) fully paid up equity shares of par value of INR 10.00 each of Simpliance Technologies Private Limited	45.00	45.00
42,000 (31 March 2021: 42,000) fully paid up equity shares of par value of Taka 10.00 each of Quess Services Limited	3.49	3.49
10,000 (31 March 2021: 10,000) fully paid up equity shares of par value of INR 10.00 each of Trimax Smart Infraprojects Private Limited	130.05	130.05
Less: Impairment in value of investments	(130.05)	(130.05)
	-	-
370,000 (31 March 2021: 370,000) fully paid up equity shares of par value of INR 10.00 each of Terrier Security Services (India) Private Limited*	1,367.20	1,367.20
6,010,000 (31 March 2021: Nil) fully paid up equity shares of par value of INR 10.00 each of Billion Careers Private Limited	60.10	-
Investment in MFXchange Holdings Inc.*	10.89	16.82

Particulars	As at 31 March 2022	As at 31 March 2021
21,856 (31 March 2021: 13,612) fully paid up equity shares of par value of INR 10.00 each of Heptagon Technologies Private Limited (refer note 5.1)	242.70	-
Less: Impairment in value of investments	(112.70)	-
	130.00	-
Unquoted		
Investment carried at cost		
Investments in equity instruments of subsidiaries		
1,035,000 (31 March 2021: 1,035,000) fully paid up equity shares of par value of INR 10.00 each of Quess East Bengal FC Private Limited (under liquidation effective 02 September 2020)	100.35	100.35
Less: Impairment in value of investments	(100.35)	(100.35)
	-	-
Investment in Quess Corp Vietnam Limited Liability Company	13.06	13.06
Unquoted		
Investment carried at cost		
Investment in equity instruments of associates		
21,856 (31 March 2021: 13,612) fully paid up equity shares of par value of INR 10.00 each of Heptagon Technologies Private Limited (refer note 5.1)	-	112.70
Less: Impairment in value of investments	-	(112.70)
	-	-
192,156 (31 March 2021: 38,431) fully paid up equity shares of par value of INR 10.00 each of Stellarslog Technovation Private Limited	100.00	20.00
Unquoted		
Investment carried at cost		
Investment in convertible debentures of subsidiaries		
Nil (31 March 2021: 8,200,000) fully paid up optionally convertible debentures of par value of INR 100 each of Conneqt Business Solutions Limited	-	820.00
4,025 (31 March 2021: 4,025) fully paid up compulsorily convertible debentures of par value of INR 100,000 each of Excelus Learning Solutions Private Limited	402.50	402.50
Less: Impairment in value of investments**	(220.32)	-
	182.18	402.50
84,431 (31 March 2021: 84,431) fully paid up compulsorily convertible debentures of par value of INR 1,000 each of Greenpiece Landscapes India Private Limited	84.43	84.43
Less: Impairment in value of investments	(84.43)	(84.43)
	-	-
Nil (31 March 2021: 3,104) fully paid up compulsorily convertible debentures of par value of INR 10 each of Monster.com (India) Private Limited	-	107.24
104,000 (31 March 2021: 129,000) fully paid up optionally convertible debentures of par value of INR 10,000 each of Trimax Smart Infraprojects Private Limited	1,040.00	1,290.00
Less: Impairment in value of investments	(835.64)	(962.23)
	204.36	327.77
Total non-current investments	**12,889.92**	**11,144.60**
Aggregate value of unquoted investments	15,301.34	13,462.29
Aggregate amount of impairment in value of investments	(2,411.42)	(2,317.69)

* Investments includes corporate guarantee given to subsidiaries amounting to INR 75.52 millions (31 March 2021: INR 90.81 millions).

** this impairment in value of investment is treated as an exceptional item 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").

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

5.1 Details of non-current investments made and sold during the current year:

Investment in equity instruments

(Amount in INR millions except number of shares data)

Particulars	Number of shares acquired	Value per share including premium	As at 1 April 2021	Invested during the year	Sold during the year	Impairment (recognised) / reversed during the year	Other adjust-ments	As at 31 March 2022
Subsidiaries								
Billion Careers Private Limited	6,010,000	10.00	-	60.10	-	-	-	60.10
Monster.com (India) Private Limited*	10,320	*	947.93	681.46	-	-	-	1,629.39
Conneqt Business Solutions Limited**	44,839,166	46.39	3,453.28	2,080.00	-	-	-	5,533.28
Quesscorp Holdings Pte. Ltd***	-	-	2,278.01	-	-		(9.34)	2,268.67
Heptagon Technologies Private Limited****	8,245	**	-	100.00	-	-	30.00	130.00
MFXchange Holdings Inc.***	-	-	16.82	-	-	-	(5.93)	10.89
Associates								
Stellarslog Technovation Private Limited*****	153,725	520.41	20.00	80.00	-	-	-	100.00
Total			**6,716.04**	**3,001.56**	**-**	**-**	**14.73**	**9,732.33**

* During the year ended 31 March 2022, the Company converted Compulsorily Convertible Debentures ("CCDs") of Monster.com (India) Private Limited into 3,104 equity shares amounting to INR 107.24 millions. The Company also invested a further amount of INR 574.22 millions in 7,216 equity shares through right issue at INR 79,576 per share.

** 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 millions. Consequently, the Company completed the acquisition of equity stake in CBSL on the same date, and CBSL became wholly owned subsidiary of the Company.

*** Other adjustments pertains to billing of corporate guarantee income.

**** During the year ended 31 March 2022, the Company adjusted loans which was outstanding to be received from Heptagon Technologies Private Limited ("HTPL") into 1,902 equity shares amounting to INR 30.00 millions. The Company has also invested a further amount of INR 100.00 millions in 6,342 equity shares at INR 15,768 per share, which resulted in a holding of 60.67% at 31 March 2022. Consequently, HTPL has become subsidiary of the Company.

***** During the year ended 31 March 2022, the Company has made an additional investment in Stellarslog Technovation Private Limited for INR 80 millions. Investment of INR 32 millions was made in the quarter ended 30 September 2021 followed by a further investment of INR 48 millions during the quarter ended 31 December 2021 which resulted in a holding of 49% at 31 March 2022. Further, the Company has signed the First Addendum Agreement on 30 March 2022 with Stellarslog Technovation Private Limited under which the Company has agreed to make an additional investment of INR 38.40 millions.

Investment in convertible debentures

(Amount in INR millions except number of shares data)

Particulars	Number of debentures acquired	Value per debentures including premium	As at 1 April 2021	Issued during the year	Redeemed during the year	Impairment (recognised) / reversed during the year	Other adjustments	As at 31 March 2022
Subsidiaries								
Conneqt Business Solutions Limited	-	-	820.00	-	(820.00)	-	-	-
Monster.com (India) Private Limited*	-	-	107.24	-	-	-	(107.24)	-
Excelus Learning Solutions Private Limited**	-	-	402.50	-	-	(220.32)	-	182.18
Trimax Smart Infraprojects Private Limited***	-	-	327.77	-	(250.00)	126.59	-	204.36
Total			**1,657.51**	**-**	**(1,070.00)**	**(93.73)**	**(107.24)**	**386.54**

*During the year ended 31 March 2022, the Company converted Compulsorily Convertible Debentures ("CCDs") of Monster.com (India) Private Limited into 3,104 equity shares amounting to INR 107.24 millions. The Company also invested a further amount of INR 574.22 millions in 7,216 equity shares through right issue at INR 79,576 per share.

**During the year ended 31 March 2022, the Company reassessed the recoverable value of investment made in Excelus Learning Solutions Private Limited and recognised an impairment of INR 220.32 millions. This has been disclosed as exceptional item (refer note 32.)

*** Reversal due to collections during the year ended 31 March 2022.

Details of non-current investments purchased and sold during the previous year:

Investment in equity instruments

(Amount in INR millions except number of shares data)

Particulars	Number of shares acquired	Value per share including premium	As at 1 April 2020	Invested during the year	Sold during the year	Impairment (recognised) / reversed during the year	Other adjust-ments	As at 31 March 2021
Subsidiaries								
Dependo Logistics Solutions Private Limited	-	-	0.10	-	(0.10)	-	-	-
Terrier Security Services (India) Private Limited*	125,000	5,160.00	722.20	645.00	-	-	-	1,367.20
Quess Corp (USA) Inc.	-	USD 4,855,000	6.26	354.81	-	-	-	361.07
Vedang Cellular Services Private Limited	6,853	1,016.89	484.13	6.97	-	-	-	491.10
Quesscorp Holdings Pte. Ltd**	-	-	2,287.36	-	-	-	(9.35)	2,278.01
MFXchange Holdings Inc.**	-	-	22.76	-	-	-	(5.94)	16.82
Associates								
Heptagon Technologies Private Limited***	-	-	112.70	-	-	(112.70)	-	-
Stellarslog Technovation Private Limited	38,431	520.41	-	20.00	-	-	-	20.00
Total			**3,635.51**	**1,026.78**	**(0.10)**	**(112.70)**	**(15.29)**	**4,534.20**

* During the year ended 31 March 2021, the Company had acquired additional 25.00% equity stake in Terrier Security Services (India) Private Limited ("TSSIPL") at a consideration of INR 645.00 millions. Consequent to the additional 25.00% acquisition, the total

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shareholding in TSSIPL had increased from 49.00% to 74.00% and TSSIPL had become subsidiary of the Company. The additional purchase consideration of INR 645.00 millions was settled by adjusting loans which was outstanding to be received from Heptagon Technologies Private Limited ("HTPL").

** Other adjustments pertains to billing of corporate guarantee income.

*** During the year ended 31 March 2021, 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 millions.

Investment in convertible debentures

(Amount in INR millions except number of shares data)

Subsidiaries	Number of debentures acquired	Value per debentures including premium	As at 1 April 2020	Issued during the year	Redeemed during the year	Impairment (recognised) / reversed during the year	Other adjust-ments	As at 31 March 2021
Subsidiaries								
Conneqt Business Solutions Limited*	-	-	1,470.00	-	(650.00)	-	-	820.00
Dependo Logistics Solutions Private Limited	-	-	120.78	-	(120.78)	-	-	-
Golden Star Facilities and Services Private Limited	-	-	72.23	-	(72.23)	-	-	-
Monster.com (India) Private Limited	-	-	239.84	-	(132.60)	-	-	107.24
MFX Infotech Private Limited	-	-	120.61	-	(120.61)	-	-	-
Trimax Smart Infraprojects Private Limited**	-	-	1,021.76	-	-	(693.99)	-	327.77
Total			**3,045.22**	**-**	**(1,096.22)**	**(693.99)**	**-**	**1,255.01**

* During the year ended 31 March 2021, the Company has converted compulsorily convertible debentures to convertible debentures.

** Recognised as impairment due to delays in recovery of dues from end customers of Trimax Smart Infraprojects Private Limited.

5.2 During the year ended 31 March 2022, Terrier Security Services (India) Private Limited ("TSSIPL") has allotted 150,000 optionally convertible redeemable preference shares ("OCRPS") having face value of INR 10.00 each by way of bonus issue to its shareholders in the ratio of 1:0.30. Out of which 39,000 OCRPS has been converted by the other shareholders of TSSIPL into equity shares in the ratio of 1:10. As a result, the total shareholding of the Company in TSSIPL has been decreased from 74.00% to 41.57%.

OCRPS can be converted into equity shares by the Company at any point in time without any contractual restrictions and therefore considered as potential voting rights. Further, there has been no change in the composition in the Board of TSSIPL consequent to the change in shareholding. Therefore, TSSIPL continues to be a subsidiary of the Company.

6 Non-current loans (Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Loans considered good - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	608.31	52.92
Loans credit impaired - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	88.86	320.20
Less: Impairment (refer note 6.1)	(88.86)	(320.20)
	-	-
Loans to associates (refer note 6.1)	-	265.18
	608.31	**318.10**

6.1 Details of loans and advances given during the year under Section 186(4) of the Act:

Movement for the year ended 31 March 2022

(Amount in INR millions)

Particulars	Balance as at 1 April 2021	Loans and advances given during the year	Loans and advances repaid during the year	Converted into investment in equity instruments	Loss allowance recognised during the year	Balance as at 31 March 2022
Subsidiaries						
MFX Infotech Private Limited	11.26	70.75	(70.92)	-	-	11.09
Golden Star Facilities and Services Private Limited	-	147.19	(145.76)	-	-	1.43
Excelus Learning Solutions Private Limited	17.97	112.13	(16.74)	-	-	113.36
Trimax Smart Infraprojects Private Limited	3.58	257.90	(4.35)	-	-	257.13
Vedang Cellular Services Private Limited	-	47.15	(46.02)	-	-	1.13
Greenpiece Landscapes India Private Limited*	52.93	44.11	(8.18)	-	(88.86)	-
Qdigi Services Limited	78.13	141.71	(37.85)	-	-	181.99
Quesscorp Holdings Pte. Ltd**	-	270.00	(270.00)	-	-	-
Quess Corp Vietnam Limited Liability Company	7.68	0.47	-	-	-	8.15
Monster.com (India) Private Limited	1.01	4.96	-	-	-	5.97
Quess Services Limited	2.94	-	-	-	-	2.94
Allsec Technologies Limited	2.01	-	(2.01)	-	-	-
Heptagon Technologies Private Limited***	265.18	-	-	(30.00)	-	235.18
Terrier Security Services (India) Private Limited****	6.09	783.43	(677.87)	-	-	111.65
Billion Careers Private Limited	-	0.68	-	-	-	0.68
Total	**448.78**	**1,880.48**	**(1,279.70)**	**(30.00)**	**(88.86)**	**930.70**
Non-current loans to subsidiaries (refer note 6)						**608.31**
Current loans to subsidiaries (refer note 14)						**100.00**
Current advances to subsidiaries (refer note 15)						**222.39**

* Impairment loss recognised due to nil recoverable value.

** During the year ended 31 March 2022, the Company has granted loans of INR 267.90 millions to its wholly owned subsidiary Quesscorp Holdings Pte. Ltd ('QHPL') which was utilised by QHPL to settle its external bank borrowings. This transaction is not considered under the preview of disclosure required by Clause (xiv) of the Ministry of Corporate Affairs (MCA) notification number G.S.R. 207(E) issued on 24 March 2021.

*** W.e.f. 01 Mar 2022, Heptagon Technologies Private Limited is a subsidiary of the Company.

**** W.e.f. 27 May 2020, Terrier Security Services (India) Private Limited is a subsidiary of the Company.

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The above unsecured loans are given to subsidiaries at an interest rate equivalent to 10 years Government Bond rate. Loans do not have any fixed term and are receivable on demand. The above loans were given for the purpose of meeting working capital requirements.

Movement for the year ended 31 March 2021

(Amount in INR millions)

Particulars	Balance as at 1 April 2020	Loans and advances given during the year	Loans and advances repaid during the year	Converted into investment in equity instruments	Loss allowance recognised during the year	Balance as at 31 March 2021
Subsidiaries						
MFX Infotech Private Limited	5.52	10.74	(5.00)	-	-	11.26
Golden Star Facilities and Services Private Limited	-	26.22	(26.22)	-	-	-
Excelus Learning Solutions Private Limited	8.24	46.63	(36.90)	-	-	17.97
Quess Corp (USA) Inc.	58.89	3.93	(62.82)	-	-	-
Trimax Smart Infraprojects Private Limited	0.34	10.39	(7.15)	-	-	3.58
Dependo Logistics Solutions Private Limited	2.88	1.73	(4.61)	-	-	-
Vedang Cellular Services Private Limited	-	2.65	(2.65)	-	-	-
Greenpiece Landscapes India Private Limited	18.17	41.76	(7.00)	-	-	52.93
Qdigi Services Limited	51.55	78.19	(51.61)	-	-	78.13
Quess Corp Vietnam Limited Liability Company	7.20	0.48	-	-	-	7.68
Monster.com (India) Private Limited	1.44	12.52	(12.95)	-	-	1.01
Quess Services Limited	2.94	-	-	-	-	2.94
Allsec Technologies Limited	1.52	6.12	(5.63)	-	-	2.01
Quess East Bengal FC Private Limited	-	35.53	-	-	(35.53)	-
Terrier Security Services (India) Private Limited	353.78	438.59	(786.28)	-	-	6.09
Associates						
Heptagon Technologies Private Limited	887.35	92.70	(69.87)	(645.00)	-	265.18
Total	**1,399.82**	**808.18**	**(1,078.69)**	**(645.00)**	**(35.53)**	**448.78**
Non-current loans to related parties (refer note 6)						**318.10**
Non- Current advances to related parties (refer note 7)						**7.70**
Current loans to related parties (refer note 14)						**16.90**
Current advances to related parties (refer note 15)						**106.08**

6.2 Loans granted to promoters, directors, KMPs and related parties (repayable on demand):

(Amount in INR millions)

Particulars	Gross Amount	% to total loans	Allowances	Net amount
As at 31 March 2022				
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	797.17	99.10%	(88.86)	708.31
As at 31 March 2021				
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	655.20	98.70%	(320.20)	335.00

7 Other non-current financial assets (Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits*	329.38	393.04
Bank deposits (due to mature after 12 months from the reporting date)**	237.66	103.03
Interest receivable from related parties (refer note 39)	10.51	4.45
Due from related parties (refer note 6.1)	-	7.70
	577.55	**508.22**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

**Bank deposits to the tune of INR 237.66 millions (31 March 2021: INR 103.03 millions) are lien marked against borrowings and guarantees.

8 Taxes

A Amount recognised in profit or loss (Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Current tax:		
In respect of the current year	-	-
Related to prior years	-	(53.82)
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	(357.96)	(647.67)
Income tax expense reported in the standalone statement of profit and loss	**(357.96)**	**(701.49)**

B Income tax recognised in other comprehensive income (Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Re-measurement of the net defined benefit liability/ asset:		
Before tax	(104.79)	(81.62)
Tax expense	26.37	20.54
Net of tax	**(78.42)**	**(61.08)**

C Amounts recognised directly in equity

No tax expense has been recognised directly in equity.

D Reconciliation of effective tax rate (Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Profit / (loss) before tax	1,806.24	(297.03)
Tax using the Company's domestic tax rate of 25.168%	(454.59)	74.76
Effect of:		
Non-deductible expenses	(193.71)	(208.34)
80JJAA tax incentives	-	11.02
Deferred tax recognised on goodwill*	-	(519.61)
Income tax related to prior years	-	(53.82)
Exempt income	295.90	-
Others	(5.56)	(5.50)
Income tax expense reported in the standalone statement of profit and loss	**(357.96)**	**(701.49)**

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*The Finance Act, 2021 has introduced an amendment to section 32 of the Income Tax Act, 1961, whereby goodwill of a business will not be considered as a depreciable asset and depreciation on goodwill will not be allowed as deductible expenditure effective 01 April 2020. Consequently, the Company recorded a deferred tax expense of INR 519.61 millions being the difference between the book base and tax base of goodwill on 31 March 2021. The deferred tax mainly relates to goodwill arising out of the acquisition of Manipal business in 2016.

E The following table provides the details of income tax assets and income tax liabilities as of 31 March 2022 and 31 March 2021

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Income tax assets	5,193.95	4,831.79
Income tax liabilities	(2,919.87)	(2,919.87)
Net income tax assets as at the end of the year	**2,274.08**	**1,911.92**

F Deferred tax assets (net)

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax assets/(liabilities) are attributable to the following:		
Loss allowance on financial assets	343.51	221.51
Provision for employee benefits	470.95	361.12
Provision for disputed claims	34.21	34.21
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	181.80	682.87
Property, plant and equipment and intangible assets	(24.41)	71.88
Goodwill on merger	(699.10)	(699.10)
Others	119.08	85.14
Net deferred tax assets	**426.04**	**757.63**

The movement of deferred tax aggregating to INR 331.59 millions for the year ended 31 March 2022 (31 March 2021: INR 627.13 millions) comprises INR 357.96 millions (31 March 2021: INR 647.69 millions) charged to standalone statement of profit and loss and INR 26.37 millions (31 March 2021: INR 20.54 millions) credited to other comprehensive income.

G Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet:

(Amount in INR millions)

For the year ended 31 March 2022	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax liability on:				
Goodwill on merger	(699.10)	-	-	(699.10)
Deferred tax liabilities	**(699.10)**	**-**	**-**	**(699.10)**
Deferred tax assets on:				
Property, plant and equipment and intangible assets	71.88	(96.29)	-	(24.41)
Loss allowance on financial assets	221.51	122.00	-	343.51
Provision for employee benefits	361.12	83.46	26.37	470.95
Provision for disputed claims	34.21	-	-	34.21
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	682.87	(501.07)	-	181.80
Others	85.14	33.94	-	119.08
Deferred tax assets	**1,456.73**	**(357.96)**	**26.37**	**1,125.14**
Net deferred tax assets	**757.63**	**(357.96)**	**26.37**	**426.04**

(Amount in INR millions)

For the year ended 31 March 2021	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax liability on:				
Goodwill on merger	(179.49)	(519.61)	-	(699.10)
Deferred tax liabilities	**(179.49)**	**(519.61)**	**-**	**(699.10)**
Deferred tax assets on:				
Property, plant and equipment and intangible assets	77.32	(5.44)	-	71.88
Loss allowance on financial assets	96.63	124.88	-	221.51
Provision for employee benefits	260.65	79.93	20.54	361.12
Provision for disputed claims	44.48	(10.27)	-	34.21
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	1,027.71	(344.84)	-	682.87
Others	57.48	27.66	-	85.14
Deferred tax assets	**1,564.27**	**(128.08)**	**20.54**	**1,456.73**
Net deferred tax assets	**1,384.78**	**(647.69)**	**20.54**	**757.63**

The Company does not have any unrecognised deferred tax assets on carried forward tax losses.

9 Other non-current assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances*	26.03	16.19
Provident fund payments made under protest (refer note 23.1)	10.72	10.72
Taxes paid under protest (refer note 23.2, 23.3, 23.4, 23.5)	14.95	14.95
Prepaid expenses	24.22	32.97
	75.92	**74.83**

*includes capital advances paid to related party for development of intangible assets for INR 23.60 millions (31 March 2021: 15.00 millions) (refer note 39).

10 Inventories

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Valued at lower of cost and net realizable value		
Raw material and consumables	39.78	34.83
Stores and spares	28.46	40.85
	68.24	**75.68**

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11 i) Trade receivables - billed (Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivable billed - considered good - unsecured	7,992.07	5,101.81
Less: Allowance for expected credit loss	(527.79)	(130.96)
Trade receivable billed - considered good - unsecured	**7,464.28**	**4,970.85**
Trade receivable billed - credit impaired - unsecured	230.10	261.15
Less: Allowance for expected credit loss	(230.10)	(261.15)
Trade receivable billed - credit impaired - unsecured	**-**	**-**
Trade receivable billed - disputed - unsecured	137.18	137.18
Less: Allowance for expected credit loss	(137.18)	(137.18)
Trade receivable billed - disputed- unsecured	**-**	**-**
Total trade receivables - billed	**7,464.28**	**4,970.85**

ii) Trade receivables - unbilled (Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables - unbilled*	7,937.87	6,734.97
Less: Allowance for expected credit losses	(469.79)	(350.84)
	7,468.08	**6,384.13**

*includes billable to related parties INR 26.82 millions (31 March 2021: INR 33.37 millions ; refer note 39).

Trade receivables ageing schedule for the year ended as on 31 March 2022 and 31 March 2021: (Amount in INR millions)

Particulars	Unbilled	Not due	Outstanding for the following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 years	More than 3 years	
Undisputed trade receivables – considered good								
As at 31 March 2022	7,937.87	5,744.88	1,452.08	(222.28)	184.01	20.73	812.65	**15,929.94**
As at 31 March 2021	6,734.97	3,092.66	1,309.23	(299.85)	132.01	634.38	233.38	**11,836.78**
Undisputed trade receivables – credit impaired								
As at 31 March 2022	-	11.79	74.85	1.50	23.19	38.23	80.54	**230.10**
As at 31 March 2021	-	6.24	(15.58)	(53.90)	(227.54)	494.92	57.01	**261.15**
Disputed trade receivables – credit impaired								
As at 31 March 2022	-	-	-	-	-	108.82	28.36	**137.18**
As at 31 March 2021	-	-	-	-	108.82	28.36	-	**137.18**
Total								
As at 31 March 2022	7,937.87	5,756.67	1,526.93	(220.78)	207.20	167.78	921.55	**16,297.22**
As at 31 March 2021	6,734.97	3,098.90	1,293.65	(353.75)	13.29	1,157.66	290.39	**12,235.11**
Less: allowance for expected credit loss								
As at 31 March 2022								**(1,364.86)**
As at 31 March 2021								**(880.13)**
Total trade receivable								
As at 31 March 2022								**14,932.36**
As at 31 March 2021								**11,354.98**

Negative balances represents unadjusted credits and collections which are due to be allocated against specific invoices pending payment advices received from customers.

Undisputed trade receivables – considered good, includes receivables from government customers outstanding for more than one year INR 255.63 millions (31 March 2021: INR 190.43 millions)

11.1 Of the above, trade receivables from related party are as below:

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables from related parties (refer note 39)	202.11	236.27
Less: Allowance for expected credit losses	(98.81)	(156.37)
Net trade receivables	**103.30**	**79.90**

12 Cash and cash equivalents

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	2.92	3.18
Balances with banks		
In current accounts	931.40	1,013.92
In deposit accounts (with original maturity of less than 3 months)	-	4.34
	934.32	**1,021.44**

13 Bank balances other than cash and cash equivalents

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
In deposit accounts (maturity within 12 months from the reporting date)*	458.66	597.75
Earmarked balances with banks**	25.43	-
	484.09	**597.75**

*Bank deposits are lien marked against borrowings and guarantees.

**It primarily relates to unpaid dividend and CSR unspent amount.

14 Current loans

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Other loans and advances		
Loans to employees	7.22	8.63
Loans considered good - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	100.00	16.90
	107.22	**25.53**

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15 Other current financial assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits*	88.44	64.28
Interest accrued but not due	13.61	9.29
Interest receivable from related parties (refer note 39)	3.30	0.17
Due from related parties (refer note 6.1)	222.39	106.08
	327.74	**179.82**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

16 Other current assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Advances other than capital advances		
Advances to suppliers*	162.43	87.67
Travel advances to employees	3.70	3.33
Other advances	39.57	31.02
Prepaid expenses	318.37	344.94
	524.07	**466.96**

*includes advance to supplier to related parties INR 50.29 millions (31 March 2021: INR 7.28 millions) (refer note 39).

17 Equity share capital

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
200,000,000 (31 March 2021: 200,000,000) equity shares of par value of INR 10.00 each	2,000.00	2,000.00
	2,000.00	**2,000.00**
Issued, subscribed and paid-up		
147,990,557 (31 March 2021: 147,678,864) equity shares of par value of INR 10.00 each, fully paid up	1,479.91	1,476.79
	1,479.91	**1,476.79**

17.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount in INR millions	Number of shares	Amount in INR millions
Equity shares				
At the commencement of the year	147,678,864	1,476.79	147,510,694	1,475.11
Add: Shares issued on exercise of employee stock options (refer note 41)	311,693	3.12	168,170	1.68
At the end of the year	**147,990,557**	**1,479.91**	**147,678,864**	**1,476.79**

17.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

17.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% held	Number of shares	% held
Equity shares				
Equity shares of par value of INR 10.00 each				
Fairbridge Capital (Mauritius) Limited	43,876,237	29.65%	46,876,237	31.74%
Ajit Isaac	16,769,613	11.33%	18,586,711	12.59%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")	15,365,824	10.38%	15,365,824	10.40%

17.4 The Company has not issued any bonus share, made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the reporting date. However the Company has issued equity shares under Employee Stock option plan for which only exercise price has been received in cash as below (refer note 41).

(Values in numbers)

Particulars	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
Bonus shares issued	-	-	-	-	-
Shares issued on exercise of employee stock options (refer note 41)	311,693	168,170	538,680	600,655	619,925

17.5 Details of shareholding of promoters:

Promoter name	31 March 2022		31 March 2021		% change during the year
	Number of shares	% held	Number of shares	% held	
Ajit Isaac	16,769,613	11.33%	18,586,711	12.59%	-1.26%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")	15,365,824	10.38%	15,365,824	10.40%	-0.02%
Fairbridge Capital Mauritius Limited	43,876,237	29.65%	46,876,237	31.74%	-2.09%
Hwic Asia Fund Class A Shares	748,100	0.51%	748,100	0.51%	0.00%

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18 Other equity*

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Securities premium (refer note 18.1)	16,984.51	16,984.51
Stock options outstanding account (refer note 18.2)	348.70	253.00
Capital reserve (refer note 18.3)	1,241.28	1,241.28
General reserve (refer note 18.4)	21.56	21.56
Other comprehensive loss (refer note 18.5)	(218.66)	(140.24)
Retained earnings (refer note 18.6)	2,231.38	2,407.99
	20,608.77	**20,768.10**

* For detailed movement of reserves refer standalone statement of changes in equity.

18.1 Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium. The utilisation of the securities premium will be in accordance with the provisions of the Companies Act, 2013.

18.2 Share option outstanding account

The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

18.3 Capital reserve

Represents surplus arising due to prior common control business combinations. The surplus is not eligible for distribution to shareholders under the provisions of Companies Act, 2013.

18.4 General reserve

General Reserve represents appropriation of profit by the Company. This represents a free reserve and is available for dividend distributions.

18.5 Other comprehensive loss

Re-measurement of the net defined benefit liability/ (asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

18.6 Retained earnings

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

19 Non-current provisions

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Provision for gratuity (refer note 40)	1,841.86	1,405.82
	1,841.86	**1,405.82**

20 Current borrowings

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (refer note 20.1 and 33)	58.24	-
Working capital loan (refer note 20.2 and 33)	3,240.00	3,173.30
Unsecured		
Working capital loan (refer note 33)	500.00	-
Commercial papers (refer note 33)	1,000.00	-
	4,798.24	**3,173.30**

20.1 The Company has taken cash credit and overdraft facilities having interest rate linked to MCLR and Repo rate plus 2.5%. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Company (excluding charge on vehicles/equipments purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future of the Company.

20.2 The Company has taken working capital loan from banks having interest rate ranging from 4.50% p.a. to 7.00% p.a. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Company (excluding charge on vehicles/equipments purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future of the Company.

The Company's exposure to liquidity risk related to other current financial liabilities is disclosed in note 33.

20.3 Borrowings secured against current assets

(Amount in INR millions)

Quarterly statement dated	Name of the bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reasons for material discrepancies
10 July 2021	Refer note below	Trade receivables	10,654.15	10,671.58	(17.43)	The trade receivables statement and trial balance was generated at different points of time during the day. The difference is due to additional entries recorded in books of account.
10 October 2021	Refer note below	Trade receivables	9,567.86	9,557.99	9.87	
10 January 2022*	Refer note below	Trade receivables	10,017.25	10,017.25	-	No discrepancies.
10 April 2022*	Refer note below	Trade receivables	11,221.76	11,221.76	-	No discrepancies.

*based on the revised statements filed with the banks on 24 May 2022.

Note

The Company has submitted the above quarterly statements to HDFC Bank, ICICI Bank, SBI, Federal Bank, IDFC Bank, SCB Bank, Yes Bank, Citi Bank, HSBC Bank and Kotak Mahindra Bank.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

21 Trade payables

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro enterprises and small enterprises	34.93	10.60
Trade payables to related parties (refer note 39)	106.02	15.32
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	458.77	495.68
	599.72	**521.60**

Trade payables ageing schedule:

(Amount in INR millions)

Particulars	Outstanding for the following periods from the transaction date				
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Outstanding dues to MSME*					
As at 31 March 2022**	34.93	-	-	-	**34.93**
As at 31 March 2021**	10.60	-	-	-	**10.60**
Others					
As at 31 March 2022	523.38	15.76	13.69	11.96	**564.79**
As at 31 March 2021	479.41	16.75	9.39	5.45	**511.00**
Total trade payables					
As at 31 March 2022	558.31	15.76	13.69	11.96	**599.72**
As at 31 March 2021	490.01	16.75	9.39	5.45	**521.60**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

**Amount outstanding for less than 45 days is INR 34.85 millions (31 March 2021: INR 9.67 millions).

21.1 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2022 based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year;		
- Principal	34.63	10.60
- Interest	0.30	0.14
The amount of interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	0.30	0.14

22 Other current financial liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued and not due	13.04	13.85
Financial guarantee liability (measured at FVTPL)	10.48	25.78
Capital creditors	35.97	11.67
Other payables		
Accrued salaries and benefits	2,860.07	1,625.81
Refund liability*	725.60	-
Provision for bonus and incentive	406.26	245.35
Provision for expenses**	1,321.88	556.31
Uniform deposits	10.25	4.67
Unclaimed dividend	3.23	-
Amount payable to related parties (refer note 39)	3.95	3.79
	5,390.73	**2,487.23**

*represents amounts payable to customers relating to variable consideration.

**Includes related party balances INR 90.78 millions (31 March 2021: INR 61.79 millions; refer note 39).

23 Current provisions

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Provision for compensated absences (refer note 40)	29.35	29.01
Provision for disputed claims	135.93	135.93
	165.28	**164.94**

The disclosures of provisions movement as required under Ind AS 37 are as follows for year ended 31 March 2022:

(Amount in INR millions)

Particulars	Years pertaining to	Amount demanded	As at 1 April 2021	Provided during the year	Utilised during the year	As at 31 March 2022	Amount paid till date	Contingent liability*
Provident Fund (refer note 23.1)	April 2008 to February 2012	42.89	17.97	-	-	17.97	10.72	24.92
Service tax (refer note 23.2)	October 2007 to March 2016	154.02	117.96	-	-	117.96	11.55	36.06
Service tax (refer note 23.3)	FY 2013-14 FY 2014-15	3.91	-	-	-	-	0.29	3.91
Service tax (refer note 23.4)	April 2009 to September 2011	3.11	-	-	-	-	3.11	3.11
Total		**203.93**	**135.93**	**-**	**-**	**135.93**	**25.67**	**68.00**

*excludes amount paid till date.

23.1 The demand pertains to non contribution of Provident fund, Pension fund, Deposit Linked Insurance Fund and administration charges in accordance with the definition of basic wages as contained in Section 2(b) of Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company, based on an expert's opinion, is of the view that a part of the claim of the department is without foundation, while some part is still under debate and accordingly, provision is recorded based on the management estimate. The Company has appealed against the ruling which is pending in Employees' Provident Fund Appellate Tribunal, New Delhi.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

23.2 The demands pertains to Aravon Services Private Limited ("ASPL") which was merged with Quess Corp Limited w.e.f 1 April 2019. The amounts provided represents the best estimate of likely outflow of resources relating to this matter.

23.3 The demands pertains to Avon Facility Management Services Limited ("Avon") which was merged with Quess Corp Limited w.e.f 1 January 2014. The demand pertains to non-payment of services tax on training services provided under Government of India initiative, the Company has not created any provision considering that Avon is a registered vocational training provider associated with the National Council for Vocational Training and service tax is not applicable on rendering of vocational education and training course.

23.4 The demands pertains to Hofincons Infotech & Industrial Services Private Limited which was merged with Quess Corp Limited w.e.f 1 July 2014. The Company deposited the total demand under dispute.

24 Other current liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Unearned revenue*	41.92	22.41
Advance received from customers	19.98	2.59
Balances payable to government authorities	3,228.62	2,027.89
	3,290.52	**2,052.89**

*Includes related party balances INR 16.97 millions (31 March 2021: Nil; refer note 39).

25 Revenue from operations

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Revenues from business segments		
Workforce management	83,703.61	63,141.09
Operating asset management	12,157.45	11,048.21
Global technology solutions	1,723.92	644.75
	97,584.98	**74,834.05**

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables and unearned revenue

The following table provides information about trade receivables and unearned revenue from contracts with customers.

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables		
Billed	7,464.28	4,970.85
Unbilled	7,468.08	6,384.13
Unearned revenue*	41.92	22.41

The following table discloses the movement in trade receivables - unbilled balances:

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Balance as at the beginning of the year	6,384.13	6,219.96
Add: Revenue recognised during the year	6,112.79	5,487.96
Less: Invoiced during the year	(4,909.89)	(4,980.95)
Less : Loss allowance recognised during the year	(118.95)	(342.84)
Balance as at the end of the year	**7,468.08**	**6,384.13**

The following table discloses the movement in unearned revenue balances:

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Balance as at the beginning of the year	6,384.13	6,219.96
Add: Revenue recognised during the year	6,112.79	5,487.96
Less: Invoiced during the year	(4,909.89)	(4,980.95)
Less : Loss allowance recognised during the year	(118.95)	(342.84)
Balance as at the end of the year	**7,468.08**	**6,384.13**

The following table discloses the movement in unearned revenue balances:

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Balance as at the beginning of the year	22.41	11.83
Less: Revenue recognised during the year	(22.41)	(11.83)
Add: Invoiced during the year but not recognised as revenue during the year	41.92	22.41
Balance as at the end of the year	**41.92**	**22.41**

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for:

(i) contracts with an original expected duration of one year or less and

(ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed.

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2022, other than those meeting the exclusion criteria mentioned above, is INR 1,012.52 millions (31 March 2021: INR 772.90 millions). Out of this, the Company expects to recognise revenue of around 78.03% (31 March 2021: 51.27%) within the next one year and the remaining thereafter.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

26 Other income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Interest income under the effective interest rate method on:		
Deposits with banks	35.55	26.56
Amortised cost adjustments for financial instruments	24.97	21.92
Interest on tax refunds received	34.69	214.75
Profit on sale of property, plant and equipment and intangible assets	12.01	-
Foreign exchange gain	3.73	1.71
Interest on loans given to related parties (refer note 39)	21.66	26.02
Liabilities no longer required written back	-	0.37
Dividend income on investments in subsidiaries	1,175.69	-
Miscellaneous income	7.40	12.46
	1,315.70	**303.79**

27 Cost of material and stores and spare parts consumed

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Inventory at the beginning of the year	75.68	102.53
Add: Purchases	1,102.95	686.06
Less: Inventory at the end of the year	(68.24)	(75.68)
Cost of materials and stores and spare parts consumed	**1,110.39**	**712.91**

28 Employee benefits expense

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Salaries and wages	79,356.24	62,094.98
Contribution to provident and other funds	6,994.22	5,596.18
Expenses related to post-employment defined benefit plan (refer note 40)	408.67	315.04
Expenses related to compensated absences	0.34	7.34
Staff welfare expenses	190.10	56.06
Expense on employee stock option scheme	95.70	118.02
	87,045.27	**68,187.62**

29 Finance costs

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Interest expense on financial liabilities at amortised cost	406.42	488.01
Interest expense on convertible debentures	-	53.78
Interest expense on lease liabilities [refer note 3(c)]	51.92	61.33
Other borrowing costs	18.65	31.51
	476.99	**634.63**

30 Depreciation and amortisation expense

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment [refer note 3(a)]	133.85	162.13
Depreciation of rights-of-use assets [refer note 3(b)]	176.04	206.50
Amortisation of intangible assets (refer note 4)	171.15	156.46
	481.04	**525.09**

31 Other expenses

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Sub-contractor charges	3,298.69	1,234.38
Recruitment and training expenses	176.20	417.53
Rent (refer note 31.1)	364.35	155.30
Power and fuel	65.37	58.51
Repairs and maintenance		
- buildings	172.23	112.41
- plant and machinery	417.75	250.60
- others	430.65	244.20
Legal and professional fees (refer note 31.2)	377.05	313.22
Rates and taxes	45.03	19.18
Printing and stationery	49.73	31.17
Stores and tools consumed	157.59	166.04
Travelling and conveyance	317.47	208.99
Communication expenses	68.50	62.13
Loss allowance on financial assets, net		
- Trade receivables [refer note 34(i)]	539.02	574.24
- Investments, loans and other financial assets	(20.36)	729.52
Equipment hire charges	136.79	103.58
Insurance	394.94	145.86
Database access charges	52.52	36.20
Bank charges	3.18	2.32
Business promotion and advertisement expenses	355.38	301.67
Loss on sale of property, plant and equipment and intangible assets, net	-	0.67
Expenditure on corporate social responsibility (refer note 31.3)	33.20	42.20
Deposits/advances written-off	56.47	0.20
Miscellaneous expenses	66.48	51.80
	7,558.23	**5,261.92**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

31.1 Details of rent

Represents lease rentals for short term leases.

The Company has applied practical expedient in Indian Accounting Standard (Ind AS 116) notified vide Companies (Indian Accounting Standards) Amendment Rules, 2020 by Ministry of Corporate Affairs on 24 July 2020 to all rent concessions received as a direct consequence of COVID-19 pandemic. Accordingly, the Company recognised an amount INR Nil (31 March 2021: INR 31.77 millions in the standalone financial statements as reduction of rent expenses grouped under other expenses on account of rent concessions received.

31.2 Payment to auditors (net of service tax / GST; included in legal and professional fees)

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Statutory audit fees	7.30	6.00
Limited reviews	5.00	3.80
Others	1.25	1.25
Reimbursement of expenses	0.40	0.40
	13.95	**11.45**

31.3 Details of CSR expenditure

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds required to be spent and funds spent during the year are explained below:

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
a) Gross amount required to be spent by the Company during the year	33.20	42.20
b) Amount of expenditure incurred	10.32	7.66
c) Shortfall at the end of the year	22.88	34.54
d) Total of previous years' shortfall	16.29	-
e) Reason for shortfall	Pertains to ongoing projects	Pertains to ongoing projects
f) Nature of CSR activities	Refer Note below	Refer Note below
g) Details of related party transactions		
(i) contribution to a Careworks foundation*	10.32	42.20
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	Not applicable	Not applicable

Nature of CSR activities - Health and wellbeing, school upgradation and enrichment program.

*The Company has deposited the balance amount of unspend CSR amounting to INR 22.20 millions to a CSR restricted bank account.

During the year ended 31 March 2021, the Company had contributed INR 42.20 millions to Careworks foundation (implementing agency) prior to the date, the Companies (CSR) Amendment Rules 2021 came into effect. Careworks foundation spent INR 7.66 millions towards ongoing projects during the year ended 31 March 2021. The unutilised amount as at 31 March 2021, of INR 34.54 millions was deposited by Careworks foundation in a CSR restricted bank account on 17 May 2021.

32 Exceptional items

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Impairment, expected credit loss allowance / (reversal) of impairment on:		
-Intangible assets (refer note 4.2)	(477.61)	-
-Investment in equity instruments of subsidiaries and associates (refer note 5)	220.32	112.70
-Trade receivables [refer note 34(i)]	200.00	-
Goods and Service Tax ("GST") ineligible credits charged off (refer note 32.1)	479.81	-
	422.52	**112.70**

32.1 The The Company recognised an expense of INR 479.81 millions 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 current year. 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 that this 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").

33 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR millions)

Particulars	Note	31 March 2022			31 March 2021		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets:							
Loans	6 and 14	-	-	715.53	-	-	343.63
Trade receivables	11	-	-	14,932.36	-	-	11,354.98
Cash and cash equivalents	12	-	-	934.32	-	-	1,021.44
Bank balances other than cash and cash equivalents	13	-	-	484.09	-	-	597.75
Other financial assets	7 and 15	-	-	905.29	-	-	688.04
Total financial assets		**-**	**-**	**17,971.59**	**-**	**-**	**14,005.84**
Financial Liabilities:							
Lease liabilities	3 (c)	-	-	468.35	-	-	580.46
Borrowings	20	-	-	4,798.24	-	-	3,173.30
Trade payables	21	-	-	599.72	-	-	521.60
Other financial liabilities	22	10.48	-	5,380.25	25.78	-	2,461.45
Total financial liabilities		**10.48**	**-**	**11,246.56**	**25.78**	**-**	**6,736.81**

Investment in subsidiaries is not appearing as financial asset in the table above being investment in subsidiaries and associates accounted under Ind AS 27, Separate Financial Statements and is hence scoped out under Ind AS 109.

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

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for the year ended 31 March 2022

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard:

(Amount in INR millions)

Particulars	Note	Carrying amount	Fair value		
		31 March 2022	Level 1	Level 2	Level 3
Financial assets not measured at fair value					
Loans	6 and 14	715.53	-	715.53	-
Trade receivables	11	14,932.36	-	14,932.36	-
Cash and cash equivalents	12	934.32	-	934.32	-
Bank balances other than cash and cash equivalents	13	484.09		484.09	
Other financial assets	7 and 15	905.29	-	905.29	-
Total financial assets		**17,971.59**	**-**	**17,971.59**	**-**
Financial liabilities not measured at fair value					
Lease liabilities	3 (c)	468.35	-	468.35	-
Borrowings	20	4,798.24	-	4,798.24	-
Trade payables	21	599.72	-	599.72	-
Other financial liabilities	22	5,390.73	-	5,380.25	10.48
Total financial liabilities		**11,257.04**	**-**	**11,246.56**	**10.48**

(Amount in INR millions)

Particulars	Note	Carrying amount	Fair value		
		31 March 2021	Level 1	Level 2	Level 3
Financial liabilities not measured at fair value					
Loans	6 and 14	343.63	-	343.63	-
Trade receivables	11	11,354.98	-	11,354.98	-
Cash and cash equivalents	12	1,021.44	-	1,021.44	-
Bank balances other than cash and cash equivalents	13	597.75	-	597.75	-
Other financial assets	7 and 15	688.04	-	688.04	-
Total financial assets		**14,005.84**	**-**	**14,005.84**	**-**
Financial liabilities not measured at fair value					
Lease liabilities	3 (c)	580.46	-	580.46	-
Borrowings	20	3,173.30	-	3,173.30	-
Trade payables	21	521.60	-	521.60	-
Other financial liabilities	22	2,487.23	-	2,461.45	25.78
Total financial liabilities		**6,762.59**	**-**	**6,736.81**	**25.78**

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This comprises of investment in mutual funds and non-convertible debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial assets:

1) Loans, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets are short term and their carrying amounts are reasonable approximation of their fair value.

B Financial liabilities:

1) **Borrowings:** The current borrowings which includes cash credit and overdraft facilities and working capital loan, are classified and subsequently measured in the financial statements at amortised cost. Considering that the interest rate on the loan is reset on a monthly/ quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

2) **Trade payables and other financial liabilities:** Fair values of trade payables and other financial liabilities are measured at carrying value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the carrying values.

34 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Risk management framework

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables (both billed and unbilled) from customers, loans and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Other financial assets represent security deposits given to suppliers, lessors and others. Credit risk associated with such deposits is relatively low. Loans are given to subsidiaries and associates and are tested for impairment where there is an indicator.

Trade receivables (including unbilled)

Trade receivables (including unbilled) are typically unsecured and are derived from revenue from customers primarily located in India.

The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

Expected credit loss assessment for customers are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivable (billed and unbilled). The Company's customers are bifurcated into two groups - Government and Non-Government customers. For Non-Government customers, the Company derives the loss rates based on collections and actual credit loss experience over the last four quarters (31 March 2021: last six quarters) which is adjusted for forward looking information over the expected collection period. Exposure to customers is diversified and there is no single customer contributing

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more than 10% of trade receivable billed and unbilled. For government customers, given the insignificant credit risk, provision is recorded to reflect allowances for time value based on historical pattern of collections. Further, specific provision is recorded for customer specific disputes.

The movement in the allowance for impairment in respect of trade receivables (including unbilled) is as follows:

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	880.13	391.94
Add: loss allowance recognised (including INR 200 millions shown as exceptional item)*	739.02	574.24
Less: bad debts written off	(254.29)	(86.05)
Balance as at the end of the year	**1,364.86**	**880.13**

* loss allowances of INR 200 millions is treated as an exceptional item 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").

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits and other financial instruments. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

Financing arrangement

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022 and 31 March 2021. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payments and exclude netting arrangements. The Company has an undrawn limit of INR 7,309.92 millions as at 31 March 2022.

As at 31 March 2022

(Amount in INR millions)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	4,798.24	4,798.24	-	-	-
Trade payables	599.72	599.72	-	-	-
Lease liabilities	468.35	180.88	117.89	206.93	75.75
Other financial liabilities	5,390.73	5,390.73	-	-	-

As at 31 March 2021

(Amount in INR millions)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	3,173.30	3,173.30	-	-	-
Trade payables	521.60	521.60	-	-	-
Lease liabilities	580.46	212.70	169.40	242.02	99.79
Other financial liabilities	2,487.23	2,487.23	-	-	-

The Company has a strong focus on liquidity and maintains a robust cash position to ensure adequate cover for responding to potential short-term market dislocation. Cash generated through operating activities remains the primary source for liquidity along with undrawn borrowing facilities and levels of cash and cash equivalents.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company is not significantly exposed to currency risk as the Company's functional currency in INR and revenues and costs are denominated in INR and therefore disclosures required under "Ind AS 107 - Financial Instruments: Disclosures" have not been given.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of working capital loan which carries fixed rate of interest and which do not expose it to interest rate risk. The borrowings also includes cash credit facilities which carries variable rate of interest.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR million)

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings	4,798.24	3,173.30

(b) Sensitivity

(Amount in INR millions)

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2022				
Variable rate borrowings	(47.98)	47.98	(35.91)	35.91
31 March 2021				
Variable rate borrowings	(31.73)	31.73	(23.75)	23.75

The sensitivity analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

35 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximise shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of borrowings and lease liabilities less cash and cash equivalents.

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for the year ended 31 March 2022

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio were as follows:

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Gross debt	5,266.59	3,753.76
Less: Cash and cash equivalents	(934.32)	(1,021.44)
Adjusted net debt	**4,332.27**	**2,732.32**
Total equity	22,088.68	22,244.89
Net debt to equity ratio	**0.20**	**0.12**

36 Capital and other commitments

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	22.06	37.32
Corporate guarantees given as security for loan availed by related parties (refer note 36.1 and 36.2)	3,626.41	5,145.93
	3,648.47	**5,183.25**

36.1 The Company has given guarantees to banks for the loans availed by related parties to make good any default made by its related parties in repayment to banks.

36.2 Movement of corporate guarantees given to related parties during the current year are as follows:

(Amount in INR millions)

Related parties	As at 1 April 2021	Given during the year	Expired during the year	As at 31 March 2022
MFX Infotech Private Limited	60.00	50.00	(60.00)	50.00
Terrier Security Services (India) Private Limited	300.00	250.00	-	550.00
Excelus Learning Solutions Private Limited	185.16	-	-	185.16
Quesscorp Holdings Pte. Ltd	1,869.52	-	(1,869.52)	-
Golden Star Facilities and Services Private Limited	350.00	-	-	350.00
Quessglobal (Malaysia) SDN. BHD.	16.89	-	-	16.89
Greenpiece Landscapes India Private Limited	250.00	-	-	250.00
Qdigi Services Limited	400.00	500.00	(400.00)	500.00
Vedang Cellular Services Private Limited	200.00	10.00	-	210.00
Quess Corp Lanka (Private) Limited	26.80	-	-	26.80
MFXChange Holdings Inc.	1,187.56	-	-	1,187.56
Monster.com (India) Private Limited	300.00	-	-	300.00
Total	**5,145.93**	**810.00**	**(2,329.52)**	**3,626.41**

Movement of corporate guarantees given to related parties during the previous year are as follows:

(Amount in INR millions)

Related parties	As at 1 April 2020	Given during the year	Expired during the year	As at 31 March 2021
MFX Infotech Private Limited	60.00	60.00	(60.00)	60.00
Terrier Security Services (India) Private Limited	220.00	300.00	(220.00)	300.00
Excelus Learning Solutions Private Limited	185.16	-	-	185.16
Quesscorp Holdings Pte. Ltd	1,869.52	-	-	1,869.52
Golden Star Facilities and Services Private Limited	350.00	350.00	(350.00)	350.00
Quessglobal (Malaysia) SDN. BHD.	16.89	-	-	16.89
Greenpiece Landscapes India Private Limited	250.00	250.00	(250.00)	250.00
Qdigi Services Limited	400.00	400.00	(400.00)	400.00
Vedang Cellular Services Private Limited	200.00	200.00	(200.00)	200.00
Quess Corp Lanka (Private) Limited	26.80	-	-	26.80
MFXChange Holdings Inc.	1,187.56	-	-	1,187.56
Monster.com (India) Private Limited	300.00	300.00	(300.00)	300.00
Total	**5,065.93**	**1,860.00**	**(1,780.00)**	**5,145.93**

37 Contingent liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Bonus (refer note 37.2)	325.88	325.88
Provident fund (refer note 37.3 and 23.1)	24.92	24.92
Indirect tax matters (refer note 23.2, 23.3 and 23.4)	43.08	46.82
Direct tax matters (refer note 37.4)	166.60	-
	560.48	**397.62**

37.1 Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company is contesting the demand and the Management believes that its position will likely be upheld. The Management believes that the outcome of this proceedings will not have material adverse effect on the Company's financial position and results of operations.

37.2 Contingent liability of INR 325.88 millions pertains to retrospective application effective 1 April 2014 for amendments in the Payment of Bonus Act (Amendment Act, 2015) enacted on 31 December 2015. As per the amendment, the eligibility criteria of salary or wages has been increased from INR 10,000 per month to INR 21,000 per month [Section 2(13)] and the ceiling for computation of such salary or wages has been increased from INR 3,500 per month to INR 7,000 per month or the minimum wage for the scheduled employment, as fixed by the appropriate government, whichever is higher.

During fiscal 2015, the Company obtained a legal opinion from an external lawyer and was advised to take a position that the stay granted by the two High Courts of India on the retrospective application of the amendment would have a persuasive effect even outside the boundaries of the relevant states and accordingly no provision is required. There have been no updates during fiscal 2021 and 2022.

37.3 During fiscal 2020, the Regional PF Commissioner ("RPFC") passed an under Section 7-A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("Act") demanding INR 716.56 millions on the grounds that the Company failed to remit Provident Fund ("PF") on wages for its employees for the period from April 2018 to March 2019 for certain components of salary. 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. 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. The matter has been adjourned to 06 June 2022. 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 incorrectly determined by the RPFC and therefore, the Company considers the claim to be remote.

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37.4 The Income Tax Department ("Department") conducted survey operations at the Company's registered office from 08 July 2021 to 10 July 2021. The queries during the survey for financial year (FY) 2016-17 to FY 2019-20 were primarily related to the manner of availing deduction under section 80JJAA of the Income Tax Act ("Act") and the claim of tax depreciation on goodwill arising from acquisition/ mergers. Further, in the quarter ended 30 September 2021, a special audit under section 142(2A) of the Act was initiated by the Income Tax Department for FY 2017-18. During the quarter ended 31 March 2022, special audit was completed; and report was submitted to the Income Tax Department.

As per due process, and following the issue of the special audit report, the Department has issued a draft assessment order under section 144C of the Act on 24 May 2022. The draft assessment order indicates that, among others, the entire deduction under 80JJAA claimed by the Company is disallowed, along with the depreciation of goodwill arising on mergers and acquisitions. Further receipts in the nature of reimbursement of expenses from customers reduced from revenues as per applicable Accounting Standards have also been added to taxable income. As per the process laid out under section 144C of the Act, the Company has 30 days to file objections to the Dispute Resolution Panel. Therefore, the demands relating to disallowance is yet to be computed by the Income Tax Department.

The Company intends to vigorously contest its position and interpretative stance of these sections on merits, including judicial precedents, and believes it can strongly defend its position through the legal process as defined under the Act. Based on its initial internal evaluation, the Company has disclosed a contingent liability of INR 166.60 millions, excluding interest and penalties if any. This estimate will be updated as developments unfold in future.

The Company continues to maintain its stand on the manner of claiming the 80JJAA deduction and accordingly an 80JJAA deduction of INR 1,988.69 millions is claimed for the year ended 31 March 2022. The Company believes that such deduction, including it quantum, has been validly and consistently claimed, in conformity with its interpretation of the statute.

38 Earnings per share

(Amount in INR millions except number of shares and per share data)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Nominal value of equity shares (INR per share)	10.00	10.00
Profit / (Loss) after tax for the purpose of earnings per share (INR in millions)	1,448.28	(998.52)
Weighted average number of shares used in computing basic earnings per share	147,787,738	147,619,501
Basic earnings / (loss) per share (INR)	**9.80**	**(6.76)**
Weighted average number of shares used in computing diluted earnings per share	149,100,632	147,619,501
Diluted earnings / (loss) per share (INR)	**9.71**	**(6.76)**
Effect of dilutive common equivalent shares - share options outstanding	1,312,894	-
Anti dilutive common equivalent shares - share options outstanding	-	2,116,236

39 Related party disclosures

(i) Name of related parties and description of relationship:

Entities having significant influence	Fairfax Financial Holdings Limited
	Fairbridge Capital (Mauritius) Limited
	FFHL Group Ltd.
	Fairfax (Barbados) International Corp.
	Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")

Subsidiaries (including step subsidiaries)	MFX Infotech Private Limited
	Brainhunter Systems Limited
	Mindwire Systems Limited
	Quess (Philippines) Corp.
	Quess Corp (USA) Inc.
	Quesscorp Holdings Pte. Ltd
	Quessglobal (Malaysia) Sdn. Bhd.
	Quess Corp Lanka (Private) Limited
	Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited")
	MFXchange Holdings, Inc.
	MFXchange US, Inc.
	Quess Corp Vietnam LLC
	Dependo Logistics Solutions Private Limited (till 17 August 2020)
	Excelus Learning Solutions Private Limited
	Conneqt Business Solution Limited
	Vedang Cellular Services Private Limited
	Golden Star Facilities and Services Private Limited
	Quess Selection & Services Pte Limited (formerly known as"Comtelpro Pte. Ltd.")
	Comtelink Sdn. Bhd.
	Monster.com (India) Private Limited
	Monster.com.SG PTE Limited
	Monster.com HK Limited
	Agensi Pekerjaan Monster Malaysia Sdn. Bhd
	Qdigi Services Limited
	Greenpiece Landscapes India Private Limited
	Simpliance Technologies Private Limited
	Quesscorp Management Consultancies
	Quesscorp Manpower Supply Services LLC
	Quess Services Limited
	Allsec Technologies Limited
	Allsectech Inc. USA
	Allsectech Manila Inc. Philippines
	Retreat Capital Management Inc, USA (till 19 February 2021)
	Trimax Smart Infraprojects Private Limited
	Terrier Security Services (India) Private Limited (refer note 5.2)
	Quess East Bengal FC Private Limited (under liquidation effective 02 September 2020)
	Billion Careers Private Limited (w.e.f 26 November 2021)
	Heptagon Technologies Private Limited (w.e.f 1 March 2022) [refer note 5.1]

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Associates	Quess Recruit, Inc.
	Agency Pekerjaan Quess Recruit SDN. BHD
	Stellarslog Technovation Private Limited (w.e.f 29 January 2021)
	Heptagon Technologies Private Limited (till 28 February 2022) [refer note 5.1]
Joint Venture	Himmer Industrial Services (M) Sdn. Bhd.
Entities having common directors	Go Digit Infoworks Service Private Limited
	Go Digit General Insurance Limited
	National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)
	Net Resources Investments Private Limited
Entity in which key managerial person has significant influence	Careworks foundation
	Iris Realty LLP
	Isaac Healthcare Services LLP
Key executive management personnel	
Ajit Isaac	Chairman and Managing Director (upto 31 March 2021) Executive Chairman (w.e.f. 1 April 2021 to 31 March 2022)
K. Suraj Moraje	Executive Director (w.e.f 4 November 2019) Group Chief Executive Officer and Executive Director (upto 1 April 2020) Group Chief Executive Officer and Managing Director (w.e.f 1 April 2021 to 10 February 2022)
Guruprasad Srinivasan	Group Chief Executive Officer and Executive Director (w.e.f. 10 February 2022)
Subramaniam Ramakrishnan	Chief Financial Officer (upto 31 March 2021)
N. Ravi Vishwanath	Chief Financial Officer (w.e.f. 1 April 2021)
Kundan K. Lal	Company Secretary and Compliance officer

(ii) Related party transactions during the year:

(Amount in INR millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2022	31 March 2021
Revenue from operations			
Subsidiaries	Vedang Cellular Services Private Limited	26.59	0.93
	Qdigi Services Limited	5.70	8.03
	Golden Star Facilities and Services Private Limited	0.13	-
	Conneqt Business Solutions Limited	489.20	129.77
	Monster.com (India) Private Limited	2.88	3.19
	Quesscorp Singapore Pte Limited	-	5.27
	Allsec Technologies Limited	33.04	42.99
	Trimax Smart Infraprojects Private Limited	135.93	43.58
	Terrier Security Services (India) Private Limited	1.42	1.79
	Dependo Logistics Solutions Private Limited	-	0.93
	Simpliance Technologies Private Limited	1.51	0.97
	Quesscorp Holdings Pte. Ltd	-	19.55

(Amount in INR millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2022	31 March 2021
	Heptagon Technologies Private Limited	-	0.27
Entities having common directors	Go Digit Infoworks Service Private Limited	-	6.75
	Go Digit General Insurance Limited	8.07	10.88
	National Commodities Management Services Limited	51.99	70.90
	Net Resources Investments Private Limited	0.93	1.21
Entity in which key managerial person has significant influence	Careworks foundation	28.66	26.92
Other expenses			
Subsidiaries	MFX Infotech Private Limited	453.67	363.17
	Golden Star Facilities and Services Private Limited	17.61	16.96
	Monster.com (India) Private Limited	12.15	2.61
	Conneqt Business Solutions Limited	97.92	56.13
	Qdigi Services Limited	0.19	1.09
	Greenpiece Landscapes India Private Limited	23.76	17.44
	Allsec Technologies Limited	27.85	11.61
	Quessglobal (Malaysia) Sdn. Bhd.	1.42	2.22
	Simpliance Technologies Private Limited	7.13	5.21
	Quess Services Limited	1.70	6.24
	Quesscorp Manpower Supply Services LLC	10.57	7.58
	Terrier Security Services (India) Private Limited	202.43	139.11
	Quess Corp Lanka (Private) Limited	0.92	-
	Heptagon Technologies Private Limited	64.97	45.23
Associates	Stellarslog Technovation Private Limited	15.05	-
Entities having common directors	Net Resources Investments Private Limited	40.39	37.13
	Go Digit General Insurance Limited	14.35	-
Intangible assets under development			
Subsidiaries	Heptagon Technologies Private Limited	23.22	32.22
Other intangible assets (disposals)			
Subsidiaries	Billion Careers Private Limited	40.84	-
Property, plant and equipment (disposals)			
Subsidiary	Billion Careers Private Limited	1.17	-
Payment made by related parties on behalf of the Company			
Subsidiaries	Dependo Logistics Solutions Private Limited	-	0.84

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(Amount in INR millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2022	31 March 2021
Investments made and sale of equity instruments and convertible debentures of related parties		refer note 5.1	refer note 5.1
Loans and advances given to related parties		refer note 6.1	refer note 6.1
Repayment of loans and advances /conversion of loan into equity instruments by related parties		refer note 6.1	refer note 6.1
Interest on loans/debentures charged to related parties			
Subsidiaries	Golden Star Facilities and Services Private Limited	-	0.28
	Excelus Learning Solutions Private Limited	4.37	0.14
	Quess Corp (USA) Inc.	-	2.54
	Trimax Smart Infraprojects Private Limited	7.01	0.11
	Greenpiece Landscapes India Private Limited	1.94	4.00
	Quesscorp Holdings Pte. Ltd	3.93	-
	Quess Corp Vietnam LLC	0.53	0.47
	Terrier Security Services (India) Private Limited	3.31	18.53
	Qdigi Services Limited	0.30	-
Dividend income on investments			
Subsidiaries	Conneqt Business Solutions Limited	871.37	-
	Quess Corp Holdings Pte Ltd	304.32	-
Corporate Guarantee Income			
	MFXchange Holdings Inc.	6.65	6.18
	Quesscorp Holdings Pte. Ltd	10.35	10.05
Guarantees provided to banks on behalf of related parties		refer note 36.2	refer note 36.2

(iii) Balance receivable from and payable to related parties as at the reporting date:

(Amount in INR millions)

Nature of balance and relationship	Name of related party	As at 31 March 2022	As at 31 March 2021
Trade receivables - billed (gross of loss allowance)			
Subsidiaries	MFX Infotech Private Limited	0.05	-
	Qdigi Services Limited	1.74	0.98
	Trimax Smart Infraprojects Private Limited	86.64	137.53
	Conneqt Business Solutions Limited	20.01	40.97
	Monster.com (India) Private Limited	1.61	2.79
	Quess Philippines Corp.	12.00	12.00

(Amount in INR millions)

Nature of balance and relationship	Name of related party	As at 31 March 2022	As at 31 March 2021
	Allsec Technologies Limited	13.85	1.83
	Excelus Learning Solutions Private Limited	4.17	4.00
	Simpliance Technologies Private Limited	0.34	1.15
	Vedang Cellular Services Private Limited	0.43	0.23
	Quess East Bengal FC Private Limited	3.60	3.60
	Terrier Security Services (India) Private Limited	3.57	0.64
	Quesscorp Holdings Pte. Ltd	10.35	10.05
	MFXchange Holdings Inc.	6.65	6.18
	Golden Star Facilities and Services Private Limited	0.46	-
Entities having common directors	Go Digit Infoworks Service Private Limited	0.34	1.63
	Go Digit General Insurance Limited	2.86	0.36
	National Commodities Management Services Limited	-	5.55
Entity in which key managerial person has significant influence	Careworks foundation	33.43	6.78
Trade receivables - unbilled (gross of loss allowance)			
Subsidiaries	Vedang Cellular Services Private Limited	2.37	0.04
	Monster.com (India) Private Limited	-	0.11
	Conneqt Business Solutions Limited	11.82	7.55
	Qdigi Services Limited	0.35	0.40
	Allsec Technologies Limited	1.01	1.59
	Trimax Smart Infra Projects Private limited	8.60	1.49
	Quesscorp Holdings Pte. Ltd	-	19.73
	Heptagon Technologies Private Limited	-	0.08
Entity in which key managerial person has significant influence	Careworks foundation	2.67	2.38
Unearned revenue			
Subsidiaries	Conneqt Business Solutions Limited	16.97	-
Trade payables			
Subsidiaries	Monster.com (India) Private Limited	1.40	0.38
	Golden Star Facilities and Services Private Limited	0.92	0.67
	Allsec Technologies Limited	6.49	-
	Quessglobal (Malaysia) Sdn. Bhd.	0.31	0.21
	Conneqt Business Solutions Limited	5.33	13.57
	Quesscorp Manpower Supply Services LLC	2.51	0.08
	Terrier Security Services (India) Private Limited	23.59	0.35
	MFX Infotech Private Limited	54.01	-
	Greenpiece Landscapes India Private Limited	0.57	-

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(Amount in INR millions)

Nature of balance and relationship	Name of related party	As at 31 March 2022	As at 31 March 2021
	Quess Corp Lanka (Private) Limited	0.14	-
	Simpliance Technologies Private Limited	2.06	-
	Heptagon Technologies Private Limited	8.51	-
	Vedang Cellular Services Private Limited	0.16	-
Entities having common directors	National Commodities Management Services Limited	0.03	-
	Net Resources Investments Private Limited	-	0.06
Other assets (non-current and current)			
Subsidiaries	Greenpiece Landscape India Private Limited	-	1.80
	Heptagon Technologies Private Limited	23.60	20.48
	MFX Infotech Private Limited	4.67	-
	Terrier Security Services (India) Private Limited	45.62	-
Investments		refer note 5	refer note 5
Loans		refer note 6.1	refer note 6.1
Other financial assets (interest receivable)			
Subsidiaries	Greenpiece Landscape India Private Limited	-	3.98
	Quess Corp Vietnam Limited Liability Company	0.53	0.47
	Trimax Smart Infra Projects Private limited	5.33	0.03
	Excelus Learning Solutions Private Limited	4.35	0.14
	Terrier Security Services (India) Private Limited	3.29	-
	Qdigi Services Limited	0.30	-
Other financial assets (due from related parties)		refer note 6.1	refer note 6.1
Other current financial liabilities			
Subsidiaries	Brainhunter Systems Limited	3.95	3.79
	Conneqt Business Solutions Limited	12.68	0.70
	Qdigi Services Limited	-	0.52
	Monster.com (India) Private Limited	0.76	0.30
	Allsec Technologies Limited	2.03	7.68
	MFX Infotech Private Limited	38.12	34.18
	Simpliance Technologies Private Limited	0.61	1.53
	Quessglobal (Malaysia) Sdn. Bhd.	0.35	0.33
	Greenpiece Landscape India Private Limited	1.70	1.44
	Quess Services Limited	-	0.07
	Terrier Security Services (India) Private Limited	34.21	15.04
	Heptagon Technologies Private Limited	0.33	-
Guarantees outstanding		refer note 36.2	refer note 36.2

(iv) Compensation of key managerial personnel*

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Salaries and other employee benefits to whole-time directors and executive officers	82.56	47.60
	82.56	**47.60**

*Managerial remuneration does not include cost of employee benefits such as gratuity, compensated absences and employee share-based payments since, provision for these are based on valuation carried out for the Company as a whole.

(v) Loans granted to promoters, directors, KMPs and related parties:	refer note 6.2	refer note 6.2

40 Assets and liabilities relating to employee benefits

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Net defined benefit liability, gratuity plan	1,841.86	1,405.82
Liability for compensated absences	29.35	29.01
Total employee benefit liability	**1,871.21**	**1,434.83**
Current (refer note 23)	29.35	29.01
Non-current* (refer note 19)	1,841.86	1,405.82
	1,871.21	**1,434.83**

For details about the related employee benefits expense, refer note 28.

*The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act,1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A Funding

The Company's gratuity scheme for core and associates employees is administered through a third party manager the Life Insurance Corporation of India and SBI Life. The funding requirements are based on the gratuity funds actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purpose for which assumptions are same as set out below. Employees do not contribute to the plan. The Company has determined that, in accordance with the terms and conditions of gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations.

The Company expects to pay INR 467.01 millions contributions to its defined benefit plans in FY 2022-23.

B Reconciliation of net defined benefit liability/assets

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/assets and its components:

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	1,620.25	1,267.61
Current service cost	352.75	264.79
Interest cost	64.48	62.88
Benefits settled	(84.74)	(55.25)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	120.41	63.28

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(10.90)	21.29
Transfer out	-	(4.35)
Obligation at the end of the year	**2,062.25**	**1,620.25**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	214.43	254.11
Interest income on plan assets	8.56	12.62
Return on plan assets recognised in other comprehensive income	4.72	2.95
Contributions	77.42	-
Benefits settled	(84.74)	(55.25)
Plan assets at the end of the year, at fair value	**220.39**	**214.43**
Net defined benefit liability	**1,841.86**	**1,405.82**

C (i) Expense recognised in the statement of profit or loss

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Current service cost	352.75	264.79
Interest cost	64.48	62.88
Interest income	(8.56)	(12.62)
Net gratuity cost	**408.67**	**315.04**

(ii) Re-measurement recognised in other comprehensive income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Re-measurement of the net defined benefit liability	109.51	84.57
Re-measurement of the net defined benefit asset	(4.72)	(2.95)
	104.79	**81.62**

D Plan assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Funds managed by insurer	220.39	214.43
	220.39	214.43

E Defined benefit obligation - actuarial assumptions

Particulars	For the year ended	
	31 March 2022	31 March 2021
Discount rate	4.35% - 4.65%	3.96% - 4.25%
Future salary growth	6.00% - 7.50%	6.00% - 7.50%
Attrition rate	50.00% - 80.00%	50.00% - 80.00%
Average duration of defined benefit obligation	1 - 2 years	1 - 2 years

F Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, the defined benefit obligation would be as shown below:

Core employees (Amount in INR millions)

Particulars	As at			
	31 March 2022		31 March 2021	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	148.55	142.59	129.53	124.16
Future salary growth (1% movement)	142.77	148.31	124.30	129.33
Attrition rate (10% movement)	148.15	143.19	129.89	124.05
Mortality rate (10% movement)	145.51	145.52	126.79	126.79

Associate employees (Amount in INR millions)

Particulars	As at			
	31 March 2022		31 March 2021	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	1,941.79	1,892.27	1,513.26	1,474.13
Future salary growth (1% movement)	1,892.42	1,941.16	1,474.31	1,512.69
Attrition rate (10% movement)	2,003.03	1,845.93	1,570.43	1,431.04
Mortality rate (10% movement)	1,916.42	1,917.01	1,493.19	1,493.69

41 Share-based payments

A Description of share based payment arrangement

At 31 March 2022, the Company has the following share-based payment arrangements:

Share option plans (equity settled)

Quess Corp Limited Employee Stock Option Scheme 2015 ("Scheme 2015")

The Board of Directors in its meeting held on 22 December 2015 approved the 'Quess Corp Limited Employee Stock Option Scheme 2015' ('Scheme 2015'), under which stock options are granted to specified employees of the Company. The Scheme 2015 provides for the issue of not more than 475,000 options (1,900,000 bonus adjusted options) with an exercise price of INR 10.00 each that would eventually convert into equity shares of INR 10.00 each. The options vest over a period of three years and are exercisable over a period of three years from the vesting date of each tranche. As at 31 March 2022, the Company has 41,263 (31 March 2021: 68,199) exercisable options outstanding.

Quess Stock Option Plan 2020 ("Scheme 2020")

The Board of Directors in its meeting held on 31 March 2020 approved the Quess Stock Ownership Plan – 2020 ("QSOP 2020"), under which stock options are granted to specific employees of the Company and its subsidiaries. The maximum number of shares under QSOP 2020 shall not exceed 3,650,000 equity shares. The stock options granted under QSOP 2020 shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). These instruments will be equity settled and will generally vest between a minimum of 1 to maximum of 6 years from the grant date. As at 31 March 2022, the Company has 43,676 (31 March 2021: Nil) exercisable options outstanding.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

B Measurement of fair values

Scheme 2015

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	31 March 2022	31 March 2021
Share price at grant date (INR)	893.95	893.95
Exercise price (INR)	10.00	10.00
Risk free rate of interest	6.20%	6.20%
Expected volatility	33.40%	33.40%
Expected dividend	-	-
Term to maturity	1 - 3 years	1 - 3 years

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Scheme 2020

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	31 March 2022	31 March 2021
Weighted average share price at grant date (INR)	195.78	195.78
Exercise price (INR)	10.00	10.00
Risk free rate of interest	3.58% - 5.49%	3.58% - 5.49%
Expected volatility	39.54% - 49.42%	39.54% - 49.42%
Expected dividend	-	-
Expected life of the option	1 - 6 years	1 - 6 years
Weighted average fair value at grant date (INR)	187.32	187.32

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

C Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option plans were as follows:

Scheme 2015

(Share price in INR)

Particulars	For the year ended			
	31 March 2022		31 March 2021	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	**68,199**	**10.00**	**148,441**	**10.00**
Less: Exercised during the year	(26,936)	10.00	(70,685)	10.00
Less: Lapsed/ forfeited during the year	-	-	(9,557)	10.00
Balance as at the end of the year	**41,263**	**10.00**	**68,199**	**10.00**
Options vested and exercisable as at the end of year	41,263		68,199	

The options outstanding as at 31 March 2022 have an exercise price of INR 10.00 (31 March 2021: INR 10.00) and a weighted average remaining contractual life of nil years (31 March 2021: 0.10 years)

Details of Grant date of options issued under ESOP 2015 scheme:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2022	31 March 2021
18 August 2017	10.00	41,263	68,199

Scheme 2020

(Share price in INR)

Particulars	For the year ended			
	31 March 2022		31 March 2021	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	2,575,165	10.00	-	-
Add: Granted during the year	435,836	10.00	2,835,966	10.00
Less: Exercised during the year	-284,757	10.00	-	-
Less: Lapsed/ forfeited during the year	-1,036,975	10.00	-260,801	10.00
Balance as at the end of the year	**1,689,269**	**10.00**	**2,575,165**	**10.00**
Options vested and exercisable as at the end of year	43,676		-	

The options outstanding as at 31 March 2022 have an exercise price of INR 10.00 (31 March 2021: INR 10.00) and a weighted average remaining contractual life of 3.86 years (31 March 2021: 2.73 years)

Details of Grant date of options issued under ESOP 2020 scheme:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2022	31 March 2021
11 May 2020	10.00	1,217,811	2,361,634
24 July 2020	10.00	35,789	59,241
27 January 2021	10.00	12,083	154,290
01 June 2021	10.00	322,608	-
10 February 2022	10.00	100,978	-

D Expense recognised in standalone statement of profit and loss

For details about the related employee benefits expense, refer note 28.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

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

43 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	31 March 2022	31 March 2021	Variance	Reason for variance (greater than 25%)
Current ratio	Current assets	Current liabilities	1.21	1.60	-24%	
Debt-equity ratio	Total Debt*	Shareholder's equity	0.24	0.17	41%	Refer note 43.1
Debt service coverage ratio	Earnings available for debt service (EFDS)	Debt Service^	0.79	0.04	1875%	Refer note 43.2
Return on equity ratio	Net profits after taxes	Average shareholder's equity	6.53%	-4.40%	-249%	Refer note 43.3
Inventory turnover ratio	Cost of materials consumed	Average inventory	15.43	8.00	93%	Refer note 43.4
Trade receivables turnover ratio	Revenue from operations	Average trade receivable	7.42	6.70	11%	
Trade payables turnover ratio	Purchases and adjusted other expenses	Average trade payables	5.14	3.70	39%	Refer note 43.5
Net capital turnover ratio	Revenue from operations	Average working capital	24.00	19.70	22%	
Net profit ratio	Net profits after taxes	Revenue from operations	1.48%	-1.33%	-211%	Refer note 43.6
Return on capital employed	Earning before interest and taxes	Capital employed^^	9.84%	1.55%	537%	Refer note 43.7
Return on investment	Not Applicable	Not Applicable	-	-	-	

* Debt represents borrowings and lease liabilities

EFDS= Net Profit After taxes + Non cash operating expenses like depreciation and Other amortizations + Interest + other adjustment like profit/(loss) on sale of property, plant and equipment and intangible assets

^Principal repayments and lease payments for the current year

^^ Net worth + Borrowings + Lease liabilities - Goodwill - Intangible assets under development - Other intangible assets - Deferred tax assets

43.1 Debt-equity ratio has increased due to increase in current borrowings to meet working capital requirements.

43.2 There has been improvement in operating profits in the current year as compared to previous year, which was effected due to Covid-19, as well as there has been reduction in interest rates and repayment of borrowings, resulting in favourable Debt service coverage ratio.

43.3 In the current year, there has been improvement in operating profits resulting in profit after tax. However, previous year was effected due to Covid-19 and the Company had recognised significant amount of loss allowances on financial assets which contributed to loss after tax.

43.4 Inventory turnover ratio has increased due to increase in cost of materials consumed as a result of increase in operations.

43.5 There has been improvement in operating profitability along with improvement in cash flows. As a result, the Company has been able to make payments to trade payables quicker and hence there is improvement in the ratio.

43.6 In the current year, there has been improvement in operating profits resulting in profit after tax. However, previous year was effected due to Covid-19 and the Company had recognised significant amount of loss allowances on financial assets which contributed to loss after tax.

43.7 In the current year, there has been improvement in operating profits resulting in increase in earnings before interest and taxes. However, previous year was effected due to Covid-19 and the Company had recognised significant amount of loss allowances on financial assets which contributed to reduction in earnings before interest and taxes.

44 The Company does not have any relationship with struck off Companies during the year and as at balance sheet date. Disclosure of transaction with struck off Companies is given below:

(Amount in INR millions)

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding as at 31 March 2022	Balance outstanding as at 31 March 2021	Relationship with struck off company
Bangalore Power Controls Private Limited	Payables	*	*	Vendors
Delta Solutions Private Limited	Payables	*	*	Vendors
Intime Solutions Private Limited	Payables	*	*	Vendors
Nirmala Enterprises Private Limited	Payables	*	*	Vendors
Prisha Marketing Private Limited	Payables	*	*	Vendors
RBC Bearings Private Limited	Payables	*	*	Vendors
Sharanya Constructions Private Limited	Payables	*	*	Vendors
Swastik Trading Pvt ltd	Payables	*	*	Vendors
Bhagwati Agencies Private Limited	Receivables	*	*	Customers
HP Enterprises Private Limited	Receivables	*	*	Customers
K K Enterprises Pvt ltd	Receivables	*	*	Customers
M K Enterprises Private Limited	Receivables	*	*	Customers
Steer Engineering Private Limited	Receivables	*	*	Customers

*less than INR 1 million

45 The Board of Directors of the Company at its meeting held on 18 February 2020 had considered and approved the Scheme of Amalgamation ("Scheme AAA") among Quess Corp Limited ("Transferee Company") with four of its wholly owned subsidiaries viz. Golden Star Facilities and Services Private Limited ("GSFS"), MFX Infotech Private Limited ("MFXI"), Trimax Smart Infraprojects Private Limited ("TSIP"), and Green Piece Landscape India Private Limited ("GLPL") together known as ("Transferor Companies") and their respective shareholders and creditors, subject to the approval of shareholders and other regulatory authorities as may be applicable under the Companies Act, 2013. On 19 March 2021, Regional Director, South-East region, Hyderabad had rejected the Scheme AAA vide Order no. 3/Kar/CP.No.25/RD(SER)/CAA-11/233/2020 based on non-fulfilment of provisions under Section 233(1)(b) of the Companies Act, 2013 ("Act"). The Board has considered and approved new Scheme of Amalgamation on 03 June 2021 among Quess Corp Limited with two of its wholly owned subsidiaries, GLPL and MFXI, under the provisions of Section 230-232 of the Act. The new scheme will be effected in the standalone financial statements once approved by the National Company Law Tribunal ("NCLT").

46 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.

47 The Board of Directors in their meeting held on 5 May 2021 have declared an interim dividend of INR 7 per equity share (par value of INR 10 each) for the financial year 2020-21 aggregating to INR 1,033.75 millions.

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 millions which was paid on 03 December 2021.

The Company is in compliance with Section 123 of the Act.

48 Other than as disclosed below, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2022

Particulars	Entities	Details	Date of transaction	Amount
Name of the intermediary	Monster.com India Private Limited	Registered office: 7-1-79, 79/5,6,7 & 7-1-80, 1st Floor Capital Building, Ameerpet Hyderabad TG 500016 IN. PAN: AACCM3695G	18 January 2022	INR 574.22 millions
Name of the ultimate beneficiary	Quesscorp Holding Pte Limited	Registered office: 8, Temasek Boulevard, #32-01, Suntec Tower Three, Singapore 038988 Government identification number: 201526129N	20 January 2022	SGD 10.51 millions

The above transactions were carried out as a part of group restructuring. These transactions are in compliance with Foreign Exchange Management Act, 1999 and the Companies Act, 2013 and transactions are not violative of the Prevention of Money-Laundering Act, 2002.

49 The Company evaluated subsequent events through 26 May 2022, which is the date on which the standalone financial statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other event or transaction that would require recognition or disclosure in the standalone financial statements.

50 Previous year's figures have been regrouped / rearranged wherever necessary.

INDEPENDENT AUDITOR'S REPORT

To The Members of Quess Corp Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Quess Corp Limited ("the company") and its subsidiaries, (the Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates and joint venture company, which comprise the Consolidated Balance Sheet as at 31 March 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, associates and joint venture company referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date (hereinafter referred to as "the consolidated financial statements").

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matters

- We draw attention to Note 30.1 and 44.2 of the consolidated financial statements, regarding the demands received by the Company in respect of Provident Fund and the contingency related to the pending litigation on the said matter.
- We draw attention to Note 2.3(vii) of the consolidated financial statements, which describes the effects of the continuing uncertainty arising from the outbreak of the COVID-19 pandemic on the consolidated financial statements for the year ended 31 March 2022.
- We draw attention to Note 44.4 of the consolidated financial statements regarding completion of special audit under section 142(2A) of Income-tax Act, 1961 and receipt of draft assessment order under section 144C of Income-tax Act, 1961 for the financial year 2017-18 resulting in certain disallowances to taxable income and the Company's evaluation relating to these disallowances.

Our opinion is not modified in respect of these matters.

Key Audit Matter

Key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** Revenue from staffing services in workforce management, operating asset management and Global Technology Solutions is recognised as the related services are performed in accordance with contractual terms. The Group's invoicing cycle is on contractual pre-determined dates and recognised as receivables based on customer acceptances for delivery of work/ attendance of resources. Revenue for the post billing period is recognised as unbilled revenues. Unbilled revenues are invoiced subsequent to the year-end based on customer acceptances. We considered recording of unbilled revenues relating to staffing services as a key audit matter as there is a significant judgement applied by the Group to ensure that revenue is recorded based on (1) contractual terms and (2) attendance which is estimated for the period from the last billing date to the year end based on prior months attendance records. Refer Note 2.20 and 32 to the consolidated financial statements.	**Principal audit procedure performed** Our audit approach was a combination of test of controls and substantive procedures which included amongst others the following: • Tested the effectiveness of controls relating to recording of unbilled revenues. • For a sample of contracts, o Tested revenue recognition by agreeing key terms used for recording revenue with terms in the signed contracts and confirmation received from customers for efforts incurred / resources deployed. o Tested unbilled revenues with subsequent invoicing based on customer acceptances.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management discussion and analysis, Board's Report including annexures to Board's Report, Business Responsibility Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint venture company and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint venture company and associates, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates and joint venture company in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint venture company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint venture 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures company are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint venture company are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture company.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 these consolidated financial statements.

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 consolidated financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Group and its associates and joint venture 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 consolidated financial statements 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 Group and its associates and joint venture company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates and joint venture company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements 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 consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements/financial information of 31 subsidiaries, whose financial statements reflect total assets of Rs. 25,298.25 million as at 31 March 2022, total revenues of Rs. 35,313.14 million and net cash outflows amounting to Rs. 626.41 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of Rs. 16.87 million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of 3 associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the reports of the other auditors.

(b) We did not audit the financial statements/financial information of 3 subsidiaries, whose financial statements reflect total assets of Rs. 521.94 million as at 31 March

2022, total revenues of Rs. 368.20 million and net cash flows amounting to Rs. 1.32 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include one joint venture company, having no operations whose financial statements/financial information have not been audited by us. These financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture company is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associates and joint venture company referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31 March 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate company incorporated in India, none of the directors of the Group companies, its associate company incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company, subsidiary companies, associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, and based on the auditor's reports of subsidiary companies, associate company incorporated in India the remuneration paid by the Company and such subsidiary companies, associate companies and joint venture company to their directors during the year is in accordance with the provisions of Section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint venture company;

      ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, its subsidiary companies and associate company incorporated in India.

      iv) (a) The respective Managements of the Company, its subsidiaries and associate company, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associate respectively that, to the best of their knowledge and belief, other than as disclosed in Note 52 of the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries, associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries, associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company, its subsidiaries and associate company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associate respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 52 of the consolidated financial statements, no funds have been received by the Company or any such subsidiaries, associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries, associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) As stated in Note 54 of the consolidated financial statements, the interim dividends declared and paid by the Company, its subsidiaries and associate company which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year and until the date of this report is in compliance with Section 123 of the Act.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Quess Corp Limited	L74140KA2007PLC043909	Holding Company	Clause 3 (vii)(a)(ii), Clause 3 (xiv)(b) and Clause 3(xx)(b)
Allsec Technologies Limited	L72300TN1998PLC041033	Subsidiary	Clause 3(xiv)(b)
Terrier Security Services (India) Private Limited	U74920KA2009PTC049810	Subsidiary	Clause 3(vii)(b) and Clause 3(xiv)(b)
Excelus Learning Solutions Private Limited	U74999KA2016PTC097984	Subsidiary	Clause 3(vii)(a)
MFX Infotech Private Limited	U72200KA2014PTC074949	Subsidiary	Clause 3(i)(b) and Clause 3(vii)(a)

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN:22110815AJRUWX8360)

Place: Bengaluru
Date: 26 May 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Quess Corp Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of Quess Corp Limited (hereinafter referred to as "the Company") and its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company, its subsidiary companies, and its associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Company, subsidiary companies and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 15 subsidiary companies and one associate company, which are the companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN: 22110815AJRUWX8360)

Date: 26 May 2022
Place: Bengaluru

CONSOLIDATED BALANCE SHEET

as at 31 March 2022

(Amount in INR millions)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	2,066.73	1,732.91
Capital work-in-progress	3 (a)	-	149.81
Right-of-use assets	3 (b)	2,916.13	2,429.88
Goodwill	4	10,095.91	9,889.50
Other intangible assets	5	1,490.26	995.23
Intangible assets under development	5	153.14	159.10
Investments in equity accounted investees	6	87.58	24.44
Financial assets			
Investments	6	16.55	16.55
Loans	7	-	265.17
Other financial assets	8	1,498.01	1,408.05
Deferred tax assets (net)	9	915.84	1,289.92
Income tax assets (net)	9	3,067.28	2,771.54
Other non-current assets	10	200.39	177.28
Total non-current assets		**22,507.82**	**21,309.38**
Current assets			
Inventories	11	274.80	290.29
Financial assets			
Investments	12	917.32	497.08
Trade receivables			
-Billed	13	12,703.15	8,944.86
-Unbilled		10,619.80	9,050.56
Cash and cash equivalents	14	4,104.66	4,857.19
Bank balances other than cash and cash equivalents above	15	1,014.62	788.49
Loans	16	33.75	25.98
Other financial assets	17	253.29	258.29
Other current assets	18	1,280.36	1,179.99
Total current assets		**31,201.75**	**25,892.73**
Total assets		**53,709.57**	**47,202.11**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	1,479.91	1,476.79
Other equity	20	22,897.64	21,954.31
Total equity attributable to equity holders of the Company		**24,377.55**	**23,431.10**
Non-controlling interests	21	**1,309.80**	**939.30**
Total equity		**25,687.35**	**24,370.40**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	236.76	543.07
Lease liabilities	23	2,180.30	1,778.09
Other financial liabilities	24	19.72	2,096.36
Deferred tax liabilities (net)	9	-	0.44
Non-current provisions	25	2,394.23	1,893.43
Total non-current liabilities		**4,831.01**	**6,311.39**
Current liabilities			
Financial liabilities			
Borrowings	26	5,640.65	4,613.92
Trade payables	27	1,153.67	1,212.48
Lease liabilities	23	1,088.34	974.35
Other financial liabilities	28	9,926.45	6,099.88
Income tax liabilities (net)	29	85.69	88.24
Current provisions	30	338.78	292.94
Other current liabilities	31	4,957.63	3,238.51
Total current liabilities		**23,191.21**	**16,520.32**
Total liabilities		**28,022.22**	**22,831.71**
Total equity and liabilities		**53,709.57**	**47,202.11**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 26 May 2022

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

N. Ravi Vishwanath
Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2022

(Amount in INR millions, except per share data)

	Note	For the year ended	
		31 March 2022	**31 March 2021**
Income			
Revenue from operations	32	136,917.78	108,368.95
Other income	33	198.01	450.90
Total income		**137,115.79**	**108,819.85**
Expenses			
Cost of material and stores and spare parts consumed	34	2,787.25	2,007.49
Employee benefits expense	35	116,869.92	92,968.43
Finance costs	36	792.15	1,112.93
Depreciation and amortisation expense	37	2,120.47	2,285.28
Other expenses	38	11,025.76	8,811.93
Total expenses		**133,595.55**	**107,186.06**
Profit before share of (loss)/profit of equity accounted investees, exceptional items and income tax		3,520.24	1,633.79
Share of loss of equity accounted investees (net of income tax)	6	(16.87)	(114.27)
Profit before exceptional items and tax		**3,503.37**	**1,519.52**
Exceptional items	39	(72.24)	(326.89)
Profit before tax		**3,575.61**	**1,846.41**
Tax expense			
Current tax: Minimum Alternative Tax ('MAT') for the year	9	(644.14)	(423.29)
Tax relating to earlier years	9	(35.28)	(68.21)
Deferred tax (including MAT credit entitlement)	9	(386.42)	(618.02)
Total tax expense		**(1,065.84)**	**(1,109.52)**
Profit for the year		**2,509.77**	**736.89**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans	48	(98.62)	(78.10)
Income tax relating to items that will not be reclassified to profit or loss	9	32.91	21.68
Share of other comprehensive income of equity accounted investees (net of income tax)	6	-	(5.33)
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating financial statements of foreign operations		81.97	45.99
Other comprehensive income for the year, net of income tax		**16.26**	**(15.76)**
Total comprehensive income for the year		**2,526.03**	**721.13**
Profit attributable to			
Owners of the Company		2,412.25	578.77
Non-controlling interests	21	97.52	158.12
Total profit for the year		**2,509.77**	**736.89**
Other comprehensive income attributable to			
Owners of the Company		16.15	(26.80)
Non-controlling interests	21	0.11	11.04
Total other comprehensive income for the year		**16.26**	**(15.76)**
Total comprehensive income attributable to :			
Owners of the Company		2,428.40	551.97
Non-controlling interests		97.63	169.16
Total comprehensive income for the year		**2,526.03**	**721.13**
Earnings per equity share (face value of INR 10.00 each)			
Basic (in INR)	45	16.32	3.92
Diluted (in INR)	45	16.18	3.87

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: 26 May 2022

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

N. Ravi Vishwanath
Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Cash flows from operating activities		
Profit after tax	2,509.77	736.89
Adjustments to reconcile net profit/(loss) to net cash provided by operating activities:		
Tax expense	1,065.84	1,109.52
Exceptional items [refer note 39]	(72.24)	(326.89)
Interest income on term deposits	(70.57)	(60.35)
Amortised cost adjustments for financial instruments	(12.20)	(21.76)
Profit on sale of property, plant and equipment, net	(1.07)	0.62
Interest on loans given to related parties	-	(8.76)
Net gain on sale of investments in mutual funds	(27.30)	(3.50)
Liabilities no longer required written back	-	(0.43)
Net fair value (loss)/gains on mutual funds	(2.96)	(15.74)
Expense on employee stock option scheme	140.09	118.02
Finance costs	792.15	1,112.93
Depreciation and amortisation expense	2,120.47	2,285.28
Loss allowance on financial assets, net	272.73	1,225.02
Deposits written off	56.48	2.13
Interest on income tax refunds	(64.93)	(311.20)
Rent concession	-	(85.83)
Foreign exchange gain, net	(4.30)	99.54
Share of loss of equity accounted investees	16.87	114.27
Operating profit before working capital changes	**6,718.83**	**5,969.77**
Changes in operating assets and liabilities		
Changes in inventories	15.49	(0.44)
Changes in trade receivables and unbilled revenue	(5,753.08)	417.03
Changes in loans, other financial assets and other assets	177.83	82.14
Changes in trade payables	(69.61)	(988.64)
Changes in other financial liabilities, other liabilities and provisions	5,317.73	26.23
Cash generated from operations	**6,407.19**	**5,506.09**
Income taxes (paid)/refunds received, net	(868.43)	1,647.51
Net cash flows from operating activities (A)	**5,538.76**	**7,153.60**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(846.71)	(650.26)
Proceeds from sale of property plant and equipment	13.53	36.80
Acquisition of shares in subsidiaries (net of acquisition date cash and cash equivalents of subsidiaries)	50.81	137.76

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Investment in associates	(80.00)	(20.00)
Investments in mutual fund	(420.24)	(187.95)
Proceeds from sale of mutual fund units	30.26	44.11
Bank deposits (having original maturity of more than three months),net	(389.33)	(372.61)
Loans given to associates	(312.91)	(197.53)
Repayment of loans by associates	-	102.87
Interest received on term deposits	70.61	43.39
Net cash (used in)/from investing activities (B)	**(1,883.98)**	**(1,063.42)**
Cash flows from financing activities		
Proceeds from/(repayments of) vehicle loan, net	-	(8.33)
Repayment of lease liabilities	(1,266.38)	(1,242.32)
Repayment of term loans	(308.23)	(698.44)
Redemption of non-convertible debentures	-	(750.00)
Proceeds from/(repayments of) current borrowings, net	1,028.34	(4,855.22)
Changes in ownership interest in subsidiary not resulting in loss of control:		
- Dilution of existing stake	624.60	-
- Payment towards acquisition of non-controlling interest	(2,076.64)	(45.59)
Proceeds from issue of equity shares, net of issue expenses	3.12	1.68
Dividend paid	(1,620.55)	-
Payment of dividend to non-controlling interest of subsidiary	(243.32)	-
Interest paid	(553.45)	(737.31)
Net cash from/(used in) financing activities (C)	**(4,412.51)**	**(8,335.53)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(757.73)**	**(2,245.35)**
Cash and cash equivalents at the beginning of the year	4,857.19	7,091.24
Effect of exchange rate fluctuations on cash and cash equivalents	5.20	11.30
Cash and cash equivalents at the end of the year (refer note 14)	**4,104.66**	**4,857.19**
Components of cash and cash equivalents (refer note 14)		
Cash and cash equivalents		
Cash in hand	6.36	6.39
Balances with banks		
In current accounts	4,066.52	4,573.52
In EEFC accounts	29.81	19.84
In deposit accounts (with original maturity of less than 3 months)	1.97	257.44
Cash and cash equivalents as per consolidated balance sheet	**4,104.66**	**4,857.19**

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in INR millions)

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Borrowings
Debt as at 1 April 2021	5,156.99
Interest accrued but not due as at 1 April 2021	18.38
Cash flows	743.01
Other changes	
- Transaction costs for borrowings	22.90
- Transaction costs paid	(22.90)
- Interest expense (net off fair value changes on non controlling interest put option)	531.62
- Interest paid	(553.45)
Interest accrued but not due as at 31 March 2022	(19.15)
Debt as at 31 March 2022	**5,877.40**

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Borrowings
Debt as at 1 April 2020	11,468.97
Interest accrued but not due as at 1 April 2020	43.07
Cash flows	(6,272.00)
Other changes	
- Transaction costs for borrowings	39.99
- Transaction costs paid	(39.99)
- Interest expense (net off fair value changes on non controlling interest put option)	672.64
- Interest paid	(737.31)
Interest accrued but not due as at 31 March 2021	(18.38)
Debt as at 31 March 2021	**5,156.99**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

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

Anand Subramanian
Partner
Membership No.: 110815

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

N. Ravi Vishwanath
Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

(A) Equity share capital

(Amount in INR millions)

Particulars	Note	31 March 2022	31 March 2021
Opening balance	19	1,476.79	1,475.11
Changes in equity share capital	19.1	3.12	1.68
Closing balance		1,479.91	1,476.79

(B) Other equity

(Amount in INR millions)

Particulars	Note	Reserves and surplus							Items of other comprehensive income		Total attributable to equity holders of the Company	Attributable to non-controlling interests	Total equity
		Securities premium	Retained earnings	Capital reserve	General reserve	Capital redemption reserve	Stock options outstanding account	Debenture redemption reserve	Foreign currency translation reserve	Others			
Balance as at 1 April 2020		**16,984.51**	**3,799.07**	**(3.33)**	**21.56**	**150.00**	**134.98**	**103.13**	**247.79**	**(153.42)**	**21,284.29**	**769.04**	**22,053.33**
Total comprehensive income/(loss) for the year ended 31 March 2021													
Profit for the year		-	578.77	-	-	-	-	-	-	-	578.77	158.12	736.89
Other comprehensive income/(loss) (net of tax)		-	-	-	-	-	-	-	39.98	(66.78)	(26.80)	11.04	(15.76)
Total comprehensive income/(loss)		-	578.77	-	-	-	-	-	39.98	(66.78)	551.97	169.16	721.13
Transferred to debenture redemption reserve	20	-	-	-	-	-	-	-	-	-	-	-	-
Transfer on account of redemption of NCD's	20	-	103.13	-	-	-	-	(103.13)	-	-	-	-	-
Non-controlling interests on acquisition of subsidiaries	21	-	-	-	-	-	-	-	-	-	-	1.10	1.10
Share based payments	20	-	-	-	-	-	118.02	-	-	-	118.02	-	118.02
Total		-	103.13	-	-	-	118.02	(103.13)	-	-	118.02	1.10	119.12
Balance as at 31 March 2021		**16,984.51**	**4,480.97**	**(3.33)**	**21.56**	**150.00**	**253.00**	**-**	**287.80**	**(220.20)**	**21,954.31**	**939.30**	**22,893.61**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

(B) Other equity (continued)

(Amount in INR millions)

Particulars	Note	Reserves and surplus							Items of other comprehensive income		Total attributable to equity holders of the Company	Attributable to non-controlling interests	Total equity
		Securities premium	Retained earnings	Capital reserve	General reserve	Capital redemption reserve	Stock options outstanding account	Debenture redemption reserve	Foreign currency translation reserve	Others			
Balance as at 1 April 2021		**16,984.51**	**4,480.97**	**(3.33)**	**21.56**	**150.00**	**253.00**	**-**	**287.80**	**(220.20)**	**21,954.31**	**939.30**	**22,893.61**
Total comprehensive income for the year ended 31 March 2022													
Profit for the year		-	2,412.25	-	-	-	-	-	-	-	2,412.25	97.52	2,509.77
Other comprehensive income/(loss) (net of tax)		-	-	-	-	-	-	-	81.97	(66.09)	15.89	0.11	16.00
Total comprehensive income		-	2,412.25	-	-	-	-	-	81.97	(66.09)	2,428.13	97.63	2,525.76
Non-controlling interests on acquisition of a subsidiary	21	-	-	-	-	-	-	-	-	-	-	(108.88)	(108.88)
Dilution of stake in a subsidiary	21	-	-	-	-	-	-	-	-	-	-	625.06	625.06
Payment of dividend to non-controlling interests	21.1	-	-	-	-	-	-	-	-	-	-	(243.31)	(243.31)
Dividends	54	-	(1,624.89)	-	-	-	-	-	-	-	(1,624.89)	-	(1,624.89)
Share based payments	35	-	-	-	-	-	140.09	-	-	-	140.09	-	140.09
Total		-	(1,624.89)	-	-	-	140.09	-	-	-	(1,484.80)	272.87	(1,211.93)
Balance as at 31 March 2022		**16,984.51**	**5,268.33**	**(3.33)**	**21.56**	**150.00**	**393.09**	**-**	**369.77**	**(286.29)**	**22,897.64**	**1,309.80**	**24,207.44**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Anand Subramanian
Partner
Membership No.: 110815

Place: Bengaluru
Date: Date: 26 May 2022

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

Ajit Isaac
Chairman
DIN: 00087168

Guruprasad Srinivasan
Executive Director and Group Chief Executive Officer
DIN: 07596207

N. Ravi Vishwanath
Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 26 May 2022

Place: Bengaluru
Date: 26 May 2022

1. Company overview

Quess Corp Limited ('the Company'), together with its subsidiaries, collective referred to as the "Group", is a public limited company incorporated and domiciled in India. The registered office of the Company is located in Bengaluru, Karnataka, India. The shares of the company are listed in the Bombay Stock Exchange and National Stock Exchange. These consolidated Ind AS financial statements comprise the financial statements of the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates and joint venture. The Group is engaged in the business of providing services in Workforce Management, Operating Asset Management and Global Technology Solutions.

The consolidated financial statements are approved by the board of directors and authorised for issue in accordance with a resolution of the directors on 26 May 2022.

2. Basis of preparation

2.1 Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments).

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO") and

iii. Expenses relating to share based payments are measured at fair value on the date of grant.

iv. Contingent consideration in business combinations are measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Going concern:

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Basis of consolidation:

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) as disclosed in Note 50. Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/ loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Non-controlling interest:

Non-controlling interest ("NCI") which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

In case where the Group has written a put option with NCI in an existing subsidiary on their equity interest in that subsidiary then the Group evaluates access to the returns associated with the ownership interest. In case NCI still have present access to returns associated with the underlying ownership interest, then the Group has elected to account for put option as per the anticipated-acquisition method. Under the anticipated-acquisition method the put option is accounted for as an anticipated acquisition of the underlying NCI. This is independent of how the exercise price is determined (e.g. fixed or variable) and how likely it is that the option will be exercised. Subsequent to initial recognition, any changes in the carrying amount of the put liability is accounted through consolidated statement of profit and loss account.

Change in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Equity accounted investees:

The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

Associates are entities over which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

Interests in associates and joint ventures are accounted for using the equity method of accounting. The investment is initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated Ind AS financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases. The Group's investment in equity accounted investees includes goodwill identified on acquisition. When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture. Dividends are recognised when the right to receive payment is established.

2.3 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected. The following are the significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements:

i) Impairment of non-financial Assets

Non-financial assets are tested for impairment by determining the recoverable amount. Determination of recoverable amount is based on value in use, which is present value of future cash flows. The key inputs used in the present value calculations include the expected future growth in operating revenues and margins in the forecast period, terminal growth rates and discount rates which are subject to significant judgement. (Refer Note 4(i))

ii) Impairment of financial assets:

The Group recognises loss allowances using the Expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables (billed and unbilled) with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled). (Refer Note 41(i))

iii) Measurement of defined benefit obligations:

For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a periodic basis. (Refer Note 48)

iv) Property, plant and equipment and intangible assets:

The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically. Ind AS 103 requires the identifiable intangible assets acquired in business combinations to be fair valued and significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by external experts. (Refer Note 3 and 5)

v) Income taxes:

Significant judgments are involved in determining provision for income taxes, including (a) the amount claimed for certain deductions under the Income Tax Act, 1961 and (b) expected to be paid or recovered in connection with uncertain tax positions. The ultimate realisation of deferred income tax assets, including Minimum Alternate Tax (MAT), is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced. (Refer Note 9)

vi) Business Combinations and Intangible assets:

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Estimates are required to be made in determining the value of contingent consideration, value of option arrangements and intangible assets. These valuations are conducted by external valuation experts. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Management. (Refer Note 4(ii))

vii) Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group's business operations as a whole, for the year ended 31 March 2022 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 (billed and unbilled), goodwill, intangible assets, investments and loans granted to subsidiaries and associates.

The Group has exercised judgements and applied assumptions in relation to these assets and in developing the assumptions relating to the possible future uncertainties in the economic conditions arising from this pandemic. The Group, as on date of approval of these consolidated audited financial statements has used internal and external sources of information to the extent available, and based on current estimates expects the net carrying amount of these assets to be recovered.

2.4 Current and non-current classification

Current and non-current classification: The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle for the business activities of the Group covers the duration of the specific project or contract and extends up to the realisation of receivables within the agreed credit period normally applicable to the respective lines of business. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months except for Training and skill development business. For Training and skill development business the duration of operating cycle has been concluded as 15 - 18 months, depending on the projects, considering the time from mobilisation of candidates till funds are released by relevant government authorities.

2.5 Business Combinations

Business combinations (other than common control business combinations):

In accordance with Ind AS 103, the Group accounts for the business combinations (other than common control business combinations) using the acquisition method when control is transferred to the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Contingent Consideration:

Ind AS 103 requires the contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration. These valuations are conducted by external valuation experts.

Business combinations (Common control transactions):

In accordance with Ind AS 103, the Group accounts for common control transaction using pooling of interests method. It is accounted for at carrying value of the assets and liabilities in the Group's consolidated financial statements. The transaction does not have any impact on the consolidated financial statement.

2.6 Foreign currency transactions and balances

The functional currency of Company and its domestic subsidiaries are Indian Rupees (INR). The functional currency of the overseas subsidiaries are its respective local currencies. The consolidated financial statements have been rounded off to the nearest million.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the respective transactions. Foreign-currency denominated monetary assets and liabilities are translated into the functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and such translation of monetary assets and liabilities denominated in foreign currencies are generally recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

The assets and liabilities of foreign operations (including goodwill and fair value adjustments arising on acquisition), are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the consolidated statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

2.7 Property, plant and equipment

i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'.

ii) Depreciation:

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset category	Estimated useful life
Buildings	20 years
Furniture and fixtures	4 - 7 years
Vehicles	3 years
Office equipment	4 - 5 years
Plant and machinery	3 - 8 years
Computer equipment	3 - 7 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Leasehold improvements are depreciated over lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss.

2.8 Leases

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for buildings and equipment. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Group applies the short-term lease recognition exemption to its short-term leases of buildings, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.9 Goodwill

The excess of the cost of acquisition over the Group's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the excess is negative, it is considered as a bargain purchase gain. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase. Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

2.10 Intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

Separately acquired Intangible assets: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired in a business combination:

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Others

Other purchased intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated software is recognised in the statement of profit and loss as and when incurred.

(iii) Amortisation

Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation methods and useful lives are reviewed periodically including at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life
Brand	2 - 15 years
Computer software	3 years
Computer software – leased	Lease term or estimated useful life of, whichever is lower
Copyright and trademarks	3 years
Customer contracts	1.5 - 3 years
Customer relationships	5 - 10 years
IP technology	3 years
Non-compete	4 years
Resume database	5 years

2.11 Impairment of non-financial assets

Tangible and Intangible Assets (excluding Goodwill)

At the end of each reporting year, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset or the cash generating unit to which the intangible asset is allocated may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss If events or changes in circumstances indicate that they might be impaired, they are tested for impairment more frequently.

Goodwill

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.12 Inventories

Inventories (raw materials, consumables and stores and spares) are valued at lower of cost and net realisable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.14 Dividend

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.15 Share-based payments

Equity instruments granted to the employees of the Group are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in equity (stock options outstanding account). The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). The stock compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

2.16 Earnings per share

Basic earnings per share is computed by dividing the net profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.17 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognised as finance cost.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Financial assets

(i) Classification and subsequent measurement

For the purpose of subsequent measurement, a financial asset is classified and measured at

- amortised cost;
- fair value through other comprehensive income (FVTOCI) - debt investment;
- fair value through other comprehensive income (FVTOCI) - equity investment; or
- fair value through profit and loss (FVTPL)

1. A financial asset is measured at amortised cost if both the following conditions are met:
   - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
   - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
2. A debt investment is measured at FVTOCI if both of the following conditions are met:
   - the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets ; and
   - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
3. On initial recognition of an equity investment that is not held for trading, the Group irrevocably elects to present subsequent changes in the fair value in OCI (designated as FVTOCI-equity investment). This election is made on an investment-to-investment basis.
4. All financial assets not classified as amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.
Debt investments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVTOCI recognised	These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

(ii) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and unbilled revenues based on expected lifetime credit losses at each reporting date after initial recognition.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the statement of profit and loss during the period.

(iii) Derecognition of financial assets

A financial asset is derecognised only when the Group:

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost through effective interest method. Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognised at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amortisation.

(iii) Derecognition

A financial liability is derecognised when the Group's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.19 Measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In determining the fair value of an asset or a liability, the Group uses different methods and assumptions based on observable market inputs. All methods of assessing fair value result in general approximation of value, and such value may not actually be realised.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments

2.20 Revenue Recognition

The Group derives revenue primarily from staffing services in the segments of Workforce management, Operating asset management and Global Technology Solutions.

Further, the Group also provides:

- Training and skill development services under the Workforce management segment.
- Call centre services through Conneqt Business Solutions Limited ("Conneqt") under the Global Technology Solutions.
- Payroll services through Allsec Technologies Limited ("Allsec") under the Global Technology Solutions.
- Subscription services relating to Monster.com India Private Limited ("Monster") under the Global Technology Solutions.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract with customer for staffing services, generally contains a single performance obligation and revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group's contracts may include variable consideration including discounts and penalties which are reduced from revenues and recognised based on an estimate of the expected payout relating to these considerations.

Revenue from staffing services in the segments of Workforce management, Operating asset management and Global Technology Solutions is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost plus a service fee model, fixed fee.

Revenue from training and skill development services are recognised over time based on satisfaction of specific performance criteria included in contractual arrangements with customers.

Revenue from call centre services in Conneqt and payroll services in Allsec business is recognised over time on satisfaction of performance obligations either based on units of work or time and material.

Subscription revenues in Monster is recognised over time through the period of subscription.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer.

The Group's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. Unbilled revenues are presented under Trade receivables, while invoicing in excess of revenues are classified as unearned revenue.

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for the year ended 31 March 2022

Other income

Other income comprises primarily interest income on deposits, dividend income and gain/ (loss) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

2.21 Employee benefits

a) Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short-term employee benefits are measured on an undiscounted basis as the related service is provided.

b) Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits.

c) Defined contribution plan

Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The Group makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The expenditure for defined contribution plan is recognised as expense during the period when the employee provides service.

d) Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The Group's gratuity fund is managed by Life Insurance Corporation of India (LIC) and State Bank of India (SBI). The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method. The Group recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Actuarial gains or losses are recognised in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the statement of profit and loss in subsequent periods.

2.22 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.23 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be used. Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised. Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

Minimum alternative tax ('MAT') paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if it is probable that the Group will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the consolidated balance sheet.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.24 Contingent liability

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

2.25 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.26 Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Group's 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.

2.27 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Group has evaluated the amendment and the impact is not expected to be material.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Group is currently evaluating the impact of the amendment on its consolidated financial statements.

Ind AS 103 – Reference to Conceptual Framework - The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact on the consolidated financial statements.

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for the year ended 31 March 2022

3 (a) Property, plant and equipment and capital work-in-progress

(Amount in INR millions)

Particulars	Land	Buildings	Leasehold improve-ments	Furniture and fixtures	Vehicles	Office equipment	Plant and machinery	Computer equipment	Total Property, plant and equipment	Total Capital work-in-progress
Gross carrying amount as at 1 April 2020	**470.00**	**354.39**	**453.48**	**327.59**	**120.46**	**537.78**	**611.25**	**2,088.95**	**4,963.90**	**7.72**
Additions through business combination	-	-	5.26	7.22	0.09	7.38	0.39	7.00	27.34	-
Additions	-	-	38.56	5.46	9.36	19.93	37.52	133.95	244.78	157.61
Disposals	-	-	(6.04)	(5.51)	(38.54)	(16.86)	(31.40)	(5.27)	(103.62)	-
Capitalised during the year								15.99	15.99	(15.99)
Translation differences#	-	-	(0.33)	(1.67)	-	2.39	(0.01)	(6.05)	(5.67)	-
Balance as at 31 March 2021	**470.00**	**354.39**	**490.93**	**333.09**	**91.37**	**550.62**	**617.75**	**2,234.57**	**5,142.72**	**149.81**
Additions through business combination	-	-	-	0.87	-	0.67	0.02	8.84	10.40	-
Additions	-	-	4.99	17.04	1.15	20.14	70.89	394.52	508.73	180.68
Disposals	-	-	(9.19)	(10.58)	(10.58)	(19.82)	(5.58)	(50.91)	(106.67)	-
Capitalised during the year	-	-	-	-	-	-	-	342.01	342.01	(342.01)
Translation differences#	-	-	11.06	1.72	-	1.27	(0.05)	21.06	35.07	11.52
Balance as at 31 March 2022	**470.00**	**354.39**	**497.79**	**342.14**	**81.94**	**552.88**	**683.03**	**2,950.09**	**5,932.26**	**-**
Accumulated depreciation as at 1 April 2020	**-**	**24.47**	**348.05**	**209.00**	**66.78**	**297.05**	**411.02**	**1,537.42**	**2,893.79**	**-**
Depreciation for the year	-	5.96	51.61	41.48	16.91	80.25	70.29	326.28	592.78	-
Disposals	-	-	(5.83)	(3.37)	(29.72)	(9.16)	(14.95)	(3.17)	(66.20)	-
Translation differences#	-	-	(3.74)	(1.39)	-	2.00	-	(7.43)	(10.56)	-
Accumulated depreciation as at 31 March 2021	**-**	**30.43**	**390.09**	**245.72**	**53.97**	**370.14**	**466.36**	**1,853.10**	**3,409.81**	**-**
Depreciation for the year	-	5.96	36.11	35.88	12.99	67.11	68.65	286.99	513.70	-
Disposals	-	-	(9.01)	(7.19)	(8.11)	(16.36)	(4.10)	(49.45)	(94.22)	-
Translation differences#	-	-	9.45	1.59	-	1.08	-	24.12	36.24	-
Accumulated depreciation as at 31 March 2022	**-**	**36.39**	**426.64**	**276.00**	**58.85**	**421.97**	**530.91**	**2,114.76**	**3,865.53**	**-**
Net carrying amount										
As at 31 March 2022	**470.00**	**318.00**	**71.15**	**66.14**	**23.09**	**130.91**	**152.12**	**835.33**	**2,066.73**	**-**
As at 31 March 2021	**470.00**	**323.96**	**100.84**	**87.37**	**37.40**	**180.48**	**151.39**	**381.47**	**1,732.91**	**149.81**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

#Represents translation of tangible assets of foreign operations into Indian Rupees.

Capital work-in-progress ageing schedule for the year ended March 31, 2022 is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-		-	-	-
	-	-	-	-	-

Capital work-in-progress ageing schedule for the year ended March 31, 2021 is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	149.81		-	-	149.81
	149.81	**-**	**-**	**-**	**149.81**

3 (b) Right-of-use assets

(Amount in INR millions)

Particulars	Buildings	Equipment	Total Right-of-use assets
Balance as at 31 March 2020	**3,904.28**	**490.29**	**4,394.57**
Additions through business combination	32.48	-	32.48
Additions	755.13	73.07	828.20
Disposals	(423.56)	(2.05)	(425.61)
Translation differences#	9.23	(8.85)	0.38
Balance as at 31 March 2021	**4,277.56**	**552.46**	**4,830.02**
Additions through business combination	8.40	-	8.40
Additions	1,379.43	224.49	1,603.92
Disposals	(112.11)	-	(112.11)
Translation differences#	11.61	1.65	13.26
Balance as at 31 March 2022	**5,564.89**	**778.60**	**6,343.49**
Accumulated depreciation as at 31 March 2020	**1,059.70**	**274.23**	**1,333.93**
Depreciation for the year	1,082.46	138.89	1,221.35
Disposals	(147.28)	-	(147.28)
Translation differences#	(1.20)	(6.66)	(7.86)
Accumulated depreciation as at 31 March 2021	**1,993.68**	**406.46**	**2,400.14**
Depreciation for the year	971.23	85.70	1,056.93
Disposals	(38.69)	-	(38.69)
Translation differences#	7.41	1.57	8.98
Accumulated depreciation as at 31 March 2022	**2,933.63**	**493.73**	**3,427.36**
Net carrying amount			
As at 31 March 2022	**2,631.26**	**284.87**	**2,916.13**
As at 31 March 2021	**2,283.88**	**146.00**	**2,429.88**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

#Represents translation of right-of-use assets of foreign subsidiaries into Indian Rupees.

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4 Goodwill (Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying value at the beginning of the year	9,889.50	8,357.79
Add: Goodwill on acquisition of:		
Terrier Security Services (India) Private Limited [refer note 4 (ii) (a)]	-	1,500.93
Heptagon Technologies Private Limited [refer note 4 (ii) (b)]	118.93	-
Translation differences	87.48	30.78
Carrying value at the end of the year	**10,095.91**	**9,889.50**

The allocation of goodwill to the operating segments is as follows: (Amount in INR millions)

Operating segments	As at 31 March 2022	As at 31 March 2021
Workforce management	2,212.97	2,172.06
Operating asset management	4,570.00	4,570.00
Global Technology Solutions	3,312.94	3,147.44
Carrying value of Goodwill at the end of the year	**10,095.91**	**9,889.50**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to a cash generating unit (CGU), which benefit from synergies of the acquisitions. The chief operating decision maker reviews the goodwill for any impairment at the operating segment level.

The goodwill on acquisition of entities during the current year and previous year has been allocated to operating segments as follows:

Entity acquired	Allocated operating segment
Terrier Security Services (India) Private Limited	Operating asset management
Heptagon Technologies Private Limited	Global Technology Solutions

4 (i) Impairment testing

The Group tests goodwill for impairment annually on 31 December or more frequently based on an impairment indicator. Impairment is determined by assessing the recoverable amount of cash generating unit ("CGU") (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. The recoverable amount is determined based on higher of value-in-use and fair value less cost of sale of CGU. Value-in-use is calculated using a discounted cash flow approach.

The range of other key assumptions used by the Group for impairment assessment are captured in the table below:

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate (pre-tax)	12.66% - 27.24%	12.29% - 26.92%
Terminal growth rate	2.00% - 4.00%	2.00% - 4.00%
Revenue	4.00% - 52.00%	8.50% - 20.00%
Operating margins	2.56% - 30%	2.60% - 20.20%

As at 31 March 2022, the estimated recoverable value amount of each of the CGUs exceeded its carrying amount and hence impairment is not triggered. The carrying amount of the CGU was computed by allocating the net assets to CGUs for the purpose of impairment testing.

The discount rate used in the discounted cash flow approach is the risk adjusted weighted average cost of capital applicable to respective CGUs. The cash flow projections used for assessing the 'value in use' are based on the most recent long-term forecast approved by management. The long-term forecast includes management's latest estimate on Revenues and Operating cash flows. The period of projections is for five years and based on financial budgets/ forecasts which considers historical experience adjusted for uncertainties applicable for respective CGUs. The cash flows beyond the forecast period are extrapolated using appropriate long term terminal growth rates. The long term terminal growth rates used do not exceed the long-term average growth rates of the respective industry and country in which the CGU operates and are consistent with internal/external sources of information.

Key judgments in determining the discounted cash flows included the anticipated reduction in revenues and Earnings before interest,tax ,depreciation and amortisation (EBITDA) due to COVID-19 and the time to recovery post COVID-19. In developing the assumptions relating to the recoverable amounts, the Group considered both internal and external information as appropriate. The Group will continue to monitor future economic conditions for any significant changes to key assumptions. 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 Consolidated financial statements. Such changes, if any, will be prospectively recognised.

The growth in revenue and operating margins have been estimated based on historical trends and future market expectations specific to each CGU.

The range of other key assumptions used by the Group for impairment assessment are captured in the table below for year ended 31 March 2022.

CGU	Pre-tax discount rate	Terminal growth rate
Allsec Technologies Limited	26.46%	4.00%
Integrated Facility Management (IFM)	25.26%	4.00%
MFXchange Holdings Inc.	19.49%	2.00%
Vedang Cellular Services Private Limited	26.58%	4.00%
Brainhunter Systems Ltd.	14.10%	2.00%
Comtel Solutions Pte. Ltd.	12.66%	2.00%
Qdigi Services Limited	25.58%	4.00%
Magna*	25.36%	4.00%
Hofincons*	26.31%	4.00%
Conneqt Business Solution Limited	27.24%	4.00%

*Division of parent entity, Quess Corp Limited.

Sensitivity to changes in assumptions

An increase in pre-tax discount rate by the following percentage as compared to the table above of pre-tax discount rates used in value in use analysis of these respective CGUs will result in recoverable amount being equal to the carrying value.

CGU	Increase in pre-tax discount rate by
Allsec Technologies Limited	26.39%
Integrated Facility Management (IFM)	4.72%
MFXchange Holdings Inc.	5.65%
Vedang Cellular Services Private Limited	48.64%
Brainhunter Systems Ltd.	20.49%
Comtel Solutions Pte. Ltd.	22.61%
Qdigi Services Limited	38.02%
Magna*	13.37%
Hofincons*	52.41%

*Division of parent entity, Quess Corp Limited.

4 (ii) Business combinations:

(a) Acquisition of additional stake in Terrier Security Services (India) Private Limited

The Company had entered into Share Purchase Agreement ("SPA") with Terrier Security Services (India) Private Limited ("TSSIPL") and its shareholders dated 19 October 2016, to acquire 74%. On 9 December 2016 the Company acquired 49% stake for a consideration of INR 722.20 million. On 27 May 2020, the Company acquired additional 25% stake in TSSIPL from Heptagon Technologies Private Limited ("HTPL") for a purchase consideration of INR 645.00 million resulted in the total shareholding in TSSIPL at 74% and TSSIPL becoming subsidiary of the Company. The purchase consideration was settled by adjusting loans which was outstanding to be received from HTPL.

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The purchase price allocation and purchase consideration to acquire TSSIPL is as under:

(Amount in INR millions)

Particulars	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	27.32	-	27.32
Right of use asset	32.48	-	32.48
Deferred tax asset (net)	75.42	-	75.42
Income tax asset (net)	228.90	-	228.90
Inventories	6.08	-	6.08
Financial assets	1,096.11	-	1,096.11
Other assets	15.21	-	15.21
Financial liabilities	(1,144.78)	-	(1,144.78)
Other liabilities	(332.51)	-	(332.51)
Total	**4.23**	**-**	**4.23**
Goodwill			**1,500.93**
Non- controlling interest			(1.10)
Purchase consideration			**1,504.06**
Satisfied by:			
Cash			722.20
Settlement by way of adjustment of loans from related party			645.00
Fair value gain on previously held equity interest after accounting for losses under equity method accounting upto 27 May 2020			136.86
Total consideration transferred			**1,504.06**

The goodwill is attributable to synergies including revenues from new customers. Results from this acquisition and goodwill are included under Operating asset management segment.

(b) Acquisition of Heptagon Technologies Private Limited

On 1 March 2022, the Company acquired additional 11.67% stake in Heptagon Technologies Private Limited ("HTPL") for a purchase consideration of INR 130 million. Consequent to the additional 11.67% acquisition, the total shareholding in HTPL has increased from 49.00% to 60.67% and HTPL has become subsidiary of the Company. The purchase consideration of INR 130 million was settled by paying cash consideration of Rs.100 million and Rs.30 million by adjusting loans which was outstanding to be received by Quess Corp Ltd. The provisional allocation of the fair values of identifiable assets and liabilities are as follows:

(Amount in INR millions)

Particulars	Acquiree's carrying amount	Fair value adjustments	Purchase price allocated
Property, plant and equipment	17.63	-	17.63
Intangible assets	34.01	-	34.01
Income tax assets (net)	24.21	-	24.21
Other non-current assets	1.90	-	1.90
Other current assets	116.84	-	116.84
Trade receivables	47.31	-	47.31
Provisions	(12.36)	-	(12.36)
Borrowings and lease liabilities	(112.87)	-	(112.87)
Financial liabilities	(175.02)	-	(175.02)
Other current liabilities	(39.46)	-	(39.46)
Total	**(97.81)**	**-**	**(97.81)**
Goodwill			118.93
Non controlling interest			108.88
Purchase consideration			**130.00**
Satisfied by:			
Cash			100.00
Settlement by way of adjustment of loans from related party			30.00
Total consideration transferred			**130.00**

The Company expects the alloaction of fair values of the identifiable assets and liabilities to be finalised within the one year measurement period provided by Ind AS 103- Business combination.

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for the year ended 31 March 2022

5 Other intangible assets and intangible assets under development

(Amount in INR millions)

Particulars	Other intangible assets										Intangible assets under develop-ment
	Brand	Customer relation-ships	Computer software ##	Computer software - leased	Customer contracts	Copyright and trade-marks	IP tech-nology	Resume database	Non-compete	Total other intangible assets	
Gross carrying amount as at 1 April 2020	**62.95**	**3,334.88**	**1,365.65**	**61.97**	**54.45**	**0.48**	**44.93**	**113.24**	**37.80**	**5,076.35**	**38.65**
Additions through business combinations	-	-	0.38	-	-	-	-	-	-	0.38	-
Additions	-	-	78.02	-	-	-	-	-	-	78.02	137.68
Disposals	-	-	(3.52)	-	-	-	-	-	-	(3.52)	-
Capitalised during the year	-	-	17.58	-	-	-	-	-	-	17.58	(17.58)
Translation differences#	(0.51)	20.66	(101.29)	(2.09)	-	-	(3.72)	(0.56)	(1.12)	(88.63)	0.35
Balance as at 31 March 2021	**62.44**	**3,355.54**	**1,356.82**	**59.88**	**54.45**	**0.48**	**41.21**	**112.68**	**36.68**	**5,080.18**	**159.10**
Additions through business combinations	-	-	-	-	-	-	14.95	-	-	14.95	59.89
Additions	-	-	118.36	-	-	-	-	-	-	118.36	110.08
Disposals	-	-	(44.03)	-	-	-	-	-	-	(44.03)	-
Capitalised during the year	-	-	176.00	-	-	-	-	-	-	176.00	(176.00)
Translation differences#	0.54	29.20	116.25	2.20	-	-	-	0.59	1.18	149.96	0.07
Balance as at 31 March 2022	**62.98**	**3,384.74**	**1,723.40**	**62.08**	**54.45**	**0.48**	**56.16**	**113.27**	**37.86**	**5,495.42**	**153.14**
Accumulated amortisation and impairment as at 1 April 2020	**30.49**	**2,442.44**	**1,021.32**	**49.23**	**50.38**	**0.48**	**32.05**	**48.46**	**20.22**	**3,695.07**	**-**
Amortisation for the year	8.50	198.08	209.35	8.97	4.07	-	11.82	22.15	8.21	471.15	-
Disposals	-	-	(3.10)	-	-	-	-	-	-	(3.10)	-
Translation differences#	0.11	27.72	(102.22)	(1.63)	-	-	(2.65)	0.14	0.36	(78.17)	-
Accumulated amortisation as at 31 March 2021	**39.10**	**2,668.24**	**1,125.35**	**56.57**	**54.45**	**0.48**	**41.22**	**70.75**	**28.79**	**4,084.95**	**-**
Impairment Reversal [refer note 5.2]	-	(766.00)	-	-	-	-	-	-	-	(766.00)	-
Amortisation for the year	7.94	309.18	203.10	-	-	-	0.42	22.15	7.06	549.85	-
Disposals	-	-	(3.19)	-	-	-	-	-	-	(3.19)	-
Translation differences#	0.38	22.48	112.87	2.08	-	-	-	0.50	1.24	139.55	-
Accumulated amortisation and impairment as at 31 March 2022	**47.42**	**2,233.90**	**1,438.13**	**58.65**	**54.45**	**0.48**	**41.64**	**93.40**	**37.09**	**4,005.16**	**-**
Net carrying amount										**-**	
As at 31 March 2022	**15.56**	**1,150.84**	**285.27**	**3.43**	**-**	**-**	**14.52**	**19.87**	**0.77**	**1,490.26**	**153.14**
As at 31 March 2021	**23.34**	**687.30**	**231.47**	**3.31**	**-**	**-**	**-**	**41.93**	**7.89**	**995.23**	**159.10**

The aggregate amortisation has been included under depreciation and amortisation expense in the statement of profit and loss.

#Represents translation of intangible assets of foreign operations into Indian Rupees.

Computer software consists of capitalised development costs being an internally generated intangible asset.

5.1 Intangible assets under development aging schedule: (Amount in INR millions)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
As at 31 March 2022	153.14	-	-	-	153.14
As at 31 March 2021	159.10	-	-	-	159.10
	159.10	**-**	**-**	**-**	**159.10**

5.2 Reversal of impairment loss relating to customer relationship:

As at 31 March 2020, the Group had impaired INR 2,359.02 of intangible assets allocated to the Group's CGUs after considering the then assessed impact of COVID-19 and uncertainties in future economic condition caused by the pandemic. During the current year, the Company has recognised a reversal of impairment on these customer relationships grouped under intangible asset aggregating to INR 766.00 million. This reversal stems from the management's demonstrable assessment of sustainable improved business performance of the Integrated Facility Management (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.

6 Investments in equity accounted investees and non-current investments

Investments in equity accounted investees (Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Interest in associates (refer note A below)	87.58	24.44
	87.58	**24.44**

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Unquoted		
Investment carried at fair value through other comprehensive income		
Investments in equity instruments		
200,000 (31 March 2021: 200,000) fully paid up equity shares of par value of INR 10.00 each of KMG Infotech Limited	16.55	16.55
	16.55	**16.55**

(Amount in INR millions)

A

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in equity accounted investees		
Investment in associates (refer note B below)		
Investment in equity instruments		
Nil (31 March 2021: Nil) fully paid up equity shares of par value of INR 10.00 each of Terrier Security Services (India) Private Ltd (refer note 6.1)	-	-
Nil (31 March 2021: 13,612) fully paid up equity shares of par value of INR 10.00 each of Heptagon Technologies Private Limited (refer note 6.2)	-	-
2,500 (31 March 2021: 2,500) fully paid up equity shares of par value of Peso 100.00 (INR 1.24 per Peso) each of Quess Recruit, Inc	10.02	6.75
122,500 (31 March 2021: 122,500) fully paid up equity shares of par value of RM 1.00 (INR 16.86 per RM) each of Agency Pekerjaan Quess Recruit Sdn. Bhd.	-	0.14
192,156 (31 March 2021: 38,431) fully paid up equity shares of par value of INR 10.00 each of Stellarslog Technovation Private Limited (refer note 6.3)	77.56	17.55
	87.58	**24.44**
Investment in joint venture		
49,000 (31 March 2020: 49,000) fully paid up equity shares of par value of 1.00 RM each of Himmer Industrial Services (M) SDN BHD (refer note 6.4)	-	-
Total investment in equity accounted investees	**87.58**	**24.44**

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(B) Details of non-current investments made and sold during the current year:

Investment in associates:

Particulars	Terrier Security Services (India) Private Ltd	Stellarslog Technovation Private Limited	Quess Recruit, Inc.	Heptagon Technologies Private Limited	Agency Pekerjaan Quess Recruit SDN. BHD.
Number of shares acquired during the current year (in numbers)	-	153,725	-	-	-
Value per share including premium (in INR)	-	520.41	-	-	-

(Amount in INR millions)

Opening balance as at 31 March 2021	**-**	**17.55**	**6.75**	**-**	**0.14**
Purchased during the year	-	80.01	-	-	-
Sold during the year	-	-	-	-	-
Share in total comprehensive income for the year		(20.00)	3.27	-	(0.14)
Closing balance as at 31 March 2022	**-**	**77.56**	**10.02**	**-**	**-**

6.1 During the year ended 31 March 2021, the Company had acquired additional 25% stake in Terrier Security Services (India) Private Limited ("Terrier") for a purchase consideration of INR 645.00 million. Consequent to the additional 25% acquisition, the total shareholding in Terrier has increased from 49% to 74% and Terrier had become subsidiary of the Company. [refer note 4 ii (a)]

During the year ended 31 March 2022, Terrier has allotted 150,000 optionally convertible redeemable preference shares ("OCRPS") having face value of INR 10.00 each by way of bonus issue to its shareholders in the ratio of 1:0.30. Out of which 39,000 OCRPS has been converted by the other shareholders of Terrier into equity shares in the ratio of 1:10. As a result, the total shareholding of the Company in Terrier has decreased from 74% to 41.57%.

OCRPS can be converted into equity shares by the Company at any point in time without any contractual restrictions and therefore considered as potential voting rights. Further, there has been no change in the composition in the Board of Terrier consequent to the change in shareholding. Therefore, Terrier continues to be a subsidiary of the Company.

6.2 During the year ended 31 March 2019, the Company entered into a Share Purchase Agreement ("SPA") dated 5 September 2018 with Heptagon Technologies Private Limited ("HTPL") and its shareholders to acquire additional 3.00% shares for a consideration of INR 15.00 million.

On 01 March 2022, the Company acquired additional 11.67% stake in HTPL for a purchase consideration of INR 130.00 million. Out of the total purchase consideration, INR 30.00 million is settled by adjusting loans which was outstanding to be received from HTPL.Consequent to the additional 11.67% acquisition, the total shareholding in HTPL has increased from 49.00% to 60.67% and HTPL has become subsidiary of the Company with effect from 1 March 2022. [refer note 4(ii) (b)].

The carrying amount of investment in HTPL is Nil as the Group had recognised losses to the extent of its investments.

6.3 During the previous year ended 31 March 2021, the Company entered into Shareholder's Agreement ("SHA") and Share Subscription Agreement ("SSA") with Stellarslog Technovation Private Limited ("STPL") and its shareholders to acquire 49% equity stake in STPL for a consideration of INR 100 million. During the year ended 31 March 2021 and 31 March 2022, the Company acquired 16.21% and 32.79% equity stake in STPL for a consideration of INR 20.00 million and 80.01 million respectively.

6.4 The Group has 49.00% equity stake in Himmer Industrial Services (M) SDN. BHD ("Himmer"). Considering provisions of the agreement, the Group has classified investment in Himmer as joint venture as per Ind AS 111, Joint Arrangements. The Group had recognised losses to the extent of its investments.

7 Non-current loans

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Loans considered good - unsecured- repayable on demand		
Loans to associates (refer note 47)	-	265.17
	-	**265.17**

Movement for the year ended 31 March 2022:

Particulars	Balance as at 1 April 2021	Loans given during the year	Eliminated during the year	Converted into equity instrument*	Balance as at 31 March 2022
Associate					
Heptagon Technologies Private Limited	265.17	-	(235.17)	(30.00)	-
Total	**265.17**	**-**	**(235.17)**	**(30.00)**	**-**

* During the year ended 31 March 2022, the Group adjusted loans which was outstanding to be received from Heptagon Technologies Private Limited ("HTPL") into 1,902 equity shares amounting to INR 30.00 million and eliminated INR 235.17 million as HTPL has become a subsidiary during the year.

There are no outstanding loan as at 31 March 2022 granted to promoters, directors, KMP and related parties.

8 Other non-current financial assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits*	704.04	777.27
Provision for doubtful deposits	(1.59)	(1.59)
	702.45	**775.68**
Bank deposits (due to mature after 12 months from the reporting date)**	352.22	189.03
Indemnification assets***	443.34	443.34
	1,498.01	**1,408.05**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

**Fixed deposits to the tune of INR 324.11 million (31 March 2021: INR 170.13 million) are lien marked.

***As per the Share Purchase Agreement (''SPA'') and Share Holders Agreement ("SHA") dated 20 November 2017 with Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) ("TBSS") and its shareholders, the Group will be indemnified for any future cash outflow on account of specific indirect tax claim which is existing as on the date of acquisition. The claim which is recognised as contingent liability in the standalone financial statements of TBSS is recognised as provision for expenses in the consolidated financial statements of the Group by recognising an equal amount as indemnification assets [based on purchase price allocation]

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9 Taxes

A Amount recognised in profit or loss

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Current tax:		
In respect of the current year	(644.14)	(423.29)
Excess provision related to prior years	(35.28)	(68.21)
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	(386.42)	(618.02)
Income tax expense reported in the Consolidated Statement of Profit and Loss	**(1,065.84)**	**(1,109.52)**

B Income tax recognised in other comprehensive income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Re-measurement losses on defined benefit plans		
Before tax	(98.62)	(78.10)
Tax expense	32.91	21.68
Net of tax	**(65.71)**	**(56.42)**

C Amounts recognised directly in equity

No tax expense has been recognised directly in equity.

D Reconciliation of effective tax rate

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Profit/(Loss) before tax	3,575.61	1,846.41
Tax using the Company's domestic tax rate of 25.168% (31 March 2020: 25.168%)	(899.91)	(464.70)
Effect of:		
Deferred tax recognised on goodwill and intangibles	(48.21)	(519.61)
Tax exempt income	300.40	127.33
Non-deductible expenses	(134.62)	(52.03)
80 JJA Tax (utilised)/ incentives	(18.87)	12.71
Difference in enacted tax rate	(220.41)	(103.80)
Others	(12.72)	(41.20)
Excess provisions relating to earlier years	(31.50)	(68.21)
Income tax expense reported in the Consolidated Statement of profit and loss	**(1,065.84)**	**(1,109.52)**

E The following tables provides the details of income tax assets and income tax liabilities as of 31 March 2022 and 31 March 2021

Income tax assets (net)

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Income tax assets	6,044.87	5,961.28
Income tax liabilities	(2,977.59)	(3,189.74)
Net income tax assets at the end of the year	**3,067.28**	**2,771.54**

Income tax liabilities (net)*

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Income tax assets	-	-
Income tax liabilities	85.69	88.24
Net income tax liabilities at the end of the year	**85.69**	**88.24**

*For current tax liabilities above, there is no legally enforceable right to set off against the non-current tax assets and accordingly disclosed separately.

F Deferred tax assets (net) and Deferred tax liabilities (net)

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax assets:		
Impairment loss allowance on financial assets	377.65	265.74
Provision for employee benefits	612.13	469.20
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	182.82	689.25
Property, plant and equipment and intangible assets	65.39	302.17
MAT credit entitlement	24.00	17.30
Brought forward losses & unabsorbed depreciation	188.92	291.97
Lease liabilities	40.26	48.07
Others	237.77	16.01
Deferred tax assets	**1,728.94**	**2,099.71**
Deferred tax liabilities:		
Intangibles recognised on PPA	(114.00)	(90.40)
Goodwill on merger	(699.10)	(719.39)
	(813.10)	**(809.79)**
Deferred tax assets (net)	**915.84**	**1,289.92**
Deferred income tax liabilities (net)		
Deferred income tax liabilities	-	0.44
	915.84	**1,289.48**

The movement of deferred tax aggregating to INR 353.51million (excluding additions through business combination and MAT credit adjustment) for the year ended 31 March 2022 [31 March 2021: INR 630.69 million] comprises of INR 386.42 million [31 March 2021: INR 618.85 million] charged to statement of profit and loss and INR 32.91 million [31 March 2021: INR 21.68 million] recognised in other comprehensive income.

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G Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet

(Amount in INR millions)

For the year ended 31 March 2022	Opening balance	Additions through business combinations	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax assets:					
Impairment loss allowance on financial assets	265.74	-	111.91	-	377.65
Provision for employee benefits	469.20	-	110.02	32.91	612.13
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	689.25	-	(506.43)	-	182.82
Property, plant and equipment and intangible assets	302.17	-	(236.78)	-	65.39
MAT credit entitlement	17.30	-	6.70	-	24.00
Brought forward losses and unabsorbed depreciation	291.97	(20.13)	(82.92)	-	188.92
Lease liabilities	48.07	-	(7.81)	-	40.26
Others	16.01	-	221.76	-	237.77
	2,099.71	**(20.13)**	**(383.55)**	**32.91**	**1,728.94**
Deferred tax liabilities:					
Intangible assets and Right of use assets	(90.40)	-	(23.60)	-	(114.00)
Goodwill on merger	(719.39)	-	20.29	-	(699.10)
	(809.79)	**-**	**(3.31)**	**-**	**(813.10)**
Deferred tax assets (net)	**1,289.92**	**(20.13)**	**(386.86)**	**32.91**	**915.84**
Deferred income tax liabilities					
Deferred income tax liabilities	0.44	-	(0.44)	-	-
Deferred income tax asset	**1,289.48**	**(20.13)**	**(386.42)**	**32.91**	**915.84**

(Amount in INR millions)

For the year ended 31 March 2021	Opening balance	Additions through business combinations	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax assets:					
Impairment loss allowance on financial assets	156.78	-	108.96	-	265.74
Provision for employee benefits	376.33	-	71.19	21.68	469.20
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	1,052.07	-	(362.82)	-	689.25
Property, plant and equipment and intangible assets	84.50	5.11	212.56	-	302.17
MAT credit entitlement	54.59	-	(37.29)	-	17.30
Brought forward losses and unabsorbed depreciation	161.08	49.98	80.91	-	291.97
Lease liabilities	27.52	0.42	20.13	-	48.07
Others	395.60	-	(379.59)	-	16.01
	2,308.47	**55.51**	**(285.96)**	**21.68**	**2,099.71**
Deferred tax liabilities:					
Intangible assets and Right of use assets	(277.13)	-	186.73	-	(90.40)
Goodwill on merger	(199.78)	-	(519.61)	-	(719.39)
	(476.91)	**-**	**(332.88)**	**-**	**(809.79)**
Deferred tax assets (net)	**1,831.56**	**55.51**	**(618.85)**	**21.68**	**1,289.92**
Deferred income tax liabilities					
Deferred income tax liabilities	1.27	-	(0.83)	-	0.44
Deferred income tax liabilities	**1,830.29**	**55.51**	**(618.02)**	**21.68**	**1,289.48**

H Unrecognised deferred tax assets/ (liabilities)

The Group does not have unrecognised deferred tax liabilities.

Unrecognised deferred tax assets related primarily to business losses. These unexpired business losses will expire based on the year of origination as follows:

(Amount in INR millions)

As at 31 March 2022	Unabsorbed business losses
2023	-
2024	-
2025	-
2026	-
2027	-
Thereafter	409.02
	409.02

(Amount in INR millions)

As at 31 March 2021	Unabsorbed business losses
2022	-
2023	-
2024	-
2025	-
2026	-
Thereafter	461.03
	461.03

10 Other non-current assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	27.63	16.52
Advances other than capital advances		
Taxes paid under protest (refer note 30.2,30.3 and 30.4)	14.95	14.95
Provident fund payments made under protest (refer note 30.1)	10.72	17.53
Balances with government authorities	98.44	87.54
Prepaid expenses	48.65	40.74
	200.39	**177.28**

11 Inventories

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Valued at lower of cost and net realizable value		
Raw material and consumables	47.54	42.94
Stores and spares	227.26	247.35
	274.80	**290.29**

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12 Current investments

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Quoted		
Investments at fair value through profit or loss		
Investments in liquid mutual fund units	917.32	497.08
	917.32	**497.08**
Aggregate amount of quoted investments	917.32	497.08
Aggregate market value of quoted investments	917.32	497.08

13 i) Trade receivables - billed

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Undisputed Trade receivables- Considered good - unsecured	13,208.69	9,252.45
Less: Allowance for expected credit loss	(505.54)	(307.59)
Undisputed trade receivable - considered good - unsecured	**12,703.15**	**8,944.86**
Undisputed Trade receivables- Credit impaired - unsecured	744.85	1,121.31
Less: Allowance for expected credit loss	(744.85)	(1,121.31)
Undisputed trade receivable - credit impaired - unsecured	**-**	**-**
Disputed Trade Receivable - credit impaired - unsecured	245.43	218.34
Less: Allowance for expected credit loss	(245.43)	(218.34)
Disputed trade receivable billed - disputed- unsecured	-	-
Total trade receivables - billed	**12,703.15**	**8,944.86**

ii) Trade receivables - unbilled

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables - unbilled	11,140.06	9,427.88
Less: Allowance for expected credit losses	(520.26)	(377.32)
	10,619.80	**9,050.56**

The Group's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 41.

Trade receivables ageing schedule as on 31 March 2022 and 31 March 2021:

(Amount in INR millions)

Particulars	Unbilled	Not due	Outstanding for the following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Undisputed Trade receivables- considered good								
As at 31 March 2022	11,140.06	7,331.45	4,644.37	117.19	172.78	21.97	920.93	24,348.75
As at 31 March 2021	9,427.88	4,446.45	3,794.11	(185.58)	146.75	681.32	369.38	18,680.33
Undisputed Trade receivables – credit impaired								
As at 31 March 2022		-	-	1.50	140.24	121.32	481.79	744.85
As at 31 March 2021		-	-	2.28	193.23	242.39	683.42	1,121.31
Disputed Trade receivables – credit impaired								
As at 31 March 2022			-	-	23.24	174.03	48.17	245.43
As at 31 March 2021			-	-	147.31	67.13	3.90	218.34
Total								
As at 31 March 2022	11,140.06	7,331.45	4,644.37	118.69	336.26	317.32	1,450.89	25,339.03
As at 31 March 2021	9,427.88	4,446.45	3,794.11	(183.30)	487.29	990.84	1,056.70	20,019.98
Less: Allowance for Credit Loss								
As at 31 March 2022								2,016.08
As at 31 March 2021								2,024.56
Total Trade Receivable								
As at 31 March 2022								23,322.95
As at 31 March 2021								17,995.42

Negative balances represents unadjusted credits and collections which are due to be allocated against specific invoices pending payment advices received from customers.

Undisputed trade receivables – considered good, includes receivables from government customers outstanding for more than one year INR 362.35 millions (31 March 2021: INR 376.31 millions)

14 Cash and cash equivalents

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents		
Cash in hand	6.36	6.39
Balances with banks		
In current accounts	4,066.52	4,573.52
In EEFC accounts	29.81	19.84
In deposit accounts (with original maturity of less than 3 months)	1.97	257.44
	4,104.66	**4,857.19**

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for the year ended 31 March 2022

15 Bank balances other than cash and cash equivalents

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
In deposit accounts (maturity within 12 months from the reporting date)*	989.19	788.49
Earmarked balances with banks**	25.43	-
	1,014.62	**788.49**

*Fixed deposits to the tune of INR 813.90 million (31 March 2021: INR 721.75 million) are lien marked against borrowings.

**It primarily relates to unpaid dividend and CSR unspent amount.

16 Current loans

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Loans to employees	33.75	25.98
	33.75	**25.98**

17 Other current financial assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits*	221.56	200.87
Interest accrued but not due	31.73	52.36
Foreign currency forward contracts	-	5.06
	253.29	**258.29**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

18 Other current assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Advances other than capital advances		
Prepaid expenses	745.97	707.15
Advances to suppliers	196.50	97.88
Travel advances to employees	6.32	4.74
Balances with government authorities	218.62	246.85
Other advances	112.95	123.37
	1,280.36	**1,179.99**

19 Equity share capital

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
200,000,000 (31 March 2021: 200,000,000) equity shares of par value of INR 10.00 each	20,000.00	20,000.00
	20,000.00	**20,000.00**
Issued, subscribed and paid-up		
147,990,557 (31 March 2021: 147,678,864) equity shares of par value of INR 10.00 each, fully paid up	1,479.91	1,476.79
	1,479.91	**1,476.79**

19.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(Amount in INR millions except number of shares)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount in INR millions	Number of shares	Amount in INR millions
Equity shares				
At the commencement of the year	147,678,864	1,476.79	147,510,694	1,475.11
Add: Shares issued on exercise of employee stock options (refer note 49)	311,693	3.12	168,170	1.68
At the end of the year	**147,990,557**	**1,479.91**	**147,678,864**	**1,476.79**

19.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to the share of the paid-up equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

19.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Holding (%)	Number of shares	Holding (%)
Equity shares				
Equity shares of par value INR 10.00 each				
Fairbridge Capital (Mauritius) Limited	43,876,237	29.65%	46,876,237	31.74%
Ajit Isaac	16,769,613	11.33%	18,586,711	12.59%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private Limited")	15,365,824	10.38%	15,365,824	10.40%

19.4 The Company has not made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the reporting date. However the Company has issued bonus shares and have issued equity shares under Employee Stock option plan for which only exercise price has been received in cash as below.

(Values in numbers)

Particulars	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
Bonus shares issued	-	-	-	-	-
Shares issued on exercise of employee stock options (refer note 49)	311,693	168,170	538,680	600,655	619,925

19.5 Details of shareholding of promoters:

Promoter name	31 March 2022		31 March 2021		% change during the year
	Number of shares	% held	Number of shares	% held	
Ajit Isaac	16,769,613	11.33%	18,586,711	12.59%	-1.25%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private Limited")	15,365,824	10.38%	15,365,824	10.40%	-0.02%
Fairbridge Capital Mauritius Limited	43,876,237	29.65%	46,876,237	31.74%	-2.09%
Hwic Asia Fund Class A Shares	748,100	0.51%	748,100	0.51%	-

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20 Other equity*

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Securities premium (refer note 20.1)	16,984.51	16,984.51
Stock options outstanding account (refer note 20.2)	393.09	253.00
Foreign currency translation reserve (refer note 20.3)	369.77	287.80
Capital reserve (refer note 20.4)	(3.33)	(3.33)
General reserve	21.56	21.56
Other comprehensive loss (excluding foreign currency translation reserve) (refer note 20.5)	(286.29)	(220.20)
Capital redemption reserve (refer note 20.6)	150.00	150.00
Retained earnings	5,268.33	4,480.97
	22,897.64	**21,954.31**

* For detailed movement of reserves refer Consolidated Statement of Changes in Equity.

20.1 Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium. The utilisation of the securities premium will be in accordance with the provisions of the Companies Act, 2013.

20.2 Share option outstanding account

The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme.

20.3 Foreign currency translation reserve

This relates to the exchange difference arising from the translation of financial statements of foreign operations with functional currency other than INR.

20.4 Capital reserve

Represents surplus arising due to prior common control business combinations. The surplus is not eligible for distribution to shareholders under the provisions of Companies Act, 2013.

20.5 Other comprehensive loss (excluding foreign currency translation reserve)

Remeasurement of the net defined benefit liability/(asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

20.6 Capital redemption reserve

The Group had issued 12.33% cumulative redeemable preference shares having face value of INR 10.00 each and redeemable at INR 12.00 each. As per the provisions of the Companies Act, 2013, the Group is required to create a capital redemption reserve ("CRR") equivalent to the nominal value of shares redeemed out of the profits of the Group. Such reserve can be created out of the free reserves of the Group. Accordingly, the Group had created CRR out of the retained earnings of earlier years and an amount of INR 150.00 million had been transferred from retained earnings to CRR during the year ended 31 March 2018. As per the provisions of the Companies Act, 2013, such CRR can be used for issuing fully paid up bonus shares.

21 Non-controlling interests

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-controlling interests [refer note 21.1, 21.2, 21.3, 21.4 and 21.5]	1,309.80	939.30
	1,309.80	**939.30**

The following table discloses the movement in non controlling interest for the year ended 31 March 2022 :

Entities	Non controlling stake	Profit/ (Loss) for the year	Other comprehensive income/ (loss) for the year	Opening Balance as at 1 April 2021	Profit/ (loss) allocation for the year	Other comprehensive income/ (loss) allocation for the year	Closing balance as at 31 March 2022
Agensi Pekerjaan Monster Malaysia SDN. BHD.	51.00%	2.42	1.38	27.37	1.23	0.70	29.31
Allsec Technologies Limited	26.61%	356.39	1.09	817.90	94.84	0.29	913.02
Simpliance Technologies Private Limited	47.00%	26.70	-	32.21	12.55	-	44.76
Terrier Security Services (India) Private Limited [refer note 21.2]	26.00%	6.88	(5.92)	61.82	1.79	(1.54)	62.07
Monster.com (India) Private Limited	9.43%	(98.32)	6.98	-	(9.27)	0.66	(8.61)
Heptagon Technologies Private Limited	39.33%	(9.20)	-	-	(3.62)	-	(3.62)
Total				**939.30**	**97.52**	**0.11**	**1,036.93**
Less: Payment of dividend to non-controlling interests [refer note 21.1]							(243.31)
Less: Non-controlling interests on acquisition of a subsidiary [refer note 21.4]							(108.88)
Add: Dilution of stake in a subsidiary [refer note 21.3]							625.06
Total							**1,309.80**

21.1 The Group acquired 61.35% equity stake in Allsec Technologies Limited (Allsec) on 3 June 2019 and recognised NCI amounting to INR 1,036.04 million. During the previous year ended 31 March 2021, the Group acquired an additional 12.03% equity stake for INR 587.64 million through the open offer.

During the year the Group recognised a decrease in equity attributable to owners of the parent of INR 95.13 million and Allsec declared dividend and an amount of INR 243.31 million was paid to non-controlling interest.

21.2 During the previous year the Group increased their stake in Terrier Security Services (India) Private Limited (Terrier) to 74.00% on 27 May 2020 [refer note 4(ii)(a)]. However as on 28 March 2022, Terrier has allotted 150,000 optionally convertible redeemable preference shares ("OCRPS") having face value of INR 10.00 each by way of bonus issue to its shareholders in the ratio of 1:0.30, out of which 39,000 OCRPS has been converted by the other shareholders of Terrier into equity shares in the ratio of 1:10. As a result, the total shareholding of the Company in Terrier has been decreased from 74.00% to 41.57%.

21.3 During the current year, the Group 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 Monster India.

There is an investment of INR 625.06 million by the Investors on 21 Jan 2022, 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. The Group recognised a increase in equity attributable to owners of the parent of INR 8.6 million.

21.4 On 1 March 2022, the Company acquired additional 11.67% stake in Heptagon Technologies Private Limited ("HTPL") leading to increase in total shareholding in HTPL from 49.00% to 60.67% and HTPL has become subsidiary of the Company. The Group recognised a increase in equity attributable to owners of the parent of INR 3.6 million.

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22 Non-current borrowings*

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Term loans [refer note 22.1(a), 22.1(b) and 22.2]	312.41	1,056.45
National Skill Development Corporation (NSDC) Loan [refer note 22.1(c) and 22.3]	69.09	91.83
Vehicle loan [refer note 22.1(d), 22.1(e) and 22.4]	23.60	37.32
Total borrowing	**405.10**	**1,185.60**
Less: Current maturities of long-term borrowings (refer note 26)	(168.34)	(642.53)
	236.76	**543.07**

*Information about the Group's exposure to interest rate and liquidity risk is included in note 41.

Terms and repayment schedule

22.1 Terms and condition of outstanding borrowings are as follows:

(Amount in INR millions)

Particulars	Currency	Coupon/ Interest rate	Year of maturity	Carrying amount as at 31 March 2022	Carrying amount as at 31 March 2021
(a) Secured term loan	SGD	3M LIBOR + 2%	2022	-	702.07
(b) Secured term loan	CAD	CDOR + 2.50%	2025	312.41	354.38
(c) Secured NSDC loan	INR	6.00%	2022	69.09	91.83
(d) Vehicle loan	INR	9.25% to 11.87%	2023	23.60	35.69
(e) Vehicle loan	INR	8.00% to 10.00%	2023	-	1.63
Total borrowings				**405.10**	**1,185.60**

22.2 Term loan

During the year ended 31 March 2020, the Group entered into Term loan and working capital facilities agreement with ICICI bank Canada for re-financing the original credit facility arrangement with ICCI bank Canada entered on 15 October 2015. The loan is repayable in quarterly instalments starting from 31 January 2020. The loan is secured by way of pledging of shares of certain North America subsidiaries.

22.3 The Group has taken term loan from NSDC for Capital expenditure management. These facilities are repayable on quarterly basis and are secured primarily by way of bank guarantee, corporate guarantee and charge on project assets. The Group has availed principal moratorium period of one year from the date of first disbursement.

22.4 Vehicle loans are repayable in equal monthly instalments over a period of 3-5 years from the date of availing respective loan. The same is secured by hypothecation of the vehicles financed. Rate of interest is in the range of 8.00% to 11.87% p.a. and number of instalments pending for payments are ranging between 4 - 60 instalments.

23 Lease liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current lease liabilities	2,180.30	1,778.09
Current lease liabilities	1,088.34	974.35
	3,268.64	**2,752.44**

The following is the movement in lease liabilities: (Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Operating lease recognised on adoption of Ind AS 116	2,752.44	3,243.29
Add: Additions	1,603.92	828.20
Add: Additions through business combination	8.40	37.17
Less: Deletion	(84.07)	(353.59)
Add: Finance cost accrued during the period	241.72	265.09
Less: Payment of lease obligation	(1,266.38)	(1,281.49)
Translation loss / (gain)	12.61	13.77
Carrying amount as at 31 March 2022	**3,268.64**	**2,752.44**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2022 and 31 March 2021 on an undiscounted basis:

(Amount in INR millions)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Less than one year	1,117.94	1,117.70
One to five years	1,814.25	1,891.27
More than five years	462.59	135.12

24 Other non-current financial liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-controlling interests put option [refer note 24.1, 24.2]	19.72	2,096.36
	19.72	**2,096.36**

24.1 This represents non-controlling interests put option pertaining to Vedang Cellular Services Private Limited and Conneqt Business Solutions Limited (CBSL) (formerly known as: Tata Business Support Services Limited). 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.

24.2 During the year ended 31 March 2021, the Company acquired additional 3.76% equity stake in Vedang Cellular Services Private Limited ("VCSP") at a consideration of INR 6.97 million. As of 31 March 2022, the Company holds 92.47% equity stake in VCSP.

25 Non-current provisions

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Provision for gratuity (refer note 48)	2,394.23	1,893.43
	2,394.23	**1,893.43**

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26 Current borrowings

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Current maturities of long-term borrowings	168.34	642.53
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (refer note 26.1)	390.81	424.38
Bill discounting facility from bank (refer note 26.2)	-	21.93
Working capital loan (refer note 26.3)	3,581.18	3,525.08
Unsecured		
Working capital loan (refer note 26.3)	500.00	-
Commercial papers	1,000.00	-
Loan from related parties, unsecured		
Loan from others	0.32	-
	5,640.65	**4,613.92**

Information about the Group's exposure to interest rate and liquidity risk is included in note 41.

26.1 The Group has taken cash credit and overdraft facilities having interest rates ranging from 1 month - 12 month MCLR ("Marginal cost of funds based lending rate") to MCLR+0.45%. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Group on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Group (excluding charge on vehicles/equipment's purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future of the Group.

26.2 The Group has taken bill discounting and packing credit in foreign currency (PCFC) and post shipment credit in foreign currency (PSFC) facilities from banks having interest rate of bank's base rate plus 2.25%-2.50% p.a. These facilities are repayable on demand and are secured primarily by way of assets under charge movable property (not being pledge); hypothecation of all current & movable fixed assets. These facilities are repaid during the year.

26.3 Details of working capital loan:

Entity	Amount (in INR million)	Term
Quess Corp Ltd.	3,740.00	The Company has taken working capital loan from banks having interest rate ranging from 5.25% p.a. to 10.50% p.a. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Company (excluding charge on vehicles/equipment's purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future of the Company.
Monster.com (India) Private Limited	40.00	This comprises of short term borrowing payable on demand with hypothecation of book debts and other moveable assets of the company and backed with corporate guarantee.
MFXchange Holdings, Inc.	301.18	On November 22, 2019, the Company entered into a Term Loan ("Term Loan") & Working Capital Facility ("Facility") with ICICI Bank Canada. The Term Loan contains a maximum borrowing limit of 7,500,000 CND and the Facility has a maximum borrowing limit of 12,500,000 CND, both maturing on November 30, 2024. Borrowings under the Term Loan are to be repaid quarterly starting at 2.5% to 6.25% over the term of the loan. Borrowings under the working capital facility are due on the maturity date. Interest is charged at a percentage per annum that is an aggregate of the Canadian CDOR rate & CDOR plus 2.5%. As of March 31, 2020, the balance outstanding under the Term Loan was $5,233,879 (7,449,642 CND) and the balance outstanding under the Working Capital facility was $7,211,056 (10,263,856 CND).

26.4 Out of total borrowings Quess Corp Limited and Terrier Securities Services (India) Private Limited constitutes more than 90% of the total borrowing hence below disclosure is given for below entities:

Borrowings secured against current assets:

Quess Corp Limited:

(Amount in INR millions)

Quarterly statement dated	Name of the bank	Particulars of securities provided	Amount as per books of accounts	Amount as reported in the quarterly statement	Amount of difference	Reasons for material discrepancies
10 July 2021	Refer note below	Trade receivables	10,654.15	10,671.58	(17.43)	The trade receivables statement and trial balance was generated at different points of time during the day. The difference is due to additional entries recorded in books of account.
10 October 2021	Refer note below	Trade receivables	9,567.86	9,557.99	9.87	
10 January 2022*	Refer note below	Trade receivables	10,017.25	10,017.25	-	No discrepancies.
10 April 2022*	Refer note below	Trade receivables	11,221.76	11,221.76	-	No discrepancies.

*based on the revised statements filed with the banks on 24 May 2022.

The Company has submitted the above quarterly statements to HDFC bank, ICICI bank, SBI, Federal bank, IDFC bank, SCB bank, Yes bank, Citi Bank, HSBC bank and Kotak Mahindra bank.

Terrier Securities Services (India) Private Limited:

Quarterly statement dated	Name of Bank	Particulars of security provided	Amount as per books of accounts	Amount as reported in quarterly statement	Amount of difference	Reason for material discrepancies
30-Jun-21	Bank of Baroda	Inventory	5.30	5.30	-	- NA -
	Bank of Baroda	Trade receivables	744.70	744.80	-0.10	- NA -
30-Sep-21	Bank of Baroda	Inventory	4.98	4.98	-	- NA -
	Bank of Baroda	Trade receivables	736.30	736.30	-	- NA -
31-Dec-21	Bank of Baroda	Inventory	6.60	6.60	-	- NA -
	Bank of Baroda	Trade receivables	709.70	709.70	-	- NA -
31-Mar-22	Bank of Baroda	Inventory	6.40	6.40	-	- NA -
	Bank of Baroda	Trade receivables	859.80	859.80	-	- NA -

27 Trade payables

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Undisputed		
Total outstanding to related parties (refer note 47)	11.44	31.28
Total outstanding dues to others	1,142.23	1,181.20
	1,153.67	**1,212.48**

The Group's exposure to currency and liquidity risk related to trade payables is disclosed in note 41.

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for the year ended 31 March 2022

27(i) Trade payables ageing schedule as on 31 March 2022 and 31 March 2021:

(Amount in INR millions)

Particulars	Outstanding for the following periods from due date of transaction				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed Trade Payables					
-As at 31 March 2022	1,071.30	49.18	21.69	11.51	1,153.67
-As at 31 March 2021	1,111.95	55.00	17.56	27.97	1,212.48

28 Other current financial liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued and not due	19.15	18.38
Amount payable to related parties	20.95	27.24
Capital creditors	129.71	33.81
Unclaimed dividend	4.80	0.46
Other Payables		
Accrued salaries and benefits	5,333.17	3,479.43
Refund liability*	725.60	-
Provision for bonus and incentive	695.45	445.28
Provision for expenses	2,937.26	2,053.48
Uniform deposits	60.36	41.80
	9,926.45	**6,099.88**

*represents amounts payable to customers relating to variable consideration.

The Group's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 41.

29 Income tax liabilities (net)

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for tax (net of advance tax) [refer note 9]	85.69	88.24
	85.69	**88.24**

30 Current provisions

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for employee benefits		
Provision for compensated absences	197.21	151.53
Other provisions		
Provision for disputed claims (refer note 30.1, 30.2, 30.3 and 30.4)	135.93	135.93
Provision for warranty (refer note 30.5)	5.64	5.48
	338.78	**292.94**

The disclosures of provisions movement as required under Ind AS 37 are as follows for year ended 31 March 2022:

(Amount in INR millions)

Particulars	Years pertaining to	Amount demanded	As at 31 March 2021	Provided during the year	Utilised during the year	As at 31 March 2022	Amount paid till date	Contingent liability
Provident Fund (refer note 30.1)	April 2008 to February 2012	42.89	17.97	-	-	17.97	10.72	24.92
Service tax (refer note 30.2)	October 2007 to March 2016	154.02	117.96	-	-	117.96	11.55	36.06
Service tax (refer note 30.3)	FY 2013-14 FY 2014-15	3.91	-	-	-	-	0.29	3.91
Service tax (refer note 30.4)	April 2009 to September 2011	3.11	-	-	-	-	3.11	3.11
Total		**203.93**	**135.93**	**-**	**-**	**135.93**	**25.67**	**68.00**

30.1 The demand pertains to non contribution of Provident fund, Pension fund, Deposit Linked Insurance Fund and administration charges in accordance with the definition of basic wages as contained in Section 2(b) of Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company, based on an expert's opinion, is of the view that a part of the claim of the department is without foundation, while some part is still under debate and accordingly, provision is recorded based on the management estimate. The Company has appealed against the ruling which is pending in Employees' Provident Fund Appellate Tribunal, New Delhi.

30.2 The demands pertains to Aravon Services Private Limited ("ASPL") which was merged with Quess Corp Limited w.e.f 1 April 2019. The amounts provided represents the best estimate of likely outflow of resources relating to this matter.

30.3 The demands pertains to Avon Facility Management Services Limited ("Avon") which was merged with Quess Corp Limited w.e.f 1 January 2014. The demand pertains to non-payment of services tax on training services provided under Government of India initiative, the Company has not created any provision considering that Avon is a registered vocational training provider associated with the National Council for Vocational Training and service tax is not applicable on rendering of vocational education and training course.

30.4 The demands pertains to Hofincons Infotech & Industrial Services Private Limited which was merged with Quess Corp Limited w.e.f 1 July 2014. The Company deposited the total demand under dispute.

30.5 The disclosures of provisions movement as required under the provisions of Ind AS 37 as follows:

Provision for warranty (Amount in INR millions)

Particulars	As at	
	31 March 2022	31 March 2021
Balance as at the beginning of the year	5.48	5.48
Add: charged/(credited) to profit or loss	-	-
Add: Additional provisions	0.16	-
Less: Unused amount reversed	-	-
Balance as at the end of the year	**5.64**	**5.48**

Warranty

Provision for warranty is on account of warranties given on products sold by the Company. The amount of provision is based on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence. The timing and amount of cash flows that will arise from these matters will be determined at the time of receipt of claims.

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for the year ended 31 March 2022

31 Other current liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Unearned revenue	893.95	578.66
Advance received from customers	75.64	59.39
Balances payable to government authorities	3,923.56	2,551.22
Security deposits	64.48	49.24
	4,957.63	**3,238.51**

32 Revenue from operations

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Revenue from business segments		
Workforce management	91,897.13	71,590.09
Operating asset management	21,095.03	16,883.08
Global Technology Solutions	23,925.62	19,895.78
	136,917.78	**108,368.95**

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables and unearned revenue

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Invoicing in excess of earnings are classified as unearned revenue.

Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables, unbilled revenue and unearned revenue from contracts with customers.

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables		
- Billed	12,703.15	8,944.86
- Unbilled	10,619.80	9,050.56
Unearned revenue	893.95	578.66

The following table discloses the movement in unbilled revenue balances for the year ended 31 March 2022 and 31 March 2021:

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Balance as at the beginning of the year	9,050.56	8,812.79
Add: Addition due to business combinations	22.47	285.63
Add: Revenue recognised during the year	32,951.45	27,265.11
Less: Invoiced during the year	(31,305.87)	(26,963.36)
Less: Impairment during the year	(142.94)	(363.07)
Add: Translation exchange difference	44.13	13.46
Balance as at the end of the year	**10,619.80**	**9,050.56**

The following table discloses the movement in unearned revenue balances for the year ended 31 March 2022 and 31 March 2021

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Balance as at the beginning of the year	578.66	725.63
Less: Revenue recognised during the year	(3,830.83)	(3,572.04)
Add: Addition due to business combinations	2.24	-
Add: Invoiced during the period but not recognized as revenues during the year	4,005.52	3,426.71
Add: Translation exchange difference	138.36	(1.64)
Balance as at the end of the year	**893.95**	**578.66**

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the value of remaining performance obligations for:

(i) contracts with an original expected duration of one year or less and

(ii) contracts for which the Group recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2022, other than those meeting the exclusion criteria mentioned above, is INR 1,075.88 million (31 March 2021: INR 784.74 million). Out of this, the Group expects to recognize revenue of around 78% (31 March 2021: 51.27%) within the next one year and the remaining thereafter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

33 Other income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Interest income under the effective interest rate method on:		
Deposits with banks	70.57	60.35
Amortised cost adjustments for financial instruments	12.20	21.76
Interest on tax refunds received	64.93	311.20
Profit on sale of property, plant and equipment and intangible assets	1.07	-
Foreign exchange gain	4.30	-
Interest on loans given to related parties (refer note 47)	-	8.76
Net gain on sale of investments in mutual funds	27.30	3.50
Rent from letting out properties	0.10	2.39
Liabilities no longer required written back	0.36	0.43
Net fair value gain on mutual funds	2.96	15.74
Miscellaneous income	14.22	26.77
	198.01	**450.90**

34 Cost of material and stores and spare parts consumed

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Inventory at the beginning of the year	290.29	283.78
Add: Purchases	2,771.76	2,014.00
Less: Inventory at the end of the year	(274.80)	(290.29)
Cost of materials and stores and spare parts consumed	**2,787.25**	**2,007.49**

35 Employee benefits expenses

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Salaries and wages	106,770.10	84,787.94
Contribution to provident and other funds	8,650.00	7,067.99
Expenses related to post-employment defined benefit plan (refer note 48)	577.84	441.50
Expenses related to compensated absences	45.68	29.92
Staff welfare expenses	686.21	523.06
Expense on employee stock option scheme (refer note 49)	140.09	118.02
	116,869.92	**92,968.43**

36 Finance costs

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Interest expense on financial liabilities at amortised cost	527.53	754.07
Interest expense on non-convertible debentures	-	53.78
Interest expense on lease liabilities	241.72	265.09
Other borrowing costs	22.90	39.99
	792.15	**1,112.93**

37 Depreciation and amortisation expense

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant and equipment [refer note 3(a)]	513.70	592.78
Depreciation of right-of-use assets [refer note 3(b)]	1,056.93	1,221.35
Amortisation of intangible assets (refer note 5)	549.85	471.15
	2,120.47	**2,285.28**

38 Other expenses

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Sub-contractor charges	3,918.28	2,049.69
Recruitment and training expenses	322.79	510.71
Rent (refer note 38.1)	583.18	297.11
Power and fuel	287.28	260.56
Repairs & maintenance		
- buildings	246.95	156.20
- plant and machinery	631.57	372.93
- others	1,101.20	790.62
Legal and professional fees	664.90	629.78
Rates and taxes	121.32	139.10
Printing and stationery	73.89	50.95
Stores and tools consumed	273.14	275.39
Shipment delivery expenses	-	131.95
Travelling and conveyance	684.57	526.26
Communication expenses	400.34	379.31
Loss allowance on financial assets, net [refer note 41 (i)]		
-Trade receivables (billed and unbilled)	272.73	1,225.02
Equipment hire charges	163.66	116.06
Insurance	467.74	215.66
Database access charges	47.50	48.26
Technological support services	4.59	8.75
Bank charges	25.14	26.71
Business promotion and advertisement expenses	542.95	340.91
Marketing expenses (refer note 38.2)	-	39.67
Loss on sale of fixed assets, net	-	0.62
Foreign exchange loss, net	0.07	99.54
Expenditure on corporate social responsibility	51.55	56.15
Deposits/advances written-off	56.48	2.13
Miscellaneous expenses	83.94	61.89
	11,025.76	**8,811.93**

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for the year ended 31 March 2022

38.1 Details of rent:

Represents lease rentals for short term leases.

The Group has applied practical expedient in Indian Accounting Standard (Ind AS 116) notified vide Companies (Indian Accounting Standards) Amendment Rules, 2020 by Ministry of Corporate Affairs on 24 July 2020 to all rent concessions received as a direct consequence of COVID-19 pandemic. Accordingly, the Group recognised an amount INR Nil (31 March 2021: INR 85.83 million) in the consolidated financial statements as reduction of rent expenses grouped under other expenses on account of rent concessions received.

38.2 Shipment delivery expenses in Dependo Logistics Solutions Private Limited and Marketing expenses in Monster.com (India) Private Limited are direct expenses incurred to generate revenue.

39 Exceptional items

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Impairment loss recognised/(reversed) on:		
Intangible assets [refer note 5.2]	(766.00)	-
Other financial assets [refer note 39 (i)(a)]	200.00	-
Goods and Service Tax ("GST") ineligible credits charged off (refer note 39(i)(b))	479.81	-
Others [refer note 39(ii)]	13.95	-
Gain on sale of subsidiary	-	(76.62)
Fair value gain on acquisition	-	(250.27)
	(72.24)	**(326.89)**

39 (i) a) 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 (billed and unbilled) 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 472.73 million in relation to the these assets during the year ended 31 March 2022 comprising of INR 272.73 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 year ended 31 March 2022, 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.

b) During the current year, the Group recognized 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 year ended 31 March 2022. Based on such review the Group has, on a prudent basis, identified certain ineligible credits arising from vendor reconciliations, interpretation 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").

39 (ii) The Group acquired shares of Monster Group entities vide Global Share purchase agreement (SPA) and India SPA dated 31st January 2018 and the control was transferred with effect from 8th February 2018 ("completion date"). During the current year, Quess Holding Pte Ltd (subsidiary of the Company) paid an additional amount of INR 13.95 million to Randstad Holding NV (seller) as settlement for working capital adjustment. The Group believes that this is an exceptional item 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").

40 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR millions)

Particualrs	Note	31 March 2022			31 March 2021		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets:							
Non-current investments	6	-	16.55	-	-	16.55	-
Loans	7 & 16	-	-	33.75	-	-	291.15
Current investments	12	917.32	-	-	497.08	-	-
Trade receivables	13	-	-	23,322.95	-	-	17,995.42
Cash and cash equivalents including other bank balances	14 & 15	-	-	5,119.28	-	-	5,645.68
Other financial assets	8 & 17	-	-	1,751.30	-	-	1,666.34
Total financial assets		**917.32**	**16.55**	**30,227.28**	**497.08**	**16.55**	**25,598.59**
Financial Liabilities:							
Borrowings	22 & 26	-	-	5,877.41	-	-	5,156.99
Trade payables	27	-	-	1,153.67	-	-	1,212.48
Other financial liabilities	23, 24 & 28	19.72	-	13,195.09	2,096.36	-	8,852.32
Total financial liabilities		**19.72**	**-**	**20,226.17**	**2,096.36**	**-**	**15,221.79**

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Ind AS.

(Amount in INR millions)

Particulars	Note	Carrying amount	Fair value		
		31 March 2022	Level 1	Level 2	Level 3
Financial assets not measured at fair value					
Loans	7 & 16	33.75	-	-	-
Trade receivables	13	23,322.95	-	-	-
Cash and cash equivalents including other bank balances	14 & 15	5,119.28	-	-	-
Other financial assets	8 & 17	1,751.30	-	-	-
Financial assets measured at fair value					
Non-current investments	6	16.55	-	-	16.55
Current investments	12	917.32	917.32	-	-
Total financial assets		**31,161.15**	**917.32**	**-**	**16.55**
Financial liabilities not measured at fair value					
Lease liabilities	23	3,268.64	-	-	-
Borrowings	22 & 26	5,877.41	-	-	-
Trade payables	27	1,153.67	-	-	-
Other financial liabilities	23 & 28	9,926.45	-	-	-
Financial liabilities measured at fair value					
Non-controlling interests put option	24	19.72	-	-	19.72
Total financial liabilities		**20,245.89**	**-**	**-**	**19.72**

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(Amount in INR millions)

Particulars	Note	Carrying amount	Fair value		
		31 March 2021	Level 1	Level 2	Level 3
Financial assets not measured at fair value					
Loans	7 & 16	291.15	-	-	-
Trade receivables	13	17,995.42	-	-	-
Cash and cash equivalents including other bank balances	14 & 15	5,645.68	-	-	-
Other financial assets	8 & 17	1,666.34	-	-	-
Financial assets measured at fair value					
Non-current investments	6	16.55	-	-	16.55
Current investments	12	497.08	497.08	-	-
Total financial assets		**26,112.22**	**497.08**	**-**	**16.55**
Financial liabilities not measured at fair value					
Lease liabilities	23	2,752.44			
Borrowings*	22 & 26	5,156.99	-	-	-
Trade payables	27	1,212.48	-	-	-
Other financial liabilities	23, 24 & 28	6,099.88	-	-	-
Financial liabilities measured at fair value					
Non-controlling interests put option	24	2,096.36	-	-	2,096.36
Total financial liabilities		**17,318.15**	**-**	**-**	**2,096.36**

*Current maturities of long-term borrowings forms part of other financial liabilities

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and non-convertible debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

1) The Group has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances, unbilled revenue and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

2) Current investments: The fair values of investments in mutual fund units disclosed as current investments is based on the net asset value (''NAV'') as stated by the issuers of these mutual fund units in the published statements as at the reporting date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

B Financial Liabilities:

1) **Borrowings:** The fair value of non-current borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Companies in the Group since the date of inception of the loans. The current borrowings which includes cash credit and overdraft facilities, working capital loan, bill discounting facilities, loan from related parties and loan from others are classified and subsequently measured in the consolidated financial statements at amortised cost. Considering that the interest rate on the loan is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

2) **Trade payables and other financial liabilities:** Fair values of trade payables and other financial liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the carrying values.

3) **Contingent consideration:** The fair value of contingent consideration is determined by using a discount rate that reflects the likely amount to be paid out over the years as earn out which has been calculated using pre-tax cash flow projections based on financial budgets approved by management covering a five-year period.

4) **Financial liability:** The fair value of financial liability has been determined by discounting consideration payable on commitment to sell. The probability of the estimate within the range can be reasonably assessed and are used in the management's estimates of fair value of the put option.

Valuation inputs and relationships to fair value

The following tables show the valuation techniques used in measuring level 3 fair values, as well as the significant unobservable inputs used (refer above notes for valuation technique adopted):

During the year Non-controlling put option has not been fair valued as the same is expected to be settled in quarter ended 30 June 2022.

Financial instruments measured at fair value

(Amount in INR millions)

Particulars	Fair value as at 31 March 2021	Significant unobservable inputs	Fair value as at 31 March 2021		Sensitivity
			Increase by 1%	Decrease by 1 %	
Non-controlling interests put option	16.36	Risk adjusted discount rate	16.19	16.53	Increase in discount rate by 1% would decrease the fair value by INR 0.16 million and decrease in discount rate by 1% would increase the fair value by INR 0.16 million.
		EBITDA projection	16.58	16.14	Increase in EBITDA projection by 1% would increase the fair value by INR 0.22 million and decrease in EBITDA projection by 1% would decrease the fair value by INR 0.22 million.
		Revenue projection	16.58	16.14	Increase in revenue projection by 1% would increase the fair value by INR 0.22 million and decrease in revenue projection by 1% would decrease the fair value by INR 0.22 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

Reconciliation of level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for level 3 fair values:

(Amount in INR millions)

Particulars	Fair value through other comprehensive income	Fair value through profit and loss		
	Other non-current investments (unquoted)	Contingent consideration	Non-controlling interests put option**	Financial liability*
Balance as at 31 March 2020	**16.55**	**29.73**	**1,977.00**	**-**
Settlement	-	(38.62)	(6.97)	-
Net change in fair value recognised in statement of profit and loss (refer note 36)	-	8.89	126.33	-
Balance as at 31 March 2021	**16.55**	**-**	**2,096.36**	**-**
Settlement	-	-	(2,080.00)	
Net change in fair value recognised in statement of profit and loss (refer note 36)	-	-	3.36	
Balance as at 31 March 2022	**16.55**	**-**	**19.72**	**-**

* Financial liability includes contractual commitments to acquire non-controlling interest, which has been accounted separately other than put option.

**During the previous 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.

41 Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Risk management framework

The Board of Directors of Quess Corp Limited has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables (both billed and unbilled) from customers, loans and other financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. Other financial assets represent gsecurity deposits given to suppliers, lessors and others. Credit risk associated with such deposits is relatively low. Loans are given to subsidiaries and associates and are tested for impairment where there is an indicator.

Trade receivables(including unbilled)

Trade receivables (including unbilled) are typically unsecured and are derived from revenue from customers primarily located in India

The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

Expected credit loss assessment for customers are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivable "billed and unbilled". The Company's customers are bifurcated into two groups - Government and Non-Government customers. For Non-Government customers, the Company derives the loss rates based on collections and actual credit loss experience over the last four quarters (31 March 2021: last six quarters) which is adjusted for forward looking information over the expected collection period. Exposure to customers is diversified and there is no single customer contributing more than 10% of trade receivable billed and unbilled. For government customers, given the insignificant credit risk, provision is recorded to reflect allowances for time value based on historical pattern of collections. Further, specific provision is recorded for customer specific disputes.

The movement in the allowance for impairment in respect of trade receivables (billed and unbilled) is as follows:

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Balance as at the beginning of the year	2,024.56	679.98
Disposals	-	(15.35)
Add: Impairment loss recognised under expected credit loss model	272.73	1,552.04
Less: Bad debts written off	(250.00)	(191.49)
Less: Translation exchange differences	(31.21)	(0.63)
Balance as at the end of the year	**2,016.08**	**2,024.56**

ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecast of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits and other financial instruments. This is generally carried out in accordance with practice and limits set by the Group. The limits vary to take into account the liquidity of the market in which the Group operates.

Financing arrangement

The Group maintains the line of credit as explained in note 26:

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022 and 31 March 2021. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payments and exclude netting arrangements:

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for the year ended 31 March 2022

As at 31 March 2022

(Amount in INR millions)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings*	5,877.41	5,640.65	149.30	87.46	-
Trade payables	1,153.67	1,153.67	-	-	-
Lease liabilities	3,268.64	1,117.94	841.05	973.20	462.59
Other financial liabilities	9,946.17	9,946.17	-	-	-

* Current maturities of long-term borrowings are included under borrowings and excluded from other financial liabilities

As at 31 March 2021

(Amount in INR millions)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings*	5,156.99	4,625.44	340.02	191.53	-
Trade payables	1,212.48	1,212.48	-	-	-
Lease liabilities	2,752.44	1,033.98	1,231.09	485.25	114.79
Other financial liabilities	8,196.24	8,196.24	-	-	-

* Current maturities of long-term borrowings are included under borrowings and excluded from other financial liabilities

The Group has a strong focus on liquidity and maintains a robust cash position to ensure adequate cover for responding to potential short-term market dislocation. Cash generated through operating activities remains the primary source for liquidity along with undrawn borrowing facilities and levels of cash and cash equivalents.

As disclosed in note 22 and note 26, the Group have secured bank loans that contains loan covenants. A future breach of covenants may require Group to repay the loans earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The functional currency of Company and its domestic subsidiaries are Indian Rupees (INR). The functional currency of the overseas subsidiaries are its respective local currencies. The Group is not significantly exposed to currency risk and therefore disclosures required under "Ind AS 107 - Financial Instruments: Disclosures" have not been given.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's borrowing comprises of vehicle loans, working capital loans, finance lease obligations, loan from related parties and debentures which carries fixed rate of interest, which do not expose it to interest rate risk. The borrowings also includes cash credit, bill discounting and term loan facilities and loans from related parties which carries variable rate of interest.

(a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings	5,784.30	5,027.85
Fixed rate borrowings	93.11	129.15
Total borrowings	**5,877.41**	**5,157.00**

Total borrowings considered above includes current maturities of long-term borrowings.

(b) Sensitivity

(Amount in INR millions)

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
31 March 2022				
Variable rate borrowings	(57.84)	57.84	(43.28)	43.28
31 March 2021				
Variable rate borrowings	(50.28)	50.28	(37.62)	37.62

The sensitivity analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

c) Price risk

(a) Price risk exposure

The Group's exposure to price risk arises from investments held by the Group in the mutual fund units and classified as fair value through profit or loss in the consolidated balance sheet. To manage its price risk arising from investments in mutual fund units, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. The majority of the Group's mutual fund investments are publicly traded and are listed on the recognised stock exchanges. The exposure of the Group's mutual fund investments to security price changes at the end of the reporting period are as follows:

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Investments in mutual fund units	917.32	497.08

(b) Sensitivity

(Amount in INR millions)

Particulars	Impact on profit after tax	
	1% increase	1% decrease
31 March 2022	9.17	(9.17)
31 March 2021	4.97	(4.97)

The sensitivity analysis is prepared assuming the amount of mutual funds outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting price risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

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for the year ended 31 March 2022

42 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximise shareholder value.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of borrowings less cash and cash equivalents.

The Group's policy is to keep the ratio below 2.00. The Group's adjusted net debt to equity ratio is as follows:

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Gross debt	5,877.41	5,156.99
Less: Cash and cash equivalents	4,104.66	4,857.19
Adjusted net debt	**1,772.75**	**299.80**
Total equity	24,377.55	23,431.10
Net debt to equity ratio	**0.07**	**0.01**

43 Capital commitments

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	55.59	62.31
	55.59	**62.31**

44 Contingent liabilities

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Bonus [refer note 44.1]	325.88	325.88
Provident fund [refer note 44.6 and 44.7] [Also refer note 44.2 for details of significant case]	24.92	24.92
Direct and indirect tax matters [refer note 44.6 and 44.7] [Also refer note 44.3 and 44.4 for details of significant cases]	758.03	93.92
Other claims [refer note 44.6 and 44.7] [Also refer note 44.5 for details of significant case]	76.85	41.46

44.1 Contingent liability of INR 325.88 million pertains to retrospective application effective 1 April 2014 for amendments in the Payment of Bonus Act (Amendment Act, 2015) enacted on 31 December 2015. As per the amendment, the eligibility criteria of salary or wages has been increased from INR 10,000 per month to INR 21,000 per month [Section 2(13)] and the ceiling for computation of such salary or wages has been increased from INR 3,500.00 per month to INR 7,000.00 per month or the minimum wage for the scheduled employment, as fixed by the appropriate government, whichever is higher.

During fiscal 2015, the Company obtained a legal opinion from an external lawyer and was advised to take a position that the stay granted by the two High Courts of India on the retrospective application of the amendment would have a persuasive effect even outside the boundaries of the relevant states and accordingly no provision is required. There have been no updates during fiscal 2021 and 2022.

44.2 During fiscal 2020, the Regional PF Commissioner ("RPFC") passed an order under Section 7-A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("Act") demanding INR 716.56 million on the grounds that it failed to remit Provident Fund ("PF") on wages for its employees for the period from April 2018 to March 2019 for certain components of salary. 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. 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. The matter has been adjourned to 06 June 2022. 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 incorrectly determined by the RPFC and therefore, the Company considers the claim to be remote.

44.3 The subsidiary of the Company, namely Conneqt Business Solutions Private Limited (Conneqt) had received a show cause notice from Directorate General of Central Excise Intelligence dated April 19, 2017 for an amount of INR 4,433.35 plus interest and penalty regarding availment of ineligible cenvat credit on services provided to Conneqt by the dealers of automobile companies. Conneqt filed a response on 11 October 2017. The matter is pending before Central Excise and Service Tax Appellate Tribunal, Hyderabad. The Group is of the view that the above claims are being contested by Conneqt and no provision is required to be made at this stage including consequential interest and penalties, if any, pending outcome of the matter.

44.4 The Income Tax Department ("Department") conducted survey operations at the Company's registered office from 08 July 2021 to 10 July 2021. The queries during the survey for financial year (FY) 2016-17 to FY 2019-20 were primarily related to the manner of availing deduction under section 80JJAA of the Income Tax Act ("Act") and the claim of tax depreciation on goodwill arising from acquisition/ mergers. Further, in the quarter ended 30 September 2021, a special audit under section 142(2A) of the Act was initiated by the Income Tax Department for FY 2017-18. During the quarter ended 31 March 2022, special audit was completed; and report was submitted to the Income Tax Department.

As per due process, and following the issue of the special audit report, the Department has issued a draft assessment order under section 144C of the Act on 24 May 2022. The draft assessment order indicates that, among others, the entire deduction under 80JJAA claimed by the Company is disallowed, along with the depreciation of goodwill arising on mergers and acquisitions. Further receipts in the nature of reimbursement of expenses from customers reduced from revenues as per applicable Accounting Standards have also been added to taxable income. As per the process laid out under section 144C of the Act, the Company has 30 days to file objections to the Dispute Resolution Panel. Therefore, the demands relating to disallowance is yet to be computed by the Income Tax Department.

The Company intends to vigorously contest its position and interpretative stance of these sections on merits, including judicial precedents, and believes it can strongly defend its position through the legal process as defined under the Act. Based on its initial internal assessment, the Company has disclosed a contingent liability of INR 166.60 million, excluding interest and penalties if any. This estimate will be updated as developments unfold in future.

The Company continues to maintain its stand on the manner of claiming the 80JJAA deduction and accordingly an 80JJAA deduction of INR 2,012 million is claimed for the year ended 31 March 2022. The Company believes that such deduction, including it quantum, has been validly and consistently claimed, in conformity with its interpretation of the statute.

44.5 The Group received a demand from the Tamil Nadu Electricity Board for an amount of INR 10.90 million in January 2008 relating to reclassification disputes on the tariff category applicable to the Group in two of its delivery centres with retrospective effect from 2005. The Group has obtained an interim stay order from the Hon'ble High Court of Madras against this claim. The Group considers the claim to be erroneous and as not payable under the specified tariff category applicable to ITES units.

44.6 Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. The Group is contesting the demand and the Management believes that its position will likely be upheld. The Management believes that the outcome of this proceedings will not have material adverse effect on the Group's financial position and results of operations.

44.7 The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect outcome of these proceedings to have a material adverse effect on its financial position.

44.8 The Group had given guarantees to banks for the loans availed by the related parties to make good any default made by its related parties in re-payment to banks which is eliminated in the previous year since Terrier has became a subsidiary previous year.

(Amount in INR millions)

Related party	As at 1 April 2020	Given during the financial year	expired during the financial year	As at 31 March 2021
Terrier Security Services (India) Private Ltd	220.00	-	(220.00)	-
Total	**220.00**	**-**	**(220.00)**	**-**

* Terrier became subsidiary with effect from 27 May 2020

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45 Earnings per share

(Amount in INR million except number of shares and per share data)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Nominal value of equity shares (INR per share)	10.00	10.00
Profit after tax for the purpose of earnings per share (INR in million)	2,412.25	578.77
Weighted average number of shares used in computing basic earnings per share	147,787,738	147,619,501
Basic earnings per share (INR)	**16.32**	**3.92**
Weighted average number of shares used in computing diluted earnings per share	149,100,632	149,735,737
Diluted earnings per share (INR)	**16.18**	**3.87**

Computation of weighted average number of shares

Particulars	For the year ended	
	31 March 2022	31 March 2021
Number of equity shares outstanding at beginning of the year	147,678,864	147,510,694
Add: Weighted average number of equity shares issued during the year	108,874	108,807
Weighted average number of shares outstanding at the end of year for computing basic earnings per share	**147,787,738**	**147,619,501**
Add: Impact of potentially dilutive equity shares	1,312,894	2,116,236
Weighted average number of shares outstanding at the end of year for computing diluted earnings per share	**149,100,632**	**149,735,737**

46 Segment reporting

The Chief Executive Officer and Managing Director of the Company has been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by service offerings. Accordingly, segment information has been presented for service offerings.

Operating segment

The Group's business is concentrated in various service offerings like staffing services, executive search, contingency recruitment, housekeeping and facility management services, food services, skill development and training services and accordingly primary segment information is presented on the following service offerings:

Reportable segment

Workforce Management	It provides comprehensive staffing services and solutions including general staffing, IT staffing, recruitment and executive search, recruitment process outsourcing as well as payroll, compliance and background verification services, training and skill development, logistic services.
Operating Asset Management	It provides services including janitorial services, security services, electro-mechanical services, pest control, food and hospitality services, industrial operations and maintenance services and related asset record maintenance services.
Global Technology Solutions	It provides BPO services, break fix services and technology solutions and products.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. The Group has a corporate center, which provides various accounting and administrative support function. Segment information for this activity has been aggregated under "Unallocated". Revenue identifiable to business segments have been disclosed under the respective business segment. Segment costs include employee benefit expense, cost of material consumed, recruitment and training expenses, stores and tools consumed, sub-contractor charges and operating expenses that can be allocated on a reasonable basis to respective segments. Assets and liabilities in relation to segments are categorized based on items that are individually identifiable to that segment. Certain assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. The Group therefore believes that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly these are separately disclosed as 'Unallocated'.

A Operating segment information for the year ended 31 March 2022 is as follows:

(Amount in INR millions)

Particulars	Workforce Management	Operating Asset Management	Global Technology Solutions	Unallocated	Total
Segment revenue	91,897.13	21,095.03	23,925.62	-	136,917.78
Segment result	**2,745.11**	**1,198.80**	**3,220.15**	**-**	**7,164.06**
Other income	-	-	-	198.01	198.01
Depreciation and amortisation expense	-	-	-	(2,120.47)	(2,120.47)
Finance costs	-	-	-	(792.15)	(792.15)
Unallocated corporate expenses	-	-	-	(929.21)	(929.21)
Exceptional items	-	-	-	72.24	72.24
Share of profit/ (loss) of equity accounted investees (net of income tax)	-	-	-	(16.87)	(16.87)
Profit before taxation	**2,745.11**	**1,198.80**	**3,220.15**	**(3,588.45)**	**3,575.61**
Taxation				(1,065.84)	(1,065.84)
Loss after taxation	**2,745.11**	**1,198.80**	**3,220.15**	**(4,654.29)**	**2,509.77**
Segment assets	18,094.94	12,066.50	14,554.91	8,993.22	53,709.57
Segment liabilities	10,621.74	3,843.26	8,190.07	5,367.15	28,022.22
Capital expenditure	374.63	24.23	676.99	179.33	1,255.18

Operating segment information for the year ended 31 March 2021 is as follows:

(Amount in INR millions)

Particulars	Workforce Management	Operating Asset Management	Global Technology Solutions	Unallocated	Total
Segment revenue	71,590.09	16,883.08	19,895.78	-	108,368.95
Segment result	**2,283.07**	**323.22**	**2,702.13**	**-**	**5,308.42**
Other income	-	-	-	450.90	450.90
Depreciation and amortisation expense	-	-	-	(2,285.28)	(2,285.28)
Finance costs	-	-	-	(1,112.93)	(1,112.93)
Unallocated corporate expenses	-	-	-	(727.32)	(727.32)
Exceptional items	-	-	-	326.89	326.89
Share of profit/ (loss) of equity accounted investees (net of income tax)	-	-	-	(114.27)	(114.27)
Profit before taxation	**2,283.07**	**323.22**	**2,702.13**	**(3,462.01)**	**1,846.41**
Taxation	-	-	-	(1,109.52)	(1,109.52)
Profit after taxation	**2,283.07**	**323.22**	**2,702.13**	**(4,571.53)**	**736.89**
Segment assets	13,015.55	10,536.26	11,963.37	11,686.93	47,202.11
Segment liabilities	5,310.18	3,497.12	6,333.33	7,691.08	22,831.71
Capital expenditure	37.31	45.85	498.38	70.12	651.66

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for the year ended 31 March 2022

B Geographic information

The geographical information analyses the Group's revenue and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets which have been based on the geographical location of the assets.

(Amount in INR millions)

Geographic information	Revenue		Non-current assets*	
	For the year ended		As at	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
India	122,087.92	94,905.13	19,306.11	14,697.81
Other countries:				
- Singapore	5,722.55	5,383.91	62.19	2,012.50
- Canada	2,859.07	2,647.03	150.73	480.52
- United States of America	2,478.50	2,347.36	429.80	774.61
- Rest of the world	3,769.74	3,085.51	41.00	398.78
Total	**136,917.78**	**108,368.95**	**19,989.83**	**18,364.22**

*Non-current assets exclude financial instruments and deferred tax assets.

The Group has disclosed the investments in equity accounted investees as the geographic information of non-current assets because they are regularly provided to the CODM.

C Major customer

None of the customers of the Group has revenue which is more than 10.00 % of the Group's total revenue.

47 Related party disclosures

(i) Name of related parties and description of relationship:

- Entities having significant influence	Fairfax Financial Holdings Limited
	Fairbridge Capital (Mauritius) Limited
	FFHL Group Ltd.
	Fairfax (Barbados) International Corp.
	Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")
- Subsidiaries, associates and joint venture	Refer note 47 (ii)
- Entities having common directors	Go Digit Infoworks Service Private Limited
	Go Digit General Insurance Limited
	Net Resources Investments Private Limited
	National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)
- Entity in which key managerial personnel have significant influence	Careworks foundation
	Iris Realty LLP
	Isaac Healthcare Services LLP
Key executive management personnel	
Ajit Isaac	Chairman and Managing Director (upto 31 March 2021) Executive Chairman (w.e.f. 1 April 2021 to 31 March 2022)
K. Suraj Moraje	Executive Director (w.e.f 4 November 2019) Group Chief Executive Officer and Executive Director (upto 1 April 2020) Group Chief Executive Officer and Managing Director (w.e.f 1 April 2021 to 10 February 2022)
Guru Prasad Srinivasan	Group Chief Executive Officer and Executive Director (w.e.f. 10 February 2022)
Subramanian Ramakrishnan	Chief Financial Officer (upto 31 March 2021)
N. Ravi Vishwanath	Chief Financial Officer (w.e.f 01 April 2021)
Kundan K. Lal	Company Secretary and Compliance officer

(ii) List of subsidiaries (including step-subsidiaries), associates and joint venture

Name of the entity	Note	Nature of relation	Country of domicile	Holdings as at	
				31 March 2022	31 March 2021
MFX Infotech Private Limited		Subsidiary	India	100.00%	100.00%
Brainhunter Systems Ltd.		Subsidiary	Canada	100.00%	100.00%
Mindwire Systems Limited	1	Subsidiary	Canada	100.00%	100.00%
Quess (Philippines) Corp.		Subsidiary	Philippines	100.00%	100.00%
Quess Corp (USA) Inc.		Subsidiary	USA	100.00%	100.00%
Quesscorp Holdings Pte. Ltd.		Subsidiary	Singapore	100.00%	100.00%
Quess Corp Vietnam LLC		Subsidiary	Vietnam	100.00%	100.00%
Quessglobal (Malaysia) SDN. BHD.	2	Subsidiary	Malaysia	100.00%	100.00%
Quess Corp Lanka (Private) Limited	2	Subsidiary	Sri Lanka	100.00%	100.00%
Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited")"	2	Subsidiary	Singapore	100.00%	100.00%
MFXchange Holdings, Inc.		Subsidiary	Canada	100.00%	100.00%
MFXchange US, Inc.	3	Subsidiary	USA	100.00%	100.00%
Dependo Logistics Solutions Private Limited	4	Subsidiary	India	-	100.00%
Excelus Learning Solutions Private Limited		Subsidiary	India	100.00%	100.00%
Conneqt Business Solution Limited	13	Subsidiary	India	100.00%	70.00%
Vedang Cellular Services Private Limited	5	Subsidiary	India	92.47%	88.71%
Golden Star Facilities and Services Private Limited		Subsidiary	India	100.00%	100.00%
Quess Selection & Services Pte Limited (formerly known as "Comtelpro Pte. Ltd.")	2	Subsidiary	Singapore	100.00%	100.00%
Comtelink Sdn. Bhd		Subsidiary	Malaysia	100.00%	100.00%
Monster.com (India) Private Limited	10	Subsidiary	India	90.57%	99.99%
Monster.com.SG PTE Limited	10	Subsidiary	Singapore	100.00%	100.00%
Monster.com HK Limited	10	Subsidiary	Hong Kong	100.00%	100.00%
Agensi Pekerjaan Monster Malaysia SDN. BHD.		Subsidiary	Malaysia	49.00%	49.00%
Quesscorp Management Consultancies	2	Subsidiary	Dubai, UAE	100.00%	100.00%
Quesscorp Manpower Supply Services LLC	2	Subsidiary	Dubai, UAE	100.00%	100.00%
Qdigi Services Limited		Subsidiary	India	100.00%	100.00%
Greenpiece Landscapes India Private Limited		Subsidiary	India	100.00%	100.00%
Simpliance Technologies Private Limited		Subsidiary	India	53.00%	53.00%
Allsec Technologies Limited		Subsidiary	India	73.38%	73.38%
Allsectech Inc., USA	6	Subsidiary	USA	73.38%	73.38%
Allsectech Manila Inc., Philippines	6	Subsidiary	Philippines	73.38%	73.38%
Retreat Capital Management Inc., USA (till 19 February 2021)	6	Subsidiary	USA	-	73.38%
Trimax Smart Infraprojects Private Limited		Subsidiary	India	100.00%	100.00%
Quess Services Limited		Subsidiary	Bangladesh	100.00%	100.00%
Terrier Security Services (India) Private Limited	7	Subsidiary	India	41.57%	49.00%
Quess East Bengal FC Private Limited	8	Subsidiary	India	100.00%	70.00%
Heptagon Technologies Private Limited	9	Subsidiary	India	60.67%	49.00%
Billion Careers Private Limited	11	Subsidiary	India	100.00%	0.00%
Quess Recruit, Inc.		Associate	Philippines	25.00%	25.00%
Agency Pekerjaan Quess Recruit SDN. BHD.		Associate	Malaysia	49.00%	49.00%
Stellarslog Technovation Private Limited	12	Associate	India	49.00%	16.21%
Himmer Industrial Services (M) SDN. BHD.		Joint venture	Malaysia	49.00%	49.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

1. Wholly owned subsidiary of Brainhunter Systems Ltd.
2. Wholly owned subsidiaries of Quesscorp Holdings Pte. Ltd.
3. Wholly owned subsidiary of MFXchange Holdings Inc.
4. On 17 August 2020, the Company sold Dependo Logistics Services Private Limited.
5. On 02 February 2021, Quess Corp Limited acquired additional 3.76% equity stake in Vedang Cellular Services Private Limited, increasing its equity stake to 92.47% (refer note 25.2)
6. Wholly owned subsidiaries of Allsec Technologies Limited
7. On 27 May 2020, Quess Corp Limited acquired additional 25.00% stake in Terrier Security Services India Private Limited, increasing its equity stake to 74.00%. During the year ended 31 March 2022, TSSIPL has allotted 150,000 optionally convertible reedemable preference shares ("OCRPS") having face value of Rs. 10.00 each by way of bonus issue to its shareholders in the ratio of 1:0.30, out of which 39,000 OCRPS has been converted by the other shareholders of TSSIPL into equity shares in the ratio of 1:10. As a result, the total shareholding in TSSIPL has been decreased from 74.00% to 41.57%. [refer note 6.1]
8. On 28 July 2020, Quess Corp Limited acquired additional 30.00% stake in East Bengal FC Private Limited,, increasing its equity stake to 100.00%. The Company is under liquidation w.e.f 2 Septemeber 2020
9. During the year, additional 11.67% stake acquired in Heptagon Technologies Private limited, increasing its equity stake to 60.67%. (refer note 6.2)
10. During the year, Monster.com SG PTE Limited and Monster.com HK Limited became the subsidiaries of Monster.com (India) Private Limited.
11. During the year ended Quess Corp Limited acquired 100% stake in Billion Careers Private Limited.
12. During the year ended 31 March 2022 Quess Corp Limited acquired additionally 33% stake in Stellarslog Technovation Private Limited, increasing its equity stake to 49%.
13. During the year ended 31 March 2022, the Company acquired balance 30.00% equity stake in Conneqt Business Solutions Limited, increasing its equity stake to 100%

(iii) Related party transactions during the year

(Amount in INR millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2022	31 March 2021
Revenue from operations			
Associate	Terrier Security Services (India) Private Limited***	-	0.20
	Heptagon Technologies Private Limited****	5.47	3.09
	Agency Pekerjaan Quess Recruit SDN. BHD.	2.98	1.68
Entities having common directors	Go Digit General Insurance Limited	8.07	10.88
	Go Digit Infoworks Services Private Limited	-	6.75
	National Collateral Management Services Limited	51.99	70.90
	Net Resources Investments Private Limited	1.69	1.30
Entity in which key managerial personnel have significant influence	Careworks foundation	28.66	26.92
Other expenses			
Entities having common directors	Net Resources Investments Private Limited	40.39	37.13
	Go Digit General Insurance Limited	14.35	-
Associate	Terrier Security Services (India) Private Limited***	-	31.36
	Heptagon Technologies Private Limited****	92.52	48.64
	Agency Pekerjaan Quess Recruit SDN. BHD.	-	2.06
	Stellarslog Technovation Private Limited	15.05	-
Intangible assets under development			
Associate	Heptagon Technologies Private Limited****	23.22	32.22
Intangible assets			
Associate	Heptagon Technologies Private Limited****	-	2.37

Expenses incurred by the Group on behalf of related parties			
Associate	Terrier Security Services (India) Private Limited***	-	0.16
Finance costs/income			
- Interest income	Terrier Security Services (India) Private Limited***	-	8.65
Loans given to related parties			
	Terrier Security Services (India) Private Limited***	-	215.92
	Heptagon Technologies Private Limited****	-	92.71
Repayment/ Adjustment of loans given to related parties			
	Heptagon Technologies Private Limited****	265.17	714.87
	Terrier Security Services (India) Private Limited***	-	33.00

(iv) Balance receivable from and payable to related parties as at the balance sheet date (Amount in INR millions)

Nature of balances and relationship	Name of related party	As at	
		31 March 2022	31 March 2021
Trade receivables (gross of loss allowance)			
Associate	Heptagon Technologies Private Limited****	49.33	3.20
	Terrier Security Services (India) Private Limited***	-	-
Entities having common directors	Go Digit Infoworks Service Private Limited	0.34	1.63
	Go Digit General Insurance Limited	2.86	0.61
	Net Resources Investments Private Limited	-	0.07
	National Collateral Management Services Limited	-	5.55
Entity in which key managerial personnel have significant influence	Careworks foundation	33.43	6.78
Trade payables			
Entities having common directors	Net Resources Investments Private Limited	-	0.06
	National Collateral Management Services Limited	0.03	-
Associate	Heptagon Technologies Private Limited****	11.41	31.22
	Agency Pekerjaan Quess Recruit SDN. BHD.	-	-
Loans**			
Associate	Heptagon Technologies Private Limited****	-	265.17
Unbilled revenue			
Associate	Heptagon Technologies Private Limited****	-	0.08
Entities having common directors	Net Resources Investments Private Limited	0.04	-
Entity in which key managerial personnel have significant influence	Careworks foundation	2.67	-
Other financial liabilities			
Associate	Heptagon Technologies Private Limited****	0.33	-
Other current financial liabilities			
Associate	Agensi Pekerjaan Quess Recruit Sdn Bhd	-	27.24

*includes interest

** The loans given to associates doesn't include the impairment loss provision created.

***W.e.f 27 May 2020, Terrier Security Services (India) Private Limited became the subsidiary of the Company [refer note 6.1]].

****W.e.f 1 March 2022, Heptagon Technologies Private Limited became the subsidiary of the Company [refer note 6.2].

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(v) Compensation of key managerial personnel*

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Salaries and other employee benefits to whole-time directors and executive officers	82.56	47.60
	82.56	**47.60**

*Managerial remuneration does not include cost of employee benefits such as gratuity, compensated absences and employee share-based payments since, provision for these are based on an actuarial valuation carried out for the Company as a whole.

48 Assets and liabilities relating to employee benefits

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Net defined benefit liability, gratuity plan	2,394.23	1,893.43
Liability for compensated absences	197.21	151.53
Total employee benefit liability	**2,591.44**	**2,044.96**
Current (refer note 30)	197.21	151.53
Non-current (refer note 25)	2,394.23	1,893.43
	2,591.44	**2,044.96**

For details about employee benefit expenses, see note 35.

The Group has a defined benefit gratuity plan in India (Plan A), governed by the Payment of Gratuity Act, 1972. Plan A entitles an employee, who has rendered at least five years of continuous services, to gratuity at the rate of 15 days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A Funding

The Group's gratuity scheme for core employees is administered through a trust with the Life Insurance Corporation of India and SBI Life. The funding requirements are based on the gratuity funds actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purpose for which assumptions are same as set out below. Employees do not contribute to the plan.

The Group has determined that, in accordance with the terms and conditions of gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations.

The Group expects to pay INR 586.73 million contributions to its defined benefit plans in FY 2022-2023.

B Reconciliation of net defined benefit liability/ asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components:

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	2,247.59	1,695.77
Additions through business combination	10.99	179.51
Disposals	(0.35)	(0.35)
Current service cost	495.17	369.55
Interest cost	99.20	93.98
Past service cost	0.17	0.17
Benefit settled	(194.65)	(168.34)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	128.35	69.82
- Changes in demographic assumptions	4.63	(4.28)
- Changes in financial assumptions	(37.44)	11.76
Transfer in/out	-	-
Obligation at the end of the year	**2,753.66**	**2,247.59**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	354.16	364.81
Adjustment to fair value asset at beginning of year	6.27	-
Additions through business combination	-	50.81
Disposals	-	-
Interest income on plan assets	16.70	22.20
Remeasurement - actuarial gain/(loss)	(0.55)	(3.54)
Return on plan assets recognised in other comprehensive income	(2.52)	2.74
Contributions	170.01	48.60
Benefits settled	(184.64)	(131.46)
Plan assets as at the end of the year, at fair value	**359.43**	**354.16**
Net defined benefit liability	**2,394.23**	**1,893.43**

C Information on funded and non-funded net defined benefit liability

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Funded	2,238.50	1,794.42
Non-funded	155.74	99.01
Total net defined benefit liability	**2,394.23**	**1,893.43**

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for the year ended 31 March 2022

D i) Expense recognised in profit or loss

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	**31 March 2021**
Current service cost	495.17	369.55
Interest cost	99.20	93.98
Past service cost	0.17	0.17
Interest income	(16.70)	(22.20)
Net gratuity cost	**577.84**	**441.50**

ii) Remeasurement loss recognised in other comprehensive income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	**31 March 2021**
Remeasurement of the net defined benefit liability	95.54	77.30
Remeasurement of the net defined benefit asset	3.08	0.80
	98.62	**78.10**

E Plan assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Funds managed by insurer	359.43	354.16
	359.43	**354.16**

F Defined benefit obligation - Actuarial Assumptions

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2022	**31 March 2021**
Discount rate	4.35% - 6.96%	3.75% - 6.45%
Future salary growth	1.00% - 9.00%	1.00% - 9.00%
Attrition rate	30.00% - 90.00%	30.00% - 90.00%
Average duration of defined benefit obligation (in years)	1 - 18	1 - 18

G Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, the defined benefit obligation would be as shown below

Core employees

(Amount in INR millions)

	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	342.66	382.10	323.23	361.68
Future salary growth (1% movement)	379.20	342.77	359.13	322.57
Attrition rate (1% - 50% movement)	288.81	240.26	260.18	291.27

Associate employees

(Amount in INR millions)

	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	2,027.59	2,121.37	1,602.23	1,685.29
Future salary growth (1% movement)	2,121.13	2,027.15	1,685.05	1,601.87
Attrition rate (10% - 50% movement)	1,993.04	2,173.50	1,569.20	1,737.63

49 Share-based payments

A Description of share based payment arrangement

At 31 March 2022, the Group has the following the share-based payment arrangements:

Share option plans (equity settled)

Quess Corp Limited Employee Stock Option Scheme 2015 ("Scheme 2015")

The Board of Directors in its meeting held on 22 December 2015 approved the 'Quess Corp Limited Employee Stock Option Scheme 2015' ('Scheme 2015'), under which stock options are granted to specified employees of the Group. The Scheme 2015 provides for the issue of not more than 475,000 options (1,900,000 bonus adjusted options) with an exercise price of INR 10.00 each that would eventually convert into equity shares of INR 10.00 each. The options vest over a period of three years and are exercisable over a period of three years from the vesting date of each tranche. As at 31 March 2022, the Group has 41,263 (31 March 2021: 68,199) exercisable options outstanding.

Quess Stock Option Plan 2020 ("Scheme 2020")

The Board of Directors in its meeting held on 31 March 2020 approved the Quess Stock Ownership Plan – 2020 ("QSOP 2020"), under which stock options are granted to specific employees of the Group. The maximum number of shares under QSOP 2020 shall not exceed 3,650,000 equity shares. The stock options granted under QSOP 2020 shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee). These instruments will be equity settled and will generally vest between a minimum of 1 to maximum of 6 years from the grant date. As at 31 March 2022, the Group has 43,676 (31 March 2021: Nil) exercisable options outstanding.

Monster ESOP Plan 2021 ("Scheme 2021")

The Board of Directors in its meeting held on 22 December 2021 approved the Monster.com (India) Private Limited - Employee Stock Option Plan 2021 (hereafter referred as "Monster ESOP Plan 2021"), under which stock options are granted to specific employees of the Group. The maximum number of shares under Monster ESOP Plan 2021 shall not exceed 15,080 equity shares. The stock options granted under Monster ESOP Plan 2021 shall vest based on the designation, period of service, performance linked parameters. The options granted to employees vest in a graded manner and may be exercised by the employees within a specified period as per terms and conditions of the Scheme. This plan is a share based payment arrangement in the nature of "Share Option Plan (equity settled)" and will generally vest between a minimum of 1 to maximum of 4 years from the grant date. As at 31 March 2022, the Group has no exercisable options outstanding.

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for the year ended 31 March 2022

B Measurement of fair values

Scheme 2015

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	31 March 2022	31 March 2021
Share price at grant date (INR)	893.95	893.95
Exercise price (INR)	10.00	10.00
Risk free rate of interest	0.06	6.20%
Expected volatility	0.33	33.40%
Expected Dividend	-	-
Term to maturity	1 - 3 years	1 - 3 years

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Scheme 2020

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	31 March 2022	31 March 2021
Weighted average share price at grant date (INR)	195.78	195.78
Exercise price (INR)	10.00	10.00
Risk free rate of interest	3.58% - 5.49%	3.58% - 5.49%
Expected volatility	39.54% - 49.42%	39.54% - 49.42%
Expected dividend	-	-
Expected life of the option	1 - 6 years	1 - 6 years
Weighted average fair value at grant date (INR)	187.32	187.32

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Scheme 2021

The fair value of Employee Stock Options has been measured using Black Scholes Model of pricing.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Particulars	31 March 2022	31 March 2021
Weighted average share price at grant date (INR)	79,576.00	-
Exercise price (INR)	10.00	-
Risk free rate of interest	4.69% - 5.79%	-
Expected volatility	37% - 41%	-
Expected dividend	-	-
Expected life of the option	1 - 4 years	-
Weighted average fair value at grant date (INR)	79,576.00	-

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

C Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option plans were as follows:

Scheme 2015

(Share price in INR)

Particulars	For the year ended			
	31 March 2022		31 March 2021	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	68,199	10.00	148,441	10.00
Less: Exercised during the year	(26,936)	10.00	-70,685	10.00
Less: Lapsed/forfeited during the year	-	10.00	-9,557	10.00
Balance as at the end of the year	41,263	10.00	68,199	10.00
Options vested and exercisable as at the end of the year	41,263		68,199	

The options outstanding as at 31 March 2022 have an exercise price of INR 10.00 (31 March 2021: INR 10.00) and a weighted average remaining contractual life of nil years (31 March 2021: 0.10 years)

Details of Grant date of options issued under ESOP scheme 2015 scheme:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2022	31 March 2021
18 August 2017	10.00	41,263	68,199

Scheme 2020

Particulars	For the year ended		For the year ended	
	31 March 2022		31 March 2021	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	**2,575,165**	**10.00**	**-**	**-**
Add: Granted during the year	435,836	10.00	2,835,966	10.00
Less: Exercised during the year	(284,757)	10.00	-	-
Less: Lapsed/forfeited during the year	(1,036,975)	10.00	(260,801)	10.00
Balance as at the end of the year	**1,689,269**	**10.00**	**2,575,165**	**10.00**
Options vested and exercisable as at the end of the year	42,676		-	

The options outstanding as at 31 March 2022 have an exercise price of INR 10.00 (31 March 2021: INR 10.00) and a weighted average remaining contractual life of 3.86 years (31 March 2021: 2.73 years)

Details of Grant date of options issued under Scheme 2020:

Particulars	Exercise price (INR)	Number of options Outstanding as at	
		31 March 2022	31 March 2021
11 May 2020	10.00	1,217,811	2,361,634
24 July 2020	10.00	35,789	59,241
27 January 2021	10.00	12,083	154,290
01 June 2021	10.00	322,608	-
10 February 2022	10.00	100,978	-

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for the year ended 31 March 2022

Scheme 2021

Particulars	For the year ended 31 March 2022	
	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	**-**	**-**
Add: Granted during the year	8,568	10.00
Less: Exercised during the year	-	-
Less: Lapsed/forfeited during the year	-	-
Balance as at the end of the year	**8,568**	**10.00**
Options vested and exercisable as at the end of the year	-	

The options outstanding as at 31 March 2022 have an exercise price of INR 10.00 and a weighted average remaining contractual life of 3.75 years

Details of Grant date of options issued under Scheme 2021:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2022	31 March 2021
22 December 2021	10.00	8,568	-

D Expense recognised in consolidated statement of profit and loss

For details on the employee benefits expense, refer note 35.

50 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

(Amount in INR millions)

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as percentage of consoli-dated net assets	Amount	as percentage of consoli-dated profit or loss	Amount	as percentage of consoli-dated other compre-hensive income	Amount	as percentage of consoli-dated total compre-hensive income	Amount
Parent								
Quess Corp Limited	58.33%	22,238.81	31.67%	1,448.44	117.91%	(78.41)	30.40%	1,370.03
Subsidiaries - Indian								
MFX Infotech Private Limited	0.19%	72.69	0.68%	31.13	1.75%	(1.16)	0.66%	29.97
Dependo Logistics Solutions Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Excelus Learning Solutions Private Limited	0.54%	207.17	-3.41%	(155.94)	-1.40%	0.93	-3.44%	(155.01)
Conneqt Business Solutions Limited	14.75%	5,629.53	32.41%	1,482.16	-23.01%	15.30	33.23%	1,497.46
Vedang Cellular Services Private Limited	0.55%	211.29	1.23%	56.41	-0.05%	0.03	1.25%	56.44
Golden Star Facilities and Services Private Limited	0.82%	311.73	0.77%	35.08	1.28%	(0.85)	0.76%	34.24
Monster.com (India) Private Limited	3.37%	1,284.40	-2.75%	(125.71)	-10.50%	6.98	-2.63%	(118.73)
Qdigi Services Limited	0.79%	300.57	0.32%	14.73	1.52%	(1.01)	0.30%	13.72

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as percentage of consoli-dated net assets	Amount	as percentage of consoli-dated profit or loss	Amount	as percentage of consoli-dated other compre-hensive income	Amount	as percentage of consoli-dated total compre-hensive income	Amount
Greenpiece Landscapes India Private Limited	-0.35%	(133.42)	-1.35%	(61.84)	-0.68%	0.45	-1.36%	(61.39)
Simpliance Technologies Private Limited	0.25%	95.14	0.58%	26.70	0.00%	-	0.59%	26.70
Allsec Technologies Limited	5.49%	2,094.46	7.79%	356.39	-1.64%	1.09	7.93%	357.48
Trimax Smart Infraprojects Private Limited	0.43%	163.73	8.02%	366.83	-0.02%	0.01	8.14%	366.85
Terrier Security Services (India) Private Limited	0.55%	208.97	0.15%	6.88	8.90%	(5.92)	0.02%	0.96
Quess East Bengal Football Club	0.00%	(1.64)	-0.01%	(0.41)	0.00%	-	-0.01%	(0.41)
Heptagon Technologies Private Limited	-0.41%	(154.93)	-0.20%	(9.28)	1.59%	(1.06)	-0.23%	(10.33)
Billion Careers	0.13%	48.61	-0.01%	(0.64)	0.00%	-	-0.01%	(0.64)
Subsidiaries - Foreign								
Brainhunter Systems Ltd.	0.42%	158.45	1.71%	78.14	9.27%	(6.17)	1.60%	71.98
Quess (Philippines) Corp.	0.18%	68.48	-0.15%	(6.67)	3.07%	(2.04)	-0.19%	(8.70)
Quess Corp (USA) Inc.	0.56%	215.06	-0.24%	(10.98)	0.39%	(0.26)	-0.25%	(11.24)
Quesscorp Holdings Pte. Ltd.	8.42%	3,209.56	7.24%	331.27	-6.51%	4.33	7.45%	335.60
Quess Corp Vietnam LLC	0.00%	(1.61)	-0.19%	(8.77)	-0.15%	0.10	-0.19%	(8.66)
Quessglobal (Malaysia) Sdn. Bhd.	0.57%	218.08	0.52%	23.66	-6.75%	4.49	0.62%	28.15
Quess Corp Lanka (Private) Limited	0.24%	91.12	0.81%	37.20	54.30%	(36.11)	0.02%	1.09
Comtel Solutions Pte. Ltd.	2.37%	906.77	6.89%	314.91	-38.78%	25.79	7.56%	340.70
MFXchange Holdings, Inc.	0.56%	212.82	2.60%	118.86	-0.24%	0.16	2.64%	119.02
Comtelpro Pte. Limited.	-0.20%	(77.81)	-0.30%	(13.57)	3.08%	(2.05)	-0.35%	(15.62)
Comtelink Sdn. Bhd	0.06%	21.79	0.05%	2.47	-0.68%	0.45	0.06%	2.93
Monster.com.SG PTE Limited	0.41%	155.97	0.03%	1.42	0.49%	(0.33)	0.02%	1.10
Monster.com HK Limited	-0.03%	(12.11)	0.06%	2.83	0.57%	(0.38)	0.05%	2.45
Agensi Pekerjaan Monster Malaysia Sdn. Bhd	0.16%	60.71	0.05%	2.42	-2.08%	1.38	0.08%	3.80
Quesscorp Manpower Supply Services LLC	1.06%	403.81	5.10%	233.11	-16.19%	10.77	5.41%	243.87
Quesscorp Management Consultancies	-0.21%	(79.92)	-0.09%	(4.05)	4.54%	(3.02)	-0.16%	(7.07)
Quess Services Limited	0.00%	(0.40)	0.00%	0.05	0.01%	(0.01)	0.00%	0.05
Subtotal	**100.00%**	**38,127.88**	**100.00%**	**4,573.26**	**100.00%**	**(66.50)**	**100.00%**	**4,506.75**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

Name of entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as percentage of consoli-dated net assets	Amount	as percentage of consoli-dated profit or loss	Amount	as percentage of consoli-dated other compre-hensive income	Amount	as percentage of consoli-dated total compre-hensive income	Amount
Adjustment arising out of consolidation		(13,837.91)		(2,144.14)		82.65		(2,061.49)
Non-controlling interests in subsidiaries		1,309.80		97.52		0.11		97.63
Associates - Indian								
Terrier Security Services (India) Private Limited		-		-		-		-
Heptagon Technologies Private Limited		-		-		-		-
Stellarslog Technovation Private Limited		77.56		(20.00)		-		(20.00)
Associates - Foreign								
Quess Recruit, Inc.		10.02		3.27		-		3.27
Agency Pekerjaan Quess Recruit Sdn. Bhd.		-		(0.14)		-		(0.14)
Total		**25,687.35**		**2,509.77**		**16.26**		**2,526.03**

51 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 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.

52 Other than as disclosed below, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiaries or associates or joint ventures (incorporated in India) to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company or its subsidiary (Ultimate Beneficiaries). The Company or its subsidiaries or associates or joint ventures (incorporated in India) has not received any fund from any party(s) (Funding Party) with the understanding that the Company or its subsidiary shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company or its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Particulars	Entities	Details	Date of transaction	Amount
Name of the intermediary	Monster.com India Private Limited	Registered office: 7-1-79, 79/5,6,7 & 7-1-80, 1st Floor Capital Building, Ameerpet Hyderabad TG 500016 IN. PAN: AACCM3695G	18 January 2022	INR 574.22 million
Name of the ultimate beneficiary	Quesscorp Holding Pte Limited	Registered office: 8, Temasek Boulevard, #32-01, Suntec Tower Three, Singapore 038988 Government identification number: 201526129N	20 January 2022	SGD 10.51 million

53 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.

54 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.

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 03 December 2021.

55 The Company evaluated subsequent event through 26 May 2022 which is the date on which the financial statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other event or transaction that would require recognition or disclosure in the Consolidated financial statements.

56 Previous year's figures have been regrouped / rearranged wherever necessary.

Annexure to the Board's report

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 - AOC-1)

(Amount in ₹ millions, except % of shareholding and exchange rate)

Sl. No.	Name of the subsidiary	Date of acquisition/ incorpora-tion	Re-porting currency	Closing exchange rate	Financial period ended	Issued & subscribed share capital	Reserves	Total assets	Total liabili-ties	Invest-ments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of holding
1	MFX Infotech Private Limited	20.08.2014	INR	NA	31.03.2022	10.00	62.69	242.56	169.86	-	832.06	45.51	(14.37)	31.14	100%
2	Brainhunter Systems Limited.[2]	23.10.2014	CAD	60.49	31.03.2022	385.39	-252.43	588.91	609.09	-	943.78	34.35	-	34.35	100%
3	Mindwire Systems Limited[1]	23.10.2014	CAD	60.49	31.03.2022	128.08	25.49	275.80	97.17	-	1,918.85	63.83	20.03	43.79	100%
4	Quess Corp (USA) Inc.	19.11.2014	USD	75.79	31.03.2022	6.25	208.80	229.16	14.10	-	0.92	-10.98	0	-10.98	100%
5	Quess (Philippines) Corp.	14.05.2013	PHP	1.46	31.03.2022	12.27	56.21	249.68	181.19	0.31	368.20	16.12	-22.78	-6.66	100%
6	Quesscorp Holdings Pte Ltd.	16.06.2015	SGD	55.97	31.03.2022	2227.86	981.70	3232.53	22.96	0.74	29.12	331.27	0.00	331.27	100%
7	Quessglobal (Malaysia) Sdn. Bhd.[2]	12.08.2015	MYR	18.03	31.03.2022	8.33	209.75	362.98	144.88	2.07	1010.62	36.14	-12.49	23.65	100%
8	MFXchange Holdings, Inc.	01.01.2016	USD	75.79	31.03.2022	3090.39	-1451.27	2110.86	471.73	-	370.24	79.57	17.14	62.45	100%
9	MFXchange US, Inc.[3]	01.01.2016	USD	75.79	31.03.2022	0.00	-1426.30	1195.57	2621.87	-	2,121.98	56.91	0.49	56.41	100%
10	Excelus Learning Solutions Private Limited	09.01.2017	INR	NA	31.03.2022	0.10	207.07	447.12	239.94	-	120.29	-158.72	2.76	-155.96	100%
11	Golden Star Facilities and Services Private Limited	01.12.2016	INR	NA	31.03.2022	10	301.73	563.04	251.30	-	1962.52	60.49	-25.41	35.08	100%
12	Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte Ltd)	14.02.2017	SGD	55.97	31.03.2022	23.57	883.20	1736.57	829.79	-	5573.90	375.38	-60.48	314.90	100%
13	Quess Corp Lanka (Private) Limited[2]	26.04.2016	LKR	0.26	31.03.2022	5.53	85.59	159.31	68.17	-	750.34	49.89	-12.69	37.20	100%
14	Vedang Cellular Services Private Limited	10.11.2017	INR	NA	31.03.2022	1.82	209.47	412.08	200.78	-	1024.60	65.07	-8.66	56.41	92%
15	Conneqt Business Solution Limited[10]	27.11.2017	INR	NA	31.03.2022	1494.64	4134.89	9514.48	3884.94	-	11401.51	1694.92	-212.75	1482.17	100%
16	Comtelink Sdn. Bhd	14.11.2017	MYR	18.03	31.03.2022	15.61	6.18	22.37	0.57	-	11.75	3.01	-0.53	2.48	100%

Sl. No.	Name of the subsidiary	Date of acquisition/ incorpora-tion	Re-porting currency	Closing exchange rate	Financial period ended	Issued & subscribed share capital	Reserves	Total assets	Total liabili-ties	Invest-ments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of holding
17	Quess Selection and Services Pte Ltd (formerly known as Comtelpro Pte. Limited.)[2]	10.10.2017	SGD	55.97	31.03.2022	9.64	-87.45	10.61	88.41	-	6.30	-13.56	-	-13.56	100%
18	Monster.com (India) Private Limited	08.02.2018	INR	NA	31.03.2022	0.50	1283.80	2375.42	1091.00	-	904.29	-119.95	-5.75	-125.70	99.99%
19	Monster.com.SG PTE Limited[4]	08.02.2018	SGD	55.97	31.03.2022	161.59	-5.62	324.47	168.49	-	180.47	1.42	0.00	1.42	100%
20	Monster.com HK Limited[4]	08.02.2018	HKD	9.68	31.03.2022	318.71	-330.82	18.14	30.24	-	11.73	2.99	-0.15	2.84	100%
21	Agensi Pekerjaan Monster Malaysia Sdn. Bhd[4]	08.02.2018	MYR	18.03	31.03.2022	8.18	52.53	121.43	60.71	-	70.05	0.36	2.06	2.42	49%
22	Quess Corp Vietnam LLC	26.03.2018	VND	0.00	31.03.2022	13.00	-14.62	17.19	18.79	-	13.19	-8.77	0.00	-8.77	100%
23	Quesscorp Management Consultancies[2]	19.12.2018	AED	20.64	31.03.2022	3.82	-83.74	-64.48	15.43	-	8.93	-4.06	0.00	-4.06	100%
24	Quesscorp Manpower Supply Services LLC[2]	31.01.2019	AED	20.64	31.03.2022	0.00	403.81	507.34	103.52	-	1544.89	233.13	0.00	233.13	100%
25	Qdigi Services Limited	11.04.2018	INR	NA	31.03.2022	53.50	247.07	1111.86	811.29	-	2360.89	11.55	2.80	14.35	100%
26	Greenpiece Landscapes India Private Limited	02.04.2018	INR	NA	31.03.2022	8.00	-141.42	91.55	224.96	-	58.71	-61.85	0.00	-61.85	100%
27	Simpliance Technologies Private Limited	31.07.2018	INR	NA	31.03.2022	0.23	94.90	105.41	10.27	-	120.49	35.68	-8.98	26.70	53%
28	Trimax Smart Infraprojects Private Limited	15.10.2019	INR	NA	31.03.2022	0.10	163.63	533.65	369.91	-	161.10	366.83	0.00	366.83	100%
29	Quess Services Limited	25.06.2019	BDT	0.88	31.03.2022	3.49	-3.89	3.29	3.68	-	15.82	0.04	-0.01	0.03	100%
30	Allsec Technologies Limited[7]	03.06.2019	INR	NA	31.03.2022	152.38	1658.67	2087.44	569.94	-	1413.96	276.05	-219.57	361.17	73.38%
31	Allsectech Inc., USA[5]	03.06.2019	USD	75.79	31.03.2022	175.08	(137.61)	152.46	114.99	-	914.34	(3.92)	(0.85)	(4.78)	73.38%
32	Allsectech Manila Inc., Philippines[5]	03.06.2019	PHP	1.46	31.03.2022	118.47	421.02	702.29	162.80	-	843.71	339.37	(34.70)	304.68	73.38%
33	Terrier Security Services (India) Private Limited[6]	09.12.2016	INR	NA	31.03.2022	5.00	200.07	1,370.59	1,161.62	-	4,576.5	20.50	(13.62)	6.88	48.05%
34	Heptagon Technologies Private Limited[9]	6/22/2017	INR	NA	31.03.2022	0.36	(155.29)	224.51	379.45		276.6	(17.06)	-	(17.06)	60.67%
35	Billion Careers Private Limited	11/26/2021	INR	NA	31.03.2022	60.10	(11.49)	51.75	3.14		-	(0.64)	-	(0.64)	100.00%

Sl. No.	Name of the subsidiary	Date of acquisition/ incorpora-tion	Re-porting currency	Closing exchange rate	Financial period ended	Issued & subscribed share capital	Reserves	Total assets	Total liabili-ties	Invest-ments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of holding
36	Quess East Bengal FC Private Limited[8]	13.07.2018	INR	NA	31.03.2022	14.79	(16.42)	43.09	44.72	-	-	(0.41)	-	(0.41)	100.00%

[1] Wholly owned subsidiary of Brainhunter Systems Ltd.

[2] Wholly owned subsidiaries of Quesscorp Holdings Pte. Ltd.

[3] Wholly owned subsidiary of MFXchange Holdings Inc.

[4] Subsidiaries of Monster.com (India) Private Limited

[5] Wholly owned subsidiaries of Allsec Technologies Limited

[6] On 31 March2022, Quess Corp Limited diluted 25.95% stake in Terrier Security Services India Private Limited, reducing its equity stake to 48.05% .

[7] Subsidiary of Conneqt Business Solutions Limited

[8] Under liquidation

[9] On 28 February 2022, Quess Corp Limited acquired additional stake of 11.67% in Heptagon Technologies Private Limited increasing its stake to 60.67% and making it a subsidiary.

[10] On 16 April 2021, Quess Corp Limited acquired additional stake of 30% in Conneqt Business Solutions Limited making it a wholly owned subsidiary.

Notes:

1 Total assets include investments

2 Investments exclude investments in Subsidiaries

3 Reserves and surplus include other comprehensive income and securities premium and instruments entirely equity in nature.

Part B: Associate/ joint venture

Sl. No.	Name of the associate/ joint venture	Latest audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate or Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Networth attributable to shareholding as per latest audited Balance Sheet	Profit or Loss for the year	
				Number	Amount of Investment in Associates or Joint Venture	Extent of Holding (in percentage)				Considered in Consolidation	Not Considered in Consolidation
1	Himmer Industrial Services (M) Sdn. Bhd.	31.03.2020	28.03.2017	49,000	0.74	49.00	More than 20% holding	No control	(2.04)	-	-
2	Quess Recruit, Inc.	31.03.2020	01.01.2018	2,500	0.31	25.00	More than 20% holding	No control	766.54	3.27	9.81
3	Stellarslog Technovation Private Limited[1]	31.03.2022	29.01.2021	192,156	60.04	49.00	More than 20% holding	No control	15.64	(20.00)	(38.92)
4	Agency Pekerjaan Quess Recruit Sdn. Bhd.	31.03.2022	23.01.2018	122,500	2.07	49.00	More than 20% holding	No control	(1.03)	(0.14)	(0.93)

[1] In FY 2021-22, Quess Corp Limited acquired additional 32.88% stake in Stellarslog Technovation Private Limited in multiple tranches increasing its stake to 49% and making it a associate.

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PDF version of the annual report
can be downloaded from:
https://www.quesscorp.com/investor/annual_report.php
or simply scan: