WINNING TOGETHER

Quess Corp Limited
Annual Report 2022-23

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16TH ANNUAL GENERAL MEETING

26 September 2023 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

Chandran Ratnaswami
Non-Executive Director

Gopalakrishnan Soundarajan
Non-Executive Director

Revathy Ashok
Non-Executive, Independent Director

Sanjay Anandaram
Non-Executive, Independent Director

Kalpathi Ratna Girish
Non-Executive, Independent Director

Gaurav Mathur
Non-Executive, Independent Director

Guruprasad Srinivasan
Executive Director & Group CEO

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

Registered Office

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

Bankers

Axis Bank Limited
HDFC Bank Limited
ICICI Bank Limited
IDFC First Bank Limited
State Bank of India
Standard Chartered Bank
The Federal Bank Limited
Yes Bank Limited
IndusInd Bank Limited

ABOUT US

The global landscape is transforming at a phenomenal pace and so is Quess, the world's fastest-growing business services provider. Digitization of our manpower business and our foray into technology-based platforms has led to the transformation of Quess from a pure-play manpower staffing company to a technology-led business solutions company. With over 80% of the Indian workforce still part of the informal sector, our endeavour is to continue driving formalization of jobs through tech-based platforms, thereby ensuring predictable incomes, social security, healthcare, and other benefits to thousands of workers across India.

We offer a host of innovative technology-enabled staffing solutions and managed services across processes such as customer life cycle management, sales & marketing support, 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 service has led us to on-board over 3,000 partner clients, augmented by proprietary digital platforms which have strongly established us as one of the largest private sector employers in India, helping the company drive holistic growth and create immense value for its stakeholders.

Our international footprint which is at a nascent stage is spread across 9 different countries and will be a significant growth driver in the years to come. With focused investments in technology and year-on-year addition of over 70k manpower, we are poised to become one of the largest staffing company globally in the next few years.

Established in 2007 and headquartered in Bengaluru, Quess has achieved a milestone of 500,000 associates in 2023 and an unmatched geographic presence and scale, with more than 96 locations across India, South East Asia, North America, and the Middle East.`

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

Employees

5,11,000+

Women Employees/Associates

92,000+

3,000+ Clients

6,000+ **PWD** associates

83 Offices

34 Indian Cities

1.5 Devices repaired / refurbished by Digicare

TOP Amongst India's largest employers by Burgundy Private Hurun

4 Consecutive year Certified a Great Place to Work in 2023

7,000+ Each of paper & e-waste responsibly disposed

AWARDS AND RECOGNITIONS

Ranked **54**
In SIA's top 100 largest global staffing firms in **2022**

Ranked **2**
Amongst India's largest employers by Burgundy Private Hurun India 500, **2022**

Certified a Great Place to Work in **2023** for the fourth consecutive year

India's **40** Best workplaces in Health and wellness **2022**

Accredited for Inclusive practices by Great Place to Work March **2023** to March **2024**

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

Among the top **34** companies by Arogya World Healthy Workplace **2022**, for championing Workplace Health

AWARDS AND RECOGNITION (CLIENTS)

Top Employer for
Youth of Rajasthan
(Rajasthan Govt.)

Best Partner Implementing Agency
Madhya Pradesh State Rural Livelihood Mission (MPSRLM)

Trusted Service Partner
Tata Steel Foundation

Preferred Hiring Partner
Govt. of Rajasthan

Best Employer Partner
Magic Bus

Partner of the Year
at the BlackBerry APAC Cybersecurity Awards

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 skilled resources with a digital-first approach to deliver customised 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 collar talent

Professional staffing
services in India, APAC and North America
Taskmo **on-demand task fulfilment** platform

Global Technology Solutions

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

Non-Voice BPO
Collections and F&A outsourcing

Platform Business

Insurtech Platform
North America

Payroll services

IT services in North America and India

Operating Asset Management

Facilities management solutions –
Commercial
Healthcare and education
Public utility space

Manned and electronic security

O&M services for
Industrial plants
Power plants
Telecom network

Product Led Business

foundit (formerly Monster APAC & ME)
Job portal

Qjobs
Blue collar hiring

Digicare
Installation and after sales services

WorQ
Workforce management platform

DASH
Employee benefit platform

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

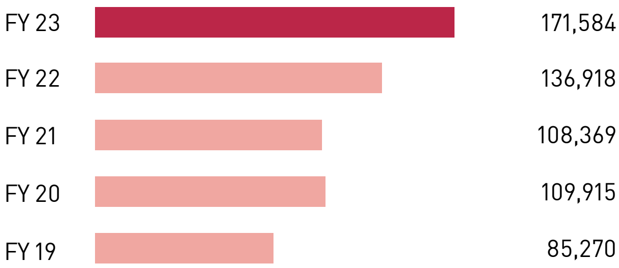
Our global footprint

India
Sri Lanka
UAE
Singapore
Malaysia
Philippines
Vietnam
USA
Canada

FINANCIAL HIGHLIGHTS

Revenue from operations

(₹ in millions)

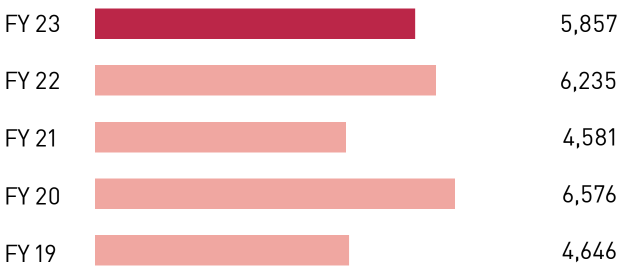


Operational PAT

(₹ in millions)

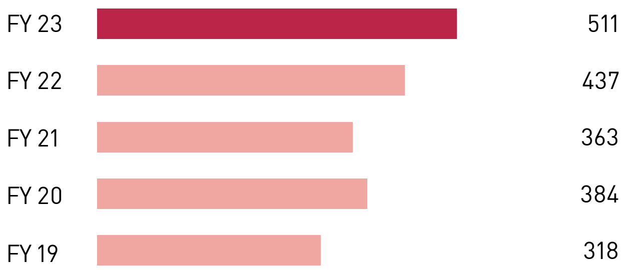
EBITDA

(₹ in millions)



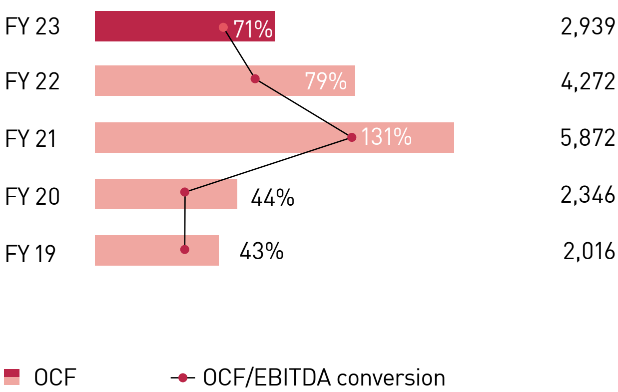
Total Headcount

(in thousands)



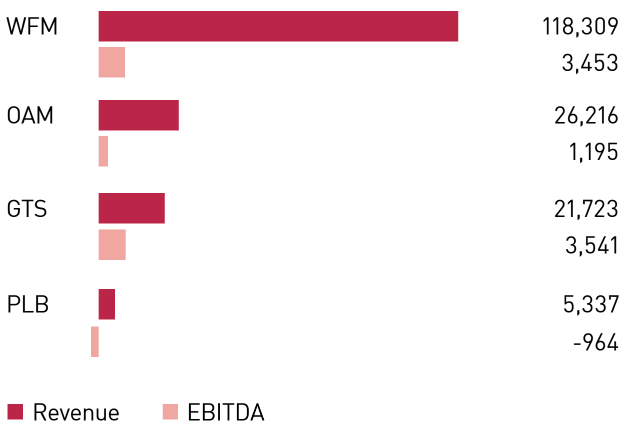
OCF and % of OCF/EBITDA conversion

(₹ in millions)



Revenue and EBITDA Mix

(₹ in millions)



^ Reported PAT for FY22 includes extraordinary ECL of ₹ 450 million 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

WORKFORCE MANAGEMENT

We rank amongst the top 54 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-Brand

taskmo

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 FY23

360,000
Associates

286
New clients added

250,000
WorQ Activated Users

1:512
Core to Associate Ratio

76%
Collect & Pay

Top 54
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 (A Quess Company): Domestic BPM & CLM
- Allsec Technologies (A Quess Company): International CLM, Payroll & HR Compliance
- Qtek Systems (A Quess Company): Integrated IT Services Company
- Mindwire, 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 FY23

₹3,541 million
Largest EBITDA Contributor

$110,000
Revenue per fulltime employee of Insurtech Platform

550
Clients availing payroll & compliance services

13.74 million
Payslips processed

44,000
Full-time employees in 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 FY23

91,000+
Associates

21,518
Security Guards deployed

12,100
Hospital beds managed

47,000+
Student beds managed

65,000
WorQ MAV

360 million sq. ft
Managed space

PRODUCT-LED BUSINESS

foundit
Find the perfect job for you

A leading job portal in India, South East Asia and Middle East, foundit.in 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
- Virtual Career Fairs
- Assessments

Key Highlights for FY23

20+ million
Jobs view per month

~12 million
Site traffic per month

~850k
Job openings in formal section

50k+
Recruiters on the platform

Blue Collar Talent Platform

Our Sub-Brands

Qjobs	WorQ	Dash
Blue Collar hiring platform	Workforce management platform	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 FY23

5.6 million
Job-seekers on Qjobs

8.8 million
Candidate-recruiter interactions

250,000
Activated Users in WorQ

200,000
Activated Users in DASH

DIGICARE 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 FY23

14,000+
Pin Codes served

665
Centres Service Network

80,000
Protection Plan sold

CHAIRMAN'S MESSAGE

Dear Shareholders,

The year gone by saw a rebound in the economy and India particularly saw a better economic sentiment. Employment saw higher levels and the various measures by the government has accelerated the formalization of the Indian workforce. The tech sector, however, saw some headwinds and startup in particular found difficulties due to the funding winter that has set in. These trends here resulted in increasing our workforce from 4,37,000 to 5,11,000 by the end of the year, making Quess a leading domestic employer.

During the last financial year, we created a new segment called 'Product Led Business' which includes foundit, QJobs and Qdigi. Previously, their financial performance was reported under Global Technology Solutions (GTS). This was done to clearly demarcate mature cash generating businesses and those in their investment phase. The Canadian staffing business, previously reported under GTS was re-segmented to club all overseas staffing businesses under Workforce Management (WFM).

With our stated goal of structure simplification, we divested our 53% holding in Simpliance during the last financial year. The transaction valued Simpliance at an enterprise value of Rs.120 crore against the original investment of Rs.4.5 crore. That successful exit gives us even more confidence about our talent platform foundit. Not only is its SaaS-like business model gaining market share, the investment in foundit has optionality value. The last funding round valued it at $100 million and since then the business has only gone from strength to strength with operational breakeven targeted soon.

All our platforms including WFM turned a good performance in FY23. This despite the slowdown in IT hiring. As you might be aware, the IT sector has been taking it on the chin and that has led to collateral damage in IT hiring. However, our strong sourcing engine stepped up to cover ground in manufacturing as well as infrastructure. There has been no let down in growth momentum at GTS and the Operating Asset Management (OAM) platform is also finding its feet post Covid. Our strategy of creating vertical-specific capability will enable us to provide customer-specific solutions and lead to higher margins in OAM. On the foundit front, too, there is good news as post rebranding from Monster APAC & ME to foundit, our talent platform continues to power ahead in traffic growth as well as new candidate registrations.

This overall improved performance resulted in an OCF to Operating Ebitda of 71% as well as reduction of debt: equity ratio from 0.23x in FY22 to 0.19x in FY23. We generated a ROE of 8.4%. That return metric seems understated due to the ongoing investment in PLB and the ROE excluding that investment was 12.39%. Along with our push on volume and margin growth, we are committed to reaching and sustaining a ROE of 20%. In line with our capital allocation policy, we paid a dividend of ₹ 8 per share for FY23, reflecting our confidence in the cash-generation ability of our businesses.

This confidence stems from the underlying change underway in the Indian economy. The gradual transition from rural and agriculture jobs to formal jobs also present a huge opportunity for your company. According to the FICCI McKinsey India's Century Report, India has the potential to create around 90 million non-farm jobs by 2030 with construction, education, healthcare, financial services and manufacturing being the biggest contributors. On our own steam, Quess Corp crossing 500,000 associates in headcount puts us on the road to bigger things in not only the Indian but also the global staffing space.

According to S&P Global Ratings, the Indian economy is expected to clock an average growth rate of 6.7% until FY27 driven by domestic consumption. For FY24, it expects growth to be lower at 6% compared to 7.2% in FY23. Even at 6%, India will be the fastest growing major economy and there are specific shifts that shall benefit the Company. The most prominent among them being:

A. **India increasingly being favoured as a manufacturing base by multinationals:** Manufacturing has started to see traction compared to previous years. Sourcing manufacturing personnel has tremendous potential owing to the large manufacturing units being set up due to the China+1 strategy adopted by multinationals and production linked schemes introduced by the government. Quess Corp could be a natural beneficiary as we are the only integrated services provider that can provide large scale staffing, security and food services, housekeeping services, dormitory management etc under one roof.

B. **Emergence of Tier II & Tier III cities in preference to Tier I cities:** In IT staffing, there is hiring momentum in non-IT sectors and global capability centers. The former driven by Indian enterprises going digital and the latter by companies in the US and Europe dealing with the slowdown by outsourcing more to their India centres. An EY report states that earlier GCCs favoured Bengaluru, Hyderabad, Chennai, Mumbai, Pune and Delhi NCR but now Tier II cities such as Coimbatore, Visakhapatnam, Jaipur, Vadodara, Kochi and Chandigarh are becoming popular due to improving infrastructure, favourable state policies, lower real estate and talent costs. The EY report states that 1,600 GCCs in India have a staff strength of 1.9 million and around 70 new GCCs are being set up every year. As per EY estimates, by 2030 India could have 2,400 GCCs employing 4.5 million people. This represents a significant opportunity to Quess to provide a range of business services to the GCCs being set up.

C. **Consolidation in commercial real estate:** Private equity giants such as Blackstone and Brookfield are now the biggest landlords in Indian commercial real estate and the rising popularity of REITs is only adding to the formalisation in real estate upkeep and maintenance. Blackstone and Brookfield prefer outsourcing facility management services and will increasingly favour integrated service providers for the maintenance and upkeep of their properties.

As we bid adieu to a milestone year in which Quess crossed 500,000 in headcount, we just might experience the occasional hiccup that I have earlier referred. With central bankers split on whether the tightening cycle has run its course and the Federal Reserve not ruling out further hikes, the global economy playing the guessing game. The tightening of monetary credit not only affects consumer demand but also inflicts higher borrowing costs on companies. The prospect of El Nino has the RBI worried as well. Already, due to delayed rains the price of vegetables and fruits is on the rise raising the scepter of food inflation.

Since Quess has successfully faced multiple economic headwind, we are approaching this financial year with confidence. During the past year, we also engaged the services of BCG for a strategic review of our business and capital allocation in order to drive long-term value creation. Our optimism is further buoyed by the faith reposed by our largest shareholder who increased their shareholding by 4.45% to 34.52% in FY23. Along with the 22.16% held by me, the overall promoter holding in the company now stands at 56.68%. Fairfax Group increasing its stake in Quess Corp during the year is an endorsement of the strategic direction of the company.

All our business services providing platforms are integral to our customers and continued growth in the economy along with efficiency measures should result in improved operational cash flow for the company going forward. Needless to add, our customers and our employees form the bedrock on which we have delivered so far.

At Quess Corp, we have always prioritized our people and for the fourth year running, we have been certified as a 'Great Place to Work'. This successive certification demonstrates our commitment to employee wellbeing. In addition, our people initiatives include:

Promoting inclusivity and diversity: We currently have 92,000 women employees across our organization, including core members and associates. Our goal is to increase the representation of women in our core workforce from 29% to 50% by 2025. To achieve this, we have introduced GROW 2.0, a digital app-based learning program that empowers women in mid-management roles. Furthermore, our 'Sthree' benefit program allows women returning to work from home during their menstrual cycles, and we actively seek out women returning to work from career breaks through our hiring policy. As part of our commitment to addressing menstruation poverty, we have partnered with Sustainable Menstruation Coalition (SMC), a global alliance of companies & NGOs that use innovative financing and on-ground activation to end period poverty.

Equity and fairness: Our Equal Employment Opportunity Policy ensures equal opportunities for growth and development. We are proud to employ 6,692 persons with disabilities across nine categories, embracing diversity while delivering exceptional service.

Learning and development: Last year, our employees dedicated over 197,590 hours to learning through programs like 'Crucible,' which develops leadership skills through true-to-life scenarios, and 'Catalyst,' a training module designed for the development of young leaders. We offer level wise learning and gateway programs accessible to all employees through digital and classroom formats.

Listening to our employees: We highly value employee feedback and incorporate it into the development of our policies, fostering a culture where every voice is heard and respected. Based on the insights gathered from our O.X.I Meter Survey, we have designed our Employee Value Proposition, OCEAN: Opportunities in Abundance, Champion, Entrepreneurial, Agile, and Nurturing.

Holistic wellness: To ensure the holistic wellness of our employees, we embrace a comprehensive approach across seven dimensions: physical, emotional, financial, societal, intellectual, spiritual, and occupational. We have implemented various initiatives for each dimension, supporting the wellbeing of our workforce. We empower work life balance by offering unlimited leaves, rejuvenation leaves for wellness, happiness leaves for family celebrations, and parental leave for board exams.

We take great pride in our employees as they lay a solid foundation for Quess to reach new heights. As we continue to build upon our initiatives, we remain committed to fostering an environment of learning, enjoyment, and unparalleled success.

We again thank our employees for all their effort, our customers for being partners in our growth and our investors for their confidence in the company.

MESSAGE FROM EXECUTIVE DIRECTOR & GROUP CEO

Dear Stakeholders,

Financial year 2022-23 was a great year for our business. Quess Corp crossed the milestone of 500k headcount, ending the year at 511k. It was the second consecutive financial year that Quess added 70k+ headcount. The addition was driven due to our strong sourcing which has started yielding results due to our past investments in building capabilities across various verticals. With formalized workforce still at only 15% of total workforce, we foresee a long runway with many such years of growth.

Last year, we witnessed rapid growth in the first half followed by cautious hiring in IT, Telecom and logistics segments in the second half. Despite the slowdown in the latter half, we achieved 25% YoY revenue growth with all the verticals growing over 20%, highlighting the all-weather nature of our platforms.

In line with our stated objectives, our focus in FY23 continued to be on:

1) **Divestment of non-core assets:** We completed the divestment of Simpliance at an enterprise value of INR 1.2 billion. The carrying value of 53% stake in Simpliance was at Rs. 45 million and the sale has resulted in aggregate gain of Rs. 535.03 million. This transaction validates our ability to nurture and turnaround a technology business.
2) **Growth of Product Led Business:** We invested INR 950 million towards the growth of Product Led Business (PLB). While that did not affect our cash flow as much of the capital was externally raised, it did impact the bottom line. As a result, our consolidated EBITDA and PAT declined by 6% and 11%, respectively for FY23. However, excluding PLB, our consolidated EBITDA and PAT increased by 7% and 28%, respectively.
3) **SG&A cost rationalization:** Efficiency improvement through technology has been an area of focus across all our platforms. The core to associate ratio in workforce

management (WFM) reached an all-time high of 1:512 in Q4FY23. The Operating Asset Management (OAM) platform, too, saw an improvement from 1:84 in Q4FY22 to 1:113 in Q4FY23 for OAM. As a result, SG&A/ Revenue improved to 4.5% for FY23 against 4.9% in FY22 (both numbers excluding PLB).

In our journey to be the preferred Company for customers, employees and investors, we made significant progress during the year on all three fronts:

Starting with customers, we added over 750 new clients and secured cross-sell deals worth INR 3.5 billion (annual contract value) from existing and new customers. As a result, we saw increase in headcount across verticals, crossing 360k in WFM, 50k in Global Technology Solutions (GTS) and 90k in OAM.

Our WFM vertical was ranked 54th globally in 2022 by Staffing Industry Analysts (SIA). In terms of headcount, we are the fourth largest staffing company in the world. In General Staffing, our targeted effort through dedicated teams towards manufacturing and industrial sectors has paid off in FY23. Manufacturing and Industrial headcount is now nearing the 50,000 mark and ranks third in headcount contribution after BFSI and Retail. We are of the belief that the manufacturing story in India has just begun and strengthening of sourcing capability in the vertical continues to be a key focus area for FY24.

Focus on value added services continues to yield results. In General Staffing, the gross margin added by 'Value Added Services' grew by 28% YoY to INR 550 million. IT Staffing business continues to strengthen its presence in high end digital skills with associates generating 10k gross margin now accounting for 35% of total associate base against 33% in FY22 and 28% in FY21, respectively.

The success in international geographies excluding USA has given us the confidence to enter the US market during the year. According to SIA, US is a $187 billion market with half of it being direct staffing. It is a high volume-high margin market growing at 6%-7% which will help drive up the overall margin for WFM in coming years.

GTS continues to exceed the benchmark set previously. It achieved highest-ever EBITDA of INR 3.53 billion, beating last year's INR 3.2 billion. The growth was driven by non-voice BPO vertical as we grew our leadership position in the collections business through ongoing platformization and digital tools. Our focus on service excellence fetched recognition at multiple forums. We won the 'Business Process Innovation' award from Nasscom and CII DX Award for two of our services.

OAM saw revenue growth of 24%. Food business has recovered significantly post Covid and posted 71% YoY growth in revenue. The telecom active infra services business had the best ever year with revenue up 47% YoY on the back of ongoing 5G rollout. In FY24, the facility management business will drive growth through specific focus on healthcare, logistics and public infrastructure, such as airports, ports and railways.

PLB saw revenue growth of 59%, driven by Qdigi and Foundit. Qdigi refurbished ~1.5 million devices during the year. Foundit had robust revenue growth of 33% YoY. Product enhancement has resulted in the number of recruiters on the platform crossing 50K while maintaining 90%+ CSAT throughout the year. The candidate experience has significantly improved through multiple product features like adaptive registration flow, mobile-first design and contextual career guidance. We have added more than 5 million new candidates to the platform during the year. Our strategy of doubling down in terms of candidate services has been validated thoroughly with 4x YoY growth in candidate revenues. We see immense potential in the Talent Platform market and are ready to take advantage of this opportunity.

Our people are our greatest resource and we are dedicated to putting people at the center of our organization. Our efforts in this direction have led to significant achievement and recognition. For four consecutive years, we have been certified as a 'Great Place to Work,' demonstrating our commitment to providing an exceptional work environment. Brainhunter Canada was also re-certified as a 'Great Place to Work'. Additionally, Quess ranked among the top 40 places in Health & Wellness, highlighting our focus on employee wellbeing. We have also received accreditation from Great Place to Work for our inclusive practices. Our consistent focus on promoting inclusivity and diversity is bearing fruit – we employed over 6,000 differently abled persons in FY23.

Our consolidated RoE for the year was 8.4%, this was lower due to growth investment in PLB vertical. Excluding the PLB growth investment, the business generated RoE of 12.39%. Our north star continues to be 20% RoE. Our razor sharp focus on cash flow has resulted in INR 2.9 billion of OCF in FY23, i.e. 71% of operating EBITDA. This has further strengthened our net cash position to INR 1.11 billion in FY23 against INR 511 million in FY22.

At Quess, we believe that our responsibility extends beyond organizational boundaries towards our vendors, customers and the community. During last year, Quess Foundation distributed educational kits to 16,520 students across 51 schools. It renovated infrastructure in 75 schools benefiting 17,000 students. Through School Health Programs 12,287 students were provided medical screening. Our ESG philosophy developed last year is interwoven with our operations through the ESG policy framework, governance mechanism and aspirational targets. Our FY25 targets are as follows: 5 million digital job opportunities, 50% women in core workforce, 20% emission intensity reduction and 100% ESG compliant new vendors.

As I look forward, given the dedication of our employees, our distinguished management team, and the guidance of our board, I remain confident in our ability to create impact for our clients and scale ever-new heights.

Sincerely,

Guruprasad Srinivasan
Executive Director and Group CEO

MESSAGE FROM GROUP CHIEF FINANCIAL OFFICER

Dear Stakeholders,

It is with great pleasure and honour as the Chief Financial Officer that I present to you the annual report covering financial performance, achievements, and outlook of the company for the financial year 2022-2023.

Over the past year, we have sailed through a dynamic and challenging business environment, our diverse portfolios ensured that overall growth remains steady despite shifting market conditions and uncertainties, I am proud to say that the company has demonstrated across all platforms a strong resilience, adaptability, and unwavering commitment to our strategic goals.

I would want to take a moment to acknowledge and express our sincere appreciation for the incredible efforts and dedication demonstrated by our exceptional team of employees. Their commitment to our core values and shared vision has been unwavering, and I express my gratitude to each and every member of our team.

We remain committed to maintaining a strong financial position, managing risks effectively, and capitalizing on emerging trends. Our strategic focus on customer-centricity, digital transformation, and operational excellence will guide our actions as we seek to deliver sustainable growth and create value for all our stakeholders.

Our revenues have witnessed robust growth, reflecting strength of our services and the dedication of our teams. Our diligent focus on cost management and operational efficiency has contributed to keep a check on our cost to serve thereby increasing our profitability and enhancing shareholder value.

We have continued to invest in our product led markets business as it sustains its growth trajectory. We are confident that over a long term it will generate significant value for our shareholders.

Our commitment to sustainability has been stronger than ever, as we strive to minimize our environmental impact and create positive social change.

We thank you for your unwavering commitment in this exciting journey and I invite you to explore this annual report, which provides a comprehensive overview of our financial performance, achievements, and corporate actions.

Financial Performance

Full Year revenues from operations saw 25% growth year on year to ₹171.58 billion in FY'23, this with all platforms pitching in to contribute a handsome 20%+ growth, this demonstrates our strong execution in sales, delivery and operations. EBITDA dropped year on year by 6% to ₹5.86 billion in FY'23, which is largely due to growth investments made of ₹0.95 billion in Product lead platform. Adjusted to that EBITDA grew by 7% to ₹6.81 billion.

Our reported EBITDA margins across operations was 3.41% for the year, a decrease of 114 bps from 4.55% reported in FY22. Adjusted to the investments product led business our normalized EBITDA margin for the same period was 4.10% for FY'23 a drop of 45 bps mainly due to margin renegotiations with key customer/s in operating asset management platform.

Our SG&A costs have increased year on year to 5.7% of revenue in FY'23 vs. 5.4% in FY'22 this is largely due to strategic investments made in product led business platform without that our SG&A costs would have declined to 4.5% in FY'23 vs. 4.9% of revenue in FY'22. This reflects our diligent focus on cost management and operational efficiency and productivity.

EBITDA to OCF conversion for FY 23 stood at 71%. Our operating PAT stood at ₹2.23 billion, in FY23 down 11% year on year. Without product led business platform PAT stood at ₹3.34 billion. Our normalized EBITDA to PAT conversion for FY'23 stands at 40%.

Platform wise Updates:

Workforce management:

Full year revenue grew by 25% to ₹118.31 billion and corresponding EBITDA grew by 18% to ₹3.45 billion. The growth is attributable to HC additions in Staffing in India and increased business in Singapore due to easing of travel restrictions post Covid. In North America, we made an investment of about ₹0.11 billion in FY 23, we expect the business to breakeven by Q3'24. While our General Staffing business grew by 28% for the year, our collect and pay ratio of customers remained constant at 76% which is in line with our goals. Our SG&A for the platform dropped to 5.4% from 5.9% last year.

Global Technology Solutions:

Full year revenue grew by 23% to ₹21.68 billion and corresponding EBITDA grew by 11% to ₹3.53 billion a new milestone achieved by the platform by posting highest EBITDA, mainly driven by steady growth in CLM & Non-voice BPO businesses. Our nonvoice BPO business achieved 34% YOY growth on the back of 39% growth in collection business.

Operating Asset Management:

Full year revenue grew by 24% to ₹26.22 billion, however EBITDA remained flat at INR 1.2 Billion YOY, this is because of re-negotiation of contract and commercials with one of the major customer in IFM business as called out in Q1 of FY 23. Core to associate ratio has improved by 27% to 110, also revenue per headcount per month also increased by 10% year on year.

Product Led Business:

Full year revenue grew by 58% to ₹5.38 billion. Due to investments made in the year on product development, marketing in FoundIt, we saw a total loss of ₹0.95billion, an increase of ₹0.83 billion YOY. This includes a non-cash loss towards ESOP of ₹0.24 billion.

Balance Sheet:

Our company has improved Net Cash position at the end of FY'23 to ₹0.82 billion from ₹0.51 billion in FY'22. Our continued focus on collections and prudent cash management has helped to reduce our gross debt to ₹5.31 billion as of year-end March 23 as against ₹5.88 billion as of March 22.

Day Sales Outstanding (DSO) has seen a reduction of 5 days to 57 days for the year end and OCF to Operating EBITDA ratio stands at 71% for FY'23. We continue to focus on capital monitoring and allocation, continued cash generation and reducing debt while making investments in digital asset, as we see great value and alignment with our existing businesses.

Our interest cost for the year stood at ₹ 1.07 billion, a 35% increase on a YoY basis primarily driven by the steep rise in interest rates due to 250 bps hike in policy rates by RBI during the year and also due to accounting for of Ind AS 116 interest component for new leases entered in the year.

ROE stood at 8.41% and we are on a good course and momentum to achieve double digit ROE in FY'24.

Corporate Action

In November 2022 we declared interim dividend of ₹8 per share.

During the year, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a carrying value of ₹45 million resulting in a gain on sale aggregating to ₹535.03 million.

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.

In conclusion, I am confident that your company is well-positioned to navigate the future successfully. We have a robust foundation, a talented workforce, and a clear strategic roadmap. On behalf of the entire finance team, I extend my sincere appreciation to our shareholders for their continued support and trust in our organization.

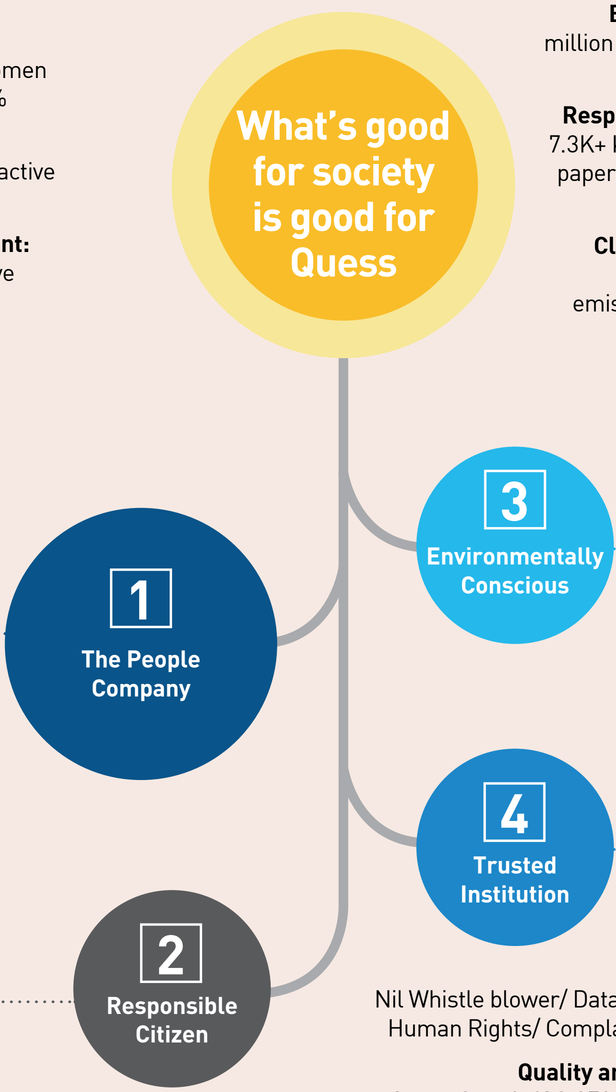
Regards,

Kamal Pal Hoda
Group CFO

CREATING SUSTAINABLE VALUE

Our business goals are woven with creating sustainable value for all our stakeholders. We strive to create impactful employment opportunities, which will positively impact every section of society. Our growth ambitions, coupled with our responsible business practices and governance help us strive ahead

Our ESG Framework with highlights for FY23



Diverse workforce: 92K Women Employees (28% Core & 18% Associates)

Promoting inclusivity: 6K+ active PWD employees

Nurturing work environment: GPTW accredited for inclusive practices 2023-24

Environmentally positive: 1.5 million devices repaired /refurbished by Digicare

Responsible waste management: 7.3K+ Kgs of e-waste & 7.5K+ Kgs of paper waste responsibility disposed for recycling

Climate Science Commitment: Committed to SBTi near-term emission reduction target by FY25

Community education: 75 Schools covered under school enhancement programs

Students impacted: 17+ from School upgradation

Community health: 12K+ beneficiaries from the health and wellness programs

Robust code of conduct: Nil Whistle blower/ Data Privacy/ Cyber-security/ Human Rights/ 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: Specific ESG targets to drive and implement our ESG strategy

1. The People Company

Diversity & Inclusion

At Quess, we believe that what benefits society benefits us. Our business initiatives and ESG principles reflect this. Our people are our core strength. Diversity and inclusion are critical to representing and utilizing the collective strengths of society. To this end, we have taken steps to increase the representation of women in our workforce to over 92k women employees, with 28% in Core and 18% in Associate roles. Our efforts include targeted hiring and mentoring programs like QWEEN, GROW2.0, and Return to Work. We have also been recognized for our highest e-nomination filed by female employees. Our Equal Employment Opportunity Policy creates a fair and equitable workforce where everyone is valued and given equal opportunities for development. We have 6.6K active People With Disabilities (PWD) deployed across 9 disabilities to promote diversity and inclusivity while delivering excellent customer service.

92K+
Women Employees

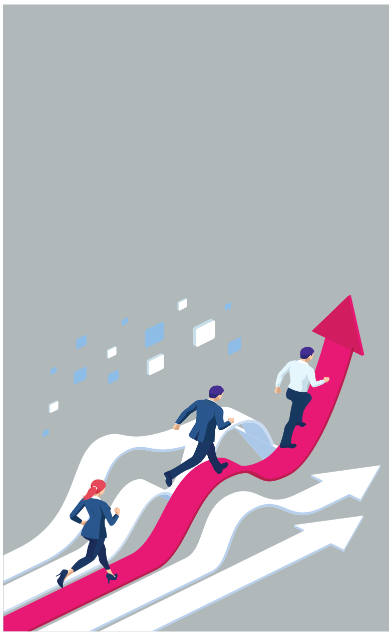
28% in Core

18% in Associates

6K+
PWD Associates

Mobilizing talent for Secure jobs

Quess is committed to creating a more equitable and sustainable workforce. Over the years, our organization has experienced remarkable increase in employee headcount and has reached over 500k in FY23, catering to the needs of 3K+ clients across 4 platforms. Looking ahead, with the ongoing formalisation of the Indian economy, we anticipate significant workforce migration from the informal to formal sector in the next decade. Our emphasis on inclusivity, coupled with our digitization initiatives enabled us to connect with 190K+ individuals from region beyond Tier 1 and Tier 2 cities. In FY23, we were able to extend our social security benefits to 234K+ additional employees.



Digitizing job discovery

We are accelerating the digitizing job discovery, which involves leveraging digital technologies and platforms such as QJobs and Foundit to provide job seekers with innovative tools and resources for finding employment opportunities more efficiently and effectively. Our innovative features such as video resumes, resume writing, interview mentorship, etc. helps job seekers to create enhanced content for introducing themselves and showcasing their skills and experience. These platforms have been made available on multiple devices and in various Indian languages, making it easier for users from different region to use these platforms. QJobs is specific for blue-collar job seekers, and is facilitating over 8.8 milllion recruiter candidate interactions with 5.7 million active job openings. While our white-collar employment platform Foundit, (formerly Monster) has experienced significant growth, with it's recruiter searches crossing over 7.9 million in the past year serving more than 8K+ clients.

Q jobs

2 Million+
Candidates

5.7 Million+
Job openings

2.4 Million+
Candidates upskilled

2. Responsible Citizen

ESG beyond organizational boundaries

In order to ensure that our business operations are aligned with ESG principles, we expanded our focus beyond internal policies and practices to include our vendors. As a part of our vendor on-boarding process, we requested their commitment to ESG values and adherence to our code of conduct policy. We are working towards achieving 100% new ESG compliant vendors. Additionally, 23% of our materials were directly sourced and obtained from MSMEs, indicating our commitment to support and empower local businesses.

Societal Impact

We are committed to making a positive impact on society through our CareWorks Foundation (CWF), particularly in the areas of health and education. Our primary objective is to promote the well-being of the community by initiatives that support the development of a healthy and educated workforce.

A comprehensive Corporate Social Responsibility (CSR) program that encompasses five distinct programs, Student Enrichment, School Upgradation, Health and Well-being, Teacher Mentoring, and Employee Engagement implemented across Karnataka and Tamil Nadu.

For detailed information of our CSR initiatives and impact, refer CSR section of this Annual Report on page 25

12K+
Students screened for health & well being

75 Schools
Benefitted from the School upgradation Program

72 Schools
Benefitted from school health program

92K+
Notebooks distributed

90 Scholarship
Given

23%
Sourced from MSME Vendors

3. Environmentally Conscious

By nature of the services provided by Quess Corp Limited, we are organically a low carbon intensity business. However, we are committed to further reducing our environmental impact and promoting sustainability in all our operations. To achieve this, the company has implemented various measures to minimize waste, reduce energy consumption, and promote the use of eco-friendly materials.

We have implemented waste management initiatives to minimize the amount of waste generated and promote sustainable waste disposal practices. 7.5 K+ kgs of paper waste and 7.3 K+ kgs of E-waste disposed in an environmentally responsible manner. Our Digicare business repairs and refurbishes electronic devices. This helps to extend the life of electronic devices and reduce e-waste. Over 1.5 million devices repaired/refurbished by Digicare serves as a measure of the company's success in reducing electronic waste.

Quess has committed to setting near-term GHG emission targets through the Science-Based Targets initiative (SBTi). Our subsidiaries, QITS, Terrier, and IFMS are certified with ISO14001:2015, Environmental Management Systems. Further, we have maintained 9.9 million+ Sq.ft of green spaces across India in FY23 which helps in promoting biodiversity and mitigate the urban heat island effect.

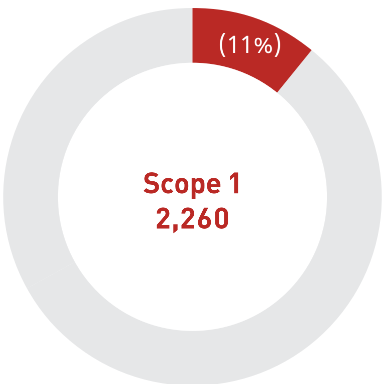
We are committed to sustainable practices and have recently concluded a comprehensive organization-wide exercise to record Scope 1, Scope 2, and Scope 3 emissions. This exercise is carried out for our Indian operations and subsidiaries. By calculating the total emissions of the company, we are able to identify areas of improvement and develop strategies to reduce its carbon footprint. The exercise involved collecting data from various sources, including fuel, refrigerant and energy consumption records, and travel data. Our total emissions for the year is estimated at 20,645tCO_2e

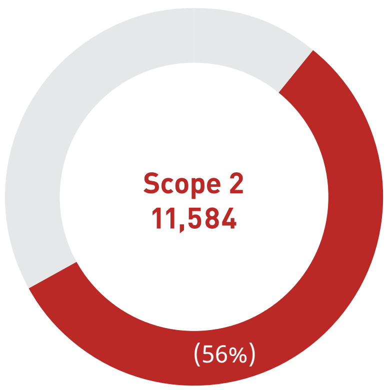
1.5 Million+
devices repaired/ refurbished by Digicare

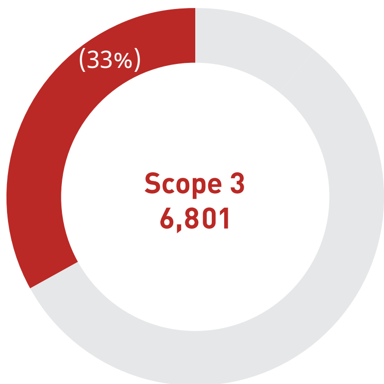
7.5K+ kgs
of paper waste responsibly disposed

7.3K+ kgs
of E-waste responsibly disposed

9.9 Million+
sq. ft of green space maintained







4. Trusted Institution

Corporate Governance

We are committed to upholding high standards of corporate governance in all our operations. The company has implemented various measures and policies to ensure compliance with relevant laws, regulations, and ethical standards.

The company has implemented policies related to various aspects of corporate governance, such as code of business conduct and ethics, Prevention of Sexual Harassment (POSH), anti-bribery and corruption, whistle blower, customer service, risk management, IT security, health and safety, and grievance redressal. These policies are designed to promote business ethics and ensure compliance with relevant laws and regulations. The company also has a zero-tolerance policy for any violations of its policies, and any cases of non-compliance will be promptly addressed. This ensures that the company's operations are conducted in a responsible and ethical manner.

Kindly visit for our Corporate Governance policies: https://www.quesscorp.com/corporate-governance/

In an effort to promote and uphold good governance practices, our board sub-committees, such as Audit Committee, Ethics Committee, CSR (Corporate Social Responsibility) Committee, Stakeholders Relationship Committee, Risk Management Committee, etc. These sub-committees have the responsibility of ensuring that our policies are implemented with integrity and that all necessary corrective actions are promptly taken.

Information Security and Data Privacy

Our company has recognized the significance of information security and data privacy within the organization, and as such, we have taken several measures to ensure the safety and security of our data. We have information security and data privacy policies that outline detailed guidelines and processes to ensure compliance and security as we continue to grow our digital presence. Further, all employees annual sign-off on these policies through mandatory digital training sessions.

Our Privacy Statement published on our website (https://www.quesscorp.com/privacy-statement/) outlines how personal information is collected, processed, stored and transferred. Further, the data privacy rights of various stakeholders such as Candidates, Customers, Vendors & Shareholders are clearly outlined for greater transparency across all our businesses and platforms.

To ensure the security of our critical applications and the protection of our remote workforce, we conduct VAPT (Vulnerability Assessment Penetration Testing) to constantly identify and address any vulnerabilities of our applications. Additionally, we have moved all our applications to a cloud environment, ensuring that our business can operate seamlessly in remote areas. We have also deployed Security Information and Event Management (SIEM) tools to monitor and secure our network against both known and unknown threats. Furthermore, to oversee our cybersecurity efforts, we have established a 10+ member council chaired by our Chief Digital Officer, respective platform and business IT Heads which meets quaterly to assess and improve our security posture and protocols.

The company conducts regular IT audits and ISO certifications to ensure that all our systems are secure and up to date.

Key Highlights

Quess Corp is **ISO 9001:2015, ISO 27001:2013**	IFMS is **ISO 9001:2015, ISO 14001:2015, ISO 45001:2018**
QITS is **ISO 9001:2015, ISO 27001:2013, ISO 14001:2015, ISO 45001:2018, and ISO 37000:2016**	Terrier is **ISO 9001:2015, ISO 27001:2013, ISO 14001:2015, and ISO 45001:2018**
Nil complaints received by the Data Information Officer	**UHD Unified Help Desk** for resolution of workforce grievances
Safety Incident Management Tool for resolution of incidents	

To access the comprehensive ESG Report, please visit on the following link: https://www.quesscorp.com/investor-relations/

CORPORATE SOCIAL RESPONSIBILITY

Quess Corp's association with communities began with the establishment of Careworks Foundation in 2014. Over the years, our work has expanded in geography, scale and areas of intervention. Careworks Foundation (CWF) works as a catalyst, to create deep societal impact in India. Our CSR initiatives, delivered through the Foundation, focus on education as well as improving healthcare.

School enhancement program, a flagship initiative of CWF, undertakes the responsibility of 75 schools in Karnataka & Tamil Nadu towards achieving holistic development.

A few of the significant programs under the **School Enhancement Program** this year included:

Our Programs

Student Enrichment Program

Helps Students to accelerate learning process through upgrading school resources, instruction methods and educational services.

Education Kit

Access to appropriate educational supplies is essential to fulfil children's right to education. CWF provides children with education supplies, considering their needs. School kit distribution is an annual activity that happens at the beginning of the academic year. The kit consists of schoolbag and notebooks. It encourages the children to attend school with dignity and reflects an increase in school attendance.

51
Schools

92,607
Notebooks given

16,520
Students Benefited

TabLab

To address shortage of teachers in school and bridge the learning gaps, CWF has introduced the TabLab program. TabLab is a tablet-based plug-n-play digital learning lab, custom designed for government schools. It delivers multiple subjects in both Kannada & English languages, in a familiar world of digitisation, facilitating joyful learning for students.

9
Schools

1,519
Students Benefited

Computer Learning Program

Computer Learning Program aims to provide basic computer knowledge to school students and to establish Computer Centers in Government Schools.

36
Schools

8,837
Students Benefited

Life Skills Education

It helps young people to develop life skills such as self-awareness, empathy, critical thinking, creative thinking, decision making, problem solving, effective communication and interpersonal relationships through the four components of the course - physical, social, study & positive mental health.

44
Schools

14,705
Students Benefitted

Scholarship

Recognizing Young Talents, where meritorious students of government schools are identified and supported in their education up to the post-graduate level. It encourages learners to actively participate in the learning process without any absence, breaks or disparity in society. We also develop a one-to-one mentoring program that empowers young minds to develop confidence, give orientation, evaluate their progress and excel in their interests with the help of professional leaders and guidance.

90
Scholarships Given

29
Scholarships given to visually challenged students.

Remedial Education

Switching to Adaptive Instruction, which is a continuation of remedial education activities of the previous year and strengthens the ecosystem for Functional literacy and numeracy by supporting teachers and conducting events. It also equips the children of government schools with foundational literacy and numeracy skills.

36
Schools

7,685
Students

10,000
Students appearing for board exams received study material

Early Childhood Learning Program

The program provides meaningful learning experiences for children in the age of 3-6 years (Pre-School Learning) through teachers & parents to bring about their holistic development and enhances the capacity of caregivers to provide caring, stimulating and healthy home environments for children, via virtual meetings with parents, using existing Integrated Child and Development Scheme curriculum and parenting modules.

27
Anganwadis (Pre-Schools)

843
Students Benefitted.

School Upgradation

School infrastructure, that comprises of school buildings & playgrounds, is a key factor in the overall health and learning outcome of students. School buildings and grounds must be designed and maintained in a manner, which is free of health and safety hazards and which promote joyful learning. Our past work, backed by studies by experts in the field, has shown that student progress can be affected positively by the school environment. A well-structured physical school environment helps promote learning and encourages positive social interactions amongst students and staff. Used effectively, school facilities, equipment and activities can encourage cooperative behavior and positively influence student interactions. Under the Project, CWF aims to create **joyful learning space** for the students studying in government schools.

75
Schools

17,000
Students Benefitted.

Health and Wellbeing

A comprehensive program for physical and mental health of the child with both preventive and responsive mechanisms like health education, disease prevention and improved access to health services in an integrated and systemic manner is undertaken at school level. Addressing health and education together underpins all Sustainable Development Goals (SDGs). Major projects include

- Health Screening & Treatment
- School Sanitation Program
- Health Education
- Psycho Social care
- Bridge Fund for cancer care

72
Schools

12,287
Students Screened

4,814
Dental cases treated

2,004
Vision cases treated

824
Spectacles provided

23
Cancer patients supported

12,287+
Students educated on handwashing & brushing techniques

Teacher Mentoring

Helps to upgrade the professional capacities of teachers to enable them to teach their subjects with easy access to resources and to promote personal well-being of teachers.

First responder/first aid training

76
Teachers trained

Life Skill training

20 Facilitators	**640** Hours training

Facilitation Skill training

26 Teachers	**1,040** Hours training

Psycho social care

24 Teachers	**960** Hours training

Employee Engagement

Encourages employees to support our initiatives through platforms like the Joy of Giving week and annual days to volunteer their time, money or efforts.

253
Employees Engaged

300+
Toys as part of creating toy libraries in preschools

200+
Stationary materials to school children

1,022
Hours of volunteering

Awards

Award for enhancing early education across Anganwadis in the category of education in the 8th CSR impact awards, hosted by CSR Box and Dalmia Bharat foundation, supported by Quess Corp and Care Works Foundation.

BOARD OF DIRECTORS

Ajit Isaac
Non-Executive Chairman

Guruprasad Srinivasan
Executive Director and Group CEO

Chandran Ratnaswami
Non-Executive Director

Gopalakrishnan Soundarajan
Non-Executive Director

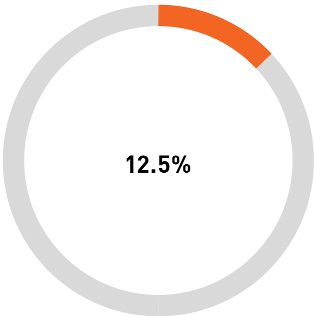
Gaurav Mathur
Non-Executive, Independent Director

Kalpathi Ratna Girish
Non-Executive, Independent Director

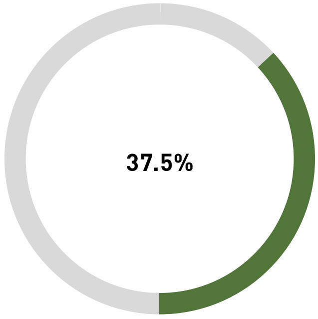
Revathy Ashok
Non-Executive, Independent Director

Sanjay Anandaram
Non-Executive, Independent Director

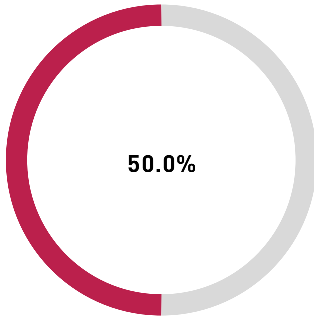
Board Composition



Executive Director

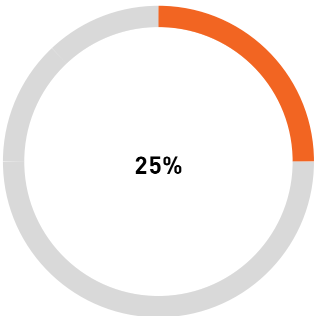


Non-Executive Director

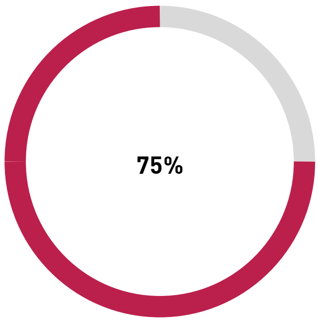


Non-Executive Independent Director

Board Nationality

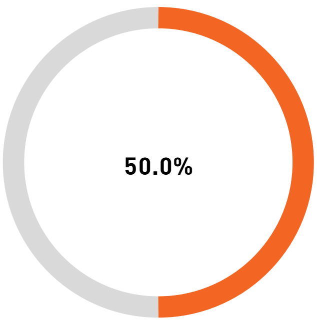


Foreign National

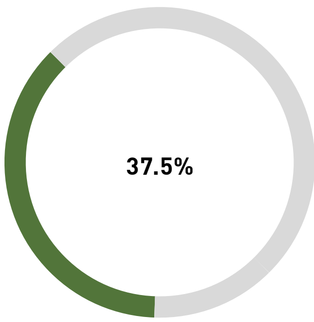


Indian

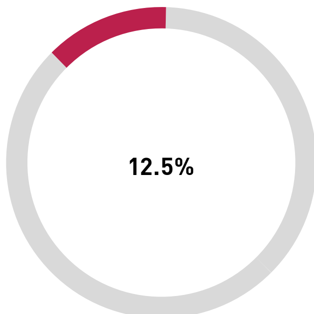
Board Age Profile



56-70 years



33-55 years



Above 70 years

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 5,11,000+ 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 LLP. 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

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

Monster.com (India) 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. Prior to joining Hamblin Watsa, he was the owner/president of an industrial distribution company and a senior executive at a large multinational consumer packaged food company.

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, Chemplast Sanmar Limited and Go Digit Infoworks Services Private 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

PROFILE OF THE DIRECTORS

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 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 Hamblin Watsa, Gopal was the Chief Investment Officer at ICICI Lombard, the largest private sector property and casualty insurance company in India. He held that position for 18 years and was a member of the insurer's investment committee as well.

Details of other Directorship:

Thomas Cook India, Bangalore International Airport and 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 and Safegold Digidemat 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 36 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. He has been rated as one of the top tax professionals in the country consistently for the last 4 years by International Tax Review UK. He was past president of the Bangalore Chamber of Industry and Commerce (BCIC) during 2009-10 and continues to be the Chairman of the finance Committee of the Chamber.

Details of Other Directorship:

Credens Fiduciary Solutions and 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, risk management and commercial with an ability to understand and analyze key financial statements, assess financial viability

PROFILE OF THE DIRECTORS

and performance, contribute to strategic financial planning and 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 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 nonpartisan 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. Further, she also serves as a member of Risk Management Committee of ADC India Communications Limited and Barbeque - Nation Hospitality Limited.

Achievement:

She was awarded the 'Faculty medal for Best Performance' – Habitat & Environmental Studies. She has a successful leadership experience of over three decades spanning variety of industries – Private Equity, Software & IT enabled services, Manufacturing, Infrastructure & Real estate, etc. in Senior Management positions handling wide variety of portfolios, namely Capital Raising, Business Development, Finance, Commercial and other strategic general management functions. In 2011, she was nominated by CII as one of the top women achievers in Business in South India and in 2005, she was named as one of the 10 most powerful women in the Indian IT industry by Dataquest.

Details of other Directorship:

AstraZeneca Pharma India Limited, ADC India Communications Limited, Athena Infonomics India Private Limited, Barbeque-Nation Hospitality Limited, Khemeia Technologies Private Limited, Microland Limited, Manipalcigna Health Insurance Company Limited, Shell MRPL Aviation Fuels and Services Limited, Sansera Engineering Limited, Welspun Corp Limited and 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, Financial and Risk Management, digital public platforms, Technology-led transformation and innovation.

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 start-ups. Sanjay has written extensively in online and offline publications including The Wall Street Journal and The Financial Express. 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 a mentor and board member of Sattva, a leading impact consulting firm including 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 is a co-founder of NICE (Network of Indian Cultural Enterprises), a non-profit company, that seeks to create Indian soft power through entrepreneurial ventures based on indigenous Indian practices and knowhow. In 2016, he authored "Startup Mantras" a collection of 100 distilled insights for entrepreneurs and managers. He co-founded Neta, a Silicon Valley VC backed software company, that became a part of Infoseek/ Disney. He was a founding partner of JumpStart-Up, 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, and is associated with several venture funds and innovative companies. Further, he also serves as a member of Risk Management Committee of Allsec Technologies Limited.

Details of Other Directorship:

Allsec Technologies Limited, Conneqt Business Solutions Limited, Network of Indian Cultural Enterprise, Syzygy Consultants Private Limited and Sattva Media and Consulting Private 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

India continues to be the world's fastest growing major economy and is now the most populous nation with more than 1.4 billion people.

Economic growth: After two years of disruption due to COVID-19, India's GDP grew 7.2% in FY23, following 9.1% growth in FY22 on a low base. India is projected to grow at 6-6.8% in FY24 on the back of rebound in private consumption, higher capital expenditure and strengthening of corporate balance sheets.

Shift towards formalisation:

In India, formal employment is estimated at 15% and the rest is informal. The transition underway from informal to formal will create huge opportunity for staffing firms along with the yearly addition to the labour force.

Capex push:

The Indian government has raised its capital expenditure by 33% to ₹10 trillion for FY24. Capital spending has increased on infrastructure and new investment is being sought through production-linked incentives.

Manufacturing push:

Driven by China+1 imperative many MNCs are diversifying their manufacturing base and India is a prime contender for such investment. Since these will be large investments focused on economies of scale, they will generate corresponding employment. The government's infrastructure push should feed into creating last mile connectivity for these proposed global units.

Emergence of Tier II & Tier III:

Work from Home has enabled the rise of Tier II & Tier III cities and catalysed the geographical expansion for many companies especially in the IT sector. Global capability centres will follow their footsteps due to lower operating cost and lower attrition.

Workforce Management

General Staffing

The general staffing industry provides manpower services by helping to match qualified candidates with companies that have job openings across sectors like e-commerce, retail, telecom, manufacturing etc. They provide services across blue collar, grey collar and entry-level white-collar jobs.

India has emerged as one of the largest countries for flexi staffing in the world with a market size of $12 billion. As per Goldman Sachs, temporary staffing could account for 10% of India's formal employment by 2025. The industry is expected to grow 2x by FY26 and 5X in the coming decade to $60 billion.

According to the Indian Staffing Federation 2023 annual report[1], about 100 members of the ISF employ 1.44 million flexi workforce. The staffing industry saw 14% year-on-year growth in FY23 compared to 21.9% in FY22. The industry (ISF members) added approximately 0.18 million flexi-jobs to India's formal employment sector in FY23.

As the economy evolves, the organised staffing market in India is expected to grow at a higher speed and benefit larger compliance adherent players. Furthermore, the combination of China +1, PLI scheme, larger manufacturing presence in India, lowest tax rate for the manufacturing sector will lead to India becoming a large manufacturing hub and this transition will continue for decades.

IT Staffing

Globally, the economic slowdown has affected the technology industry. The total global technology spend for CY22 stood at $4.39 trillion, a decline of -0.2% compared to the previous year. The tech industry is likely to continue to grapple with issues around supply chains, workforce, and innovation, along with macroeconomic and global uncertainties, as per Deloitte's Technology Industry Outlook report.[2]

Despite the global headwind, India's technology industry revenue is estimated to have crossed $245 billion (8.4% y-o-y growth) in FY23[3], largely due to the growth in IT services, BPM, software products, ER&D and the domestic market. The IT apex body Nasscom has estimated that the industry will hit $500 billion by 2030 fuelled by enterprises, including traditional enterprises, leaning on technology for scaling automation while humanising User Experience (UX), streamlining supply chain, enhancing cyber resilience, and delivering their sustainability goals towards becoming purpose-driven businesses.

Staffing firms are expecting a resurgence in IT staffing, as the hiring in technology sector reported a positive trend in the first few months of 2023. A higher rate of digitisation will increase the need for talent with digital niche and super niche skills including Cloud Infrastructure, Full Stack, React JS, Android and Angular JS, among other skills.

According to IDC's India Digital Transformation (DX) 2022 Survey[4], as compared with 2021 and 2022, more than 95% of Indian organisations are planning to increase their DX spending or keep it at the same level in 2023. DX adoption across industries and businesses will augment the demand for talent with digital niche and super niche skills.

This spending on digital transformation is across sectors and that is why demand for IT hiring from non-IT sectors is on the rise in India. This rise in demand has resulted in a cost uptick for companies and even global capability centres who are dealing with it by expanding to Tier II cities. An EY report states that earlier GCCs favoured Bengaluru, Hyderabad, Chennai, Mumbai, Pune and Delhi NCR but now Tier II cities such as Coimbatore, Visakhapatnam, Jaipur, Vadodara, Kochi and Chandigarh are becoming popular due to improving infrastructure, favorable state policies, lower real estate and talent costs.

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[1] Indian Staffing Federation Annual Report: Flexi Staffing Industry 2023

[2] Deloitte, 2023 Technology Industry Outlook: https://www2.deloitte.com/us/en/pages/technology-media-and-telecommunications/articles/technology-industry-outlook.html

[3] Nasscom, 2023: https://www.nasscom.in/knowledge-center/publications/technology-sector-india-2023-strategic-review

[4] India Digital Business Strategies, 2022: https://www.idc.com/getdoc.jsp?containerId=prAP49919022

Global Technology Solutions

Business Process Management (BPM)

The Information Technology – Business Process Management (IT-BPM) sector is the largest private sector employer in India employing 5.4 million employees and accounting for 7.5% of India's GDP in FY23[5]. The BPM industry witnessed a growth of 8% in FY23, accounting for 53% share of global sourcing[6].

IT-BPM is a high growth industry and with a rise in the number of companies embracing digital technology, it is likely to increase the demand for tech talent. The BPM industry is diversified across verticals such BFSI, telecom, retail and healthcare. According to a Nasscom report[7], around 33% of the total jobs in the BPM sector are related to customer interaction services such as call centre work (email, chat etc). A large portion of the customer work is done in India through omnichannel model and involves higher end expertise with technology and automation already built into the processes, says the Nasscom report. The creation of BPM sector jobs in India in the past three-four years is attributable to automation and robotic process automation (RPA). The industry is using RPA for repetitive and low-end tasks that require less human judgement. These include document processing, organising data, and responding to customer queries.

According to a joint report by Nasscom and McKinsey[8], India's BPM industry has an addressable opportunity of $180 billion-220 billion that will enhance growth and jobs. India's BPO industry has been constantly evolving to capture global and domestic customers through enhanced customer experience and by leveraging analytics.

With Covid-19 accelerating the pace of digitalisation, and organisations looking at data gathering to make wise business decisions, the demand for BPM services is expected to grow. Going forward, the industry's hybrid approach of customer connection – a mix of humans and machines – will help the BPM industry to sustain its growth.

Payroll Outsourcing

The global payroll outsourcing market was valued at $9.9 billion in 2021, and is projected to reach $19.5 billion by 2031, growing at a CAGR of 7.2% from 2022 to 2031[9]. As per an estimate, of the 86 million salaried employees in the formal sector in India, just about 15% are payrolled on an outsourced platform. The payroll outsourcing market will continue to grow in the near future as employment increases in the formal sector & a growing number of organisations continue to outsource their payroll enabling them to focus on their core business, achieve cost savings & enhance compliance / employee experience. As the formalisation of jobs increases and organisations enhance hiring, the outsourcing of payroll services is likely to become the norm. However, in the absence of comprehensive research on India's payroll services, it is difficult to quantify the market size.

IT Services

In 2022, the Indian domestic IT & Business Services market was valued at $13.87 billion and recorded a 7.4% year-over-year (YoY) growth as compared to 7.2% in 2021, according to International Data Corporation[10]. The growth is attributed to the rise in digital transformation investments among Indian enterprises. The overall Indian public cloud services market is expected to reach $13.5 billion by 2026, growing at a CAGR of 24% during 2021-26[11].

Indian IT services industry is quickly adopting to the cloud and artificial intelligence markets including infrastructure-as-a-service (IaaS), platform-as-a-service (PaaS) solutions and software-as-a-service (SaaS) markets across private cloud, public cloud and hybrid/multi-cloud. With the current emphasis around AI, technology players will upgrade their tech stacks, leverage cloud and automate software delivery to provide better services. IT companies are growing their team of experts to handle cloud platforms, to keep up with the demand.

Operating Asset Management

Integrated Facilities Management:

The Facility Management Services Market in India is estimated to grow at a CAGR of 15.23% between 2022 and 2027 and increase by $16.32 billion, according to a report by Technavio[12]. In 2021, the industry was estimated to be worth $21 billion. Facilities management consists of soft services such as housekeeping, catering and security services and hard services such as heating, ventilation and air-conditioning, plumbing and fire protection.

According to the market research firm, growth will be driven by rising level of outsourcing in building management, the development of SEZs and mega food parks, and the focus on smart cities. By outsourcing various facility-related services such as HVAC, catering, security, and other support services, end users can focus their attention on core business activities, it adds.

For sectors such as retail, education, hospitality and healthcare, outsourcing facility management makes eminent economic sense given the scale at which they operate. With the exception of healthcare, most sectors were hard hit by Covid and over the past year have made a gradual comeback. This is helping facility management providers get back on their feet. The catering business continues to show traction on the back of opening up of offices and educational establishments. With the hybrid work model still being active, the facility management business has more headroom.

[5] Nasscom: https://timesofindia.indiatimes.com/business/india-business/indian-it-sector-to-touch-245-bn-in-fy23-nasscom/articleshow/98344616.cms?

[6] https://www.investindia.gov.in/sector/it-bpm

[7] Nasscom, 2021: https://nasscom.in/sites/default/files/media_pdf/NASSCOM-Statement-Job-creation-and-Hiring-in-Indian-IT-BPM-industry.pdf

[8] Nasscom, McKinsey: Perspective 2025: Shaping the digital transformation

[9] Allied Market Research: https://www.alliedmarketresearch.com/payroll-outsourcing-market-A31433

[10] International Data Corporation: https://www.idc.com/getdoc.jsp?containerId=prAP50719023

[11] Mint, 2022: https://www.livemint.com/technology/tech-news/digital-innovation-accelerates-india-s-public-cloud-adoption-says-idc-11653389842458.html

Companies are also increasingly opting for integrated services and going forward this will lead to a gradual consolidation in the industry. Regional and unorganized players could find the going tough as customers become more compliant and expect the same of their vendors. Smaller players could also find it hard to grapple with high employee attrition, which plagues this highly fragmented sector.

Security Services

The workforce size of the industry is more than the combined strength of the Army, Navy, Air Force and Police put together. With 8.9 million security guards and 1.9 million police officers, India has 5x as many private security guards as police officers.[13]

These numbers notwithstanding, the industry is characterised by low entry barriers and this has led to mushrooming of unorganised players with little scale or expertise. However, their presence actively deters organised players from flexing their pricing muscle.

While Private Security Agencies Regulation Act, or "PSARA" is meant to regulate private security companies, given the vagueness in defining optimum security or lack of standardisation, most firms engage in providing manned guarding services. To differentiate themselves against unorganised players, organised players are now increasingly using technology. The use of technology not only improves the scope of services provided but also acts as a value add to justify higher pricing. It also helps with employee retention via training and upskilling needed to use the technology.

As with the facilities management industry, the security services space will undergo consolidation driven by higher operating costs and adoption of technology. With rising industrialisation and commercialisation, the demand for security services is only expected to rise. The Indian private security market is estimated at ₹150,000 crore and has historically grown at 20% annually.[14] According to Technavio, bulk of the future growth could come from South India due to the existence of significant metropolises like Hyderabad, Bangalore, Chennai, and Kochi. These metropolitan cities are attracting high investments from the financial, industrial, and IT sectors, which are resulting in rapid urbanization of the region.[15]

Product Led Business

Online Recruitment

The global online recruitment market is projected to grow from $31 billion in 2022 to $58 billion by 2030, at a CAGR of 7.1% as per Skyquestt.[16] This growth will be powered by high bandwidth internet infrastructure, expanded use of cloud technology, and social networking. After North America, Asia Pacific is predicted to hold the second-largest share due to rapid adoption of AI in the region's key countries such as China, Japan and India.

Job boards are working on innovative ways to address the traditional challenge faced by recruiters of finding the right candidate and that of the candidate optimising his skills and experience. As for the job portals themselves, engagement and assisted services have much bigger revenue potential than just plain vanilla candidate discovery. While the discovery market is estimated at $1.3 billion, the market for assisted services is estimated at 8X the former. This will eventually work out very well for the job portals who have historically had 90% of their revenue flowing from recruiters.

This internal transformation in no way harbours the job portals from external business realities. According to the World Economic Forum, about 22% of the Indian job market will witness structural change over the next five years, with top emerging roles coming from AI, machine learning and data segments. Of the companies surveyed by WEF, 61% think broader applications of ESG (environment, social and governance) standards will drive job growth, followed by increased adoption of new technologies (59%) and broadening digital access (55%).

To be adequately prepared, India needs policies that can create jobs and prepare the workforce for the future. The government will have to focus on building both physical as well as digital infrastructure to create opportunities for fresh graduates.

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[12] https://www.technavio.com/report/facility-management-services-market-industry-in-india-analysis

[13] https://www.linkedin.com/pulse/standardisation-indian-private-security-industry-sambit-nath

[14] https://www.researchgate.net/publication/361842608_An_Overview_of_Private_Security_Industry_in_India

[15] https://www.technavio.com/report/security-services-market-analysis

[16] https://www.skyquestt.com/report/online-recruitment-market

Financial Performance

(₹ in millions except per share data)

Particulars	Consolidated		Standalone	
	FY 2023	FY 2022	FY 2023	FY 2022
Revenue	**171,583.87**	**136,917.78**	**121,963.45**	**97,584.98**
Less: Cost of Materials and Stores and Spare Parts Consumed	4,794.39	2,787.25	1,773.52	1,110.39
Less: Employee Expenses	146,595.61	116,869.92	109,156.31	87,045.27
Less: Other Expenses	14,337.25	11,025.76	9,094.63	7,558.23
EBITDA	**5,856.62**	**6,234.85**	**1,938.99**	**1,871.09**
EBITDA Margin	3.41%	4.55%	1.59%	1.92%
Add: Other Income	263.35	198.01	707.62	1315.70
Less: Finance Costs	1,066.08	792.15	574.89	476.99
Less: Depreciation & Amortisation Expense	2,746.12	2,120.47	651.10	481.04
Add: Share of Loss in Associates	0.84	(16.87)	-	-
Less: Exceptional Item	(535.03)	(72.24)	83.04	422.52
Profit Before Tax	**2,843.64**	**3,575.61**	**1,337.58**	**1,806.24**
Profit Before Tax Margin	1.66%	2.61%	1.10%	1.85%
Less: Tax Expense	614.55	1,065.84	35.92	357.96
Profit After Tax	**2,229.09**	**2,509.77**	**1,301.66**	**1,448.28**
Profit After Tax Margin	1.30%	1.83%	1.07%	1.48%
Add: Other Comprehensive Income/ (Losses)	554.54	16.26	50.54	(78.42)
Total Comprehensive income for the year	2,783.63	2,526.03	1,352.20	1,369.86
Diluted EPS (in ₹)	15.04	16.18	8.72	9.71

Key Highlights for FY'23

Revenue from operations

The company's consolidated revenue registered a growth of 25% during the year to reach ₹171.58 billion as compared to ₹136.92 billion in FY'22. All Platforms registered a steady 20%+ revenue growth with our headcount net-addition of 74k (17% YoY growth) in FY23; Second consecutive year of 70k+ HC addition signifying our strong sourcing engine and a relentless focus on sales.

EBITDA

Consolidated EBITDA for the year dropped by 6% to ₹5.86 billion from ₹6.23 billion in FY'22, the drop is majorly because of our investments in Product led platform of ₹0.95 billion, excluding that EBITDA grew by 7% YOY at ₹6.81 billion.

EBITDA margin dropped from 4.55% in FY'22 to 3.41% in FY'23. Excluding Product led platform- EBITDA margin stood at 4.1%, drop YOY majorly attributable to slowdown in IT sector hiring in H2 and also contract renegotiation in OAM platform.

Cost of Materials and Stores and Spare Parts Consumed

Cost of Materials, Stores and Spare Parts Consumed increased 72% YOY to ₹4.79 billion from ₹2.79 billion in FY'22 as we saw exceptional growth in break-fix and food businesses.

Other Expenses

Other expenses increased during the year with volume growth in business activity. FY'23 saw an increase in Travel and Conveyance, Consulting, Recruitment and Business promotion expenses. Other expenses was also higher during the year due to rise in subcontractor costs in telecom business, Stellarslog becoming a subsidiary and growth in professional IT staffing and facility management business.

Our SG&A cost has increased to 5.7% of revenue in comparison to 5.4% in FY'22, increase is driven by product led spend on business promotion and marketing expenses; excluding PLB, SG&A spend is down to 4.5% of revenue from 4.9% in FY'22. The decrease is because of continued focus on cost reduction, productivity and automation.

Finance Cost

Finance cost for the year was ₹1.07 billion against ₹0.79 billion for the previous year, an increase of 35%. Increase in Finance cost is mainly due to interest rates going up during the year and also because of IND AS 116 interest component for new leases signed during the year.

Finance Cost - The gross debt reduced to ₹5.31 billion in FY'23 from ₹5.88 billion in FY'22. This in spite of a 25% growth YOY, reflects strong focus on working capital management.

Depreciation and Amortization Expenses

The Consolidated Depreciation & Amortization (D&A) Expenses increased 30% to ₹2.75 billion in FY'23 from ₹2.12 billion in FY'22.

The increase is majorly on account of depreciation on lease rentals for office space in GTS platform.

Share of Loss in Associates

Share of profit in Associates during the year was at ₹0.84 million against Loss of ₹16.87 million for FY'22.

Stellarslog Technovation Private Limited (Taskmo) became a subsidiary with a total holding of 53.91% effective April 2023.

Exceptional Items

During the year, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a carrying value of ₹45 million to Aparajitha Corporate Services Limited (Aparajitha) and Dasa Consulting Private Limited, acting as a Trustee company of Poornatha Wellness Private Trust. Consequently, a gain on sale aggregating to ₹535.03 million was disclosed as exceptional item during the year.

Income Taxes

Tax expenses during the year were ₹0.61 billion against ₹1.07 billion in FY'22. Effective tax rate for the year was 21.6%.

Balance Sheet Analysis

Particulars	FY 2023	FY 2022
Leverage Metrics		
Debt: Equity (#)	**0.20x**	**0.24x**
Working Capital Metrics		
Receivable DSO	**57 days**	**62 days**
Return Metrics		
RoCE (pre-tax) (#)	**11.89%**	**16.60%**
RoE (post tax)	**8.41%**	**10.03%**
Credit Rating		
Long Term	**ICRA AA [Stable]**	**ICRA AA [Stable]**
Short Term	**ICRA A1+**	**ICRA A1+**

Goodwill : Decrease in goodwill due to Sale of Simpliance during the year -₹0.53 billion.

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 especially in GTS platform.

Investments : Investments decreased due to Stellarslog Technovation Private Limited becoming a subsidiary effective this year.

Receivable DSO: Receivable DSO decreased by 5 days to 57 days vs. FY22 reflecting robust collection and working capital management.

Cash and Cash Equivalents: The cash and cash equivalent balance including bank balances and current investments stood at ₹6.12 billion as of 31st March 2023 in comparison to ₹6.04 billion as of 31st March 2022.

Borrowings: Long term Debt reduced by ₹142.03 million to ₹94.72 million as of 31st March 2023. Short term Debt decreased by ₹0.42 billion to reach ₹5.2 billion as on 31st March 2023. Debt: Equity ratio reduced year on year.

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

Cash Flow from Operations: Cash flow from operations decreased by 16% from ₹5.54 billion in FY'22 to ₹4.66 billion in FY'23.

Financial Ratios

Ratios	FY 2022-23	FY 2021-22
DSO days	57 days	62 days
Interest Coverage Ratio	5x	8x
Current Ratio	1.27x	1.35x
Debt Equity Ratio (#)	0.20x	0.24x
EBITDA Margin	3.41%	4.55%
Net Profit Margin	1.30%	1.83%
Return on Net Worth	8.41%	10.03%
Debtor Turnover Ratio	12.45	12.65
Working Capital Turnover Ratio	22.22	15.68

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

[a] Interest coverage ratio increase is mainly due to interest rates going up during the year.
[b] There is a drop in EBITDA Margin majorly because of Company's investments in Product led platform
[c] There is a drop in Net profit Margin majorly because of investments in PLB, WFM: IT sector slow down & OAM: major customer commercial renegotiation
[d] There is an improvement in the working capital turnover ratio due to decrease in receivable DSO by 5 days

BUSINESS SEGMENT OVERVIEW

Workforce Management (WFM)

Quess is the 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 and Permanent Recruitment. Over the past 15 years, our biggest strength has been building and sustaining our reach and scale within the segment. With 73 offices in India 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 54th in the world for 2022, with approximately $1.22 billion in revenue.

Our top sectors BFSI, Retail, Telecom, FMCG and Consumer Durables mirror the economy and are set to benefit from the formalization in hiring that will follow with the economy projected to grow from $3.75 trillion in 2023 to nearly $8 trillion in 2030.

As for IT staffing, there is hiring momentum in non-IT sectors and global capability centers. The former driven by Indian enterprises going digital and the latter by companies in the US and Europe dealing with the slowdown by outsourcing more to their India centres. An EY report states that 1,600 GCCs in India have a staff strength of 1.9 million and around 70 new GCCs are being set up every year. As per EY estimates, by 2030 India could have 2,400 GCCs employing 4.5 million people.

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 • Value Added Services • Digital Training and Skilling programs	• Engagement Programs • Rewards & Recognition Programs • Asset Deployment • Training Management • Hire Train & Deploy • Employee Self Service • Tracking and productivity management

b. Key Highlights for FY23

- Quess was ranked 54th in SIA's largest global staffing firms 2022 list.
- The General Staffing business reached total headcount of 344,000 and added 239 new logos during the year. BFSI, Manufacturing and Retail were key drivers behind this 26% YoY growth.
- 75% of all new deals have achieved some form of consolidation in the market, coming from local contractors or first time temping clients expanding the market.
- 50% of new signups were from manufacturing & infra which grew the fastest at 39% and now ranks 3rd in headcount after BFSI and Retail.
- 51% of all general staffing clients have now crossed the five-year mark and Collect & Pay remains stable at 75% of the book size.

IT Staffing

a. Serviced Offered

- Staffing Services.
- Managed Solutions.
- Selection, Search and RPO.
- MSP (Master Service Provider).

b. Key Highlights for FY23

- With 5,400+ resources deployed globally, IT Staffing's EBITDA contribution to the WFM platform stood at 28%.
- Headcount was down due to tepid market conditions but gross margin was steady due to focus on margin expansion, and cost control.
- 47 clients were signed up during the year including 9 in Q4FY23.
- Book size from high margin digital skills is over 33%.
- Global capability centres are driving growth and continue to be an important component of the sales pipeline.
- Non-IT sectors saw increased IT demand, especially from auto and engineering, research and development.
- Quess Singapore achieved highest-ever revenue, headcount, gross margin and EBITDA contribution since acquisition.

Focus Areas:

General Staffing:

- Share of manufacturing is increasing and has tremendous potential due to mega manufacturing units being set up.
- To acquire greater market share, general staffing business will strengthen its digital backbone.

IT Staffing:

- Pursue opportunity in high and mid margin skills rather than junior and entry level.
- Capitalizing on hiring momentum in GCC and non-IT sectors.

Overseas Staffing:

- Having billed our first set of customers in Q4FY23, achieve breakeven in North America in FY24.
- Fortify Quess' presence in IT & Professional Staffing in the $187 billion US market (SIA estimates).

Global Technology Solutions

The Global Technology Solutions platform consists of the following: 1. Platform based services, 2. Customer lifecycle management (CLM) solutions, 3. Non- voice BPO solutions, and 4. IT Services.

The GTS platform generates 78% of business from India and 22% from North America, with CLM, Non- voice BPO, IT services and Platform business accounting for 47%, 28%, 10% and 15% of the business, respectively.

The segment posted its highest revenue and EBITDA, with revenue growing by 23% YoY and EBITDA growing by 11%. This enabled GTS to become the largest EBITDA contributor to Quess this year, replacing Workforce Management.

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 - 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

b. Key Highlights for FY23

- Payslips processed in HRO business crossed 1.2 million per month, establishing a clear leadership position.
- The North America Insurtech business achieved Revenue/FTE of approx. $110,000 during FY23, leading to highest-ever quarterly EBITDA in Q4 and highest-ever EBITDA margin.

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 FY23

- Highest ever headcount (~44,000), quarterly revenue (₹378 crore) and annual revenue (FY23 – ₹1,426 crore).
- YoY revenue growth of 25%
- Highest ever sales of ₹121 crore booked during Q4FY23.

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 FY23

- Non-voice BPO had an excellent year with annual revenue for the segment growing by 28% in FY23 over FY22.
- Non-voice BPO grew significantly during Q4FY23 (34% YoY / 13% QoQ) due to excellent growth in collections business (39% YoY / 14% QoQ) and F&A transaction processing business (53% YoY / 31% QoQ).

IT Services

a. Services offered

Cloud/Infra & Cyber Security	IT Consulting
- Private Cloud-based Platform Solution providing Infra management across Data centers & 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 FY23

- IT Services business, spanning digital engineering, digital applications, Infrastructure Management & Cloud Services and Cyber Security services grew 32% YoY in revenue terms.

Focus Areas:

- Accelerate the growth momentum achieved in North America in FY23 to enable overall margin enhancement.
- Build and consolidate on success in healthcare vertical in North American market through omnichannel offering.
- Continue to consolidate leadership position in the domestic Customer Lifecycle Management /Collections businesses & Managed Payroll services.
- Complete the upgrade of Smart Pay (payroll engine) & Smart HRMS (Employee lifecycle platform).
- Expansion of global delivery footprint in Manila through margin-rich growth.

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 FY23

- With 3,000 sites and 360 million sq.ft facilities under management, we are one of the largest facility management services companies in India.
- Leveraged the skills of 53,000+ associates to deliver exceptional service.
- Revenue grew by 23% in FY23 against FY22, driven by Manufacturing, BFSI and Public Infra.
- Food business saw significant recovery as educational institutes hosted entire academic year on campus. As a result, revenue grew 71% YoY in FY23.
- **New Offerings:** We have been focusing on providing sustainable facility management solutions to customers to reduce their carbon footprint.
- Continued focus on efficiency through technology combined with economies of scale has seen our core to associate ratio improve from 1:84 in Q4FY22 to 1:110 in Q4FY23.

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 clients. From offering Manned Guarding, Asset Management, Video Analytics, and Command Centre-led Business Solutions to Perimeter Intrusion Detection Systems, we provide security services specifically designed to meet client requirements.

a. Serviced Offered

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

b. Key Highlights for FY23

- Revenue grew by 22% in FY23 over FY22 driven by 40 client additions in the year.
- Holds PSARA license across 23 states.
- Strong pan-India presence for diverse sectors such as Airports, Industries, Manufacturing, BFSI, Hospitality, Education, Logistics, IT/ITES, and Retail.
- Increased traction for security services in manufacturing, retail and logistics sectors during the year.
- Establishment of Command center is strengthening our electronic security services vertical. Electronic services revenue tripled in FY23.

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 Aluminum Smelters o Copper Smelters o Captive Power Plants • Oil & Gas Shutdown services • Technology and Consulting services	• Telecom Tower Installation • Network Planning, Rollout and Optimization • Performance Management

b. Key Highlights for FY23

- Acquired 8 customers across power, petrochemical and metals segments.
- Telecom business moved up the value chain by obtaining Small Cell Business directly from Network Operators. Revenue up 47% YoY on the back of ongoing 5G roll-out.

Focus Areas

- IFM: SLA based and integrated projects, shifting towards outcome-based services and specialized cleaning. Food business to focus on sector diversification to reduce dependence on Education and Healthcare.
- Security: Focus on margin improvement by increasing market share in existing clusters with specific focus on top 10 cities. Scaling up the electronic security business.
- Continued digitization of operations to improve efficiency and quality of services.

Product Led Business

Among our Product Led Business, the newly branded foundit (formerly Monster APAC & ME) continues to go from strength to strength while the other digital assets gather momentum. Through sustained investment in technology and people, foundit maintains its standing among the top 3 job portals in India. It now has candidates from over 18 countries and customers from over 25 countries.

Foundit

Our job portal witnessed strong growth in Q4 (36% YoY) despite the headwind in recruitment space. For the full year, revenue growth was 33%. The product enhancement has resulted in recruiter count crossing 50K while maintaining 90% + CSAT throughout the year. The candidate experience has significantly improved through product features like adaptive registration flow, mobile-first design and contextual career guidance. We are excited about FY24 as the core product continues to grow aggressively and investment made in products in FY23 will start contributing to revenues.

Key Highlights for FY23

- Added more than 5 million new candidates to the platform.
- 4x YoY growth in candidate revenues.
- Investment in products such as Zuno and Skillyst has paid off significantly with all new initiatives showing great traction.
- Cash balance of close to ₹ 100 crore.

Focus Areas:

- Complete the transition from job board to talent platform.
- Increase candidate engagement through skilling and mentoring.

Blue Collar Talent Platform

This consists of 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 to accelerate their hiring, workforce engagement, and benefits needs.

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%

FY23 Highlights:

Qjobs	WorQ	Dash
• Job Seekers: 5.6 Million • Job Vacancies: 5.9 million • Candidate-recruiter interactions: 8.8 million • Upskilling engagement: 2.48 Million • Recruiters: 10.6K	• Activated Users: 250K • Average Monthly Attendance Managed Users: 92K • Average Monthly Productivity Managed Users :11K	• Monthly Active Users: 200K • Visits Per User Per Month: 7 • Annual Gross Transaction Value (GTV) Run Rate: ₹ 70 crore

Qdigi

Qdigi is the leading provider of 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 60%. In FY23, we launched the protection plan business, under the brand 'QuessCare', in the general trade market and made it available through the company website.

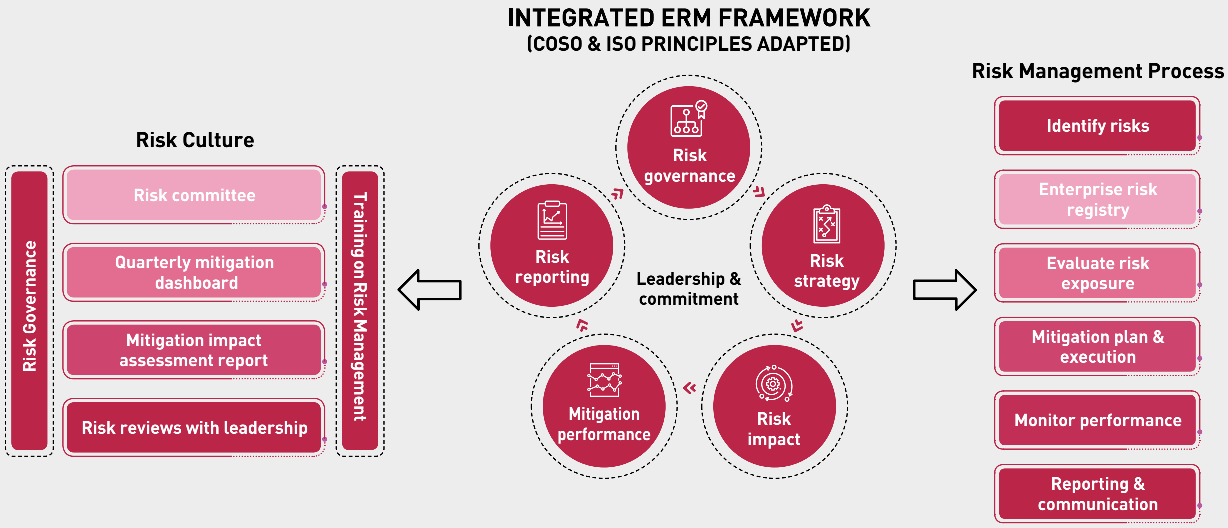
We have increased our reach to 7 states through sales partners and continue to expand our PAN India coverage. Going forward the business will continue to invest in building the tech platform to deliver efficiencies in both sales and servicing in order to build a scalable and sustainable omnichannel business.

RISK MANAGEMENT

The risk landscape in the current business environment is dynamically changing, given the focus on automation and digital transformation. Risks such as Cyber Security, Information Security & Personal Data Protection, etc. are proactively mitigated through our Risk Management Framework, which provides for risk identification, evaluation, mitigation, risk monitoring and reporting. Quess global operations and diversified businesses bring in considerable complexities. Its robust Risk Management Framework aids in ensuring the strategic objectives of the company are meet, after carefully evaluating all risks Associated with businesses.

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.



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 considered while identifying risks.

Risk Category	Description
Strategic Risks	Risks arising out of our business strategy and the successful execution thereof, to meet our business objectives. For example, risks Associated with business model, service offerings, target markets, etc.
Operational Risks	Risks affecting our policies, procedures, people and systems that impact our service delivery and business practices. For example, inefficiencies in internal processes and systems, ability to scale based on business needs, etc.
Financial Risks	Risks affecting the financial stability and profitability of the business. For example, SLA management, taxation, account receivables, etc.
Compliance Risks	Risks arising from non-compliance to central, state and international laws relating to business operations could lead to financial and reputational risksrisks. For example, compliance with labour laws, licenses and permits, etc.
Sustainability Risks	Risks Associated with business operations negatively impact the company's environment, social and governance—for example, carbon footprint, diversity, inclusion, business ethics, etc.

Our ERM Framework, supported by a robust and dynamic internal control system 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 made on 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 need 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 monitor the risk exposure and effectiveness of mitigation plans executed.

Key Business Risks

Risk	Opportunities	Mitigation Actions
Digital Transformation & Automation Traditional, non-cost effective processes will lead to poor business scalability	• Leveraging technology to optimise costs • Scalable business processes • Sustainable business models & systems	Disruptive technologies & automations such as RPAs, digital Apps, ATS, paperless invoicing, live dashboards, etc. help in scaling business, while optimising costs and protecting margins. Leveraging our industry domain knowledge with technology, helps us provide unique business solutions and value propositions to our customers such as Qjobs, WorQ, Dash, HR modules, etc.
Cyber Security & Data Protection Data breaches and cyber-attacks will negatively impact the reputation of the company	• Enhanced security posture • Data privacy & rights • Compliance with laws and regulations • Recovery strategies to prevent business disruptions	Our Cyber Security Council chaired by the Chief Technology Officer and business IT Heads meet fortnightly, with a specific focus on cyber security and data protection risks. In addition, the Committee tracks emerging practices and technologies, to provide solutions for enhancing IT systems and infrastructure. We have considerably strengthened our security posture through initiatives such as VAPT, SIEM, DLP, MDM, etc.
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 UHD (Unified Help Desk) is tasked with live monitoring and response to such incidents raised in the app. Our comprehensive Health, Safety and Environment Conservation Policy and the Emergency Procedure Policy govern Procedures our employee safety and incident management. Mandatory safety training as part of the induction programme/ annual refresher course along with specific on-the-job training help increase safety awareness and adherence to set protocols.
Diversity & Inclusion Low productivity of the workforce due to the lack of diversity, inequality, talent, etc.	• Work environment that helps foster innovation, creativity, empathy, etc. • Culture of equality, self-awareness, respect, etc. • Creating opportunities and adding value to society • Socio-economic development	Quess is committed to hiring talent from diverse backgrounds worldwide 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, sex, disability, marital status, race, religion and sexual orientation. Through our partnerships with various NGOs, we successfully induced 6K+ PWD Associates into the workforce; we believe this is just the start. The Company's near-term goal is to improve gender diversity to 50% (currently 28%) for Core employees through targeted talent acquisitions, over the next two years.

Risk	Opportunities	Mitigation Actions
Carbon Footprint Company's operations might negatively impact the natural environment	• To mitigate the impact of global warming • Optimisation & effective utilisation of natural resources • Sustainable business practices	We continue to drive key sustainability initiatives across our businesses, even though we are a low-carbon emitting company. For the year, we could recycle 7.5K+ kgs of paper waste and responsibly dispose of 7.3K+ kgs of e-waste. Although our electricity consumption has been a key focus area, to further reduce our Scope 2 emissions, we have taken measures such as consolidating 10 offices across the cityto reduce our Scope 2 emissions further into one efficient building housing 1.2K+ employees.
Employee Trainings Lack of skilling and upskilling of the workforce will lead to poor productivity & employee satisfaction	• Increased workforce productivity • Enhanced employee engagement • Reduce attrition	Our employee HRMS portal has been enhanced with a training and development module. In addition, various training modules have been curated to improve employee productivity such as decision making, problem solving, workplace collaboration, strategic thinking, customer delight, etc. These self-paced training modules are available for employees to learn at their convenience. In addition to the skill enhancement modules, compliance based modules such as CoC, POSH, Insider Trading, ESG, ERM, etc. are completed by all employees annually. In FY23, employees underwent an avg. of ~37.5 hrs of training.
Compliance with labour laws Lack of tracking and adherence to labour laws and regulations, might seriously disrupt business operations & loss of reputation	• 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, Gratuity, etc. are tracked and reported periodically across the business.

Our approach to risk management is designed to provide reasonable, but not absolute assurance that our assets are safeguarded, the business risks are being assessed and mitigated. All information that must 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), aligned to the Companies Act, 2013 and to 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 thecompany, for ensuring the orderly and efficient conduct of its business, compliance with all applicable laws, rulesand directives from any statutory or regulatory authority, safeguarding of its assets, transactions are carried out with proper authorisation, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

Ernst & Young LLP conducts internal audit reviews, with scope and authority defined by the Board's Audit Committee. To ensure independence, the Internal Auditor reports to the Audit Committee Chairman. The Internal Auditor monitors and evaluates the company's ICS's efficacy, compliance with laws, and accounting policies. Management reviews the reports and takes corrective action to enhance controls. Audit findings summaries are presented to the Board's Audit Committee.

The Audit Committee comprises of six company Directors, four of whom are independent, in compliance with Section 177 of the Act. They meet quarterly to review Internal Audit reports submitted by the Internal Auditor. The Committee scrutinizes and evaluates key audit findings to ensure robust financial and internal controls, risk management systems, and processes. Regular audits and reviews reinforce these systems. The internal auditor provides the Committee with key audit finding status updates quarterly to ensure resolutions are implemented. Deloitte Haskins and Sells LLP audited our financial statements, issuing a report on our internal controls over financial reporting, as defined under Section 143 of the Companies Act, 2013, which is included in our annual report.

Further to the above, the 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.

The management believes that strengthening ICS is a continuous process and therefore will continue its efforts in making controls smarter with focus on preventive and automated controls as opposed to manual controls. The company has robust ERP and other supplementary IT systems which are an integral part of internal control framework. The company continues to constantly leverage technology in enhancing its internal controls.

BOARD'S REPORT

Dear Members,

Your Board takes pleasure in presenting the Sixteenth Annual Report of Quess Corp Limited ("**the Company**" or "**Quess**") (CIN: L74140KA2007PLC043909) along with the audited financial statements (Standalone and Consolidated) for the financial year ended 31 March, 2023 . The consolidated entity has been referred to as "**Quess Group**" or "**the Group**" in this report.

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 significant developments during the financial year from 1 April, 2022 to 31 March, 2023 ("**the year under review**" or "**the year**" or "**FY23**"), in respect of Quess and its subsidiaries.

1. Financial Summary : Standalone and Consolidated

The standalone and consolidated financial highlights of the Company's operations are as follows:

Particulars	(₹ in millions, except per equity share data)			
	Consolidated		Standalone	
	FY23	FY22	FY23	FY22
Revenue from operations	171,583.87	136,917.78	121,963.45	97,584.98
Other Income	263.35	198.01	707.62	1,315.70
Total Income	171,847.22	137,115.79	122,671.07	98,900.68
Cost of material and stores and spare parts consumed	4,794.39	2,787.25	1,773.52	1,110.39
Employee benefit expenses	146,595.61	116,869.92	109,156.31	87,045.27
Other expenses	14,337.25	11,025.76	9,094.63	7,558.23
Finance Costs	1,066.08	792.15	574.89	476.99
Depreciation and Amortization Expenses	2,746.12	2,120.47	651.10	481.04
Total Expenses	169,539.45	133,595.55	121,250.45	96,671.92
Share of Profits/(loss) in Associates	0.84	(16.87)	0.00	0.00
Profit/(loss) before exceptional items and tax	2,308.61	3,503.37	1,420.62	2,228.76
Exceptional items	(535.03)	(72.24)	83.04	422.52
Profit/(Loss) Before Tax	2,843.64	3,575.61	1,337.58	1,806.24
Tax Expense	(614.55)	(1,065.84)	(35.92)	(357.96)
Profit/(Loss) for the year	2,229.09	2,509.77	1,301.66	1,448.28
Total Comprehensive Income for the year	2,783.63	2,526.03	1,352.20	1,369.86
Basic EPS (in ₹)	15.16	16.32	8.79	9.80
Diluted EPS (in ₹)	15.04	16.18	8.72	9.71

A detailed performance analysis of various segments, business and operations are provided in the Management Discussion and Analysis which forms part of 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 / unpaid dividend / shares to Investor Education and Protection Fund:

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 and corresponding shares, are liable to be transferred to the Investor Education and Protection Fund (**"IEPF"**)

During the year, there were no unclaimed dividend and corresponding shares which were due to be transferred by the Company.

4. **Dividend:**

In accordance with Regulation 43 of the Listing Regulations, the dividend pay-out is in accordance with the Company's Dividend Distribution Policy which details various parameters based on which the Board may recommend or declare dividend, usage of retained earnings, etc. This Policy is available on the Company's website at: https://www.quesscorp.com/investor/dist/images/pdf/Policies/Dividend_Distribution_Policy.pdf

Based on the principles enunciated in the above Policy in line with the practice of returning free cash flow to shareholders and based on the Company's performance, your Company paid the following dividend to equity shareholders during FY23:

- Interim dividend of ₹ 4 per equity share of ₹ 10 each aggregating to ₹ 591.96 million declared by the Board on 31 May 2022; and
- Interim dividend of ₹ 8 per equity share of ₹ 10 each aggregating to ₹ 1185.19 million declared by the Board on 9 November, 2022.

5. **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 ₹ 1,479.91 million to ₹ 1,482.29 million due to the following:

Allotment of shares against exercise of options granted/vested under the following share-based benefit schemes:

a. **Quess Corp Limited Employee Stock Option Scheme 2009 ("ESOP 2009")**

The Nomination and Remuneration Committee (**"NRC"**) vide resolutions dated 15 June, 2022 and 23 September, 2022 allotted 18,090 and 9,045 equity shares respectively of ₹ 10 each to the eligible ex-employee of the Company who exercised options under ESOP 2009.

b. **Quess Employee Stock Option Scheme 2015 ("ESOP 2015")**

NRC vide resolution dated 12 December, 2022 allotted 13,422 equity shares of ₹ 10 each to the eligible employees & ex-employees of the Company who exercised their options under ESOP 2015.

c. **Quess Stock Ownership Plan-2020 ("QSOP 2020")**

NRC vide resolutions dated 15 June, 2022; 23 September, 2022; 12 December, 2022 and 20 March, 2023 allotted 71,087; 59,951; 33,232 and 34,104 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.

6. **Commercial Paper:**

The Company has issued Commercial Papers (CPs) from time to time which were duly redeemed based on the maturity dates. As on 31 March, 2023, the outstanding balance of CPs is ₹ 500 Million.

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 audited financial statements of the subsidiaries, are available on the Company's official website at: https://www.quesscorp.com/ financial-information/

The Company has a policy for determining the materiality of subsidiaries and the same is uploaded on the Company's website which can be accessed using the following link- https://www.quesscorp.com/investor/dist/images/pdf/Governance/Policy-for-Material-Subsidiary.pdf

In terms of the above 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. Further, Quesscorp Holdings Pte Ltd, Singapore is also a material subsidiary.

There has been no material change in the nature of the business of the subsidiaries.

As of 31 March, 2023, there are 34 Subsidiary Companies comprising 14 Indian Companies and 20 Foreign Companies. Out of 14 Indian Companies, 10 Companies are wholly– owned subsidiaries, 3 Companies are subsidiaries and 1 Company is a step-down subsidiary. Out of 20 Foreign Companies, 5 Companies are wholly–owned subsidiaries and 15 are step-down subsidiaries. Further, there are 1 Indian and 3 Foreign Associate Companies.

Details pertaining to entities that became and ceased to be subsidiaries/joint ventures/associates of the Company during the year under review are also provided in the notes to the Consolidated Financial Statements, forming part of this Report.

8. **Significant Developments in FY23:**

a) 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 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, the Company has filed an application before the Hon'ble National Company Law Tribunal ("NCLT"),Bengaluru Bench on 21 January, 2022.

On 30 November, 2022, in the first motion application filed before Hon'ble NCLT, necessary directions were issued in which the meeting of the Equity Shareholders, Secured & Unsecured Creditors were dispensed with.

The Company had filed a second motion petition before Hon'ble NCLT on 9 January, 2023 which is pending for disposal.

Withdrawal of the Scheme of Arrangement between the Company and Allsec Technologies Limited:

During the year under review, after considering the recommendations and report of the Audit Committee and the Committee of Independent Directors, the Board of Directors of Quess Corp Limited and Allsec Technologies Limited, at their meeting held on 22 June, 2022 had approved the Scheme of Amalgamation of Allsec Technologies Limited ("Transferor Company") with Quess Corp Limited ("Transferee Company" or "the Company") and their respective shareholders and creditors (hereinafter referred to as the "Scheme"), subject to necessary approvals of Hon'ble NCLT and relevant regulatory authorities.

In view of the changed market scenario, the Board of both Companies considered and approved the proposal of withdrawal of the Scheme under Clause 21.2 of the Scheme at their meeting held on 23 December, 2022.

b) Acquisitions / Investments / Disinvestment during the year:

Quess's strategy supports value creation for its clients and growth for the organisation through multiple ideologies and keeping the stakeholders' priorities in mind. Your Company focuses its efforts and investments through organic and inorganic modes on maximum results, going deeper in areas that it believes it has the strength and defocusing on others, and scaling up to secure leadership positions.

On 21 October, 2022, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance), digital compliance platform for labour laws at an aggregate sale consideration of ₹ 645 million.

9. Particulars of Loans, Guarantees or Investments:

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

10. Management Discussion & Analysis:

The Management Discussion and Analysis as prescribed under Part B of Schedule V read with Regulation 34(3) of the Listing Regulations is provided in a separate section and forms part of this 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. Chandran Ratnaswami (DIN: 00109215), Non-Executive Director is liable to retire by rotation at the ensuing Annual General Meeting ("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-

During the year, Mr. Kamal Pal Hoda was appointed as Group Chief Financial Officer of the Company with effect from 10 January, 2023 in place of Mr. N. Ravi Vishwanath ("Mr. Ravi") who superannuated from the services of the Company

The Board places on record its appreciation for Mr. Ravi's valuable contribution and guidance during his tenure as Group Chief Financial Officer of the Company.

Pursuant to the provisions of Section 203 of the Act, Mr. Guruprasad Srinivasan, Executive Director and Group Chief Executive Officer, Mr. Kamal Pal Hoda, Group Chief Financial Officer and Mr. Kundan Kumar Lal, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company as on 31 March, 2023.

During the year under review, there has been no change in the Directors of the Company.

(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 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 are disqualified from being appointed as Directors under 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 2023, 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 to give a true and fair view of the state of affairs of the Company as at 31 March, 2023 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:

In line with the Corporate Governance practices of the Company, Annual Performance Evaluation was conducted for each Board Members as well as the overall working of the Board and its Committees. The Board of Directors and 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 for FY23.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

In a separate meeting of Independent Directors held in compliance with the requirements of Regulation 25(7) of the Listing Regulations, 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 Board also assessed the fulfillment of the independence criteria as specified in Listing Regulations, by the Independent Directors of the Company and their independence from the management.

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.

In addition to regular updates/familiarization on the regulatory changes, as applicable to the Company, a specific familiarization programme for all the Independent Directors was held on 23 January, 2023.

A note on the Familiarization 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 and Sustainability Report:

As stipulated under Regulation 34(2)(f) of the Listing Regulations, the Company's report on Business Responsibility and Sustainability describing the initiatives taken by the Company from environmental, social and governance perspectives forms a part of this 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 the members had at the 11th AGM held on 26 July, 2018 appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No.117366 W/W - 100018) as Statutory Auditors of the Company for a term of 5 (five) consecutive years. Accordingly, the first term of Statutory Auditors expires on 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. Accordingly, the Auditor's report for FY23 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 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 11 August, 2022 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 FY23. The Company had also received written consent from Mr. S. N. Mishra to act as such.

The Secretarial Audit Report for FY23 is annexed as **'Annexure – B'** and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification or adverse remark for the year under review. During the year under review, the Secretarial 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 of the Listing Regulations, the Secretarial Audit Report of Conneqt Business Solutions Limited, material wholly-owned subsidiary of the Company, issued by Mr. CS P V S Ramanjaneyulu (C.P No 22999) is annexed as **'Annexure – C'** and the Secretarial Compliance Report of the Company for the financial year ended 31 March, 2023 is annexed as **'Annexure – D'**

(c) Internal Auditors –

The Board, on the recommendation of the Audit Committee, at its meeting held on 26 May, 2022 had approved the appointment of M/s. Ernst & Young LLP as the Internal Auditors of the Company for FY23 to conduct the audit on the basis of a detailed internal audit plan which is finalised in consultation with the Audit Committee. Internal Auditors submit its findings and report to the Audit Committee of the Company on a quarterly basis.

(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 maintained.

16. Risk Management:

We have adopted an integrated ERM Framework that is implemented across the organisation by the Risk Management Team of the Company. 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. 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.

The Risk Management policy, as approved by the Board, is displayed on the official website of the Company and can be accessed by 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 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 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 FY23 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 FY23 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 has been obtained from the Audit Committee for the related party transactions which are repetitive in nature, based on the criteria approved by the Board. In case of transactions which are unforeseen, the Audit Committee grants an approval to enter into such unforeseen transactions, provided the transaction value does not exceed the limit of ₹ 1 Crore per transaction, in a financial year. 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 Exchange(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, if any, 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. Details pertaining to the related party transactions entered during the year under review are also provided in the notes to the Financial Statements, forming 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 is available on our website, at: 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 and geographical background, age, ethnicity, race, gender, knowledge and skills including expertise in financial, global business, leadership, technology, mergers & acquisitions, Board service, strategy, sales and marketing, Environment, Social and Governance (ESG), risk and cybersecurity and other domains, to help us retain our competitive strength. The Company has evaluated the policy with the purpose of ensuring 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 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

Additional details on Board diversity are available in the Corporate Governance Report.

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 its 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.

A detailed disclosure with respect to stock options containing details as required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and SEBI Circular dated June 16, 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), has 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 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 endeavors to adopt the best prevalent and benchmarking Corporate Governance practices which are implemented by us in true letter and spirit and a reflection of our value system including our culture, policies, and relationships with our stakeholders. Integrity and transparency are the major keys to our corporate governance practices to ensure that we concur and continue the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably continuously. At Quess, the Board of Directors exercise their fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

A detailed report on Corporate Governance, pursuant to Regulation 34 of the Listing Regulations, forms an integral part of this 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.

24. Vigil Mechanism/ Whistle Blower Policy:

In compliance with Section 177(9) of the Act and Regulation 22 of 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 forms 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:

The Company being in the service industry requires minimal energy consumption and every endeavor is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible.

The Company is a pioneer in workforce management, technology and has used information technology extensively in its operations. The Company has an in house information technology team which constantly works on the adoption and implementation of new technology into the businesses of the Company.

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

- Expenditure in foreign currency: ₹ 13.56 million
- Earnings in foreign currency: ₹ 161.99 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 Care Works Foundation (CWF), a non-profit initiative established in January 2014. The Company has filed Form CSR-2 for the financial year 2021-22 and will be filing the aforesaid form for FY23 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 2022-23 is ₹ 31 million. CSR spending is guided by the vision of creating long-term benefits for Society.

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, which was amended by the Board of Directors at their meeting held on 26 May, 2022 to align the same with statutory amendment.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. 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 and no amount on account of principal or interest on deposits from public were outstanding as on the date of the balance sheet.

28. Details of significant and material orders passed by the Regulators/Courts/Tribunals:

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

29. Debentures:

As on 31 March, 2023, the Company does not have any debentures.

30. Credit Rating:

In order to comply with Basel-II norms, the Company has received credit ratings from ICRA Limited concerning the Company's long-term and short-term fund-based limits.

As on 30 August, 2022, ICRA has re-affirmed the credit ratings [ICRA] A1+.

31. Meetings of the Board:

The Board met seven (7) times during the year under review. The particulars of the meetings held and attendance of the Directors in the meetings are detailed in the Corporate Governance Report that forms part of this Report.

32. 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 31 March, 2023 is available on the Company's website at - www. quesscorp.com/investor-other-information.

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

Your 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.

Your 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 its employees at 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.

34. Code of Conduct:

The Company has laid down a Code of Conduct for the Directors and 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 FY23 forms part of the Corporate Governance Report.

35. 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 commitment affecting the financial position of the Company, which occurred between the end of the financial year of the Company and the date of this report.

36. Cyber-security:

The Company is committed to provide 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.

37. 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 business purpose of Qdigi Services Limited, wholly-owned subsidiary of the Company. The Company has been filing the statement of deviation or variation every quarter pursuant to Regulation 32 (3) of the SEBI (LODR) Regulation, 2015. There is no deviation in the usage of the funds.

38. Other Disclosures:

- The Company's ESG Report for the financial year ended 31 March, 2023 prepared in accordance with GRI Standards will be available at our Company's website, at https://www. quesscorp.com/sustainability/
- Pursuant to the provisions of Section 118 of the Act, the Company has devised proper systems to ensure compliance with all 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") and that such systems are adequate and operating effectively.
- There is no proceeding pending under Insolvency and Bankruptcy Code, 2016.

39. Acknowledgements:

We would like to place on record by gratitude and appreciation to all our stakeholders, including the Central and various State Government / Authorities, Stock Exchanges, Financial Institutions, Analysts, Advisors, Local

Communities, Customers, Vendors, Business Partners, Shareholders and Investors forming part of the Quess family for their continued support during the year. Your continued trust and vote of confidence hold us high and motivates us to pursue better opportunities, responsible growth and enhanced delivery of our strategy. Primarily, we would like to take this opportunity to regard our employees who have been working with high enthusiasm, energy and zeal and who help us progress along our mission and vision.

At Quess, we are striving to make the customers' life easy by increasing our attention on value-creating growth, investing in digitalization, bolstering our sustainability commitments and optimizing our operations. So, as we grow from strength to strength, we request your extended support.

40. 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: 17 May 2023

ANNEXURE – A

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	**Corporate Identity Number (CIN) of the Listed Entity**	L74140KA2007PLC043909
2	**Name of the Listed Entity**	Quess Corp Limited
3	**Year of incorporation**	19-09-2007
4	**Registered office address**	3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru - 560103, Karnataka, India
5	**Corporate address**	3/3/2 Bellandur Gate, Sarjapur Main Road, Bengaluru - 560103, Karnataka, India
6	**E-mail**	investor@quesscorp.com
7	**Telephone**	08061056001
8	**Website**	www.quesscorp.com
9	**Financial year for which reporting is being done**	1 April 2022 to 31 March 2023
10	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11	**Paid-up Capital**	₹ 1,482.29 million
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Kundan K Lal Vice President & Company Secretary 080-61056001 cosecretary@quesscorp.com
13	**13: Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**	Consolidated basis (Disclosures are made on a consolidated basis except in cases where specifically mentioned on standalone basis)

Note: Allsec Technologies Limited has been excluded from the reporting boundary as entity has published BRSR report separately.

II Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Workforce Management	End-to-end HR services, from customized staffing services, expert talent acquisition, search and recruitment, payroll compliance, training and skill development, to manpower management	68.95%
2	Operating Asset Management	Facility management, security services, food services, or the more complex ERP, industrial, and cellular services	15.28%
3	Global Technology Solutions	CLM and BPO Services, After-Sales Services, HR Outsourcing & Consulting Services, and Digital Transformation Services to Business Consulting Services and IT Consulting Services	12.66%
4	Product Led Businesses	Digital platforms for workforce hiring, management, engagement, and non-compensation benefits.	3.11%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Workforce Management	7830	68.95%
2	Operating Asset Management	74909	15.28%
3	Global Technology Solutions	62099	12.66%
4	Product Led Businesses	62099	3.11%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total*
National	0	63	63
International	0	10	10

*Excluding Allsec Technologies Limited, a listed company

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	23
International (No. of Countries)	8

b. What is the contribution of exports as a percentage of the total turnover of the entity?

1

c. A brief on types of customers

Quess is one of India's largest private sector companies and a diversified business services provider with a host of technology-enabled staffing and managed outsourcing services across processes such as staffing, facility management, customer care, after-sales service, telecom operations, manufacturing operations, HR & F&A operations, IT & mobility services, etc. We cater to a wide range of B2B segments, delivering comprehensive solutions across multiple industries.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No. (C)	%(C/A)
EMPLOYEES						
1	Permanent (D)	5,587	4,020	72%	1,567	28%
2	Other than Permanent (E)	-	-	-	-	-
3	**Total employees (D + E)**	**5,587**	**4,020**	**72%**	**1,567**	**28%**
WORKERS						
4	Permanent (F)	4,87,864	4,01,569	82%	86,295	18%
5	Other than Permanent (G)	14,473	12,702	88%	1,771	12%
6	**Total employees (F + G)**	**5,02,337**	**4,14,271**	**82%**	**88,066**	**18%**

*Excluding Allsec Technologies Limited, a listed company

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No. (C)	%(C/A)
EMPLOYEES						
1	Permanent (D)	5	5	100%	-	0%
2	Other than Permanent (E)	-	-	-	-	-
3	**Total employees (D + E)**	**5**	**5**	**100%**	**-**	**0%**
WORKERS						
4	Permanent (F)	6,687	5,699	85%	988	15%
5	Other than Permanent (G)	-	-	-	-	-
6	**Total employees (F + G)**	**6,687**	**5,699**	**85%**	**988**	**15%**

*Excluding Allsec Technologies Limited, a listed company

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	8	1	12.5
Key Management Personnel	3	0	0

20. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	FY- 2023 (Turnover rate in current FY)			FY- 2022 (Turnover rate in previous FY)			FY- 2021 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees*	47.0%	61.5%	50.8%	47.3%	56.0%	49.5%	34.3%	42.8%	36.4%
Permanent Workers : Not Applicable									

*Excluding Allsec Technologies Limited, a listed company

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / Associate companies / joint ventures

S.No.	Name of the holding / subsidiary / Associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Agency Pekerjaan Quess Recruit Sdn. Bhd.	Associate	49%	No
2	Agensi Pekerjaan Monster Malaysia Sdn Bhd	Associate	49%	No
3	Allsec Technologies Limited	Subsidiary	73.39%	Yes
4	Allsectech Inc., USA	Subsidiary	100%	No
5	Allsectech Manila Inc., Philippines	Subsidiary	100%	No
6	Billion Careers Private Limited	Subsidiary	100%	Yes
7	Brainhunter Systems Limited	Subsidiary	100%	No
8	Comtelink SDN. BHD	Subsidiary	100%	No
9	Conneqt Business Solutions Limited	Subsidiary	100%	Yes
10	Excelus Learning Solutions Private Limited	Subsidiary	100%	Yes
11	Greenpiece Landscape India Private Limited	Subsidiary	100%	Yes
12	Heptagon Technologies Private Limited	Subsidiary	60.67%	Yes
13	HIMMER Industrial Services (M) SDN. BHD.	Associate	49%	No
14	MFX Infotech Private Limited	Subsidiary	100%	Yes
15	MFXchange (USA), Inc.	Subsidiary	100%	No
16	MFXchange Holdings, Inc.	Subsidiary	100%	No
17	Mindwire Systems Limited	Subsidiary	100%	No

S.No.	Name of the holding / subsidiary / Associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
18	Monster.com (India) Private Limited	Subsidiary	83.12%	Yes
19	Monster.com HK Limited	Subsidiary	100%	No
20	Monster.com.SG Pte Limited	Subsidiary	100%	No
21	Qdigi Services Limited	Subsidiary	100%	Yes
22	Quess (Philippines) Corp	Subsidiary	100%	No
23	Quess Corp (USA) Inc.	Subsidiary	100%	No
24	Quess Corp Lanka (Private) Limited	Subsidiary	100%	No
25	Quess Corp NA LLC	Subsidiary	100%	No
26	Quess Corp Vietnam Limited Liability Company	Subsidiary	100%	No
27	Quess East Bengal FC Private Limited	Subsidiary	100%	No
28	Quess International Services Private Limited (formerly Golden Star Facilities and Services Private Limited)	Subsidiary	100%	Yes
29	Quess Recruit Inc.	Associate	25%	No
30	Quess Selection & Services Pte Ltd	Subsidiary	100%	No
31	Quess Services Limited	Subsidiary	100%	No
32	Quesscorp Holdings Pte. Limited	Subsidiary	100%	No
33	Quesscorp Singapore Pte Ltd	Subsidiary	100%	No
34	Quessglobal (Malaysia) Sdn. Bhd	Subsidiary	100%	No
35	Stellarslog Technovation Private Limited	Subsidiary	53.91%	Yes
36	Terrier Security Services (India) Private Limited	Associate	48.05%	Yes
37	Trimax Smart Infraprojects Private Limited	Subsidiary	100%	Yes
38	Vedang Cellular Services Private Limited	Subsidiary	92.47%	Yes

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in Rs.)

₹ 121,963,454,605 (Standalone)

(iii) Net worth (in Rs.)

₹ 21,716,808,172 (Standalone)

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY- 2023 Current Financial Year			FY- 2022 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Investors (other than shareholders)	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Shareholders	Yes, https://www.quesscorp.com/corporate-governance/	7	0	All 7 disposed of	4	0	All 4 disposed of
Employees and workers	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Customers	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Value Chain Partners	Yes, https://www.quesscorp.com/corporate-governance/	0	0	NIL	0	0	NIL
Other (please specify)	Yes, https://www.quesscorp.com/corporate-governance/	6	0	All 6 disposed of (Clarifications were sought by SEBI and Stock Exchange which were satisfactorily replied/ resolved)	0	0	NIL

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.

Refer Risk Management section of the Annual Report 2023 on pg. 44-46

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy And Management Processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Yes								
b. Has the policy been approved by the Board? (Yes/No)	Yes								
c. Web Link of the Policies, if available	https://www.quesscorp.com/corporate-governance								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Companies Act 2013, ISO standards, GPTW, UNSDG, FSSAI, and BIS								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We have specific commitments and targets for FY25 1. 5 million digital job opportunities 2. 50% women core workforce 3. 20% emission intensity reduction 4. 100% ESG compliance new vendors								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	1. We have over 5.7 million job opportunities in Qjobs platform. 2. 28% of permanent employees 18% permanent workers in Quess are women 3. The emission intensity has decreased by 20% (Scope 2) 4. 7% of vendors on boarded in FY 2023 are ESG complaint								

Governance, leadership and oversight

7: Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Refer CEO Speech section of the Annual Report 2023 on page no. 16
8: Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Guruprasad Srinivasan, Executive Director and Group CEO.
9: Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, refer Board Committee section of the Annual Report 2023 on page no. 98

10: Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of the Board									Annually								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No								

12: If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	No								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No								
It is planned to be done in the next financial year (Yes/No)	No								
Any other reason (please specify)	Not Applicable								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	24	All principles covered	100%
Key Managerial Personnel	30	All principles covered	100%
Employees other than BoD and KMPs	3 (Instructor led, Compliance & Digital Learning)	All principles covered	100%
Workers	0	Not Applicable	0%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year

   Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

   Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   Yes, The Anti-Bribery and Anti-Corruption Policy of Quess Corp prohibits offering, giving, receiving, or soliciting of any bribe or corrupt payment, whether directly or indirectly. It covers various situations, including dealings with government officials, third-party agents, and suppliers. The policy includes guidelines for identifying and managing potential risks of bribery and corruption. It stresses the importance of maintaining accurate books and records and requires employees to report any suspicious activity. In case of a violation of the policy, the company provides for disciplinary action, including termination of employment or contracts, and may report suspected violations to relevant authorities. https://www.quesscorp.com/corporate-governance/

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

   Nil

6. Details of complaints with regard to conflict of interest:

   Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Nil

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

   Nil

2 a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Yes

   b. If yes, what percentage of inputs were sourced sustainably?

   100% As part of the on-boarding process for vendors, we required their adherence to our ESG framework and their acceptance of the Vendor Code of Conduct Policy.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   Not Applicable, we do not manufacture any products

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

   No

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. and b. Details of measures for the well-being of employees and workers:

Category	Total (A)	% of employees covered by									
		Health insurance*		Accident insurance*		Maternity benefits*		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	4,020	4,020	100%	4,020	100%	0	0	4,020	100%	0	0
Female	1,567	1,567	100%	1,567	100%	1,567	100%	0	0	0	0
Total	**5,587**	**5,587**	**100%**	**5,587**	**100%**	**1,567**	**28.05%**	**4,020**	71.95%	**0**	**0**
Permanent Workers											
Male	4,14,271	4,14,271	100%	4,14,271	100%	0	0	0	0	0	0
Female	88,066	88,066	100%	88,066	100%	88,066	100%	0	0	0	0
Total	**5,02,337**	**5,02,337**	**100%**	**5,02,337**	**100%**	**88,066**	**17.53%**	**0**	**0**	**0**	**0**

*All employees and workers are covered based on statutory requirements, as applicable

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY-2023 Current Financial Year			FY-2022 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y

Note: We have considered all applicable Indian Permanent employees and workers.

Other applicable benefits, for all the other geographies that we operate.

3. Accessibility of workplaces

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   No, Our offices are PWD friendly with signage's and infrastructure in place such as railings, ramps, lifts, etc.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

   Yes, https://www.quesscorp.com/corporate-governance/

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers*	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	75	0	0
Female	87	81	0	0
Total	**187**	**156**	**0**	**0**

*Details of permanent workers not rated and shall be tracked going forward.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees and Other than Permanent Workers	Yes, Quess has a strong commitment to complying with the law and upholding high standards of corporate governance, conduct, and business ethics. Employees, customers, and third-party intermediaries can use the procedures set out in Whistleblower Policy to submit confidential and/or anonymous complaints. The policy provides a framework for promoting responsible and secure whistleblowing, protecting those wishing to raise concerns about serious irregularities within the company. The policy also aims to ensure that all concerns or complaints are received, investigated, and addressed in a fair, confidential, and timely manner. Further, we have Unified Help Desk (UHD) to address employee grievances. UHD is automated with features such as a ticketing system, smart escalations, vernacular language support as well as call-back mechanisms to enhance transparency and responsiveness. The company's UHD is an automated system that supports non-permanent employees with their grievances. It offers multiple response mechanisms such as calls and chatbots. UHD is integrated with the online workforce management platform, WorQ for our non-permanent employees.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

   Nil

8. Details of training given to employees and workers:

Category	FY-2023 Current Financial Year					FY-2022 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	4,020	4,020	100%	4,020	100%	4,472	4,472	100%	4,472	100%
Female	1,567	1,567	100%	1,567	100%	1,727	1,727	100%	1,727	100%
Total	**5,587**	**5,587**	**100%**	**5,587**	**100%**	**6,199**	**6,199**	**100%**	**6,199**	**100%**
Workers: Not Applicable										

Note: We have considered only permanent employees.

9. Details of performance and career development reviews of employees and worker:

Category	FY-2023 Current Financial Year			FY-2022 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Permanent Employees						
Male	4,020	4,020	100%	4,472	4,472	100%
Female	1,567	1,567	100%	1,727	1,727	100%
Total	**5,587**	**5,587**	**100%**	**6,199**	**6,199**	**100%**
Workers: Not Applicable						

Note: We have considered only permanent employees.

10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, Quess Corp Limited is committed to maintaining a system that protects the environment and provides our employees, visitors, and customers with safe and healthy working conditions. An Incident Management Tool has been made live in the WorQ App for the employees, where the employees can report any incident/safety/health hazard or grievances that will be addressed by the UHD (Unified Help Desk) as well the respective business spocs to resolve the same within TAT provided by the company.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Regular workplace inspections are carried out to identify any potential hazards and assess their level of risk. Job hazard analysis is conducted to identify specific hazards Associated with particular jobs or tasks. Safety inspections offer an opportunity to evaluate the overall effectiveness of the safety program and identify areas for improvement. In case of an incident, comprehensive incident investigations are conducted to determine the root cause and prevent similar incidents from occurring in the future. Furthermore, employees receive safety training to enhance their awareness and understanding of workplace hazards and the appropriate safety procedures to follow.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY-2023 Current Financial Year	FY-2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note: We have considered only permanent employees, workers not rated.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

    1. **Implementing safety policies and procedures:** The entity has developed comprehensive safety policies and procedures to ensure that all employees are aware of their responsibilities and obligations to maintain a safe and healthy workplace.
    2. **Conducting safety training:** The entity provides safety training to all employees to ensure they are aware of the risks Associated with their job and how to mitigate them.
    3. **Identifying hazards and assessing risks:** The entity conducts routine and non-routine hazard identification and risk assessments to identify potential safety hazards and assess the level of risk Associated with those hazards.
    4. **Providing personal protective equipment (PPE):** The entity provides PPE to employees to reduce the risk of injury or illness.
    5. **Maintaining equipment and machinery:** The entity ensures that all equipment and machinery are regularly maintained and serviced to prevent breakdowns and minimize safety risks.
    6. **Encouraging reporting of safety incidents:** The entity encourages employees to report any safety incidents or near-misses so that corrective action can be taken to prevent similar incidents in the future.
    7. **Conducting safety audits:** The entity conducts regular safety audits to ensure that safety policies and procedures are being followed and to identify any areas for improvement.
    8. **Fire/Earthquake mock drills:** The entity carries out mock drills to prepare for responding to emergencies such as fire accidents or earthquakes.

13. Number of Complaints on the following made by employees and workers:

    Nil

14. Assessments for the year:

	% of value chain partners (by value of business done with such partners) that were assessed
Health & safety practices	0%
Working Conditions	0%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

    We have implemented Incident Management Tool for our non-permanent employees on the Worq application to address incidents. The employees can report any incident/safety/health hazard or grievances that will be addressed by the UHD (Unified Help Desk) as well the respective business spocs to resolve the same within TAT provided by the company.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

1. Describe the processes for identifying key stakeholder groups of the entity

   The Company has identified key stakeholders as part of its ESG framework and intends to work with them to improve their well-being and add value to the Company's business chain. The stakeholders who are impacted economically and socially are the most interacted with, and whom the Company can support. The key stakeholders include customers, suppliers, government and regulatory authorities, investors/shareholders, employees, business partners, and the wider communities that we serve. As India's leading business services provider, the Company believes that its human capital is its greatest strength. Based on the above, the Company has mapped and identified internal and external stakeholders, including disadvantaged, vulnerable, and marginalized stakeholders. Internal stakeholders have a direct relationship with the company, while external key stakeholders are affected by the business but do not directly work with the company. Investors are significant stakeholders with whom the Company shares a strong relationship and a deep understanding of their expectations. Customers reflect the Company's commitment, while employees enable the creation of value for customers and the organization and enjoy fulfilling careers. Lastly, suppliers help deliver business value.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Margina-lized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Websites, E-mails, social media, Virtual Meetings	Annually	To ensure customer stewardship in terms of transparency and informed choices, for stronger customer relationships and to enhance the business while addressing any issues that customers may have.
Investors/ Shareholders	No	Regulatory audits and inspections, environmental compliance, policies, good governance, statutory corporate filings, and direct interactions on a case-by-case basis.	Quarterly, Annually	Discuss the company's financial performance and strategic priorities. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company's website has a dedicated functional segment called 'Investor Relations' which contains all the information intended for shareholders, including details about directors, financial statements, annual reports, codes, and policies.
Business Partners	No	Mailers, News Bulletins, Brochures, Social Media, Website.	Weekly, Monthly, Annually	Stroger partnerships to increase reach and enhance ethical business practices, fair business practices, and governance.

Stakeholder Group	Whether identified as Vulnerable & Margina-lized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	Supplier and vendor meetings, binding agreement policies, IT-enabled information sharing tools and recognition platforms, dialogue on industry initiatives, calls, and training and workshops."	Anually	Quality improvement and capacity-building measures and to discuss their vision and mission, business plans, and supplier awards.
Employees	No	Trainings, Conferences, Website, E-mails, Meetings and Internal management development programmes	Weekly, Monthly, Annually	• Proposing measures to increase employee competency at work as well as promote work-life balance. • Learning opportunities, • Building a safety culture and inculcating safe work practices among employees • Improving diversity and inclusion. • Effective grievance mechanisms
Government and Regulatory Authorities	No	Regulatory audits and inspections, environmental compliance, policies, good governance, statutory corporate filings, and direct interactions on a case-by-case basis.	Annually and and as per requirements	• Report and compliances on Legal and Regulatory Requirements. • Discussions with regards to various regulations and amendments, inspections, and approvals
Communities	Yes	CSR activities, site visits, participation in events, meetings and briefings, official communication channels (including emails, advertisements, publications, websites, and social media).	Frequent and need based	Implementing community initiatives and helping them to attain a better standard of living. For making a difference in society and creation an impact through our CSR initiatives and understand areas of sustainable development

PRINCIPLE 5 Businesses should respect and promote human rights

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY-2023 Current Financial Year			FY-2022 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees*						
Permanent	5,587	5,587	100%	6,199	6,199	100%
Other than Permanent	0	0	0%	0	0	0%
Total Employees	**5,587**	**5,587**	**100%**	**6,199**	**6,199**	**100%**
Workers: Not Applicable						

*Excluding Allsec Technologies Limited, a listed company

2. Details of minimum wages paid to employees and workers: NIL

   Minimum wage rates in scheduled employment vary due to factors such as, State, sector, skill level, region, and occupation. As a result, there is no uniform minimum wage rate applicable nationwide. However, companies have an obligation to comply with minimum wage notifications issued by central and state bodies for different establishments under minimum wage Acts and Rules, and ensure that minimum wages are paid. The revision cycle for minimum wages may vary for each state.

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	₹ 0.71 million	1	₹ 1.45 million
Key Managerial Personnel	4	₹ 12.03 million	0	0
Employees other than BoD and KMP	4,017	₹ 0.55 million	1,567	₹ 0.45 million
Workers	0	0	0	0

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

   Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   Quess Corp has a Human Rights Policy in place applicable to all employees, vendors, and suppliers. The policy document defines the procedure to raise grievances and report confidentially and anonymously without fear of retaliation for any breach of policies and procedures in Quess Corp.

6. Number of Complaints on the following made by employees and workers:

	FY-2023 Current Financial Year			FY-2022 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NIL	5	0	NIL
Discrimination at workplace	0	0	NIL	0	0	NIL
Child Labour	0	0	NIL	0	0	NIL
Forced Labour/Involuntary Labour	0	0	NIL	0	0	NIL
Wages	0	0	NIL	0	0	NIL
Other human rights related issues	0	0	NIL	0	0	NIL

Note: We have considered only permanent employees.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   Mandatory training on human rights is given to all employees with annual sign-off taken on human rights. Furthermore, the Unified Help Desk (UHD) is in place to receive and redress grievances. Additionally, Human Rights Policy, Equal Employment Policy, Health safety, and Environmental Conservation Policy are made available in HRMS tool and the company website.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

   Yes

   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.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others - please specify	0

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY-2023 Current Financial Year	FY-2022 Previous Financial Year
Total electricity consumption (A)	52,787.90 GJ	46,688.19 GJ
Total fuel consumption (B)	2,257.32 GJ	3,378.70 GJ
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	**55,045.22 GJ**	**50,066.89 GJ**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.33 GJ/₹million	0.37 GJ/₹million

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY-2023 Current Financial Year	FY-2022 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	76,146	42,418
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal(in kilolitres) (i + ii + iii + iv + v)	**76,146**	**42,418**
Total volume of water consumption (in kilolitres)	**76,146**	**42,418**
Water intensity per rupee of turnover (Water consumed / turnover)	**0.45KL/₹million**	**0.32KL/₹million**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/ N) If yes, name of the external agency

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY-2023 Current Financial Year	FY-2022 Previous Financial Year
NOx	0*		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others - please specify			

*Not Rated

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY-2023 Current Financial Year	FY-2022 Previous Financial Year
Total Scope 1 Emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	2,260. 02	782.60
Total Scope 2 Emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	11,584.01	10,245.50
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO2e/₹million	0.08	0.08

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

   Yes, the company has set targets to reduce greenhouse gas emissions, which include a goal of reducing emission intensity of 20% by FY2025.

8. Provide details related to waste management by the entity, in the following format:

   (a) Total Waste generated (in metric tonnes)

Parameter	FY-2023 Current Financial Year	FY-2022 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	7.34	10.65
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any (G)	0	0
Other Non-hazardous waste generated (H) – Paper waste	7.52	10.30
Total (A+B + C + D + E + F + G + H)	**14.86**	**20.95**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	7.52	10.30
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**7.52**	**10.30**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	7.34	10.65
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**7.34**	**10.65**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   We are committed to reducing waste generation by adopting initiatives that contribute to a circular economy. We keep track of hazardous waste and segregate garbage at its source, storing and disposing of it in compliance with local rules through authorized recyclers.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

    Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

    Not Applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances

    Yes

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

1. a. Number of affiliations with trade and industry chambers/ associations.

      9

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industries (CII)	National
2	India Staffing Federation	National
3	The federation of Indian Chambers of Commerce and Industry	National
4	All India Organisation of Employers	National
5	Employee Federation of India	National
6	Central Association of Private Security Industry	National
7	Karnataka Employees Association	State
8	The Employers Association, Delhi	State
9	Apex Chamber of Commerce, Delhi	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

   Not Applicable

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

   Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity

   Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

   Website correspondence - Individuals can report problems by visiting our Contact Us page and filling out a form or sending an email. We then create a ticket and assign a dedicated executive to assist them. After resolving the issue, we send a status update and feedback form.

   Toll-free grievance redressal - Quess Corp offers assistance through a toll-free number 1800 572 3333 available on our website. Our in-house contact center tracks grievances and feedback through a ticket system and assigns them to the respective executive for closure.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY-2023 Current Financial Year	FY-2022 Previous Financial Year
Directly sourced from MSMEs/ small producers	23%	14%
Sourced directly from within the district and neighbouring districts	0%*	0%*

*Not tracked

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Quess Corp is very serious about grievances and feedback. To resolve each concern and query, we have the following mechanisms in place. Here is how the process functions:

   Website correspondence – When a client or individual faces problems with our services or platforms, they have an option to visit the Contact Us page and fill out a form or write to us an email. This form is intuitive in nature, and helps one reach the right person. Once it reaches respective teams, a ticket is raised and passed onto a dedicated executive to understand their issue/ query, guides them to a suitable solution, and closes the ticket.

   Toll-free grievance redressal – To provide round-the-clock assistance, Quess Corp enables clients with grievance and feedback redressal through toll-free numbers available on our website. This mechanism is supported by an in-house contact center, which is tracked through a ticket is raised and assigned to the respective business executive for closure.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal

   Not Applicable

3. Number of consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, unfair trade practices

   We do not have any consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, unfair trade practices.

4. Details of instances of product recalls on account of safety issues:

   Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, https://www.quesscorp.com/privacy-statement/

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   None

ANNEXURE – B

FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023
[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
3/3/2, Bellandur Gate,
Sarjapur Main Road,
Bengaluru- 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, 2023. 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, 2023 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, 2023 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 2018
- SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021
- 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
- SEBI (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 physical 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 7 (Seven) times during the year on 26.05.2022, 31.05.2022, 22.06.2022, 11.08.2022, 09.11.2022, 23.12.2022 and 03.02.2023. 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 2022 was held on September 22, 2022 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.

   No resolutions were passed by postal ballot during the year under review.

   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

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 23, 2023 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 has appointed 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: 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.

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 2021-22 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, were filed within the stipulated time frame in compliance with RBI//2015-16/374 A.P. (DIR Series) Circular No.62 except Quess (Philippines) Corp and Quess Services Limited, Bangladesh which are in process.
    - The Form FC – Section B for financial commitment made in Foreign Step-down Subsidiary is made by the Company in accordance with the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.
    - The Company has reported Downstream investments made during the year in accordance with Foreign exchange management (Non Debt Instruments) Rules, 2019 read with the Foreign Exchange Management Act, 1999.

    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 direct 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. The Company is in compliance with the requirements under the Sexual Harassment of Women at Workplace Act, 2013.

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

    o. The Rights of Persons with Disabilities Act, 2016

    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 and 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, 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
P.R. No.: 1603/2021
UDIN : F006143E000320591

Place: Bengaluru
Date : 17.05.2023

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, 2023 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
P.R. No.: 1603/2021
UDIN : F006143E000320591

Place: Bengaluru
Date : 17.05.2023

ANNEXURE – C

FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023
[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, 2023, 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, 2023 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 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 5 (five) times during the year on 18.05.2022, 28.07.2022, 04.11.2022, 10.11.2022 and 28.01.2023. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

   Circular resolution 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, 2022 was held on 22.09.2022 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.

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 18.05.2022 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: A059928E000272767
PR Certificate No.: 2593/2022

Date: 9th May 2023
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: A059928E000272767
PR Certificate No.: 2593/2022

Date: 9th May 2023
Place: Hyderabad

ANNEXURE – D

SECRETARIAL COMPLIANCE REPORT OF QUESS CORP LIMITED FOR THE YEAR ENDED 31.03.2023

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, 2023 ("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, 2018

g) SEBI Issue and Listing of Non-Convertible Securities) Regulations, 2021

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 and Sweat Equity) Regulations, 2021 and circulars/ guidelines issued thereunder

I/We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS
1	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2	**Adoption and timely updation of the Policies:** All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/guidelines issued by SEBI	Yes	
3	**Maintenance and disclosures on Website:** The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website	Yes	

Sr. No	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS
4	**Disqualification of Director:** None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	
6	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/ during the financial year as prescribed in SEBI Regulations.	Yes	
8	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	
9	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	
12	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/ guidance note etc.	Yes	

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019: - **NOT APPLICABLE**

Sr. No	Particulars	Compliance Status (Yes/No/ NA)	Observations / Remarks by PCS
1.	**Compliances with the following conditions while appointing/re-appointing an auditor**		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	There has been no appointment or re-appointment of auditor during the reporting period
2.	**Other conditions relating to resignation of statutory auditor**		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	There was no resignation of auditor during the reporting period and No such concerns as mentioned here were raised by the auditor to the Audit Committee or in their audit report issued during the reporting period.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	NA	There was no resignation of Auditor during the reporting 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)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks

Place: Bengaluru
Date : 17.05.2023

Sd/-
S.N. Mishra
Company Secretary
C. P. No. : 4684
FCS No. : 6143
UDIN : F006143E000320622

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 2023, which were not at arm's length basis. The Company has laid down policies and processes/ procedures to ensure compliance with the subject 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 2023 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 2023 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: 17 May 2023
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;	Guruprasad Srinivasan -38
		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;	Guruprasad Srinivasan - 0.00%
		N. Ravi Vishwanath (Group Chief Financial Officer) – 11.25%
		Kamal Pal Hoda (Group Chief Financial Officer) – 0.00%
		Kundan K Lal – 9%
3	The percentage increase in the median remuneration of employees in the financial year;	13.28%
4	The number of permanent employees on the rolls of the Company;	2,534 (core permanent employees*)
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 2022-23 was 13.28% and the average increase in the remuneration of KMP was 1.88%.
6	The key parameters for any variable component of remuneration availed by the directors	The key parameters for the variable component of remuneration availed by the directors and Key managerial Personnel are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees. It is based on entity's performance as well as individual performance.
7	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

1. Mr. N Ravi Vishwanath ceased to be a Group Chief Financial Officer w.e.f 10^{th} January 2023.
2. Mr. Kamal Pal Hoda was appointed as Group Chief Financial Officer w.e.f. 10^{th} January 2023.

*Calculation has been done on the basis of Core Employees

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

Date: 17 May 2023
Place: Bengaluru

ANNEXURE – G

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR ENDED ON 31 MARCH 2023

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 and 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. School enhancement program, a flagship initiative of CWF, undertakes the responsibility of 75 schools in Karnataka & Tamil Nadu towards achieving holistic development.

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 executive summary along with web link(s) 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 2023, therefore, web link is not provided.

5. a) Average net profit of the Company as per section 135(5): ₹ 1,526.20 million

   b) Two percent of average net profit of the company as per section 135(5): ₹ 30.52 million

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

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

   e) Total CSR obligation for the financial year [(5b)+(5c)-(5d)]: ₹ 30.52 million

6. a) i) Details of CSR amount spent against ongoing projects for the financial year: (₹ in million)

(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 ₹)	Amount spent in the current FY (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	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	21.09	21.09	NIL	No	Careworks Foundation	CSR00001744
2.	Health & Wellbeing	(i)					9.15	9.15	NIL	No		
Total							30.24	30.24	NIL			

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

(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 Implementation - Direct (Yes/No)	
				State	District			Name	CSR Reg. No.
NIL									

b) Amount spent in Administrative Overheads: ₹ 0.76 million

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

d) Total amount spent for the Financial Year (6a+6b+6c): ₹ 31.00 million

e) CSR amount spent or unspent for the FY 2022-23:

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
31 million	NIL	NA	N.A.		

f) 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)	30.52
(ii)	Total amount spent for the Financial Year	31.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.48
(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)]	0.48

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2021-22	22.88	21.88	1.00	NIL	NA	21.88	NA
2	2020-21	NIL	NIL	NIL	NIL	NA	NIL	NA
3	2019-20	NIL	NIL	NIL	NIL	NA	NIL	NA

8. Whether any capital assets have been created or acquired through Corporate Social responsibility amount spent in the financial year: No

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): Not Applicable

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

Sd/-
Guruprasad Srinivasan
Executive Director & Group CEO
DIN No: 07596207

Sd/-
Revathy Ashok
Chairperson, CSR Committee
DIN No. 00057539

Date: May 17 2023
Place: Bengaluru

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31 March 2023, 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 the 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 to doing things the right way which means taking business decisions and acting in a way that is ethical and in compliance with applicable laws and regulation thereto. 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, the Code of Conduct for the Prevention of Insider Trading and the Code for Fair Disclosure.

Quess is also committed to creating value for shareholders, employees, customers, suppliers and other stakeholders and controls to ensure a sustained focus on zero non-compliance with the law.

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 functioning of the Executive Director and Senior Management including Key Managerial Personnel. It 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 enlightened leaders who provide strategic direction and guidance to the management and is responsible for ensuring concord between shareholders' expectations, the Company's plans and the management's performance.

a) Board Composition:

As on 31 March 2023, the Board comprised eight (8) Directors, of which four (4) are Non-Executive Independent Directors including one (1) Woman Independent Director, three (3) are Non-Executive Non-Independent Directors and one (1) is Executive Director. The Group Chief Executive Officer ('CEO') is a professional CEO responsible for the Company's day-to-day operations. The Board is headed by a Non-Executive Chairman. The Company has changed the role and designation of the Chairman from "Executive Chairman" to "Chairman (Non-Executive Director)" with effect from 1 April 2022. The detailed profiles of our Directors are available on our official website at https://www.quesscorp.com/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 2023, have been received from all the Directors. None of the Directors is 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 has 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 is 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 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 which 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 the them held any equity share(s) or convertible instrument(s) of the Company during the financial year ended 31 March 2023.

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 systems to enable the Board of Directors to review on a periodic basis 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 and as required under business exigencies. The Board met Seven (7) 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. 26 May 2022;
2. 31 May 2022;
3. 22 June 2022;
4. 11 August 2022;
5. 09 November 2022;
6. 23 December 2022; and
7. 03 February 2023.

The Board meetings were held at the Company's Registered and Corporate Office in Bengaluru with facility of video conferencing which was availed by a few Board members as per their convenience. 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 make informed decisions, the management apprises the Board through a presentation at every Meeting on the Company's overall performance.

The Company is in compliance with the provisions of the Listing Regulations pertaining to the convening of the Board Meeting, publication of the results, 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-information/

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 2023 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)[2]	Number of Chairmanship / Membership held in Committees of Public Companies (including Quess)		Name & Category of Directors in other Listed Entities
			Number of Board Meetings attended during FY2023 (including through electronic mode)	Whether attended the last AGM held on 22 September 2022		Chairman	Member	
1.	Mr. Ajit Isaac (Chairman)[1]	Non-Independent, Non-Executive	7	Yes	2	1	2	Allsec Technologies Ltd. (Non-Independent, Non-Executive)
2.	Mr. Guruprasad Srinivasan (Executive Director & Group CEO)	Executive	7	Yes	4	0	1	Allsec Technologies Ltd. (Non-Independent, Non-Executive)
3.	Mr. Chandran Ratnaswami	Non-Independent, Non-Executive	7	Yes	8	0	3	• Thomas Cook (India) Ltd. • IIFL Finance Ltd. • Chemplast Sanmar Limited (Independent, Non-Executive)
4.	Mr. Gopalakrishnan Soundarajan	Non-Independent, Non-Executive	7	Yes	4	0	1	• Thomas Cook (India) Limited (Non-Independent, Non-Executive)
5.	Mr. K. R. Girish	Independent, Non-Executive	7	Yes	1	1	1	-
6.	Mr. Gaurav Mathur	Independent, Non-Executive	5	Yes	1	0	1	-
7.	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)
8.	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) Mentioned as per financial year ended 31 March 2023.

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

The Executive Director 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 by the Board and members of the Company under the Act, as applicable.

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 the 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 and the Board as a whole.

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

In case of appointment of Independent Directors, the 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 global markets, 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 assessing 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 organisations, 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 • Finance and risk management professional
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 • Finance and risk management professional
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 a 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 –

The NRC has laid down criteria for the 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 23 January 2023 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 with 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 familiarise them 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 familiarisation 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 before the Board meeting by the Company Secretary. Detailed agenda is sent to each Director at least 7 days before the 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. Additional or supplementary item(s) on the agenda are permitted in special and exceptional circumstances.

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 the 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/Fair-Trade-Policy.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 2023 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. Guruprasad Srinivasan (Chairperson)
Ms. Revathy Ashok	Mr. Sanjay Anandaram	Ms. Revathy Ashok	Mr. Gaurav Mathur	Mr. Guruprasad Srinivasan	Mr. Guruprasad Srinivasan	Mr. Ajit Isaac
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. Kamal Pal Hoda	-	-
Mr. Gopalakrishnan Soundarajan	-	-	-	-	-	-

All members of these Committees are financially literate and have management expertise.

* Company Secretary and Compliance Officer

Chief Financial 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 utilisation 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;

w) Review compliance with the provisions of the 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; and

x) consider and comment on the 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					
			26 May 2022	22 June 2022	11 August 2022	09 November 2022	23 December 2022	03 February 2023
Mr. K. R. Girish	Independent Director	Chairperson	✓	✓	✓	✓	✓	✓
Ms. Revathy Ashok	Independent Director	Member	✓	✓	✓	✓	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓	✓	✓	✓	✓
Mr. Chandran Ratnaswami	Non-Executive Director	Member	✓	✓	✓	✓	✓	✓
Mr. Gaurav Mathur	Independent Director	Member	✓	X	✓	✓	X	✓
Mr. Gopalakrishnan Soundarajan	Non-Executive Director	Member	✓	✓	✓	✓	✓	✓

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 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 22 September 2022, to answer shareholder queries.

B. Nomination and Remuneration Committee:

NRC 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 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;

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		
			26 May 2022	23 December 2022	03 February 2023
Ms. Revathy Ashok	Independent Director	Chairperson	✓	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓	✓
Mr. Chandran Ratnaswami	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 2023. 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 fulfilment 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. In addition, the performance of the 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 fulfilment 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 Non-Executive, Independent Directors are paid sitting fees for attending the Board and Committees meetings 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 22-23, 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 Executive Director & Group CEO and other senior officials consists of fixed and variable components. The Executive Directors viz., Executive Director & Group CEO is 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 FY23: (₹ in Millions)

S. No.	Name of the Director	Sitting Fees	Salary and Perquisites (excluding ESOP/RSUs)	Commission/ Incentives	Total
1.	Mr. Ajit Isaac*	-	9.30	-	9.30
2.	Mr. Guruprasad Srinivasan**	-	15.56		15.56
3.	Mr. Chandran Ratnaswami	-	-	-	-
4.	Mr. Gopalakrishnan Soundarajan	-	-	-	-
5.	Mr. K. R. Girish	0.55	-	0.75	1.30
6.	Mr. Gaurav Mathur	0.40	-	0.75	1.15
7.	Ms. Revathy Ashok	0.70	-	0.75	1.45
8.	Mr. Sanjay Anandaram	0.67	-	0.75	1.42

* Variable pay and Gratuity for the financial year 2021-22 paid during the financial year 2022-23.

**Mr. Guruprasad Srinivasan's ESOPs/RSUs value for FY22-23 was ₹ 3.48 million.

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. In addition, the Committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services.

Terms of Reference of SRC –

a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of 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
			26 May 2022
Mr. Sanjay Anandaram	Independent Director	Chairperson	✓
Ms. Revathy Ashok	Independent Director	Member	✓
Mr. Ajit Isaac	Chairman	Member	✓

Notes: The Company Secretary and Compliance Officer is the Secretary to the CSR Committee.

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 01.04.2022	Received during the FY 23	Resolved during the FY 23	Balance as on 31.03.2023
1.	SEBI SCORES Website	-	-	-	-
2.	Registrar of Companies	-	-	-	-
3.	Stock Exchange(s)	-	5	5	-
4.	Miscellaneous	-	8	8	-
	Total	**-**	**13**	**13**	**-**

D. Corporate Social Responsibility Committee:

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 CSR Committee. 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 society.

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 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
			23 May 2022
Ms. Revathy Ashok	Independent Director	Chairperson	✓
Mr. Gaurav Mathur	Independent Director	Member	✓
Mr. Ajit Isaac	Chairman	Member	✓

Notes: The Company Secretary and Compliance Officer is the Secretary to the CSR Committee.

E. Risk Management Committee:

RMC 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 Risk Management Committee -

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 is available on the official website of the Company at https://www.quesscorp.com/investor/dist/images/pdf/Policies/Risk-Management-Policy.pdf

Attendance details of the members of the Risk Management Committee as on 31 March 2023 are as follows –

Name of the Members	Category	Designation	Dates of Committee Meeting	
			14 May 2022	08 November 2022
Mr. Ajit Isaac	Chairman	Chairperson	✓	✓
Mr. Guruprasad Srinivasan	Executive Director & Group CEO	Member	✓	✓
Ms. Revathy Ashok	Independent Director	Member	✓	✓
Mr. Sanjay Anandaram	Independent Director	Member	✓	✓
Mr. Rajesh Kharidehal[1]	Chief Business Officer	Member	✓	✓
Mr. N. Ravi Vishwanath[1]	Chief Financial Officer	Member	✓	✓
Mr. Kamal Pal Hoda[2]	Chief Financial Officer	Member	NA	NA

Notes:

1. Mr. Rajesh Kharidehal and Mr. N. Ravi Vishwanath ceased to be a members of the Committee w.e.f. 23 December 2022 and 10 January 2023 respectively.
2. Mr. Kamal Pal Hoda was appointed as a member of the Committee w.e.f. 03 February 2023.

The Company Secretary and Compliance Officer is the Secretary to the Committee.

F. Share Transfer Committee:

The Share Transfer 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 2023.

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	06 May 2022	12 May 2022	10 June 2022	25 July 2022	02 Aug 2022	01 Sept 2022	09 Sept 2022	23 Sept 2022	28 Sept 2022	31 Oct 2022
Mr. Ajit Isaac	Chairman	Chairperson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Guruprasad Srinivasan	Executive Director & Group CEO	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Kundan K Lal	Vice President & Company Secretary	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Name of the Members	Category	Designation	17 Nov 2022	18 Nov 2022	02 Dec 2022	14 Dec 2022	20 Jan 2023	30 Jan 2023	09 Feb 2023	17 Feb 2023	23 Feb 2023	28 Mar 2023
Mr. Ajit Isaac	Chairman	Chairperson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Guruprasad Srinivasan	Executive Director & Group CEO	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Kundan K Lal	Vice President & Company Secretary	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Share Transfer System:

As on 31 March 2023, 99.76% 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 the 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 the shares held in physical mode.

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
2021-22	September 22, 2022	03.30 P.M.	AGM held through Video Conferencing/ Other Audio-Visual Means	-
2020-21	September 21, 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	September 29, 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.

B. Postal Ballot:

During the year, none of the businesses proposed to be transacted at the ensuing AGM require passing an ordinary or special resolution through postal ballot.

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" "Business Standard" (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.
- **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 presentation to the investors/analyst 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 and physical modes is disseminated to Stock Exchanges and 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 30 August 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:

a) CIN Number: L74140KA2007PLC043909

b) Registered and Corporate Office: 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru – 560 103

c) Annual General Meeting for FY23:

Date: 26 September 2023

Day: Tuesday

Time: 03:30 PM

Venue: VC/OAM

d) Financial Year:

Financial year: 1 April to 31 March

e) Dates of Book Closure:

As mentioned in the Notice of this AGM.

f) Name and address of each Stock Exchange(s) at which the Company's securities are listed and 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):

Exchange	Address	Scrip Code
BSE Limited, Mumbai (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	539978
The National Stock Exchange of India Limited, Mumbai (NSE)	Exchange Plaza, Bandra - Kurla Complex Bandra (East), Mumbai – 400050	QUESS

The annual listing fees for FY23 to BSE and NSE have been paid to both the Exchanges. The annual custodial fees have been paid to NSDL and CDSL.

g) Stock Exchange codes:

ISIN Number: INE615P01015

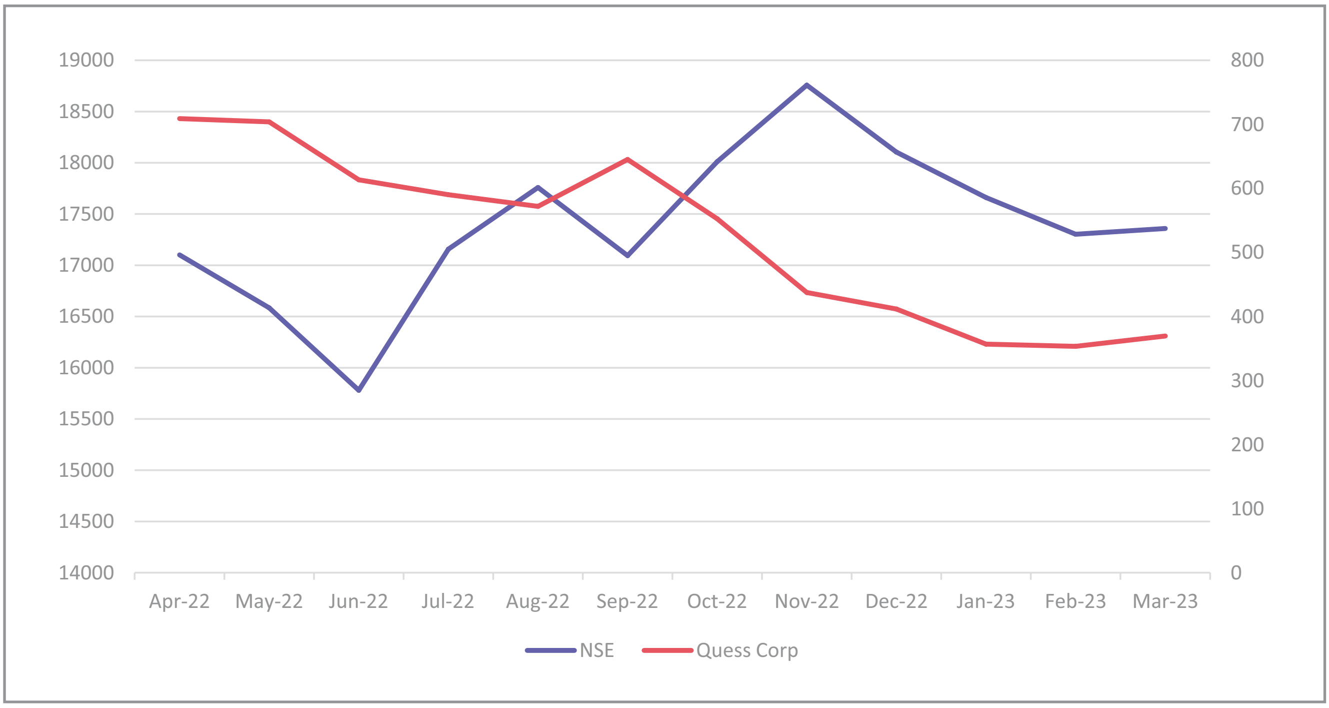
Name of the Stock Exchange(s)	Scrip Code
BSE Limited, Mumbai (BSE)	539978
The National Stock Exchange of India Limited, Mumbai (NSE)	QUESS

h) Stock Market Performance:

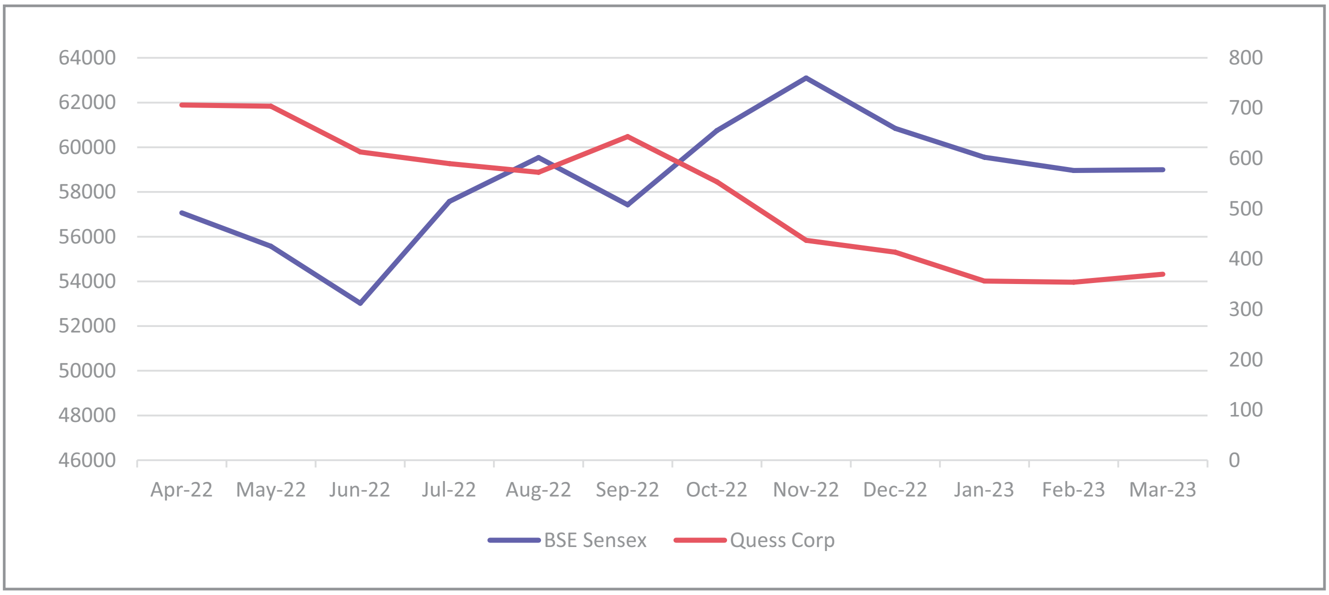
The monthly high and low quotations, as well as the volume of shares traded at the BSE and NSE for the current year are provided as follows:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
Apr 22	728.30	630.00	261,922	729.00	628.00	53,04,867
May 22	709.55	580.70	195,208	709.90	582.25	25,90,759
Jun 22	723.75	579.60	123,272	724.90	579.20	23,71,298
Jul 22	615.00	549.10	149,041	615.00	549.00	23,21,356
Aug 22	607.95	557.55	490,210	608.00	557.00	44,91,532
Sep 22	673.00	561.45	575,711	674.00	561.25	68,56,578
Oct 22	654.30	542.25	580,144	659.25	542.00	22,02,756
Nov 22	613.10	420.45	495,010	560.05	420.25	76,78,695
Dec 22	461.90	389.70	1,469,931	461.90	390.45	79,97,480
Jan 23	416.90	351.45	299,132	416.70	351.40	33,09,600
Feb 23	402.25	352.45	294,703	403.10	352.10	47,17,626
Mar 23	381.20	337.45	533,747	378.75	337.55	1,85,42,386

Performance on NSE versus Nifty:



Performance on BSE versus BSE Sensex:



i) **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.

Contact	Email	Address
Ms. Surabhi Gangatirkar	rnt.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.

j) **Distribution of shareholding as on 31 March 2023:**

Particulars	Number of Shareholders	% of Total Shareholders	Share Amount (₹)	% of Total Share Amount
1 to 5000	78,902	94.97	4,48,99,340	3.03
5001 to 10000	1,990	2.39	1,48,29,350	1.00
10001 to 20000	1,129	1.36	1,65,81,930	1.12
20001 to 30000	333	0.40	83,14,240	0.56
30001 to 40000	145	0.17	50,94,430	0.34
40001 to 50000	110	0.13	49,97,150	0.34
50001 to 100000	198	0.24	1,42,91,500	0.96
100001 & above	277	0.34	1,37,32,86,940	92.65
TOTAL :	**83,084**	**100.00**	**1,48,22,94,880**	**100.00**

k) **Category wise Shareholding as on March 31, 2023:**

Category	No. of Equity Shares held	% of holding
Promoter & Promoter Group	8,41,09,774	56.74
Mutual Funds	95,45,120	6.44
FII/ FPI	2,65,61,218	17.92
Financial Institutions/Banks/AIFs	1,96,004	0.14
Retail (Individual/HUF/NRI)	2,13,98,634	14.43
Bodies Corporates/ LLP	51,06,834	3.45
Clearing Members	46,950	0.03
IEPF	79,772	0.05
Trust	11,85,182	0.80
Total	**14,82,29,488**	**100%**

l) **Dematerialization of Shares and liquidity:**

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. As at 31 March 2023, 14,78,67,793 equity shares representing 99.76% of the total equity share capital of the Company were held in dematerialised form.

Status of Dematerialization	No. of Shares	% of Total Shares
Shares held in NSDL	14,17,44,328	95.63%
Shares held in CDSL	61,23,465	4.13%
Shares held in Physical Form	3,61,695	0.24%
Total	**14,82,29,488**	**100%**

m) **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 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

n) **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.

o) **Branch Offices:**

The Company had 30 branches as on 31 March 2023 across India.

p) **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

q) 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 Audit confirms that the total paid-up capital is in agreement with the aggregate of the total number of shares in physical form and in dematerialised form (held with Depositories). The report is disseminated to the stock exchanges within the prescribed timeline on a quarterly basis, 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/
Dividend Distribution Policy	https://www.quesscorp.com/investor/dist/images/pdf/Policies/Dividend_Distribution_Policy.pdf

VII. Other Disclosures:

a) 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 2023, 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 2023 (both standalone and consolidated basis) as included in this Report.

b) 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.

c) 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 11 August 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

d) Regulatory orders:

There are no regulatory orders apart from the details provided in the Board's report of this report.

e) 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

VIII. Subsidiary Companies:

As on 31 March 2023, there are total 34 Subsidiary Companies comprising 14 Indian Companies and 20 Foreign Companies. Out of 14 Indian Companies, 10 Companies are wholly–owned subsidiaries, 3 Companies are subsidiaries and 1 Company is a step-down subsidiary. Out of 20 Foreign Companies, 5 Companies are wholly–owned subsidiaries and 15 Companies are step-down subsidiaries. Further, there are 1 Indian and 3 Foreign Associate Companies.

Conneqt Business Solutions Limited is an unlisted material 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 every quarter. 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

IX. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

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 purpose of Qdigi Services Limited, wholly-owned subsidiary of the Company, out of which ₹ 5,00,00,000 has been utilised as on March 31, 2023. 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.

X. Remuneration paid to Statutory Auditors:

During FY23, 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 as under:

Standalone basis (Quess Corp Limited) **(₹ in million)**

Particulars	For the financial year ended 31-Mar-23
Statutory audit fees	8.50
Limited reviews	3.80
Others	1.25
Reimbursement of expenses	0.40
TOTAL	**13.95**

Consolidated Basis (Quess Group Companies) **(₹ in million)**

Particulars	For the financial year ended 31-Mar-23
Statutory audit fees	6.10
Limited reviews	1.20
Others	0.50
Reimbursement of expenses	0.24
TOTAL	**8.04**

XI. 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 FY23 along with their status of Redressal as on FY ended 31 March 2023 are as under:

No. of complaints pending at the beginning of the FY 23	0
No. of complaints filed during the FY23	0
No. of complaints disposed of during the FY23	0
No. of complaints pending at the end of the FY 23	0

XII. 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.

XIII. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Name of material subsidiary: Conneqt Business Solutions Limited (CIN: U64200KA1995PLC148924).

Date and place of incorporation: Incorporated on 14/03/1995 and having registered office at 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore - 560103.

Date of appointment of statutory auditor: B S R & Associates LLP, Statutory Auditor was appointed on 22 September 2022.

XIV. 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 the SEBI Listing Regulations.

XV. Corporate Governance Compliance Certificate:

A certificate from Mr. S.N. Mishra, Practicing Company Secretary, Bengaluru, confirming compliance to conditions of Corporate Governance, as stipulated under the Listing Regulations, forms part of the Annual Report.

XVI. 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.

XVI. 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	05 May 2021	June 07, 2028
FY22	Interim Dividend	13 November 2021	December 16, 2028
FY23	Interim Dividend	31 May 2022	July 05, 2029
FY23	Interim Dividend	09 November2022	December 14, 2029

XVII.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.

XVIII. 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. 1 April 2022, separate positions were appointed for the post of Chairman and Executive Director & Group CEO.

None of the Independent Directors of the Company is a non-independent director/executive director of another company on the Board of which any non-independent director/executive director of the Company is an Independent director.

No person has been appointed or continues as an alternate director for an independent director of the Company.

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 FY23 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 2023.

Sd/-
Guruprasad Srinivasan
Executive Director and Group CEO
DIN: 07596207

Place: Bengaluru
Date: 17 May 2023

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 Kamal Pal Hoda, 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 2023 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 2023 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 2023 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: 17 May 2023

Sd/-
Guruprasad Srinivasan
Executive Director & Group CEO
DIN: 07596207

Sd/-
Kamal Pal Hoda
Group Chief Financial Officer
DIN: 09808793

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Board of Directors
Quess Corp Limited
Bengaluru

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, 2023.

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, 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, 2023.

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.

Place: Bengaluru
Date : 17.05.2023

Sd/-
S.N. Mishra
Company Secretary
C. P. No. : 4684
FCS No. : 6143
P.R. No. : 1603/2021
UDIN : L74140KA2007PLC043909

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 31st March 2023 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
P.R. No. : 1603/2021
UDIN: F006143E000320391

Place: Bengaluru
Date : 17.05.2023

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 2023, 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 2023, 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 (SAs) 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 37.4 of the standalone financial statements relating to disallowance by the Income Tax authorities primarily relating to depreciation on goodwill and deduction under section 80JJAA of the Income Tax Act, 1961 for financial year ended 31 March 2018 and 2019 and Company's evaluation relating to these disallowances.

Our opinion is not modified in respect of these matters.

Key Audit Matter

Key audit matters 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 tech services is recognized as the related services are performed in accordance with contractual terms. The Company's invoicing cycle is on contractual pre-determined dates and recognized as receivables based on customer acceptances for delivery of work/ attendance of resources. Revenue for the post billing period is recognized 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 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 accuracy and occurrence 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 Board's Report, Annexures to the Board's Report, Management discussion and analysis, Business Responsibility and Sustainable Report, and Report on Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon. These are expected to be made available to us after the date of the Auditor's report.
- 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.
- When we read Board's Report, Annexures to the Board's Report, Management discussion and analysis, Business Responsibility and Sustainable Report, and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's 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 with reference to standalone financial statements 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, except for keeping backup on daily basis of one application maintained in electronic mode, in a server physically located in India (refer note 48.3 to the financial statements).

   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 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements 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.

   h) 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.

   i) 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 – Refer Note 37 to the 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 has been no delay in transferring amounts, 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, as disclosed in the note 48.1 to the 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 the note 48.2 to the 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. The interim dividends declared and paid by the Company during the year and until the date of this report are in accordance with Section 123 of the Act.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

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:23110815BGXVKQ4762)
Place: Bengaluru
Date: 17 May 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Quess Corp Limited ("the Company") as of 31 March 2023 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 with reference to the standalone financial statements 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2023, based on the criteria for internal financial control with reference to standalone financial statements 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:23110815BGXVKQ4762)
Place: Bengaluru
Date: 17 May 2023

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, Right-of-Use assets 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 favour 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 2023 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 INR 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 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.

iii. The Company has made investments in and granted unsecured loans to companies during the year, in respect of which, we report as under:

(a) The Company has provided loans 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	1,186.56	-
B. Balance outstanding as at balance sheet date:		
Subsidiaries	1,345.68*	3,141.24

*The amounts reported are at gross amounts, without considering impairment Rs.325.60 million.

(b) The investments made and the terms and conditions of the grant of all the above-mentioned loans 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 where the schedule of payment of interest has been stipulated, the receipt of interest has been regular as per stipulations except for the following.

Name of the entity	Period	Amount (Rs. Million)	Due Date	Extent of delay (In days)
Trimax Smart infra Projects Private limited	As at March 31, 2022	5.33	Various Dates	More than 365
	Quarter ended June 30, 2022	4.85	30-Jun-22	275
	Quarter ended September 30, 2022	4.98	30-Sep-22	183
	Quarter ended December 31, 2022	5.01	31-Dec-22	91
	Quarter ended March 31, 2023	4.77	31-Mar-23	1
Terrier Security Services (India) Private Limited	As at March 31, 2022*	3.29	Various Dates	More than 365
	Quarter ended June 30, 2022	4.60	30-Jun-22	275
	Quarter ended September 30, 2022	6.42	30-Sep-22	183
	Quarter ended December 31, 2022	6.36	31-Dec-22	91
	Quarter ended March 31, 2023	6.44	31-Mar-23	1
Billion Careers Private Limited	Quarter ended June 30, 2022	0.09	30-Jun-22	275
	Quarter ended September 30, 2022	1.11	30-Sep-22	183
	Quarter ended December 31, 2022	1.49	31-Dec-22	91
	Quarter ended March 31, 2023	1.77	31-Mar-23	1

*Interest added to principal outstanding during the current year.

The Company has not recognised interest income of Rs. 17.66 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 repayment of 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 except where the Company has recorded an impairment of Rs 325.60 million relating to loans considered irrecoverable.

(d) In respect of following loans granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the interest.

Name of the party	Interest overdue (Rs. million)
Trimax Smart Infra Projects Private limited	20.17
Terrier Security Services (India) Private Limited	20.67
Billion Careers Private Limited	2.68

(e) During the year interest aggregating to Rs.43.24 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 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:		
Excelus Learning Solutions Private Limited	10.36	0.87%
Quess Corp Vietnam LLC	1.02	0.09%
Qdigi Services Limited	0.30	0.03%
Terrier Security Services (India) Private Limited	27.11	2.28%
Billion Careers Private limited	4.45	0.38%

(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)	1,345.68	1,345.68
Percentage of loans/advances in the nature of loans to total loans	100%	100%

*The amounts reported are at gross amounts, without considering impairment Rs. 325.60 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, Service 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 31 March 2023 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
Provident Fund Act, 1952	Provident Fund	7.99	September 2021 to September 2022	Various	Unpaid	Management represented that payments were not made as Universal Account Number was not created.
Employees State Insurance Act,1948	Employees State Insurance	0.71	Various	Various	Unpaid	Management represented that payments were not made as employee's insurance policy was not created.
State Profession Tax Act	Profession Tax	1.19	Various	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 31 March 2023 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 venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture 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 up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

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) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining 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 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 Company has fully spent the required amount towards CSR, and there is no unspent CSR amount requiring transfer to a special account before the date of this report and within a period of 30 days from the end of the current financial year in compliance with the provision of sec 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:23110815BGXVKQ4762)
Place: Bengaluru
Date: 17 May 2023

STANDALONE BALANCE SHEET

(Amount in INR millions)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	384.77	275.27
Right-of-use assets	3 (b)	775.49	401.83
Goodwill	4	2,777.73	2,777.73
Other intangible assets	4	730.07	944.78
Intangible assets under development	4	12.47	13.91
Financial assets			
Investments	5	12,346.53	12,889.92
Loans	6	670.07	608.31
Other financial assets	7	628.28	577.55
Deferred tax assets (net)	8	452.77	426.04
Income tax assets (net)	8	3,976.27	3,013.20
Other non-current assets	9	225.37	75.92
Total non-current assets		**22,979.82**	**22,004.46**
Current assets			
Inventories	10	71.11	68.24
Financial assets			
Trade receivables			
Billed	11	8,653.67	7,464.28
Unbilled	11	8,073.81	7,468.08
Cash and cash equivalents	12	403.85	934.32
Bank balances other than cash and cash equivalents above	13	441.57	484.09
Loans	14	371.22	107.22
Other financial assets	15	457.54	327.74
Other current assets	16	637.34	524.07
Total current assets		**19,110.11**	**17,378.04**
Total assets		**42,089.93**	**39,382.50**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,482.29	1,479.91
Other equity	18	20,234.52	20,608.77
Total equity		**21,716.81**	**22,088.68**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	3 (c)	603.82	307.90
Provisions	19	2,160.82	1,841.86
Total non-current liabilities		**2,764.64**	**2,149.76**
Current liabilities			
Financial liabilities			
Borrowings	20	4,670.33	4,798.24
Lease liabilities	3 (c)	232.37	160.45
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	36.05	34.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	442.14	564.79
Other financial liabilities	22	7,947.30	5,390.73
Income tax liabilities (net)	8	381.89	739.12
Provisions	23	165.09	165.28
Other current liabilities	24	3,733.31	3,290.52
Total current liabilities		**17,608.48**	**15,144.06**
Total liabilities		**20,373.12**	**17,293.82**
Total equity and liabilities		**42,089.93**	**39,382.50**

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: 17 May 2023

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

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

(Amount in INR millions, except per share data)

Particulars	Note	For the year ended	
		31 March 2023	31 March 2022
Income			
Revenue from operations	25	121,963.45	97,584.98
Other income	26	707.62	1,315.70
Total income		**122,671.07**	**98,900.68**
Expenses			
Cost of material and stores and spare parts consumed	27	1,773.52	1,110.39
Employee benefits expense	28	109,156.31	87,045.27
Finance costs	29	574.89	476.99
Depreciation and amortisation expense	30	651.10	481.04
Other expenses	31	9,094.63	7,558.23
Total expenses		**121,250.45**	**96,671.92**
Profit before tax and exceptional items		**1,420.62**	**2,228.76**
Exceptional items	32	83.04	422.52
Profit before tax		**1,337.58**	**1,806.24**
Tax credit/(expense)			
Current tax	8	(134.88)	-
Income tax relating to earlier years	8	55.23	-
Deferred tax	8	43.73	(357.96)
Total tax expense		**(35.92)**	**(357.96)**
Profit for the year		**1,301.66**	**1,448.28**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans	40	67.53	(104.79)
Income tax relating to items that will not be reclassified to profit or loss	8	(16.99)	26.37
Other comprehensive income / (loss) for the year, net of income tax		**50.54**	**(78.42)**
Total comprehensive income for the year		**1,352.20**	**1,369.86**
Earnings per equity share (face value of INR 10.00 each)			
Basic (in INR)	38	8.79	9.80
Diluted (in INR)	38	8.72	9.71
Weighted average equity shares used in computing earnings per equity share			
Basic	38	148,112,507	14,77,87,738
Diluted	38	149,246,722	14,91,00,632

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: 17 May 2023

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

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

STANDALONE STATEMENT OF CASH FLOWS

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Cash flows from operating activities		
Profit after tax	1,301.66	1,448.28
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	35.92	357.96
Interest on tax refunds received	-	(34.69)
Interest income on term deposits	(37.55)	(35.55)
Amortised cost adjustments for financial instruments	(13.97)	(24.97)
Profit on sale of property, plant and equipment, net	(2.06)	(12.01)
Dividend income on investments in subsidiaries	(581.11)	(1,175.69)
Interest on loans given to related parties	(60.62)	(21.66)
Expense on employee stock option scheme	50.70	95.70
Finance costs	574.89	476.99
Depreciation and amortisation expense	651.10	481.04
Loss allowance on financial assets, net	476.13	464.38
Exceptional items (refer note 32)	83.04	422.52
Foreign exchange loss/(gain)	0.73	(3.73)
Deposits /Advance written off	8.31	56.47
Bad debts written off	11.88	54.28
Operating profit before working capital changes	**2,499.05**	**2,549.32**
Changes in operating assets and liabilities		
Changes in inventories	(2.87)	7.44
Changes in trade receivables and unbilled revenue	(2,228.07)	(4,316.38)
Changes in loans, other financial assets and other assets	(305.35)	(52.48)
Changes in trade payables	(121.53)	78.12
Changes in other financial liabilities, other liabilities and provisions	3,404.41	3,973.77
Cash generated from operations	**3245.64**	**2,239.79**
Income taxes paid	(1,379.78)	(240.35)
Net cash flows from operating activities (A)	**1865.86**	**1,999.44**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(288.92)	(189.47)
Proceeds from sale of property, plant and equipment and intangibles	13.62	58.80
Investment in subsidiaries and associates	(138.36)	(2,894.32)
Proceeds from redemption of debentures in subsidiaries	127.00	1,070.00
Proceeds from sale of investment in equity instruments in subsidiaries	647.22	-
Dividend received (net of tax)	561.07	1,088.57
Placement of bank deposit	(139.16)	(219.70)

STANDALONE STATEMENT OF CASH FLOWS

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Redemption of bank deposit	186.75	198.73
Loans and advances given to related parties	(1,873.57)	(1,880.48)
Repayment of loans and advances by related parties	1,210.92	1,279.70
Interest received on loans to related parties	11.52	12.47
Interest received on term deposits	31.95	31.23
Net cash from / (used in) investing activities (B)	**350.04**	**(1,444.47)**
Cash flows from financing activities		
Proceeds from working capital	35,720.89	46,044.47
Repayments of working capital	(36,419.63)	(44,477.77)
Proceeds/(repayments) from/(of) short term borrowings	570.83	58.24
Shares issued on exercise of employee stock options	2.38	3.12
Repayment of lease liabilities	(334.82)	(222.61)
Interest paid	(512.02)	(425.88)
Dividend paid	(1,774.00)	(1,621.66)
Net cash used in financing activities (C)	**(2,746.37)**	**(642.09)**
Net decrease in cash and cash equivalents (A+B+C)	**(530.47)**	**(87.12)**
Cash and cash equivalents at the beginning of the year	934.32	1,021.44
Cash and cash equivalents at the end of the year	**403.85**	**934.32**

Components of cash and cash equivalents

Particulars	For the year ended	
	31 March 2023	31 March 2022
Cash and cash equivalents		
Cash on hand	3.70	2.92
Balances with banks		
In current accounts	390.75	931.40
In deposit accounts (with original maturity of less than 3 months)	9.40	-
Cash and cash equivalents as per standalone statement of cash flows	**403.85**	**934.32**

STANDALONE 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 2022	4,798.24
Interest accrued but not due as at 1 April 2022	13.04
Cash flows	(127.91)
Other changes	
- Other borrowing costs	13.00
- Interest expense	488.74
- Interest and other borrowing cost paid	(512.02)
Interest accrued but not due as at 31 March 2023	(2.76)
Debt as at 31 March 2023	**4,670.33**

(Amount in INR millions)

Particulars	Borrowings
Debt as at 1 April 2021	3,173.30
Interest accrued but not due as at 1 April 2021	13.85
Cash flows	1,624.94
Other changes	
- Other borrowing costs	18.65
- Interest expense	406.42
- Interest and other borrowing cost paid	(425.88)
Interest accrued but not due as at 31 March 2022	(13.04)
Debt as at 31 March 2022	**4,798.24**

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

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

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital

(Amount in INR millions)

Particulars	Note	31 March 2023	31 March 2022
Opening balance	17.1	1,479.91	1,476.79
Changes in equity share capital	17.1	2.38	3.12
Closing balance	17.1	**1,482.29**	**1,479.91**

(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	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**
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**

STANDALONE STATEMENT OF CHANGES IN 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	Re-measurement of the net defined benefit liability/asset	
Balance as at 1 April 2022		**1,241.28**	**16,984.51**	**2,231.38**	**21.56**	**348.70**	**(218.66)**	**20,608.77**
Profit for the year		-	-	1,301.66	-	-	-	1,301.66
Other comprehensive income (net of tax)		-	-	-	-	-	50.54	50.54
Total comprehensive income		**-**	**-**	**1,301.66**	**-**	**-**	**50.54**	**1,352.20**
Dividends	47			(1,777.15)	-	-	-	(1,777.15)
Share based payments	18.2	-	-	-	-	50.70	-	50.70
Total		**-**	**-**	**(1,777.15)**	**-**	**50.70**	**-**	**(1,726.45)**
Balance as at 31 March 2023		**1,241.28**	**16,984.51**	**1,755.89**	**21.56**	**399.40**	**(168.12)**	**20,234.52**

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: 17 May 2023

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

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 17 May 2023.

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

(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)

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 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 except for trade receivables which are initially measured at transaction price. 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

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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 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 is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from staffing services in the segments of Workforce management, Operating asset management and Global Technology solution is recognised over

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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.

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 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

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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 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**
Additions	34.23	1.40	11.13	0.11	135.70	86.75	269.32
Disposals	(4.84)	(6.86)	(27.65)	-	(1.36)	(32.07)	(72.78)
Balance as at 31 March 2023	**516.08**	**102.43**	**209.58**	**8.72**	**187.52**	**464.69**	**1,489.02**
Accumulated depreciation as at 1 April 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**
Depreciation for the year	47.92	11.00	21.62	0.02	11.17	56.69	148.44
Disposals	(4.72)	(3.66)	(20.29)	-	(1.16)	(31.56)	(61.39)
Balance as at 31 March 2023	**423.79**	**91.86**	**182.53**	**8.61**	**59.90**	**337.57**	**1,104.26**
Net carrying amount							
As at 31 March 2023	**92.29**	**10.57**	**27.05**	**0.11**	**127.63**	**127.11**	**384.77**
As at 31 March 2022	**106.09**	**23.39**	**44.90**	**0.02**	**3.29**	**97.57**	**275.27**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

The Company does not have any immovable properties, other than properties where the company is lessee and the lease agreements are duly executed in favour of the lessee.

3 (b) Right-of-use assets

(Amount in INR millions)

Particulars	Buildings	Equipments	Total
Balance as at 1 April 2022	401.83	-	401.83
Additions	553.30	134.43	687.73
Disposals	(39.24)	-	(39.24)
Depreciation for the year	(220.63)	(54.20)	(274.83)
Balance as at 31 March 2023	**695.26**	**80.23**	**775.49**

(Amount in INR millions)

Particulars	Buildings	Equipments	Total
Balance as at 1 April 2021	511.73	-	511.73
Additions	86.64	-	86.64
Disposals	(20.50)	-	(20.50)
Depreciation for the year	(176.04)	-	(176.04)
Balance as at 31 March 2022	**401.83**	**-**	**401.83**

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 2023	As at 31 March 2022
Non-current lease liabilities	603.82	307.90
Current lease liabilities	232.37	160.45
	836.19	**468.35**

The following is the movement in lease liabilities:

(Amount in INR millions)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance as at the beginning of the year	**468.35**	**580.46**
Add: Additions	673.95	81.76
Less: Deletions	(44.44)	(23.18)
Add: Finance cost accrued during the period	73.15	51.92
Less: Repayment of lease liabilities	(334.82)	(222.61)
Balance as at the end of the year	**836.19**	**468.35**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2023 and 31 March 2022 on an undiscounted basis:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Less than one year	300.32	180.88
One to five years	557.25	324.82
More than five years	223.28	75.75
Total	**1,080.85**	**581.45**

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for the year ended 31 March 2023

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 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**
Additions	-	7.16	-	-	-	-	7.16	4.52
Capitalised during the year	-	5.96	-	-	-	-	5.96	(5.96)
Balance as at 31 March 2023	**5,565.56**	**468.21**	**894.60**	**0.48**	**1,030.00**	**23.54**	**2,416.83**	**12.47**
Accumulated amortisation and impairment as at 1 April 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)	-
Balance as at 31 March 2022	**2,787.83**	**373.67**	**451.71**	**0.48**	**609.53**	**23.54**	**1,458.93**	**-**
Amortisation for the year	-	49.09	64.55	-	114.20	-	227.83	-
Disposals	-	-	-	-	-	-	-	-
Impairment reversal (refer note 4.2)	-	-	-	-	-	-	-	-
Accumulated amortisation and impairment as at 31 March 2023	**2,787.83**	**422.76**	**516.26**	**0.48**	**723.73**	**23.54**	**1,686.76**	**-**
Net carrying amount								
As at 31 March 2023	**2,777.73**	**45.45**	**378.34**	**-**	**306.27**	**-**	**730.07**	**12.47**
As at 31 March 2022	**2,777.73**	**81.42**	**442.89**	**-**	**420.47**	**-**	**944.78**	**13.91**

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 2023, the Company has INR 2,777.73 million (31 March 2022: INR 2,777.73 million) 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 2023 was in the range of 15.00% to 20.00% (31 March 2022: 18.00% to 22.00%). The operating margin estimations used in the impairment testing for the year ended 31 March 2023 are in the range of 6.26% to 8.70% (31 March 2022: 6.96% to 8.06%).

Other key assumptions used by the Company for impairment assessment are captured in the table below:

IFM CGU	As at 31 March 2023	As at 31 March 2022
Pre-tax discount rate	21.64%	25.26%
Terminal growth rate	4.00%	4.00%

Sensitivity to changes in assumptions:

An increase in pre-tax discount rate by 7.20 (31 March 2022: 4.72) percentage as compared to the table above of pre-tax discount rates used in value in use analysis of IFM CGU will result in recoverable amount being equal to the carrying value.

4.2 Reversal of impairment loss relating to customer relationships related to IFM business:

During the previous year, the Company had recognised reversal of impairment on these customer relationships grouped under intangible asset aggregating to INR 477.61 million which was impaired on 31 March 2020 after considering assessed impact of COVID-19. 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.

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					
As at 31 March 2023	4.52	7.95	-	-	12.47
As at 31 March 2022	13.91	-	-	-	13.91

(i) Project in Progress are reviewed by the management on a regular basis and deployed as per business requirement.

(ii) The Company does not have any projects which are temporarily suspended.

(iii) The Company does not have any assets whose completion is overdue or has exceeded its cost compared to its original budgets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

5. Non-current investments

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Unquoted		
Investment carried at cost		
Investments in equity instruments of subsidiaries		
86,000 (31 March 2022: 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 2022: 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 2022: 7,000,100) Common Shares of Brainhunter Systems Limited, fully paid up*	17.51	17.51
1 (31 March 2022: 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 2022: 45,269,608) ordinary shares of Quesscorp Holdings Pte. Ltd of SGD 1.00 each, fully paid-up*	2,267.11	2,268.67
10,000 (31 March 2022: 10,000) fully paid up equity shares of par value of INR 10.00 each of Excelus Learning Solutions Private Limited* (refer note 5.1)	1.85	1.85
Less: Impairment in value of investments of Excelus Learning Solutions Private Limited**(refer note 5.1)	(1.85)	-
	-	1.85
168,377 (31 March 2022: 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 of Vedang Cellular Services Private Limited	(297.41)	(297.41)
	193.69	193.69
149,463,871 (31 March 2022: 149,463,871) fully paid up equity shares of par value of INR 10.00 each of Conneqt Business Solutions Limited	5,533.28	5,533.28
1,000,000 (31 March 2022: 1,000,000) fully paid up equity shares of par value of INR 10.00 each of Quess International Services Private Limited (formerly Golden Star Facilities and Services Private Limited)*	778.57	778.57
Less: Impairment in value of investments of Quess International Services Private Limited (formerly Golden Star Facilities and Services Private Limited)	(385.71)	(385.71)
	392.86	392.86
60,318 (31 March 2022: 60,318) fully paid up equity shares of par value of INR 10.00 each of Monster.com (India) Private Limited	1,629.39	1,629.39
800,000 (31 March 2022: 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 of Greenpiece landscapes India Private Limited	(244.81)	(244.81)
	-	-
5,349,644 (31 March 2022: 5,349,644) fully paid up equity shares of par value of INR 10.00 each of Qdigi Services Limited*	352.00	352.00
Nil (31 March 2022: 12,405) fully paid up equity shares of par value of INR 10.00 each of Simpliance Technologies Private Limited (refer note 5.1)	-	45.00

Particulars	As at 31 March 2023	As at 31 March 2022
42,000 (31 March 2022: 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 2022: 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 of Trimax Smart Infraprojects Private Limited	(130.05)	(130.05)
	-	-
370,000 (31 March 2022: 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
Less: Impairment in value of investments of Terrier Security Services (India) Private Limited** (refer note 5.1)	(190.00)	-
	1,177.20	1,367.20
6,010,000 (31 March 2022: 6,010,000) fully paid up equity shares of par value of INR 10.00 each of Billion Careers Private Limited (refer note 5.1)	60.10	60.10
Less: Impairment in value of investments of Billion Careers Private Limited** (refer note 5.1)	(60.10)	-
	-	60.10
Investment in MFXchange Holdings Inc.*	4.95	10.89
21,856 (31 March 2022: 21,856) fully paid up equity shares of par value of INR 10.00 each of Heptagon Technologies Private Limited (refer note 5.1)	242.70	242.70
Less: Impairment in value of investments of Heptagon Technologies Private Limited (refer note 5.1)	(112.70)	(112.70)
	130.00	130.00
1,035,000 (31 March 2022: 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 of Quess East Bengal FC Private Limited	(100.35)	(100.35)
	-	-
233,943 (31 March 2022: 192,156) fully paid up equity shares of par value of INR 10.00 each of Stellarslog Technovation Private Limited	138.36	100.00
Investment in Quess Corp Vietnam Limited Liability Company (refer note 5.1)	13.06	13.06
Less: Impairment in value of investments of Quess Corp Vietnam Limited Liability Company**(refer note 5.1)	(13.06)	-
	-	13.06
Unquoted		
Investment carried at cost		
Investment in convertible debentures of subsidiaries		
4,025 (31 March 2022: 4,025) fully paid up compulsorily convertible debentures of par value of INR 100,000 each of Excelus Learning Solutions Private Limited (refer note 5.1)	402.50	402.50
Less: Impairment in value of investments of Excelus Learning Solutions Private Limited** (refer note 5.1)	(402.50)	(220.32)
	-	182.18

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

Particulars	As at 31 March 2023	As at 31 March 2022
84,431 (31 March 2022: 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 of Greenpiece Landscapes India Private Limited	(84.43)	(84.43)
	-	-
91,300 (31 March 2022: 104,000) fully paid up optionally convertible debentures of par value of INR 10,000 each of Trimax Smart Infraprojects Private Limited (refer note 5.1)	913.00	1,040.00
Less: Impairment in value of investments of Trimax Smart Infraprojects Private Limited (refer note 5.1)	(890.70)	(835.64)
	22.30	204.36
Investment carried at fair value through profit and loss		
Investment in convertible debentures of subsidiary		
1,250 (31 March 2022: Nil) fully paid up compulsorily convertible debentures of par value of INR 80,000 each of Monster.com (India) Private Limited	100.00	-
Total non-current investments	**12,346.53**	**12,889.92**
Aggregate value of unquoted investments	15,260.20	15,301.34
Aggregate amount of impairment in value of investments	(2,913.67)	(2,411.42)

* Investments includes day one fair value recognition for corporate guarantee given to subsidiaries amounting to INR 68.03 million (31 March 2022: INR 75.52 million).

** 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").

Movement of impairment loss allowance on investments

Particulars	For the year ended	
	31 March 2023	31 March 2022
Opening Balance	(2,411.42)	(2,317.69)
Add: Impairment loss recognised during the year	(502.24)	(220.32)
Less: Reversal of impairment allowance during the year	-	126.59
Closing Balance	**(2,913.66)**	**(2,411.42)**

5.1 Details of non-current investments made and sold/(impaired) during the current year:

Investment in equity instruments

(Amount in INR millions except number of shares data)

Particulars	Number of shares acquired/ (sold)	Value per share including premium	As at 1 April 2022 (net of impairment)	Invested during the year	Sold during the year	Impairment recognised during the year	Other adjustments	As at 31 March 2023 (net of impairment)
Subsidiaries								
Simpliance Technologies Private Limited*	(12,405)	52,174.12	45.00	-	(45.00)	-	-	-
Quesscorp Holdings Pte. Ltd****	-	-	2,268.67	-	-		(1.56)	2,267.11
Stellarslog Technovation Private Limited**	41,787	918.00	100.00	38.36	-	-	-	138.36
Excelus Learning Solutions Private Limited***	-	-	1.85	-	-	(1.85)	-	-
MFXchange Holdings Inc.****	-	-	10.89	-	-	-	(5.94)	4.95
Billion Careers Private Limited***	-	-	60.10	-	-	(60.10)	-	-
Quess Corp Vietnam LLC***	-	-	13.06	-	-	(13.06)	-	-
Terrier Security Services (India) Private Limited ***	-	-	1,367.20	-	-	(190.00)	-	1,177.20
Total			**3,866.77**	**38.36**	**(45.00)**	**(265.01)**	**(7.50)**	**3,587.62**

* During the year ended 31 March 2023, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a carrying value of INR 45 million to Aparajitha Corporate Services Limited (Aparajitha) and Dasa Consulting Private Limited, acting as a Trustee company of Poornatha Wellness Private Trust. Consequently, a gain on sale aggregating to INR 602.22 million is disclosed as exceptional item during the year ended 31 March 2023.

** During the year ended 31 March 2023, the Company acquired additional 5% stake in Stellarslog Technovation Private Limited (STPL) for purchase consideration of INR 38.36 million. Consequent to additional 5% acquisition, the total shareholding in STPL has increased from 49% to 54% and STPL has become subsidiary of the Company.

*** During the year ended 31 March 2023, the Company assessed the recoverable value of investment in these entities and recognised an impairment loss on investment aggregating to INR 265.02 million and disclosed under exceptional item.

**** Other adjustments pertains to repayment of corporate guarantee commission invoiced to subsidiaries and other adjustment.

Investment in convertible debentures

(Amount in INR millions except number of shares data)

Particulars	Number of debentures acquired/ (redeemed)	Value per debentures including premium	As at 1 April 2022 (net of impairment)	Issued during the year	Redeemed during the year	Impairment recognised during the year	Other adjustments	As at 31 March 2023 (net of impairment)
Subsidiaries								
Trimax Smart Infraprojects Private Limited*	(12,700)	10,000.00	204.36	-	(127.00)	(55.06)	-	22.30
Monster.com (India) Private Limited	1,250	80,000.00	-	100.00	-	-	-	100.00
Excelus Learning Solutions Private Limited*	-	-	182.18	-	-	(182.18)	-	-
Total			**386.54**	**100.00**	**(127.00)**	**(237.24)**	**-**	**122.30**

*During the year ended 31 March 2023, the Company assessed the recoverable value of investment in these entities and recognised an impairment loss on investment aggregating to INR 237.24 million and disclosed under exceptional item amounting to INR 182.18 million and loss allowance on investments, loan and other financial assets amounting to INR 55.06 million.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 2021 (net of impairment)	Invested during the year	Sold during the year	Impairment (recognised) / reversed during the year	Other adjustments	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 million. The Company also invested a further amount of INR 574.22 million in 7,216 equity shares through right issue at INR 79,576 per share.

** The Company was holding 70% equity stake in the non-controlling shareholder of Conneqt Business Solutions Limited ("CBSL"), a subsidiary of the Company. During the year ended 31 March 2022, dated 16 April 2021, the Administration and Investment committee of the Company had 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.

*** Other adjustments pertains to repayment of corporate guarantee commission invoiced to subsidiaries and other adjustment.

**** 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 million. The Company had also invested a further amount of INR 100.00 million 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 had become subsidiary of the Company.

***** During the year ended 31 March 2022, the Company had made an additional investment in Stellarslog Technovation Private Limited for INR 80 million which resulted in increase in holding from 16% to 49%.

Investment in convertible debentures

(Amount in INR millions)

Subsidiaries	Number of debentures acquired	Value per debentures including premium	As at 1 April 2021 (net of impairment)	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 previous 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 million. The Company also invested a further amount of INR 574.22 million in 7,216 equity shares through right issue at INR 79,576 per share.

**During the previous 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 million. This has been disclosed as exceptional item (refer note 32.)

*** Reversal due to collections during the previous year ended 31 March 2022.

6 Non-current loans

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Loans considered good - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	670.07	608.31
Loans credit impaired - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	197.38	88.86
Less: Impairment (refer note 6.1)	(197.38)	(88.86)
	670.07	**608.31**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 2023

(Amount in INR millions)

Particulars	Balance as at 1 April 2022	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 2023"
Subsidiaries						
MFX Infotech Private Limited	11.09	131.68	(122.30)	-	-	20.46
Golden Star Facilities and Services Private Limited	1.43	1.83	-	-	-	3.26
Excelus Learning Solutions Private Limited*	113.36	92.61	(57.24)	-	(148.74)	-
Trimax Smart Infraprojects Private Limited	257.13	17.96	(23.41)	-	-	251.69
Vedang Cellular Services Private Limited	1.13	275.38	(273.15)	-	-	3.36
Greenpiece Landscapes India Private Limited**	-	81.33	(7.20)	-	(74.13)	0.00
Qdigi Services Limited	181.99	314.54	(297.81)	-	-	198.72
Quesscorp Holdings Pte. Ltd	-	-	-	-	-	-
Quess Corp Vietnam Limited Liability Company	8.15	0.53	-	-	(8.68)	-
Monster.com (India) Private Limited	5.97	71.94	-	-	-	77.92
Quess Services Limited	2.94	-	-	-	-	2.94
Allsec Technologies Limited	-	9.11	(9.11)	-	-	-
Heptagon Technologies Private Limited	235.18	-	-	-	-	235.18
Terrier Security Services (India) Private Limited	111.65	641.81	(392.70)	-	-	360.76
Billion Careers Private Limited	0.68	139.84	-	-	-	140.52
Stellarslog Technovation Private limited	-	95.00	(28.00)	-	-	67.00
Total	**930.70**	**1,873.57**	**(1,210.92)**	**-**	**(231.55)**	**1,361.83**
Non-current loans to subsidiaries (refer note 6)						**670.07**
Current loans to subsidiaries (refer note 14)						**353.33**
Current advances to subsidiaries (refer note 15)						**338.43**

* Impairment loss recognised due to nil recoverable value.

** During the year ended 31 March 2023, the Company has granted loans of INR 69.73 millions to its subsidiary Greenpiece landscapes India Private Limited ('GLPL') which was utilised by GLPL to settle its external bank borrowings. This transaction is not considered under the purview 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.

The above unsecured loans are given to subsidiaries at an interest rate equivalent to 10 years Government Bond rate except Stellarslog Technovation Private limited having the interest rate at 9% p.a. 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 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 related parties (refer note 6)						**608.31**
Current loans to related parties (refer note 14)						**100.00**
Current advances to related parties (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 purview 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.

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.

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for the year ended 31 March 2023

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 2023				
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	1,220.78	98.56%	(197.38)	1,023.40
As at 31 March 2022				
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related parties	797.17	99.10%	(88.86)	708.31

7 Other non-current financial assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits*	364.00	329.38
Bank deposits (due to mature after 12 months from the reporting date)**	232.58	237.66
Interest receivable from related parties (refer note 7.1)	31.70	10.51
	628.28	**577.55**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

**Bank deposits to the tune of INR 232.58 million (31 March 2022: 237.66) are lien marked against borrowings and guarantees.

7.1 Interest on Loans to related parties

Particulars	Balance as at 1 April 2022	Interest accrued on loans during the year	Interest paid during the year	Loss allowance recognised during the year	Balance as at 31 March 2023
Subsidiaries					
Excelus Learning Solutions Private Limited	4.35	1.67	-	(6.01)	-
Quess Corp Vietnam LLC	0.53	(0.04)	-	(0.49)	-
Trimax Smart infra Projects Private limited	5.33	19.61	-	-	24.94
Terrier Security Services (India) Private Limited	3.29	20.77	-	-	24.06
Qdigi Services Limited	0.30	2.54	(2.20)	-	0.64
Billion Careers Private Limited	-	4.45	-	-	4.45
Stellarslog Technovation Private limited	-	2.31	-	-	2.31
Total	**13.80**	**51.31**	**(2.20)**	**(6.50)**	**56.40**
Non Current Interest receivables from related parties					**31.70**
Current Interest receivables from related parties					**24.70**

Interest on Loans to related parties

Particulars	Balance as at 1 April 2021	Interest accrued on loans during the year	Interest paid during the year	Loss allowance recognised during the year	Balance as at 31 March 2022
Subsidiaries					
Excelus Learning Solutions Private Limited	0.14	4.21	-	-	4.35
Greenpiece Landscape India Private Limited	3.98	(3.98)	-	-	-
Quess Corp Vietnam LLC	0.47	0.06	-	-	0.53
Trimax Smart infra Projects Private limited	0.03	6.95	(1.63)	-	5.33
Heptagon Technologies Private Limited	-	-	-	-	-
Terrier Security Services (India) Private Limited	-	3.29	-	-	3.29
Qdigi Services Limited	-	0.31	-	-	0.31
Total	**4.62**	**10.84**	**(1.63)**	**-**	**13.81**
Non Current Interest receivables from related parties					**10.51**
Current Interest receivables from related parties					**3.30**

8 Taxes

A Amount recognised in profit or loss (Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current tax:		
In respect of the current year	(134.88)	-
Related to prior years	55.23	-
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	43.73	(357.96)
Income tax expense reported in the standalone statement of profit and loss	**(35.92)**	**(357.96)**

B Income tax recognised in other comprehensive income (Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Re-measurement of the net defined benefit liability/ asset:		
Before tax	67.53	(104.79)
Tax (credit)/expense	(16.99)	26.37
Net of tax	**50.54**	**(78.42)**

C Amounts recognised directly in equity

No tax expense has been recognised directly in equity.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

D Reconciliation of effective tax rate

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Profit before tax	1,337.58	1,806.24
Tax using the Company's domestic tax rate of 25.168%	(336.64)	(454.59)
Effect of:		
Non-deductible expenses	(189.30)	(193.71)
80JJAA tax incentives	277.27	-
Income subject to different tax rates	16.68	-
Income tax related to prior years	55.23	-
Exempt income	146.25	295.90
Others	(5.41)	(5.56)
Income tax expense reported in the standalone statement of profit and loss	**(35.92)**	**(357.96)**

E The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	4,765.93	4,451.27
Income tax liabilities	(789.66)	(1,438.07)
Net income tax assets as at the end of the year	**3,976.27**	**3,013.20**

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	249.95	371.34
Income tax liabilities	(631.84)	(1,110.46)
Net income tax liabilities as at the end of the year	**(381.89)**	**(739.12)**

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	449.48	343.51
Provision for employee benefits	551.18	470.95
Provision for disputed claims	34.21	34.21
Provision for Bonus	102.05	102.25
MAT credit entitlement		
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	-	181.80
Property, plant and equipment and intangible assets	(0.33)	(24.41)
Goodwill on merger	(699.10)	(699.10)
Others	15.28	16.83
Net deferred tax assets	**452.77**	**426.04**

The movement of deferred tax aggregating to INR 26.74 millions for the year ended 31 March 2023 (31 March 2022: INR 331.59 millions) comprises INR 43.73 millions (31 March 2022: INR 357.96 millions) credited to standalone statement of profit and loss and INR 16.99 millions (31 March 2022: INR 26.37 millions) charged 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 2023	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax liability on:				
Goodwill on merger	(699.10)	-	-	(699.10)
Property, plant and equipment and intangible assets	(24.41)	24.08	-	(0.33)
Deferred tax liabilities	**(723.51)**	**24.08**	**-**	**(699.43)**
Deferred tax assets on:				
Loss allowance on financial assets	343.51	105.97	-	449.48
Provision for employee benefits	470.95	97.22	(16.99)	551.18
Provision for disputed claims	34.21	-	-	34.21
Provision for Bonus	102.25	(0.20)	-	102.05
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	181.80	(181.80)	-	-
Others	16.83	(1.54)	-	15.28
Deferred tax assets	**1,149.55**	**19.65**	**(16.99)**	**1,152.20**
Net deferred tax assets	**426.04**	**43.73**	**(16.99)**	**452.77**

(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)
Property, plant and equipment and intangible assets	71.88	(96.29)	-	(24.41)
Deferred tax liabilities	**(627.22)**	**(96.29)**	**-**	**(723.51)**
Deferred tax assets on:				
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
Provision for Bonus	61.77	40.48	-	102.25
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	682.87	(501.07)	-	181.80
Others	23.37	(6.54)	-	16.83
Deferred tax assets	**1,384.85**	**(261.67)**	**26.37**	**1,149.55**
Net deferred tax assets	**757.63**	**(357.96)**	**26.37**	**426.04**

The Company does not have any unrecognised deferred tax assets on carried forward tax losses.

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

9 Other non-current assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Capital advances*	10.41	26.03
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)	14.95	14.95
Prepaid expenses	32.43	24.22
Insurance recoverables	156.86	-
	225.37	**75.92**

*includes capital advances paid to related party for development of intangible assets for INR 9.11 million (31 March 2022: 23.60 million) (refer note 39).

10 Inventories

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Valued at lower of cost and net realizable value		
Raw material and consumables	45.46	39.78
Stores and spares	25.65	28.46
	71.11	**68.24**

11 i) Trade receivables - billed

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivable billed - considered good - unsecured	9,111.95	7,660.53
Less: Allowance for expected credit loss	(458.28)	(196.25)
Trade receivable billed - considered good - unsecured	**8,653.67**	**7,464.28**
Trade receivable billed - credit impaired - unsecured	641.31	561.64
Less: Allowance for expected credit loss	(641.31)	(561.64)
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	**8,653.67**	**7,464.28**

ii) Trade receivables - unbilled

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables - unbilled*	8,622.97	7,937.87
Less: Allowance for expected credit losses	(549.16)	(469.79)
	8,073.81	**7,468.08**

*includes billable to related parties INR 8.79 million (31 March 2022: 26.82 million; refer note 39).

Trade receivables ageing schedule for the year ended as on 31 March 2023 and 31 March 2022: (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 2023	8,622.97	6,109.35	2,116.76	389.77	154.10	(7.03)**	349.01	**17,734.93**
As at 31 March 2022	7,937.87	5,744.88	1,452.08	66.03	184.01	20.73*	192.80	**15,598.40**
Undisputed trade receivables – credit impaired								
As at 31 March 2023	-	8.41	12.49	4.72	(270.96)*	20.12	866.53	**641.31**
As at 31 March 2022	-	11.79	74.85	(286.81)**	23.19	38.23*	700.39	**561.64**
Disputed trade receivables – credit impaired								
As at 31 March 2023	-	-	-	-	-	-	137.18	**137.18**
As at 31 March 2022	-	-	-	-	-	108.82	28.36	**137.18**
Total								
As at 31 March 2023	8,622.97	6,117.76	2,129.25	394.49	(116.86)	13.09	1,352.72	**18,513.41**
As at 31 March 2022	7,937.87	5,756.67	1,526.93	(220.78)	207.20	330.13	921.56	**16,297.22**
Less: allowance for expected credit loss								
As at 31 March 2023								**(1,785.93)**
As at 31 March 2022								**(1,364.86)**
Total trade receivable								
As at 31 March 2023								**16,727.48**
As at 31 March 2022								**14,932.36**

*Includes unadjusted credits and collections which are adjusted during the year ended 31 March 2023 against specified identified invoices.

** Net negative balances in the ageing is because of unadjusted credits and collections which are due to be allocated against specific invoices pending payment advices from customers. These credits and collections are considered in determining expected credit loss allowance for customers.

Undisputed trade receivables (billed)– considered good, includes receivables from government customers outstanding for more than one year INR 425.18 millions (31 March 2022: INR 255.63 millions)

Undisputed trade receivables (unbilled)– considered good, includes unbilled receivables from government customers aged more than one year INR 1,423.14 millions (31 March 2022: INR 1,003.16 millions)

11.1 Of the above, trade receivables from related party are as below:

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables from related parties (refer note 39)	272.00	202.11
Less: Allowance for expected credit losses	(97.59)	(98.81)
Net trade receivables	**174.41**	**103.30**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

12 Cash and cash equivalents

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	3.70	2.92
Balances with banks		
In current accounts	390.75	931.40
In deposit accounts (with original maturity of less than 3 months)	9.40	-
	403.85	**934.32**

13 Bank balances other than cash and cash equivalents

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
In deposit accounts (maturity within 12 months from the reporting date)*	413.31	458.66
Earmarked balances with banks**	28.26	25.43
	441.57	**484.09**

*Bank deposits are lien marked against borrowings and guarantees.

**It primarily relates to unpaid dividend and CSR unspent amount for year ended 31 March 2022. Refer note 31.2 for CSR related disclosure.

14 Current loans

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Other loans and advances		
Loans to employees	17.89	7.22
Loans considered good - unsecured- repayable on demand		
Loans to subsidiaries (refer note 6.1)	353.33	100.00
	371.22	**107.22**

15 Other current financial assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits*	75.20	88.44
Interest accrued but not due	19.21	13.61
Interest receivable from related parties (refer note 7.1)	24.70	3.30
Due from related parties (refer note 6.1)**	338.43	222.39
	457.54	**327.74**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

**Net of impairment of INR 34 million (31 March 2022:Nil)

16 Other current assets

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Advances to suppliers*	270.84	162.43
Travel advances to employees	3.97	3.70
Other advances	25.16	39.57
Prepaid expenses	337.37	318.37
	637.34	**524.07**

*includes advance to supplier to related parties INR 12.51 million (31 March 2022: 50.29 million) (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 2022: 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		
148,229,488 (31 March 2022: 147,990,557) equity shares of par value of INR 10.00 each, fully paid up	1,482.29	1,479.91
	1,482.29	**1,479.91**

17.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 20212	
	Number of shares	Amount in INR millions	Number of shares	Amount in INR millions
Equity shares				
At the commencement of the year	147,990,557	1,479.91	147,678,864	1,476.79
Add: Shares issued on exercise of employee stock options (refer note 41)	238,931	2.38	311,693	3.12
At the end of the year	**148,229,488**	**1,482.29**	**147,990,557**	**1,479.91**

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 shareholders 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

17.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% held	Number of shares	% held
Equity shares				
Equity shares of par value of INR 10.00 each				
Fairbridge Capital (Mauritius) Limited	50,476,237	34.05%	43,876,237	29.65%
Ajit Isaac	17,519,613	11.82%	16,769,613	11.33%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")	15,365,824	10.37%	15,365,824	10.38%

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 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019
Bonus shares issued	-	-	-	-	-
Shares issued on exercise of employee stock options (refer note 41)	238,931	311,693	168,170	538,680	600,655

17.5 Details of shareholding of promoters:

Promoter name	31 March 2023		31 March 2022		% change during the year
	Number of shares	% held	Number of shares	% held	
Ajit Isaac	17,519,613	11.82%	16,769,613	11.33%	0.49%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")	15,365,824	10.37%	15,365,824	10.38%	-0.01%
Fairbridge Capital Mauritius Limited	50,476,237	34.05%	43,876,237	29.65%	4.40%
Hwic Asia Fund Class A Shares	748,100	0.50%	748,100	0.51%	-0.01%

18 Other equity*

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium (refer note 18.1)	16,984.51	16,984.51
Stock options outstanding account (refer note 18.2)	399.40	348.70
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)	(168.12)	(218.66)
Retained earnings (refer note 18.6)	1,755.89	2,231.38
	20,234.52	**20,608.77**

* 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.

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning and end of the year	16,984.51	16,984.51

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.

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	**348.70**	**253.00**
Add: Grants issued during the year	50.70	95.70
Balance as at the end of the year	**399.40**	**348.70**

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.

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning and end of the year	1,241.28	1,241.28

18.4 General reserve

General Reserve represents appropriation of profit by the Company. This represents a free reserve and is available for dividend distributions.

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning and end of the year	21.56	21.56

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).

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	**(218.66)**	**(140.24)**
Add: Recognised during the year	50.54	(78.42)
Balance as at the end of the year	**(168.12)**	**(218.66)**

18.6 Retained earnings

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	**2,231.38**	**2,407.99**
Add: Profit for the year	1,301.66	1,448.28
Less: Interim dividends paid during the year	(1,777.15)	(1,624.89)
Balance as at the end of the year	**1,755.89**	**2,231.38**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

19 Provisions

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 40)	2,160.82	1,841.86
	2,160.82	**1,841.86**

20 Current borrowings

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (refer note 20.1 and 33)	629.07	58.24
Working capital loan (refer note 20.2 and 33)	3,041.26	3,240.00
Unsecured		
Working capital loan (refer note 33)	500.00	500.00
Commercial papers (refer note 33)	500.00	1,000.00
	4,670.33	**4,798.24**

20.1 The Company has taken cash credit and overdraft facilities having interest rate linked to 3M MCLR and Repo rate plus 0.45% (31 March 2022: 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 4.5% p.a. to 8.65% p.a.(31 March 2022: 4.5% p.a.-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.

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 2022	Refer note below	Trade receivables	12,115.76	12,115.76	-	No difference
10 October 2022			12,873.37	12,873.37	-	
10 January 2023			13,238.12	13,238.12	-	
31 March 2023			18,307.00	18,307.00	-	

Note:

The Company has submitted the above quarterly statements to HDFC Bank, ICICI Bank, SBI, Federal Bank, IDFC Bank, SCB Bank, Yes Bank and Axis Bank.

21 Trade payables

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises	36.05	34.93
Trade payables to related parties (refer note 39)	137.62	106.02
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	304.52	458.77
	478.19	**599.72**

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 2023**	36.05	-	-	-	**36.05**
As at 31 March 2022**	34.93	-	-	-	**34.93**
Others					
As at 31 March 2023	336.78	62.52	15.93	26.91	**442.14**
As at 31 March 2022	479.38	46.96	24.71	13.74	**564.79**
Total trade payables					
As at 31 March 2023	372.83	62.52	15.93	26.91	**478.19**
As at 31 March 2022	514.31	46.96	24.71	13.74	**599.72**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

**Amount outstanding for less than 45 days is INR 30.01 million (31 March 2022: INR 34.85 million).

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 2023 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 2023	As at 31 March 2022
The principal amount and the interest thereon remaining unpaid to any supplier as at the end of the accounting year;		
- Principal	36.05	34.63
- Interest	1.59	0.30
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;	-	-
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.	1.59	0.30

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

22 Other current financial liabilities

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued and not due	2.76	13.04
Financial guarantee liability (measured at FVTPL)	2.99	10.48
Capital creditors	12.63	35.97
Other payables		
Accrued salaries and benefits	4,132.39	2,860.07
Customer liability	2,238.65	725.60
Provision for bonus and incentive	405.47	406.26
Provision for expenses*	1,139.79	1,321.88
Uniform deposits	2.27	10.25
Unclaimed dividend	6.38	3.23
Amount payable to related parties (refer note 39)	3.97	3.95
	7,947.30	**5,390.73**

*Includes related party balances INR 168.76 million (31 March 2022: INR 90.78 million; refer note 39).

23 Provisions

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for compensated absences (refer note 40)	29.16	29.35
Provision for disputed claims	135.93	135.93
	165.09	**165.28**

The disclosures of provisions movement as required under Ind AS 37 are as follows for year ended 31 March 2023:

(Amount in INR millions)

Particulars	Years pertaining to	Amount demanded	As at 1 April 2022	Provided during the year	Utilised during the year	As at 31 March 2023	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.

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 pertain 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 2023	As at 31 March 2022
Unearned revenue*	35.65	41.92
Advance received from customers	8.78	19.98
Balances payable to government authorities	3,688.88	3,228.62
	3,733.31	**3,290.52**

*Includes related party balances INR 13.67 million (31 March 2022: INR 16.97 million; refer note 39).

25 Revenue from operations

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Sale of Service		
Workforce management	103,635.01	82,737.16
Operating asset management	17,178.67	13,920.24
Global technology solutions	1,149.77	927.58
	121,963.45	**97,584.98**

(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, unearned revenue and advance from customers

The following table provides information about trade receivables and unearned revenue from contracts with customers.

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables		
Billed	8,653.67	7,464.28
Unbilled	8,073.81	7,468.08
Unearned revenue	35.65	41.92
Advance from customers	8.78	19.98

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for the year ended 31 March 2023

The following table discloses the movement in trade receivables (unbilled) as disclosed in Note 11 :

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Balance as at the beginning of the year	7,468.08	6,384.13
Add: Revenue recognised during the year	6,000.12	6,112.79
Less: Invoiced during the year	(5,315.02)	(4,909.89)
Less : Loss allowance recognised during the year	(79.37)	(118.95)
Balance as at the end of the year	**8,073.81**	**7,468.08**

The following table discloses the movement in unearned revenue balances:

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Balance as at the beginning of the year	41.92	22.41
Less: Revenue recognised during the year	(25.74)	(22.41)
Add: Invoiced during the year but not recognised as revenue during the year	19.47	41.92
Balance as at the end of the year	**35.65**	**41.92**

(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 2023, other than those meeting the exclusion criteria mentioned above, is INR 1,036.66 million (31 March 2022: INR 1,012.52 million). Out of this, the Company expects to recognise revenue of around 38.76% (31 March 2022: 78.03%) within the next one year and the remaining thereafter.

26 Other income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
a) Interest Income		
Interest income under the effective interest rate method on:		
Deposits with banks	37.55	35.55
Amortised cost adjustments for financial instruments	13.97	24.97
Interest on tax refunds received	-	34.69
Interest on loans given to related parties (refer note 39)	60.62	21.66
b) Dividend Income		
Dividend income on investments in subsidiaries	581.11	1,175.69
c) Other non-operating Income		
Foreign exchange gain	-	3.73
Profit on sale of property, plant and equipment and intangible assets	-	12.01
Miscellaneous income	14.37	7.40
	707.62	**1,315.70**

27 Cost of material and stores and spare parts consumed

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Inventory at the beginning of the year	68.24	75.68
Add: Purchases	1,776.39	1,102.95
Less: Inventory at the end of the year	(71.11)	(68.24)
Cost of materials and stores and spare parts consumed	**1,773.52**	**1,110.39**

28 Employee benefits expense

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Salaries and wages	99,596.39	79,356.58
Contribution to provident and other funds	8,376.18	6,994.22
Expenses related to post-employment defined benefit plan (refer note 40)	491.29	408.67
Staff welfare expenses	641.75	190.10
Expense on employee stock option scheme	50.70	95.70
	109,156.31	**87,045.27**

29 Finance costs

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Interest expense on financial liabilities at amortised cost	488.74	406.42
Interest expense on lease liabilities	73.15	51.92
Other borrowing costs	13.00	18.65
	574.89	**476.99**

30 Depreciation and amortisation expense

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Depreciation of property, plant and equipment [refer note 3(a)]	148.44	133.85
Depreciation of rights-of-use-assets [refer note 3(b)]	274.83	176.04
Amortisation of intangible assets (refer note 4)	227.83	171.15
	651.10	**481.04**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

31 Other expenses (Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Sub-contractor charges	4,652.78	3,298.69
Recruitment and training expenses	213.32	176.20
Rent (short term leases)	278.23	364.35
Power and fuel	84.98	65.37
Repairs and maintenance		
- buildings	67.50	172.23
- plant and machinery	352.36	417.75
- others	384.41	430.65
Legal and professional fees (refer note 31.1)	689.33	377.05
Rates and taxes	63.49	45.03
Printing and stationery	55.04	49.73
Stores and tools consumed	124.79	157.59
Travelling and conveyance	492.01	317.47
Communication expenses	72.92	68.50
Loss allowance on financial assets, net		
- Trade receivables(billed and unbilled) [refer note 34(i)]	432.95	539.02
- Investments, loans and other financial assets [refer note 5.1]	55.06	(20.36)
Equipment hire charges	112.42	136.79
Insurance	403.63	394.94
Database access charges	92.54	52.52
Bank charges	3.58	3.18
Business promotion and advertisement expenses	333.01	355.38
Loss on sale of property, plant and equipment and intangible assets, net	11.56	-
Foreign exchange loss, net	0.73	-
Expenditure on corporate social responsibility (refer note 31.2)	31.00	33.20
Deposits/advances written-off	8.31	56.47
Miscellaneous expenses	78.68	66.48
	9,094.63	**7,558.23**

31.1 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 2023	31 March 2022
Statutory audit fees	8.50	8.50
Limited reviews	3.80	3.80
Others	1.25	1.25
Reimbursement of expenses	0.40	0.40
	13.95	**13.95**

31.2 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 2023	31 March 2022
a) Gross amount required to be spent by the Company during the year	30.36	33.20
b) Amount of expenditure incurred	31.00	10.32
c) Shortfall at the end of the year	-	22.88
d) Total of previous years' shortfall	37.34	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*	31.00	10.32
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.

*There is no unspent amount peratining to year ended 31 March 2023.

During the year ended 31 March 2023, the Company had contributed INR 31.00 millions to Careworks foundation (implementing agency) which was fully utilised by agency.

The Careworks foundation has spent INR 1.84 millions towards ongoing projects from funds available from previous years. The unspent amounts pertaining to year ended 31 March 2021 and 31 March 2022 have been deposited in the CSR restricted bank accounts within the stipulated statutory time limit.

32 Exceptional items

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Impairment, expected credit loss allowance / (reversal) of impairment on:		
-Intangible assets (refer note 4.2)	-	(477.61)
-Investment, Loan and advances of subsidiaries (refer note 32.1)	685.26	220.32
-Trade receivables [refer note 34(i)]	-	200.00
Gain on sale of investment in equity instruments of subsidiaries (refer note 32.2)	(602.22)	-
Goods and Service Tax ("GST") ineligible credits charged off (refer note 32.3)	-	479.81
	83.04	**422.52**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2023

32.1 Impairment, expected credit loss allowance of impairment on investments, loans, interest on loans and advances of subsidiaries:

(Amount in INR millions)

Entity	31 March 2023			31 March 2022		
	Investment	Loans, interest on loans and advances	Total	Investment	Loans, interest on loans and advances	Total
Excelus Learning Solutions Private Limited	184.03	154.76	338.79	220.32	-	220.32
Billion Careers Private Limited	60.10	-	60.10	-	-	-
Quess Corp Vietnam LLC	13.06	9.18	22.24	-	-	-
Greenpiece Landscapes India Private Limited	-	74.13	74.13	-	-	-
Terrier Security Services (India) Private Limited	190.00	-	190.00	-	-	-
Total	**447.19**	**238.07**	**685.26**	**220.32**	**-**	**220.32**

32.2 During the year ended 31 March 2023, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a carrying value of INR 45 million to Aparajitha Corporate Services Limited (Aparajitha) and Dasa Consulting Private Limited, acting as a Trustee company of Poornatha Wellness Private Trust. Consequently, a gain on sale aggregating to INR 602.22 million is recorded as exceptional item during the year ended 31 March 2023.

32.3 During the year ended 31 March 2022, the Company recognised an expense of INR 479.81 million related to Goods and Service Tax (GST), based on a comprehensive internal review across its businesses, geographic locations and assessment years, including reconciliations with suppliers and vendors. Due to the pandemic related disruptions, this review was finally concluded during the 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 2023			31 March 2022		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets:							
Investments in convertible debentures*	5	100.00	-	-	-	-	-
Loans	6 and 14	-	-	1,041.29	-	-	715.53
Trade receivables	11	-	-	16,727.48	-	-	14,932.36
Cash and cash equivalents	12	-	-	403.85	-	-	934.32
Bank balances other than cash and cash equivalents above	13	-	-	441.57	-	-	484.09
Other financial assets	7 and 15	-	-	1,085.82	-	-	905.29
Total financial assets		**100.00**	**-**	**19,700.01**	**-**	**-**	**17,971.59**
Financial Liabilities:							
Lease liabilities	3 (c)	-	-	836.19	-	-	468.35
Borrowings	20	-	-	4,670.33	-	-	4,798.24
Trade payables	21	-	-	478.19	-	-	599.72
Other financial liabilities*	22	2.99	-	7,944.31	10.48		5,380.25
Total financial liabilities		**2.99**	**-**	**13,929.02**	**10.48**	**-**	**11,246.56**

Investment in subsidiaries carried at cost 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.

*mandatorily classified as FVTPL on initial recognition

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 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 2023	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Investments in convertible debentures	5	100.00	-	-	100.00
Financial assets not measured at fair value					
Loans	6 and 14	1,041.29	-	-	-
Trade receivables	11	16,727.48	-	-	-
Cash and cash equivalents	12	403.85	-	-	-
Bank balances other than cash and cash equivalents above	13	441.57			
Other financial assets	7 and 15	1,085.82	-	-	-
Total financial assets		**19,800.01**	**-**	**-**	**100.00**
Financial liabilities measured at fair value					
Other financial liabilities	22	2.99	-	-	2.99
Financial liabilities not measured at fair value					
Lease liabilities	3 (c)	836.19	-	-	-
Borrowings	20	4,670.33	-	-	-
Trade payables	21	478.19	-	-	-
Other financial liabilities	22	7,944.31	-	-	-
Total financial liabilities		**13,932.01**	**-**	**-**	**2.99**

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(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	-	-	-
Trade receivables	11	14,932.36	-	-	-
Cash and cash equivalents	12	934.32	-	-	-
Bank balances other than cash and cash equivalents above	13	484.09			
Other financial assets	7 and 15	905.29	-	-	-
Total financial assets		**17,971.59**	**-**	**-**	**-**
Financial liabilities measured at fair value					
Other financial liabilities	22	10.48	-	-	10.48
Financial liabilities not measured at fair value					
Lease liabilities	3 (c)	468.35	-	-	-
Borrowings	20	4,798.24	-	-	-
Trade payables	21	599.72	-	-	-
Other financial liabilities	22	5,380.25	-	-	-
Total financial liabilities		**11,257.04**	**-**	**-**	**10.48**

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 historical credit loss experience, 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 (including unbilled) is as follows:

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	1,364.86	880.13
Add: loss allowance recognised	432.95	739.02
Less: bad debts written off	(11.88)	(254.29)
Balance as at the end of the year	**1,785.93**	**1,364.86**

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for the year ended 31 March 2023

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 2023 and 31 March 2022. 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 7,980 million as at 31 March 2023 (31 March 2022: 7,309.92 million).

As at 31 March 2023

(Amount in INR millions)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	4,670.33	4,670.33	-	-	-
Trade payables	478.19	478.19	-	-	-
Lease liabilities	836.19	300.32	205.71	351.54	223.28
Other financial liabilities	7,947.30	7,947.30	-	-	-

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	-	-	-

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 primarily 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 borrowings to interest rate changes at the end of the reporting period are as follows:

(Amount in INR million)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	629.07	58.24

(b) Sensitivity

(Amount in INR millions)

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2023				
Variable rate borrowings	(6.29)	6.29	(4.71)	4.71
31 March 2022				
Variable rate borrowings	(0.58)	0.58	(0.44)	0.44

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.

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 2023	As at 31 March 2022
Gross debt	5,506.52	5,266.59
Less: Cash and cash equivalents	(403.85)	(934.32)
Adjusted net debt	**5,102.67**	**4,332.27**
Total equity	21,716.81	22,088.68
Net debt to equity ratio	**0.23**	**0.20**

36 Capital and other commitments

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	37.58	22.06
Corporate guarantees given as security for loan availed by related parties (refer note 36.1 and 36.2)	3,141.25	3,626.41
	3,178.83	**3,648.47**

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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. Total loan availed and outstanding as at 31 March 2023 is INR 693.25 million (31 March 2022: INR 999.96 million).

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 2022	Given during the year	Expired during the year	As at 31 March 2023
MFX Infotech Private Limited	50.00	-	(50.00)	-
Terrier Security Services (India) Private Limited	550.00	-	-	550.00
Excelus Learning Solutions Private Limited	185.16	-	(185.16)	0.00
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	500.00	-	-	500.00
Vedang Cellular Services Private Limited	210.00	-	-	210.00
Quess Corp Lanka (Private) Limited	26.80	-	-	26.80
MFX Change Holdings Inc.	1,187.56	-	-	1,187.56
Monster.com (India) Private Limited	300.00	-	-	300.00
Total	**3,626.41**	**-**	**(485.16)**	**3,141.25**

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 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**

37 Contingent liabilities

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
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	43.08
Direct tax matters (refer note 37.4)	740.00	166.60
	1,133.88	**560.48**

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 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 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 2022 and 2023.

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 million 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 23 May 2023. 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.

37.4 Income Tax Matters:

During the year ended 31 March 2023, the Company received assessment order ('Order') under section 143(3) read with section 144C(13) of the Income Tax Act after completion of Dispute Resolution Panel ('DRP') proceedings for fiscal 2017-2018 resulting in disallowances primarily relating to deduction under section 80JJAA of the Income Tax Act and depreciation on goodwill. The Company has filed appeal with the Income Tax Appellate Tribunal relating to these disallowances. Further, during the year ended 31 March 2023, the Company also received a draft assessment order for fiscal 2018-2019 under section 144C(1) of the Income Tax Act in which primarily deduction under section 80JJAA of the Income Tax Act and depreciation on goodwill has been disallowed. The Company has filed objections before the DRP against the draft assessment order.

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 Income Tax Act. Based on its internal evaluation, the Company has disclosed a contingent liability of INR 740 million for fiscal 2017-2018 and fiscal 2018-2019, excluding interest and penalties if any. The contingent liability 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 80JJAA deduction of INR 1,824.01 million is claimed for the year ended 31 March 2023, respectively The Company believes that such deduction, including its 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 2023	**31 March 2022**
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)	1,301.66	1,448.28
Weighted average number of shares used in computing basic earnings per share	148,112,507	147,787,738
Basic earnings per share (INR)	**8.79**	**9.80**
Weighted average number of shares used in computing diluted earnings per share	149,246,722	149,100,632
Diluted earnings per share (INR)	**8.72**	**9.71**
Effect of dilutive common equivalent shares - share options outstanding	1,134,215	1,312,894
Anti dilutive common equivalent shares - share options outstanding	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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
	Excelus Learning Solutions Private Limited
	Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited)
	Vedang Cellular Services Private Limited
	Quess International Services Private Limited (formerly known as 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 (till 06 October 2022)
	Quesscorp Management Consultancies
	Quesscorp Manpower Supply Services LLC
	Quess Services Limited
	Allsec Technologies Limited
	Allsectech Inc. USA
	Allsectech Manila Inc. Philippines

	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
	Heptagon Technologies Private Limited (w.e.f 1 March 2022) [refer note 5.1]
	Stellarslog Technovation Private Limited (w.e.f 25 April 2022)
	Quess Corp NA LLC (w.e.f 17 May 2022)
Associates	Quess Recruit, Inc.
	Agency Pekerjaan Quess Recruit SDN. BHD
	Stellarslog Technovation Private Limited (till 24 April 2022)
	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)
Entity controlled by promoters	Careworks foundation
	Iris Realty LLP
	Isaac Healthcare Services LLP
	Fairbridge Capital Private Limited
	Thomas Cook (India) Limited
	Net Resources Investments Private Limited
Key executive management personnel	
Ajit Isaac	Chairman (w.e.f. 1 April 2022)
	Executive Chairman (w.e.f. 1 April 2021 to 31 March 2022)
K. Suraj Moraje	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. 11 February 2022)
N. Ravi Vishwanath	Chief Financial Officer (w.e.f. 1 April 2021 to 10 January 2023)
Kamal Pal Hoda	Group Chief Financial Officer (w.e.f. 11 January 2023)
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 2023	31 March 2022
Revenue from operations			
Subsidiaries	Vedang Cellular Services Private Limited	11.11	26.59
	Qdigi Services Limited	5.81	5.70
	Quess international services Private Limited	9.73	0.13
	Conneqt Business Solutions Limited	207.70	489.20
	Monster.com (India) Private Limited	59.60	2.88

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2023	31 March 2022
	Quesscorp Singapore Pte Limited	2.61	-
	Allsec Technologies Limited	29.29	33.04
	Trimax Smart Infraprojects Private Limited	59.42	135.93
	Terrier Security Services (India) Private Limited	2.35	1.42
	Simpliance Technologies Private Limited	-	1.51
	Quesscorp Holdings Pte. Ltd	11.28	-
	Stellarslog Technovation Private Limited	4.43	-
	MFX Infotech Private Limited	0.36	-
Entities having common directors	Go Digit General Insurance Limited	7.89	8.07
	National Commodities Management Services Limited	41.90	51.99
	Net Resources Investments Private Limited	1.00	0.93
Entity controlled by promoters	Careworks foundation	34.45	28.66
	Thomas Cook (India) Limited	69.64	59.64
Other expenses			
Subsidiaries	MFX Infotech Private Limited	611.81	453.67
	Quess international services Private Limited	0.65	17.61
	Monster.com (India) Private Limited	7.59	12.15
	Conneqt Business Solutions Limited	114.32	97.92
	Qdigi Services Limited	-	0.19
	Greenpiece Landscapes India Private Limited	3.04	23.76
	Allsec Technologies Limited	27.51	27.85
	Quessglobal (Malaysia) Sdn. Bhd.	1.04	1.42
	Simpliance Technologies Private Limited	2.00	7.13
	Quess Services Limited	-	1.70
	Quesscorp Manpower Supply Services LLC	48.15	10.57
	Terrier Security Services (India) Private Limited	257.58	202.43
	Quess Corp Lanka (Private) Limited	0.11	0.92
	Heptagon Technologies Private Limited	39.70	64.97
	Billion Careers Private Limited	17.71	-
	Stellarslog Technovation Private Limited	0.25	-
	Excelus Learning Solutions Private Limited	8.99	-
Associates	Stellarslog Technovation Private Limited	-	15.05
Entities having common directors	Net Resources Investments Private Limited	42.52	40.39
	Go Digit General Insurance Limited	32.83	14.35
Intangible assets under development			
Subsidiaries	Heptagon Technologies Private Limited	3.43	23.22

(Amount in INR millions)

Nature of transaction and relationship	Name of related party	For the year ended	
		31 March 2023	31 March 2022
Other intangible assets (disposals)			
Subsidiaries	Billion Careers Private Limited	-	40.84
Property, plant and equipment (disposals)			
Subsidiary	Billion Careers Private Limited	-	1.17
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			
	Excelus Learning Solutions Private Limited	6.04	4.37
	Trimax Smart Infraprojects Private Limited	19.71	7.01
	Greenpiece Landscapes India Private Limited	-	1.94
	Quesscorp Holdings Pte. Ltd	-	3.93
	Quess Corp Vietnam LLC	0.49	0.53
	Terrier Security Services (India) Private Limited	24.18	3.31
	Qdigi Services Limited	2.86	0.30
	Billion Careers Private Limited	4.83	-
	Stellarslog Technovation Private Limited	2.51	-
Dividend income on investments			
Subsidiaries	Conneqt Business Solutions Limited	201.78	871.37
	Quess Corp Holdings Pte Ltd	379.33	304.32
Corporate Guarantee Income			
	MFXchange Holdings Inc.	6.69	6.65
	Quesscorp Holdings Pte. Ltd	-	10.35
Guarantees provided to banks on behalf of related parties		refer note 36.2	refer note 36.2

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

(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 2023	As at 31 March 2022
Trade receivables - billed (gross of loss allowance)			
Subsidiaries	MFX Infotech Private Limited	0.05	0.05
	Qdigi Services Limited	1.67	1.74
	Trimax Smart Infraprojects Private Limited	20.90	86.64
	Conneqt Business Solutions Limited	37.52	20.01
	Monster.com (India) Private Limited	1.38	1.61
	Quess Philippines Corp.	12.00	12.00
	Allsec Technologies Limited	16.57	13.85
	Excelus Learning Solutions Private Limited	3.99	4.17
	Simpliance Technologies Private Limited	-	0.34
	Vedang Cellular Services Private Limited	0.21	0.43
	Quess East Bengal FC Private Limited	3.60	3.60
	Terrier Security Services (India) Private Limited	2.79	3.57
	Quesscorp Holdings Pte. Ltd	11.45	10.35
	MFXchange Holdings Inc.	6.69	6.65
	Quess international services Private Limited	0.39	0.46
	Quesscorp Singapore Pte Limited	0.99	-
	Stellarslog Technovation Private Limited	1.29	-
	Greenpiece Landscapes India Private Limited	0.23	-
Entities having common directors	Go Digit Infoworks Service Private Limited	0.35	0.34
	Go Digit General Insurance Limited	-	2.86
'Entity controlled by promoters	Careworks foundation	74.78	33.43
	Thomas Cook (India) Limited	75.14	64.92
Trade receivables - unbilled (gross of loss allowance)			
Subsidiaries	Vedang Cellular Services Private Limited	0.21	2.37
	Monster.com (India) Private Limited	0.13	-
	Conneqt Business Solutions Limited	2.02	11.82
	Qdigi Services Limited	0.47	0.35
	Allsec Technologies Limited	1.06	1.01
	Trimax Smart Infra Projects Private limited	2.53	8.60
	Quesscorp Singapore Pte Limited	0.18	-
	Quess international services Private Limited	0.56	-
	Stellarslog Technovation Private Limited	0.26	

(Amount in INR millions)

Nature of balance and relationship	Name of related party	As at 31 March 2023	As at 31 March 2022
Entity in which key managerial person has significant influence	Careworks foundation	1.37	2.67
Entities having common directors	Net Resources Investments Private Limited	0.09	0.04
Unearned revenue			
Subsidiaries	Conneqt Business Solutions Limited	13.11	16.97
	Allsec Technologies Limited	0.25	-
	Terrier Security Services (India) Private Limited	0.31	-
Trade payables			
Subsidiaries	Monster.com (India) Private Limited	1.14	1.40
	Quess international services Private Limited	-	0.92
	Allsec Technologies Limited	4.88	6.49
	Quessglobal (Malaysia) Sdn. Bhd.	-	0.31
	Conneqt Business Solutions Limited	12.33	5.33
	Quesscorp Manpower Supply Services LLC	13.63	2.51
	Terrier Security Services (India) Private Limited	20.29	23.59
	MFX Infotech Private Limited	76.78	54.01
	Greenpiece Landscapes India Private Limited	0.05	0.57
	Quess Corp Lanka (Private) Limited	0.06	0.14
	Simpliance Technologies Private Limited	-	2.06
	Heptagon Technologies Private Limited	-	8.51
	Vedang Cellular Services Private Limited	-	0.16
	Brainhunter Systems Limited	1.09	-
Entities having common directors	National Commodities Management Services Limited	-	0.03
	Go Digit General Insurance Limited	7.37	-
Other assets (non-current and current)			
Subsidiaries	Heptagon Technologies Private Limited	9.11	23.60
	MFX Infotech Private Limited	-	4.67
	Terrier Security Services (India) Private Limited	12.51	45.62
Entities having common directors	Go Digit General Insurance Limited	2.65	-
Investments		refer note 5	refer note 5
Loans		refer note 6.1	refer note 6.1
Other financial assets (interest receivable)			
Subsidiaries	Quess Corp Vietnam Limited Liability Company	-	0.53
	Trimax Smart Infra Projects Private limited	24.94	5.33
	Excelus Learning Solutions Private Limited	-	4.35

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

(Amount in INR millions)

Nature of balance and relationship	Name of related party	As at 31 March 2023	As at 31 March 2022
	Terrier Security Services (India) Private Limited	24.06	3.29
	Qdigi Services Limited	0.64	0.30
	Billion Careers Private Limited	4.45	-
	Stellarslog Technovation Private Limited	2.30	-
Other financial assets (due from related parties)		refer note 6.1	refer note 6.1
Other current financial liabilities			
Subsidiaries	Brainhunter Systems Limited	5.98	3.95
	Conneqt Business Solutions Limited	12.87	12.68
	Monster.com (India) Private Limited	2.22	0.76
	Allsec Technologies Limited	2.46	2.03
	MFX Infotech Private Limited	51.92	38.12
	Simpliance Technologies Private Limited	-	0.61
	Quessglobal (Malaysia) Sdn. Bhd.	0.84	0.35
	Greenpiece Landscape India Private Limited	1.29	1.70
	Terrier Security Services (India) Private Limited	66.55	34.21
	Heptagon Technologies Private Limited	-	0.33
	Billion Careers Private Limited	17.71	-
	Quesscorp Manpower Supply Services LLC	0.00	-
	Quess international services Private Limited	0.15	-
Entities having common directors	Go Digit General Insurance Limited	1.18	-
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 2023	For the year ended 31 March 2022
Salaries and other employee benefits to whole-time directors and executive officers	60.57	93.48
	60.57	**93.48**

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences 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	2,160.81	1,841.86
Liability for compensated absences	29.16	29.35
Total employee benefit liability	**2,189.97**	**1,871.21**
Current (refer note 23)	29.16	29.35
Non-current* (refer note 19)	2,160.81	1,841.86
	2,189.97	**1,871.21**

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, SBI Life and ICICI Prudential. 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 549.66 million contributions to its defined benefit plans in FY 2023-24.

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 2023	As at 31 March 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	2,062.25	1,620.25
Current service cost	410.87	352.75
Interest cost	90.08	64.48
Benefits settled	(166.75)	(84.74)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	15.71	120.41
- Changes in financial assumptions	(87.22)	(10.90)
Transfer out	-	-
Obligation at the end of the year	**2,324.94**	**2,062.25**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	220.39	214.43
Interest income on plan assets	9.66	8.56
Return on plan assets recognised in other comprehensive income	(3.98)	4.72
Contributions	104.81	77.42
Benefits settled	(166.75)	(84.74)
Plan assets at the end of the year, at fair value	**164.13**	**220.39**
Net defined benefit liability	**2,160.81**	**1,841.86**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

C (i) Expense recognised in the statement of profit or loss

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current service cost	410.87	352.75
Interest cost	90.08	64.48
Interest income	(9.66)	(8.56)
Net gratuity cost	**491.29**	**408.67**

(ii) Re-measurement recognised in other comprehensive income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Re-measurement of the net defined benefit liability	(71.51)	109.50
Re-measurement of the net defined benefit asset	3.98	(4.72)
	(67.53)	**104.79**

D Plan assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Funds managed by insurer	164.13	220.39
	164.13	**220.39**

E Defined benefit obligation - actuarial assumptions

Particulars	For the year ended	
	31 March 2023	31 March 2022
Discount rate	7.15% - 7.20%	4.35% - 4.65%
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 2023		31 March 2022	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	152.36	146.59	148.55	142.59
Future salary growth (1% movement)	146.71	152.17	142.77	148.31
Attrition rate (10% movement)	150.95	148.06	148.15	143.19
Mortality rate (10% movement)	149.41	149.42	145.51	145.52

Associate employees (Amount in INR millions)

Particulars	As at			
	31 March 2023		31 March 2022	
	Decrease	Increase	Decrease	Increase
Discount rate (1% movement)	2,202.80	2,148.86	1,941.79	1,892.27
Future salary growth (1% movement)	2,148.31	2,202.86	1,892.42	1,941.16
Attrition rate (10% movement)	2,255.25	2,109.11	2,003.03	1,845.93
Mortality rate (10% movement)	2,175.14	2,175.86	1,916.42	1,917.01

41 Share-based payments

A Description of share based payment arrangement

At 31 March 2023, 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 2023, the Company has 27,841 (31 March 2022: 41,263) 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 2023, the Company has 88,130 (31 March 2022: 43,676) exercisable options outstanding.

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 not disclosed since no ESOP's under this scheme was granted during the year.

No options have expired during the current year and previous year.

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 2023	31 March 2022
Weighted average share price at grant date (INR)	547.09	677.66
Exercise price (INR)	10.00	10.00
Risk free rate of interest	3.61% - 6.81%	2.78% - 4.50%
Expected volatility	33.00% -42.00%	37.00% - 44.00%
Expected dividend	-	-
Expected life of the option	4 - 9 years	4 - 9 years
Weighted average fair value at grant date (INR)	539.28	668.89

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.

No options have expired during the current year and previous year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 2023		31 March 2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	**41,263**	**10.00**	**68,199**	**10.00**
Less: Exercised during the year	(13,422)	10.00	(26,936)	10.00
Less: Lapsed/ forfeited during the year	-	-	-	-
Balance as at the end of the year	**27,841**	**10.00**	**41,263**	**10.00**
Options vested and exercisable as at the end of year	27,841		41,263	

The options outstanding as at 31 March 2023 have an exercise price of INR 10.00 (31 March 2022: INR 10.00) and a weighted average remaining contractual life of nil years (31 March 2022: nil 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 2023	31 March 2022
18 August 2017	10.00	27,841	41,263

Scheme 2020

(Share price in INR)

Particulars	For the year ended			
	31 March 2023		31 March 2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	1,689,269	10.00	2,575,165	10.00
Add: Granted during the year	374,041	10.00	435,836	10.00
Less: Exercised during the year	(198,374)	10.00	(284,757)	10.00
Less: Lapsed/ forfeited during the year	(267,822)	10.00	(1,036,975)	10.00
Balance as at the end of the year	**1,597,114**		**1,689,269**	**10.00**
Options vested and exercisable as at the end of year	**88,130**		**43,676**	

The options outstanding as at 31 March 2023 have an exercise price of INR 10.00 (31 March 2022: INR 10.00) and a weighted average remaining contractual life of 4.86 years (31 March 2022: 3.86 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 2023	31 March 2022
11 May 2020	10.00	934,559	1,217,811
24 July 2020	10.00	18,784	35,789
27 January 2021	10.00	-	12,083
01 June 2021	10.00	192,253	322,608
10 February 2022	10.00	94,779	100,978
15 June 2022	10.00	47,103	-
14 October 2022	10.00	234,452	-
03 February 2023	10.00	75,184	-

During the year 27,135 (31 March 2022: nil) options was excercised relating to ESOP Scheme 2009.

D Expense recognised in standalone statement of profit and loss

For details about the related employee benefits expense, refer note 28.

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 31 March 2023 and 31 March 2022:

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance	Reason for variance (greater than 25%)
Current ratio	Current assets	Current liabilities	1.09	1.21	-10%	
Debt-equity ratio	Total Debt*	Shareholder's equity	0.25	0.24	4%	
Debt service coverage ratio	Earnings available for debt service (EFDS)	Debt Service^	0.53	0.79	-33%	Refer note 43.1
Return on equity ratio	Net profits after taxes	Average shareholder's equity	5.94%	6.53%	-9%	
Inventory turnover ratio	Cost of materials consumed	Average inventory	25.45	15.43	65%	Refer note 43.2
Trade receivables turnover ratio	Revenue from operations	Average trade receivable	7.70	7.42	4%	
Trade payables turnover ratio	Purchases and adjusted other expenses	Average trade payables	5.85	5.14	14%	
Net capital turnover ratio	Revenue from operations	Average working capital	65.30	24.00	172%	Refer note 43.3
Net profit ratio	Net profits after taxes	Revenue from operations	1.07%	1.48%	-28%	Refer note 43.4
Return on capital employed	Earning before interest and taxes	Capital employed^^	8.23%	9.84%	-16%	
Return on investment	Not Applicable	Not Applicable	-	-	-	

* Debt represents borrowings and lease liabilities

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 In the current year, there has been a decrease in Profit after tax and increase in repayment of borrowings during the year, resulting in decrease in Debt service coverage ratio.

43.2 Inventory turnover ratio has increased due to increase in cost of materials consumed as a result of increase in operations.

43.3 During the current year, the turnover has increased and the net working capital has decreased due to lower bank balances, and increased liabilities, resulting into an increase in the Net Capital Turnover ratio.

43.4 In the current year, there has been decrease in profits due to lesser dividend received from subsidiaries resulting in decrease in Net profit ratio.

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 2023	Balance outstanding as at 31 March 2022	Relationship with struck off company
Scorpion Marcom & Expositions Private Limited	Payables	*	*	Vendors

*less than INR 1 million

45 The Board of Directors of the Company at its meeting held on 7 July 2021 considered and approved the revised Scheme of Amalgamation ("Scheme AAA") among Quess Corp Limited ("Transferee Company") with three of its wholly owned subsidiaries viz. MFX Infotech Private Limited ("MFXI") and Greenpiece Landscape India Private Limited ("GLPL") and Conneqt Business Solutions Limited ("CBSL") 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 necessary approvals by the national Company Law Tribunal (NCLT), Bengaluru branch. The Scheme AAA will be effected in the standalone financial results once it is approved by National Company Law Tribunal ("NCLT"), Bengaluru Bench. The applicant companies had filed the application before Hon'ble NCLT, Bengaluru bench on 21 January 2022 and received order dated 30 November 2022 for dispensation of the meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of Applicant Companies and direction to issue notices to the creditors and the statutory authorities specified in the order. Further, the applicant companies after the due compliance filed the Company petition on 9th January, 2023 for sanctioning of the Scheme. The Hon'ble NCLT has admitted the petition and the next date of hearing is 13 June 2023.

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 at their meeting held on 31 May 2022 declared interim dividend of INR 4.00 per equity share (face value of INR 10.00 each) for the previous financial year aggregating to INR 591.97 million which was paid on 21 June 2022.

The Board of Directors at their meeting held on 9 November 2022 declared interim dividend of INR 8.00 per equity share (face value of INR 10.00 each) for the financial year 2022-23 aggregating to INR 1,185.18 million which was paid on 29 November 2022.

The Company is in compliance with Section 123 of the Act.

48.1 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.

48.2 The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) 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

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

48.3 As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain back-up of the 'books of account and other relevant books and papers' ('books of account') in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis.

The books of account of the Company is maintained in electronic mode on servers physically located in India and are readily accessible in India at all times. The Company is maintaining backup of books of account on a daily basis, except for one application where the Company has maintained the backup on quarterly basis.

49 Other Disclosure

49.1 The Company has not been declared wilful defaulter by any bank or financial institution or Other lender.

49.2 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

49.3 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

50 The Company evaluated subsequent events through 17 May 2023, 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.

51 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, (Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates and joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2023, 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 subsidiaries, associates and joint venture 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 2023, 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 (SAs) 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 venture 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 28.1 and 42.2 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 42.4 of the consolidated financial statements relating to disallowances by the Income Tax authorities primarily relating to depreciation on goodwill and deduction under section 80JJAA of the Income Tax Act, 1961 for financial year ended 31 March 2018 and 2019 in respect of the Company and its 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 recognized as the related services are performed in accordance with contractual terms. The Group's invoicing cycle is on contractual pre-determined dates and recognized as receivables based on customer acceptances for delivery of work/ attendance of resources. Revenue for the post billing period is recognized 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 30 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 accuracy and occurrence 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 Board's Report, Annexures to the Board's Report, Management discussion and analysis, Business Responsibility and Sustainable Report, and Report on Corporate Governance, but does not include the standalone financial statements and consolidated financial statements and our auditor's report thereon. These are expected to be made available to us after the date of the Auditor's report.
- 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 and associate 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 and associate is traced from their financial statements audited by the other auditors.
- When we read Board's Report, Annexures to the Board's Report, Management discussion and analysis, Business Responsibility and Sustainable Report, and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance 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 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 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 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 venture 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 are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture .

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 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 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 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. 14,088.56 million as at 31 March 2023, total revenues of Rs. 44,368.06 million and net cash inflows amounting to Rs.828.53 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements include one associate having no operations, whose financial statements have not been audited by us. The 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 associate, 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 associate is based solely on the reports of the other auditors.

(b) We did not audit the financial statements/financial information of 5 subsidiaries, whose financial statements reflect total assets of Rs. 631.44 million as at 31 March 2023, total revenues of Rs. 416.19 million and net cash outflows amounting to Rs. 24.50 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 profit after tax of Rs.0.84 million for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of one associate and one joint venture, 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, joint venture and associate, 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 Management, 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 entities 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 and the reports of the other auditors except for keeping backup on daily basis of one application maintained in electronic mode, in a server physically located in India as it relates to the Company (refer note 54 to the financial statements).

    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 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Company or its subsidiary companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company, subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

h) 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 incorporated in India, the remuneration paid by the Company and such subsidiary companies to their directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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 – Refer Note 42 to the consolidated financial statements.

   ii) The group, its associates and joint venture did not have any material foreseeable losses 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 and its subsidiary companies incorporated in India.

   iv) (a) The respective Managements of the Company, its subsidiaries 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 that, to the best of their knowledge and belief, as disclosed in the note 50 to 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 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 ("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 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 that, to the best of their knowledge and belief, as disclosed in the note 50 of the consolidated financial statements, no funds have been received by the Company or any of such subsidiaries 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 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 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) The interim dividends declared and paid by the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under this Act, where applicable, during the year and until the date of this report is in accordance with Section 123 of the Act.

   vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from 1 April 2023 to the Company and its subsidiaries, associate which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

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	Clause 3(iii)(c), clause 3(iii)(d), clause 3(iii)(e), Clause 3(vii)(a), Clause 3(vii)(b)
Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited)	U64200KA1995PLC148924	Subsidiary	Clause 3 (vii)(b)
Excelus Learning Solutions Private Limited	U74999KA2016PTC097984	Subsidiary	Clause 3(vii)(a)
Monster.com (India) Private Limited	U72200TG2000PTC035617	Subsidiary	Clause 3(vii)(b)
Allsec Technologies Limited	L72300TN1998PLC041033	Subsidiary	Clause 3(xiv)(b)
Trimax Smart Infraprojects Private Limited	U74999KA2017PTC135030	Subsidiary	clause 3(vii)(a)
Terrier Security Services (India) Private Limited	U74920KA2009PTC049810	Subsidiary	Clause 3(ii)(b) & Clause 3(vii)(a)
Quess International Services Private Limited	U93000KA2008PTC133410	Subsidiary	Clause 3(vii)(b)

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

Anand Subramanian
Partner
(Membership No. 110815)
(UDIN:23110815BGXVKR3102)

Place: Bengaluru
Date: 17 May 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements 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 Ind AS financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of Quess Corp Limited (hereinafter referred to as "the Company") and its subsidiary companies, 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 and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements 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 ("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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 companies which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Company and its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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 in so far as it relates to 13 subsidiary companies which are 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:23110815BGXVKR3102)

Place: Bengaluru
Date: 17 May 2023

CONSOLIDATED BALANCE SHEET

(Amount in INR millions)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	2,090.97	2,066.73
Capital work-in-progress	3 (a)	1.02	-
Right-of-use assets	3 (b)	4,365.47	2,916.13
Goodwill	4	10,427.46	10,095.91
Other intangible assets	5	1,073.74	1,490.26
Intangible assets under development	5	180.11	153.14
Investments accounted for using the equity method	6	10.86	87.58
Financial assets			
Investments	6	16.55	16.55
Other financial assets	7	1,598.98	1,498.01
Deferred tax assets (net)	8	1,064.11	915.84
Income tax assets (net)	8	4,904.52	3,806.4
Other non-current assets	9	355.64	200.39
Total non-current assets		**26,089.43**	**23,246.94**
Current assets			
Inventories	10	281.57	274.80
Financial assets			
Investments	11	467.79	917.32
Trade receivables			
-Billed	12	14,853.27	12,703.15
-Unbilled		12,032.64	10,619.80
Cash and cash equivalents	13	4,375.74	4,104.66
Bank balances other than cash and cash equivalents above	14	1,285.34	1,014.62
Loans	15	36.79	33.75
Other financial assets	16	213.63	253.29
Other current assets	17	1,551.51	1,280.36
Total current assets		**35,098.28**	**31,201.75**
Total assets		**61,187.71**	**54,448.69**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	1,482.29	1,479.91
Other equity	19	24,205.22	22,897.64
Total equity attributable to equity holders of the Company		**25,687.51**	**24,377.55**
Non-controlling interests	20	1,620.51	1,309.80
Total equity		**27,308.02**	**25,687.35**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21	94.72	236.76
Lease liabilities	3 (c)	3,379.30	2,180.30
Other financial liabilities	22	-	19.72
Provisions	23	2,743.40	2,394.23
Total non-current liabilities		**6,217.42**	**4,831.01**
Current liabilities			
Financial liabilities			
Borrowings	24	5,216.09	5,640.65
Trade payables	25	1,249.38	1,153.67
Lease liabilities	3 (c)	1,423.23	1,088.34
Other financial liabilities	26	13,051.08	9,926.45
Income tax liabilities (net)	27	693.23	824.82
Provisions	28	336.84	338.78
Other current liabilities	29	5,692.42	4,957.63
Total current liabilities		**27,662.27**	**23,930.34**
Total liabilities		**33,879.69**	**28,761.34**
Total equity and liabilities		**61,187.71**	**54,448.69**

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: 17 May 2023

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

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in INR millions, except per share data)

	Note	For the year ended	
		31 March 2023	31 March 2022
Income			
Revenue from operations	30	171,583.87	136,917.78
Other income	31	263.35	198.01
Total income		**171,847.22**	**137,115.79**
Expenses			
Cost of material and stores and spare parts consumed	32	4,794.39	2,787.25
Employee benefits expense	33	146,595.61	116,869.92
Finance costs	34	1,066.08	792.15
Depreciation and amortisation expense	35	2,746.12	2,120.47
Other expenses	36	14,337.25	11,025.76
Total expenses		**169,539.45**	**133,595.55**
Profit before share of profit/(loss) of equity accounted investees, exceptional items and income tax		2,307.77	3,520.24
Share of profit/(loss) of equity accounted investees (net of income tax)	6	0.84	(16.87)
Profit before exceptional items and tax		**2,308.61**	**3,503.37**
Exceptional items	37	(535.03)	(72.24)
Profit before tax		**2,843.64**	**3,575.61**
Tax (expense)/credit			
Current tax: Minimum Alternative Tax ('MAT') for the year	8	(843.35)	(644.14)
Tax relating to earlier years	8	55.90	(35.28)
Deferred tax (including MAT credit entitlement)	8	172.90	(386.42)
Total tax expense		**(614.55)**	**(1,065.84)**
Profit for the year		**2,229.09**	**2,509.77**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans	46	106.61	(98.62)
Income tax relating to items that will not be reclassified to profit or loss	9	(24.63)	32.91
Share of other comprehensive income of equity accounted investees (net of income tax)	6	-	-
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating financial statements of foreign operations		472.56	81.97
Other comprehensive income for the year, net of income tax		**554.54**	**16.26**
Total comprehensive income for the year		**2,783.63**	**2,526.03**
Profit attributable to			
Owners of the Company		2,244.17	2,412.25
Non-controlling interests	20	(15.80)	97.52
Total profit for the year		**2,229.09**	**2,509.77**
Other comprehensive income attributable to			
Owners of the Company		546.75	16.15
Non-controlling interests	20	7.79	0.11
Total other comprehensive income for the year		**554.54**	**16.26**
Total comprehensive income attributable to :			
Owners of the Company		2,790.93	2,428.40
Non-controlling interests		(7.30)	97.63
Total comprehensive income for the year		**2,783.63**	**2,526.03**
Earnings per equity share (face value of INR 10.00 each)			
Basic (in INR)	43	15.16	16.32
Diluted (in INR)	43	15.04	16.18

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: 17 May 2023

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

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Cash flows from operating activities		
Profit for the year	2,229.09	2,509.77
Adjustments to reconcile net profit to net cash provided by operating activities:		
Tax expense	614.55	1,065.84
Exceptional items	(535.03)	(72.24)
Interest income on term deposits	(100.53)	(70.57)
Amortised cost adjustments for financial instruments	(15.38)	(12.20)
Profit on sale of property, plant and equipment, net	(1.73)	(1.07)
Gain on sale of investments in mutual funds	(11.14)	(27.30)
Fair value gain on financial assets designated at fair value through profit or loss	(24.16)	(2.96)
Employee stock option cost	292.26	140.09
Finance costs	1,066.08	792.15
Depreciation and amortisation expense	2,746.12	2,120.47
Loss allowance on financial assets, net	704.47	272.73
Deposits written off	8.31	56.48
Interest on income tax refunds	(22.73)	(64.93)
Foreign exchange gain, net	(61.59)	(4.30)
Share of loss of equity accounted investees	(0.84)	16.87
Operating profit before working capital changes	**6,887.75**	**6,718.83**
Changes in operating assets and liabilities		
Changes in inventories	(6.77)	15.49
Changes in trade receivables and unbilled revenue	(4,267.37)	(5,753.08)
Changes in loans, other financial assets and other assets	(310.30)	177.83
Changes in trade payables	93.97	(69.61)
Changes in other financial liabilities, other liabilities and provisions	4,259.67	5,317.73
Cash generated from operations	**6,656.95**	**6,407.19**
Income tax paid, net	(1,994.38)	(868.43)
Net cash flows from operating activities (A)	**4,662.57**	**5,538.76**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(1,040.13)	(846.71)
Proceeds from sale of property plant and equipment	53.34	13.53
Acquisition of business net of cash (INR 38.36 million cash paid net of acquisition date cash and cash equivalents of subsidiaries of INR 44.69 million)	6.33	50.81
Proceeds from disposal of subsidiary	647.23	-
Investment in associates	-	(80.00)
Investments in mutual fund	-	(420.24)
Proceeds from sale of mutual fund	484.82	30.26

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Placement of bank deposits	(514.26)	(671.20)
Redemption of bank deposits	273.46	281.87
Loans given to associates	-	(312.91)
Interest received on term deposits	66.39	70.61
Net cash used in investing activities (B)	**(22.82)**	**(1,883.98)**
Cash flows from financing activities		
Proceeds from long term borrowings	9.34	3.41
Repayments of long term borrowings	(196.85)	(311.65)
Repayment of lease liabilities	(1,722.69)	(1,266.38)
Proceeds from short term borrowings	35,720.89	46,044.47
Repayments of short term borrowings	(36,419.63)	(44,771.52)
Proceeds from/(repayments of) short term borrowings, net	319.66	(244.61)
Changes in ownership interest in subsidiary not resulting in loss of control:		
- Contribution by non controlling interest in a subsidiary	349.98	624.60
- Payment towards acquisition of non-controlling interest	-	(2,076.64)
Proceeds from issue of equity shares, net of issue expenses	2.38	3.12
Dividend paid	(1,774.00)	(1,620.55)
Payment of dividend to non-controlling interest of subsidiary	(81.12)	(243.32)
Interest paid	(640.01)	(553.45)
Net cash used in financing activities (C)	**(4,432.05)**	**(4,412.52)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	207.70	(757.73)
Cash and cash equivalents at the beginning of the year	4,104.66	4,857.19
Effect of exchange rate fluctuations on cash and cash equivalents	63.38	5.20
Cash and cash equivalents at the end of the year (refer note 13)	**4,375.74**	**4,104.66**

Components of cash and cash equivalents (refer note 13)

(Amount in INR millions)

Particulars	As at	
	31 March 2023	31 March 2022
Cash and cash equivalents		
Cash in hand	8.83	6.36
Balances with banks		
In current accounts	4,341.17	4,066.52
In EEFC accounts	25.74	29.81
In deposit accounts (with original maturity of less than 3 months)	-	1.97
Cash and cash equivalents as per consolidated balance sheet	**4,375.74**	**4,104.66**

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 2022	5,877.41
Interest accrued but not due as at 1 April 2022	19.15
Cash flows	(566.06)
Other changes	
- Other borrowing cost	16.99
- Interest expense (net off fair value changes on non controlling interest put option)	607.58
- Interest and other borrowing cost paid	(640.01)
Interest accrued but not due as at 31 March 2023	(4.25)
Debt as at 31 March 2023	**5,310.81**

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	720.12
Other changes	
- Other borrowing cost	22.90
- Interest expense (net off fair value changes on non controlling interest put option)	531.62
- Interest and other borrowing cost paid	(553.45)
Interest accrued but not due as at 31 March 2022	(19.15)
Debt as at 31 March 2022	**5,877.41**

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: 17 May 2023

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

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

(A) Equity share capital

(Amount in INR millions)

Particulars	Note	31 March 2023	31 March 2022
Opening balance	18	1,479.91	1,476.79
Changes in equity share capital	18.1	2.38	3.12
Closing balance		1,482.29	1,479.91

(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	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**
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/(loss)		**-**	**2,412.25**	**-**	**-**	**-**	**-**	**81.97**	**(66.09)**	**2,428.13**	**97.63**	**2,525.76**
Non-controlling interests on acquisition of subsidiaries	20	-	-	-	-	-	-	-	-	-	(108.88)	(108.88)
Dilution of stake in a subsidiary	20	-	-	-	-	-	-	-	-	-	625.06	625.06
Payment of dividend to non-controlling interests	20.1	-	-	-	-	-	-	-	-	-	(243.31)	(243.31)
Dividends		-	(1,624.89)	-	-	-	-	-	-	(1,624.89)	-	(1,624.89)
Equity Settled Share based payments	33	-	-	-	-	-	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**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

(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	Foreign currency translation reserve	Others			
Balance as at 1 April 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**
Profit for the year		-	2,244.17	-	-	-	-	-	-	2244.17	15.08	2,229.09
Other comprehensive income (net of tax)		-	-	-	-	-	-	472.56	75.74	548.30	7.79	556.09
Total comprehensive income/ (loss)		**-**	**2,244.69**	**-**	**-**	**-**	**-**	**472.56**	**75.74**	**2,792.47**	**(7.30)**	**2,785.17**
Non-controlling interests on acquisition of a subsidiary	20.4 and 20.5	-	-	-	-	-	-	-	-	-	101.95	101.95
Contribution by non controlling interest in a subsidiary	20.3	-	-	-	-	-	-	-	-	-	349.98	349.98
Payment of dividend to non-controlling interests	20.1	-	-	-	-	-	-	-	-	-	(81.12)	(81.12)
Disposal of a subsidiary	4(ii)(c)	-	-	-	-	-	-	-			(52.80)	(52.80)
Dividends	52	-	(1,777.15)	-	-	-	-	-	-	(1,777.15)	-	(1,777.15)
Equity Settled Share based payments	33	-	-	-	-	-	292.26	-	-	292.26	-	292.26
Total		**-**	**(1,777.15)**	**-**	**-**	**-**	**292.26**	**-**	**-**	**(1,484.89)**	**318.01**	**(1,166.88)**
Balance as at 31 March 2023		**16,984.51**	**5,735.35**	**(3.33)**	**21.56**	**150.00**	**685.35**	**842.33**	**(210.55)**	**24,205.22**	**1,620.51**	**25,825.73**

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: 17 May 2023

for and on behalf of the Board of Directors of
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DIN: 00087168

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Executive Director and Group Chief Executive Officer
DIN: 07596207

Kamal Pal Hoda
Group Chief Financial Officer

Kundan K. Lal
Company Secretary
Membership No.: F8393

Place: Bengaluru
Date: 17 May 2023

Place: Bengaluru
Date: 17 May 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2023

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, Global Technology Solutions and Product Led Business.

The consolidated financial statements are approved by the board of directors and authorised for issue in accordance with a resolution of the directors on 17 May 2023.

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 48. 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.

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 39(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 46)

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 8)

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

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Management. (Refer Note 4(ii))

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 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

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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.

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.

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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 except for trade receivables which are initially measured at transaction price. 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.

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

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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.

2.19Measurement 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

2.20Revenue Recognition

The Group derives revenue primarily from staffing services in the segments of Workforce management, Operating asset management, Global Technology Solutions and Product Led Business.

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 is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from staffing services in the segments of Workforce management, Operating asset management, Global Technology Solutions and Product Led Business 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.

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

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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, Global technology solutions and Product Led Business.

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 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statement.

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 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**	**-**
Additions through business combination	-	-	-	2.75	-	-	-	0.30	3.05	-
Additions	-	-	164.78	35.63	9.55	48.70	64.50	289.09	612.25	29.43
Disposals	-	-	-244.89	-40.13	-19.70	-88.23	-3.15	-179.13	-575.23	-
Capitalised during the year	-	-	-	-	-	-	-	28.41	28.41	-28.41
Translation differences#	-	-	13.93	5.48	-	0.92	-	89.53	109.86	-
Balance as at 31 March 2023	**470.00**	**354.39**	**431.61**	**345.87**	**71.79**	**514.27**	**744.38**	**3,178.29**	**6,110.60**	**1.02**
Accumulated depreciation as at 1 April 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**	**-**
Depreciation for the year	-	5.96	35.53	42.86	9.58	57.17	72.27	389.44	612.81	-
Disposals	-	-	-243.24	-32.49	-14.54	-74.24	-3.10	-173.42	-541.03	-
Translation differences#	-	-	13.20	3.36	-	2.81	-	62.95	82.32	-
Accumulated depreciation as at 31 March 2023	**-**	**42.35**	**232.13**	**289.73**	**53.89**	**407.71**	**600.08**	**2,393.73**	**4,019.63**	**-**
Net carrying amount										
As at 31 March 2023	**470.00**	**312.04**	**199.48**	**56.14**	**17.90**	**106.56**	**144.30**	**784.56**	**2,090.97**	**1.02**
As at 31 March 2022	**470.00**	**318.00**	**71.15**	**66.14**	**23.09**	**130.91**	**152.12**	**835.33**	**2,066.73**	**-**

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.

The Company and its subsidiaries in India does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

The Company and its subsidiaries in India does not have any immovable properties, other than properties where the company is lessee and the lease agreements are duly executed in favour of the lessee.

Capital work-in-progress ageing schedule for the year ended March 31, 2023 is as follows:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	1.02	-	-	-	1.02
Projects temporarily suspended	-	-	-	-	-
	1.02	**-**	**-**	**-**	**1.02**

(i) Project in Progress are reviewed by the management on a regular basis and deployed as per business requirement.

(ii) The Group does not have any projects which are temporarily suspended.

(iii) The Group does not have any assets whose completion is overdue or has exceeded its cost compared to its original budgets.

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3 (b) Right-of-use assets (Amount in INR millions)

Particulars	Buildings	Equipment	Total Right-of-use assets
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**
Additions	2,684.26	370.13	3,054.39
Disposals	(293.48)	(5.66)	(299.14)
Translation differences#	16.08	18.90	34.98
Balance as at 31 March 2023	**7,971.75**	**1,161.97**	**9,133.72**
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**
Depreciation for the year	1,254.20	234.29	1,488.49
Disposals	(168.23)	(5.19)	(173.42)
Translation differences#	8.01	17.81	25.82
Accumulated depreciation as at 31 March 2023	**4,027.61**	**740.64**	**4,768.25**
Net carrying amount			
As at 31 March 2023	**3,944.14**	**421.33**	**4,365.47**
As at 31 March 2022	**2,631.26**	**284.87**	**2,916.13**

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.

3 (c) Lease liabilities (Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current lease liabilities	3,379.30	2,180.30
Current lease liabilities	1,423.23	1,088.34
	4,802.53	**3,268.64**

The following is the movement in lease liabilities: (Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance	3,268.64	2,752.44
Add: Additions	3,016.42	1,603.92
Add: Additions through business combination	-	8.40
Less: Deletion	(205.35)	(84.07)
Add: Finance cost accrued during the period	440.57	241.72
Less: Payment of lease obligation	(1,722.69)	(1,266.38)
Translation loss	4.93	12.61
Carrying amount	**4,802.53**	**3,268.64**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2023 and 31 March 2022 on an undiscounted basis:

(Amount in INR millions)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Less than one year	1,774.86	1,117.94
One to five years	3,351.72	1,814.25
More than five years	534.75	462.59

4 Goodwill

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Carrying value at the beginning of the year	10,095.91	9,889.50
Add: Goodwill on acquisition of:		
Heptagon Technologies Private Limited [refer note 4 (ii) (b)]	70.42	118.93
Stellarslog Technovation Private Limited [refer note 4 (ii) (a)]	79.05	-
Less: Goodwill reversal on sale of:		
Simpliance Technologies Private Limited [refer note 4 (ii) (c)]	(52.74)	-
Translation differences	234.82	87.48
Carrying value at the end of the year	**10,427.46**	**10,095.91**

The allocation of goodwill to the operating segments is as follows:

(Amount in INR millions)

Operating segments	As at 31 March 2023	As at 31 March 2022
Workforce management	2,651.09	2,547.30
Operating asset management	4,570.00	4,570.00
Global Technology Solutions	1,964.15	1,851.00
Product led business	1,242.22	1,127.61
Carrying value of Goodwill at the end of the year	**10,427.46**	**10,095.91**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to a cash generating unit (CGU), which benefits 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
Stellarslog Technovation Private Limited	Product led business
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.

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The range of other key assumptions used by the Group for impairment assessment are captured in the table below:

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate (pre-tax)	15.37% - 28.86%	12.66% - 27.24%
Terminal growth rate	2.00% - 4.50%	2.00% - 4.00%
Revenue	5% - 61.55%	4.00% - 52.00%
Operating margins	0.53% - 30%	2.56% - 30%

As at 31 March 2023, the estimated recoverable value 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.

The growth in revenue and operating margins have been estimated based on historical trends and future market expectations specific to each CGU.

Key valuation assumptions used by the Group for impairment assessment of significant CGUs are captured in the table below for year ended 31st March, 2023:

CGU	Pre-tax discount rate	Terminal growth rate
Allsec Technologies Limited	26.97%	4.00%
Integrated Facility Management (IFM)	21.40%	4.00%
MFXchange Holdings Inc.	23.52%	2.00%
Vedang Cellular Services Private Limited	28.86%	4.00%
Brainhunter Systems Ltd.	20.40%	2.00%
Quess Singapore Pte. Ltd.	15.37%	2.00%
Qdigi Services Limited	28.20%	4.00%
Magna*	27.16%	4.00%
Monster Group	27.81%	4.50%
Conneqt Business Solution Limited	27.56%	4.00%

*Division of parent entity, Quess Corp Limited.

Key valuation assumptions used by the Group for impairment assessment of significant CGUs are captured in the table below for year ended 31st 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%
Quess Singapore Pte. Ltd.	12.66%	2.00%
Qdigi Services Limited	25.58%	4.00%
Magna*	25.36%	4.00%
Monster Group	24.34%	4.00%
Conneqt Business Solution Limited	27.24%	4.00%

*Division of parent entity, Quess Corp Limited.

Sensitivity to changes in assumptions

Any reasonable possible change in the key assumptions will not result into an impairment for these significant CGUs specified above.

4 (ii) Business combinations:

(a) Acquisition of Stellarslog Technovation Private Limited

On 7 April 2022, the Company acquired additional 4.91% stake in Stellarslog Technovation Private Limited ("SLPL") for a purchase consideration of INR 38.36 million. The existing 49% stake in SLPL was acquired for a purchase consideration for INR 100 million. Consequent to the additional 4.91% acquisition, the total shareholding in SLPL has increased from 49.00% to 53.91% and SLPL has become subsidiary of the Company. The purchase consideration of INR 138.36 million was settled by paying cash. 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	3.05	-	3.05
Income tax assets (net)	2.23	-	2.23
Other non-current assets	0.74	-	0.74
Other current assets	69.99	-	69.99
Trade receivables	29.60	-	29.60
Borrowings and lease liabilities	(4.79)	-	(4.79)
Financial liabilities	(23.83)	-	(23.83)
Other current liabilities	(8.59)	-	(8.59)
Total	**68.40**	**-**	**68.40**
Goodwill			79.05
Non controlling interest			(31.53)
Purchase consideration			**115.92**
Satisfied by:			
Cash			38.36
Fair value of originally retained interest			77.56
Total consideration transferred			**115.92**

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(b) Acquisition of Heptagon Technologies Private Limited

During the year ended 31 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 were outstanding to be received by Quess Corp Ltd. The final 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	(39.47)	-	(39.47)
Total	**(97.82)**	**-**	**(97.82)**
Goodwill			189.35
Non controlling interest			38.47
Purchase consideration			**130.00**
Satisfied by:			
Cash			100.00
Settlement by way of adjustment of loans from a related party			30.00
Total consideration transferred			**130.00**

During the year, the provisional purchase allocation for the acquisition of HTPL was finalised resulting in increase in Goodwill by INR 70.41 million and decrease in non controlling interest by INR 70.41 million.

(c) Sale of Simpliance Technologies Private Limited

During the year ended 31 March 2023, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a enterprise value of INR 1,222.40 million to Aparajitha Corporate Services Limited (Aparajitha) and Dasa Consulting Private Limited, acting as a Trustee company of Poornatha Wellness Private Trust. Consequently, a gain on sale aggregating to INR 535.68 million is disclosed as exceptional item during the year ended 31 March 2023.

Particulars	(Amount in INR millions)
Sale consideration	647.87
Carrying amount	(112.25)
Goodwill	(52.74)
Non controlling interest	52.80
Gain on sale of Simpliance	**535.68**

5 Other intangible assets and intangible assets under development

(Amount in INR millions)

Particulars	Other intangible assets										Intangible assets under development
	Brand	Customer relationships	Computer software ##	Computer software - leased	Customer contracts	Copyright and trademarks	IP technology	Resume database	Non-compete	Total other intangible assets	
Gross carrying amount as at 1 April 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**
Additions	-	-	161.42	-	-	3.50	4.72	-	-	169.64	60.42
Disposals	-	-	(45.01)	-	-	(0.01)	-	-	-	(45.02)	
Capitalised during the year	-	-	13.73	-	-	-	4.67	-	-	18.40	(18.40)
Translation differences#	1.28	102.74	271.24	5.22	-	-	-	1.51	(5.01)	376.98	-
Balance as at 31 March 2023	**64.26**	**3,487.48**	**2,124.78**	**67.30**	**54.45**	**3.97**	**65.55**	**114.78**	**32.85**	**6,015.42**	**195.16**
Accumulated amortisation and impairment as at 1 April 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 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**	**-**
Amortisation and impairement for the year*	14.77	420.43	169.02	-	-	0.16	6.33	19.06	-	629.77	15.05
Disposals	-	-	(27.61)	-	-	-	-	-	-	(27.61)	-
Translation differences#	0.72	63.61	268.32	4.93	-	-	-	1.03	(4.25)	334.36	-
Accumulated amortisation and impairment as at 31 March 2023	**62.91**	**2,717.94**	**1,847.86**	**63.58**	**54.45**	**0.64**	**47.97**	**113.49**	**32.84**	**4,941.68**	**15.05**
Net carrying amount										-	
As at 31 March 2023	**1.35**	**769.54**	**276.92**	**3.72**	**-**	**3.33**	**17.58**	**1.29**	**0.01**	**1,073.74**	**180.11**
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**

The aggregate amortisation has been included under depreciation and amortisation expense in the statement of profit and loss.

*includes impairment of intangible for INR 15.05 million.

#Represents translation of intangible assets of foreign operations into Indian Rupees.

Computer software consists of capitalised development costs being an internally generated intangible asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2023

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 2023	60.42	119.69	-	-	180.11
As at 31 March 2022	153.14	-	-	-	153.14

(i) Project in Progress are reviewed by the management on a regular basis and deployed as per business requirement.

(ii) The Group does not have any projects which are temporarily suspended.

(iii) The Group does not have any assets whose completion is overdue or has exceeded its cost compared to its original budgets.

5.2 Reversal of impairment loss relating to customer relationship:

During the previous year, the Company had recognised reversal of impairment on these customer relationships grouped under intangible asset aggregating to INR 766.00 million which was impaired in 31 March 2020 after considering assed impact of COVID-19. 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 accounted for using the equity method and non-current investments

Investments accounted for using the equity method

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Unquoted		
Interest in associates (refer note A below)	10.86	87.58
	10.86	**87.58**
Aggregate value of unquoted investments	**10.86**	**87.58**
Aggregate amount of impairment in value of investments	**-**	**-**

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Unquoted		
Investment carried at fair value through other comprehensive income		
Investments in equity instruments		
200,000 (31 March 2022: 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**
Aggregate value of unquoted investments	**16.55**	**16.55**
Aggregate amount of impairment in value of investments	**-**	**-**

(Amount in INR millions)

A	Particulars	As at 31 March 2023	As at 31 March 2022
	Investments accounted for using the equity method		
	Investment in associates (refer note B below)		
	Investment in equity instruments		
	2,500 (31 March 2022: 2,500) fully paid up equity shares of par value of Peso 100.00 (INR 1.24 per Peso) each of Quess Recruit, Inc.	10.86	10.02
	122,500 (31 March 2022: 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. (refer note 6.1)	-	-
	Nil (31 March 2022: 192,156) fully paid up equity shares of par value of INR 10.00 each of Stellarslog Technovation Private Limited (refer note 6.2)	-	77.56
		10.86	**87.58**
	Investment in joint venture		
	49,000 (31 March 2022: 49,000) fully paid up equity shares of par value of 1.00 RM each of Himmer Industrial Services (M) SDN BHD (refer note 6.3)	-	-
	Total Investments accounted for using the equity method	**10.86**	**87.58**

(B) Details of non-current investments made and sold during the current year:

Investment in associates:

Particulars	Stellarslog Technovation Private Limited	Quess Recruit, Inc.
Number of shares acquired during the current year (in numbers)	-	-
Value per share including premium (in INR)	-	-

(Amount in INR millions)

Particulars	Stellarslog Technovation Private Limited	Quess Recruit, Inc.
Opening balance as at 31 March 2022	**77.56**	**10.02**
Purchased during the year	-	-
Converted to Subsidiary	(77.56)	-
Sold during the year	-	-
Share in total comprehensive income for the year	-	0.84
Closing balance as at 31 March 2023	**-**	**10.86**

6.1 The Group through its wholly owned subsidiary Quessglobal (Malaysia) SDN. BHD. had subscribed to 122,500 shares with par value of RM 1 each, equivalent to 49.00% of the share capital of Agency Pekerjaan Quess Recruit SDN. BHD. ("APKR"), for a consideration of RM 122,500 (INR equivalent 2.06 million) which was fully impaired in the previous year.

6.2 During the current year, the Company acquired further 4.91% stake in STPL for a purchase consideration of INR 38.36 million consequent to which, the total shareholding in STPL has increased from 49.00% to 53.91% and STPL has become subsidiary of the Company with effect from 7 April 2022. [refer note 4(ii)(b)]

6.3 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2023

7 Other non-current financial assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits*	871.09	704.04
Less : Loss Allowances	(2.49)	(1.59)
	868.60	702.45
Bank deposits (due to mature after 12 months from the reporting date)**	287.04	352.22
Indemnification assets***	443.34	443.34
	1,598.98	**1,498.01**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

**Bank deposits to the tune of INR 283.34 million (31 March 2022: INR 324.11 million) are lien marked against borrowings and guarantees.

***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]

8 Taxes

A Amount recognised in profit or loss

(Amount in INR millions)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax:		
In respect of the current year	(843.35)	(644.14)
Excess provision related to prior years	55.90	(35.28)
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	172.90	(386.42)
Income tax expense reported in the Consolidated Statement of Profit and Loss	**(614.55)**	**(1,065.84)**

B Income tax recognised in other comprehensive income

(Amount in INR millions)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Re-measurement losses on defined benefit plans		
Before tax	106.61	(98.62)
Tax expense	(24.63)	32.91
Net of tax	**81.98**	**(65.71)**

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 2023	31 March 2022
Profit before tax	2,843.64	3,575.61
Tax using the Company's domestic tax rate of 25.168% (31 March 2022: 25.168%)	(715.69)	(899.91)
Effect of:		
Deferred tax recognised on intangibles	46.26	(48.21)
Non-deductible expenses	(82.30)	(134.62)
80JJA Tax (utilised)/ incentives	277.27	(18.87)
Difference in enacted tax rate	(232.38)	(220.41)
Excess provisions relating to earlier years	83.80	(31.50)
Others	8.49	287.68
Income tax expense reported in the consolidated Statement of profit and loss	**(614.55)**	**(1,065.84)**

E The following tables provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

Income tax assets (net)

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	5,599.44	5,302.03
Income tax liabilities	(694.92)	(1,495.63)
Net income tax assets at the end of the year	**4,904.52**	**3,806.4**

Income tax liabilities (net)*

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	305.45	378.25
Income tax liabilities	(998.68)	(1,203.06)
Net income tax liabilities at the end of the year	**(693.23)**	**(824.82)**

*For current tax liabilities above, there is no legally enforceable right to set off against the non-current tax assets and accordingly disclosed separately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2023

F Deferred tax assets (net) and Deferred tax liabilities (net)

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax assets:		
Impairment loss allowance on financial assets	504.89	377.65
Provision for employee benefits	830.16	719.47
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	22.48	182.82
Property, plant and equipment and intangible assets	92.39	69.72
MAT credit entitlement	14.85	24.00
Brought forward losses and unabsorbed depreciation	198.15	184.59
Lease liabilities	62.46	40.26
Others	151.83	130.43
Deferred tax assets	**1,877.21**	**1,728.94**
Deferred tax liabilities:		
Intangibles recognised on Purchase price allocation	(114.00)	(114.00)
Goodwill on merger	(699.10)	(699.10)
	(813.10)	**(813.10)**
Deferred tax assets (net)	**1,064.11**	**915.84**

The movement of deferred tax aggregating to INR 148.27 million (excluding additions through business combination and MAT credit adjustment) for the year ended 31 March 2023 [31 March 2022: INR 353.51 million] comprises of INR 172.90 million [31 March 2022: INR (386.42) million] credited to statement of profit and loss and INR 24.63 million [31 March 2022: INR (32.91) million] recognised in 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 2023	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	377.65	-	127.24	-	504.89
Provision for employee benefits	719.47	-	135.32	(24.63)	830.16
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	182.82	-	(160.33)	-	22.48
Property, plant and equipment and intangible assets	69.72	-	22.67	-	92.39
MAT credit entitlement	24.00	-	(9.15)	-	14.85
Brought forward losses and unabsorbed depreciation	184.59	-	13.56	-	198.15
Lease liabilities	40.26	-	22.20	-	62.46
Others	130.43	-	21.39	-	151.83
	1,728.94	**-**	**172.90**	**(24.63)**	**1,877.21**
Deferred tax liabilities:					
Intangibles recognised on Purchase price allocation	(114.00)	-	-	-	(114.00)
Goodwill on merger	(699.10)	-	-	-	(699.10)
	(813.10)	**-**	**-**	**-**	**(813.10)**
Deferred tax assets (net)	**915.84**	**-**	**172.90**	**(24.63)**	**1,064.11**

(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	719.47
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)	-	69.72
MAT credit entitlement	17.30	-	6.70	-	24.00
Brought forward losses and unabsorbed depreciation	291.97	(20.13)	(82.92)	-	184.59
Lease liabilities	48.07	-	(7.81)	-	40.26
Others	16.01	-	221.76	-	130.43
	2,099.71	**(20.13)**	**(383.55)**	**32.91**	**1,728.94**
Deferred tax liabilities:					
Intangibles recognised on Purchase price allocation	(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 liabilities	**1,289.48**	**(20.13)**	**(386.42)**	**32.91**	**915.84**

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 2023	Unabsorbed business losses
2024	-
2025	-
2026	-
2027	-
2028	-
Thereafter	417.82
	417.82

(Amount in INR millions)

As at 31 March 2022	Unabsorbed business losses
2023	-
2024	-
2025	-
2026	-
2027	-
Thereafter	409.02
	409.02

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for the year ended 31 March 2023

9 Other non-current assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Capital advances	10.55	27.63
Taxes paid under protest (refer note 28.2,28.3 and 28.4)	14.95	14.95
Provident fund payments made under protest (refer note 28.1)	10.72	10.72
Balances with government authorities	110.78	98.44
Prepaid expenses	51.78	48.65
Insurance recoverables	156.86	-
	355.64	**200.39**

10 Inventories

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Valued at lower of cost and net realizable value		
Raw material and consumables	51.98	47.54
Stores and spares	229.59	227.26
	281.57	**274.80**

11 Current investments

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Quoted		
Investments at fair value through profit or loss		
Investments in liquid mutual fund units	467.79	917.32
	467.79	**917.32**

Details of investments in liquid mutual fund units

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
10,08,604 units (March 2022: 13,38,487 units) HDFC Floating Rate Debt Fund - Regular Plan Growth	42.70	53.00
Nil units (March 2022: 3,291 units) HDFC Money Market Fund - Regular Plan Growth	-	15.10
19,823 units (March 2022: 1,87,596 units) ICICI Prudential Savings Fund - Growth	9.10	82.10
Nil units (March 2022: 13,436 units) Kotak Money Market Fund - Growth	-	48.40
15,25,236 units (March 2022: Nil units) Kotak Liquid Regular Plan Growth	77.10	-
Nil units (March 2022: 10,08,604 units) HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	-	40.40
32,66,716 units (March 2022: 32,66,716 units) HDFC Ultra Short Term Fund – Direct Growth	42.80	40.60
71,631.88 units (March 2022: 1,27,588 units) ICICI Prudential Savings Fund - DP - Growth	86.80	55.30
26,95,684 units (March 2022: 17,69,612 units) Kotak Banking and PSU Debt Fund - Regular Plan - Growth	148.79	93.70
Nil units (March 2022: 706,153 units) Kotak Bond Short Term Plan - G	-	30.10
3,707 units (March 2022: 3,707 units) UTI Treasury Advantage Fund - DP Growth Option	11.30	10.70
17,86,852 units (March 2022: Nil units) UTI Liquid Cash Plan - Regular Growth Plan	49.20	-
Nil units (March 2022: 528,328 units) Nippon India Overnight Fund	-	60.29
Nil units (March 2022: 30,072 units) Nippon India Money Market Fund	-	100.76
Nil units (March 2022: 29,296 units) SBI Magnum Ultra Short Duration Fund	-	143.45
Nil units (March 2022: 5,998,235 units) ICICI Prudential Ultra Short Term Fund	-	143.42
	467.79	**917.32**
Aggregate amount of quoted investments	**467.79**	**917.32**
Aggregate market value of quoted investments	**467.79**	**917.32**

12 i) Trade receivables - billed

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Undisputed Trade receivables- Considered good - unsecured	15,454.71	12,877.15
Less: Allowance for expected credit loss	(601.44)	(174.00)
Undisputed trade receivable - considered good - unsecured	**14,853.27**	**12,703.15**
Undisputed Trade receivables- Credit impaired - unsecured	1,249.40	1,076.37
Less: Allowance for expected credit loss	(1,249.40)	(1,076.37)
Undisputed trade receivable - credit impaired - unsecured	**-**	**-**
Disputed Trade Receivable - credit impaired - unsecured	200.42	245.44
Less: Allowance for expected credit loss	(200.42)	(245.44)
Disputed trade receivable billed - disputed- unsecured	-	-
Total trade receivables - billed	**14,853.27**	**12,703.15**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2023

ii) Trade receivables - unbilled

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables - unbilled - unsecured	12,685.84	11,140.06
Less: Allowance for expected credit losses	(653.20)	(520.26)
	12,032.64	**10,619.80**

The Group's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 39.

Trade receivables ageing schedule as on 31 March 2023 and 31 March 2022:

(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 2023	12,685.84	7,738.41	6,526.43	665.59	190.25	(9.47)**	343.50	**28,140.55**
As at 31 March 2022	11,140.06	7,331.45	4,644.37	117.19	461.09	21.97*	301.08	**24,017.21**
Undisputed Trade receivables – credit impaired								
As at 31 March 2023		-	-	47.26	(55.37)**	82.12	1,175.39	**1,249.40**
As at 31 March 2022		-	-	1.50	(148.08)**	121.32*	1,101.64	**1,076.37**
Disputed Trade receivables – credit impaired								
As at 31 March 2023			-	2.00	-	3.00	195.42	**200.42**
As at 31 March 2022			-	-	23.24	174.03	48.17	**245.44**
Total								
As at 31 March 2023	12,685.84	7,738.41	6,526.43	714.85	134.88	75.65	1,714.31	**29,590.37**
As at 31 March 2022	11,140.06	7,331.45	4,644.37	118.69	336.24	317.32	1,450.89	**25,339.03**
Less: Allowance for Credit Loss								
As at 31 March 2023								**2,704.46**
As at 31 March 2022								**2,016.08**
Total Trade Receivable								
As at 31 March 2023								**26,885.91**
As at 31 March 2022								**23,322.95**

*Includes unadjusted credits and collections which are adjusted during the year ended 31 March 2023 against specified identied invoices.

** Net negative balances in the ageing is because of unadjusted credits and collections which are due to be allocated against specific invoices pending payment advices from customers. These credits and collections are considered in determining expected credit loss allowance for customers.

Undisputed trade receivables (billed) – considered good, includes receivables from government customers outstanding for more than one year INR 834.53 millions (31 March 2022: INR 912.43 (millions)

Undisputed trade receivables (unbilled)– considered good, includes unbilled receivables from government customers aged more than one year INR 1,781.22 millions (31 March 2022: INR 2,721.08 millions)

13 Cash and cash equivalents

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Cash in hand	8.83	6.36
Balances with banks		
In current accounts	4,341.17	4,066.52
In EEFC accounts	25.74	29.81
In deposit accounts (with original maturity of less than 3 months)	-	1.97
	4,375.74	**4,104.66**

14 Bank balances other than cash and cash equivalents

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
In deposit accounts (maturity within 12 months from the reporting date)*	1,257.08	989.19
Earmarked balances with banks**	28.26	25.43
	1,285.34	**1,014.62**

*Fixed deposits to the tune of INR 460.19 million (31 March 2022: INR 813.90 million) are lien marked against borrowings.

**It primarily relates to unpaid dividend and CSR unspent amount for year ended 31 March 2022.

15 Current loans

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Loans to employees	36.79	33.75
	36.79	**33.75**

16 Other current financial assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits*	146.93	221.56
Interest accrued but not due	65.80	31.73
Foreign currency forward contracts	0.90	-
	213.63	**253.29**

* Security deposits include deposits given for premises taken under leases, electricity and water connections.

17 Other current assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances other than capital advances		
Prepaid expenses	860.32	745.97
Advances to suppliers	323.55	196.50
Travel advances to employees	10.08	6.32
Balances with government authorities	220.64	218.62
Other advances	136.92	112.95
	1,551.51	**1,280.36**

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18 Equity share capital

(Amount in INR millions)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
200,000,000 (31 March 2022: 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		
148,229,488 (31 March 2022: 147,990,557) equity shares of par value of INR 10.00 each, fully paid up	1,482.29	1,479.91
	1,482.29	**1,479.91**

18.1 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 2023		As at 31 March 2022	
	Number of shares	Amount in INR millions	Number of shares	Amount in INR millions
Equity shares				
At the commencement of the year	147,990,557	1,479.91	147,678,864	1,476.79
Add: Shares issued on exercise of employee stock options (refer note 47)	238,931	2.38	311,693	3.12
At the end of the year	**148,229,488**	**1,482.29**	**147,990,557**	**1,479.91**

18.2 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 share holders 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.

18.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Holding (%)	Number of shares	Holding (%)
Equity shares				
Equity shares of par value INR 10.00 each				
Fairbridge Capital (Mauritius) Limited	50,476,237	34.05%	43,876,237	29.65%
Ajit Isaac	17,519,613	11.82%	16,769,613	11.33%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private Limited")	15,365,824	10.37%	15,365,824	10.38%

18.4 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 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 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019
Shares issued on exercise of employee stock options (refer note 47)	238,931	311,693	168,170	538,680	600,655

18.5 Details of shareholding of promoters:

Promoter name	31 March 2023		31 March 2022		% change during the year
	Number of shares	% held	Number of shares	% held	
Ajit Isaac	17,519,613	11.82%	16,769,613	11.33%	0.49%
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private Limited")	15,365,824	10.37%	15,365,824	10.38%	-0.01%
Fairbridge Capital Mauritius Limited	50,476,237	34.05%	43,876,237	29.65%	4.40%
Hwic Asia Fund Class A Shares	748,100	0.50%	748,100	0.51%	-0.01%

19 Other equity*

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium (refer note 19.1)	16,984.51	16,984.51
Stock options outstanding account (refer note 19.2)	685.35	393.09
Foreign currency translation reserve (refer note 19.3)	842.33	369.77
Capital reserve (refer note 19.4)	(3.33)	(3.33)
General reserve	21.56	21.56
Other comprehensive loss (excluding foreign currency translation reserve) [refer note 19.5]	(210.55)	(286.29)
Capital redemption reserve (refer note 19.6)	150.00	150.00
Retained earnings (refer note 19.7)	5,735.35	5,268.33
	24,205.22	**22,897.64**

* For detailed movement of reserves refer Consolidated Statement of Changes in Equity.

19.1 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.

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning and end of the year	16,984.51	16,984.51

19.2 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.

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	**393.09**	**253.00**
Add: Grants issued during the year	292.26	140.09
Balance as at the end of the year	**685.35**	**393.09**

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19.3 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.

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	**369.77**	**287.80**
Add: Translation difference recognised during the year	472.56	81.97
Balance as at the end of the year	**842.33**	**369.77**

19.4 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.

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning and end of the year	(3.33)	(3.33)

19.5 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).

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	**(286.29)**	**(220.20)**
Add: Recognised during the year	75.74	(66.09)
Balance as at the end of the year	**(210.55)**	**(286.29)**

19.6 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.

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning and end of the year	150.00	150.00

19.7 Retained Earning

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	**5,268.33**	**4,480.97**
Add: Profit for the year	2,244.17	2,412.25
Less: Dividends (refer note 52)	(1,777.15)	(1,624.89)
Balance as at the end of the year	**5,735.35**	**5,268.33**

20 Non-controlling interests (Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2020
Non-controlling interests [refer note 20.1, 20.2, 20.3, 20.4 and 20.5]	1,620.51	1,309.80
	1,620.51	**1,309.80**

The following table discloses the movement in non controlling interest for the year ended 31 March 2023 :

Entities	Non controlling stake	Profit/ (Loss) for the year	Other compre-hensive income/ (loss) for the year	Opening Balance as at 1 April 2021	Profit/ (loss) allocation for the year	Other compre-hensive income/ (loss) allocation for the year	Closing balance as at 31 March 2022
Agensi Pekerjaan Monster Malaysia SDN. BHD.	51.00%	(58.03)	0.17	29.31	(29.60)	0.09	(0.20)
Allsec Technologies Limited [refer note 20.1]	26.61%	488.57	18.64	913.02	130.05	4.96	1048.03
Simpliance Technologies Private Limited	47.00%	17.11	-	44.76	8.04	-	52.80
Terrier Security Services (India) Private Limited [refer note 20.2]	51.95%	123.97	2.18	62.07	63.84	1.13	127.05
Monster.com (India) Private Limited	16.88%	(783.10)	2.18	(8.61)	(111.74)	0.37	(119.99)
Heptagon Technologies Private Limited [refer note 20.4]	39.33%	(87.12)	3.16	(3.62)	(34.26)	1.24	(36.64)
Stellarslog Technovation Private Limited [refer note 20.5]	46.01%	(91.46)	-	-	(41.42)	-	(41.42)
Total				**1,036.93**	**(15.08)**	**7.79**	**1,029.64**
Less: Payment of dividend to non-controlling interests [refer note 20.1]				(243.31)			(324.43)
Less: Non-controlling interests on acquisition of Heptagon Technologies Private Limited [refer note 20.4]				(108.88)			(38.47)
Less: Non-controlling interests on acquisition of Stellarslog Technovation Private Limited [refer note 20.5]				-			31.53
Add: Dilution of stake in a subsidiary [refer note 20.3]				625.06			975.04
Less: Sale of stake in a subsidiary [refer note 4(ii) (c)]				-			(52.80)
Total				**1,309.80**			**1,620.51**

20.1 Conneqt Business Solutions Limited (CBSL) 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 year ended 31 March 2021, CBSL 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 135.02 million and Allsec declared dividend and an amount of INR 81.12 million was paid to non-controlling interest.

20.2 On 27 May 2020, the Group increased their stake in Terrier Security Services (India) Private Limited (Terrier) to 74.00%. 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%.

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20.3 During the previous year ended 31 March 2022, the Group had 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 was an investment of INR 625.66 million by the Investors on 21 Jan 2022, resultant dilution in control by 9.43% on a fully diluted basis. Subsequently there is an additional investment of INR 349.98 million by the investors on 17 October 2022, resultant further dilution of control by 7.45%. Remaining shares of Monster India are held by the Company and employees under employee stock options plan.

20.4 During the year ended 31 March 2022, the Company had 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. During the year, the provisional purchase allocation for the acquisition of HTPL was finalised resulting in increase in Goodwill by INR 70.41 million and decrease in non controlling interest by INR 70.41 million.

20.5 During the current year, the Company has acquired additional 4.91% stake in Stellarslog Technovation Private Limited ("SLPL") leading to increase in total shareholding in SLPL from 49.00% to 53.91% and SLPL has become subsidiary of the Company.

21 Non-current borrowings*

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Term loans [refer note 21.1(a) and 21.2]	200.02	312.41
National Skill Development Corporation (NSDC) Loan [refer note 21.1(b) and 21.3]	-	69.09
Vehicle loan [refer note 21.1(c)and 21.4]	17.56	23.60
Total borrowing	**217.58**	**405.10**
Less: Current maturities of long-term borrowings (refer note 24)	(122.86)	(168.34)
	94.72	**236.76**

*Information about the Group's exposure to interest rate and liquidity risk is included in note 39.

Terms and repayment schedule

21.1 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 2023	Carrying amount as at 31 March 2022
(a) Secured term loan	CAD	CDOR + 2.50%	2025	200.02	312.41
(b) Secured NSDC loan	INR	6.00%	2022	-	69.09
(c) Vehicle loan	INR	9.25% to 11.87%	2023	17.56	23.60
Total borrowings				**217.58**	**405.10**

21.2 Term loan

During the year ended 31 March 2020, MFXchange Holdings, Inc. entered into Term loan and working capital facilities agreement with ICICI bank Canada for re-financing the original credit facility arrangement with ICICI 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.

21.3 Excelus Learning Solutions Private Limited ("Excelus") 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. Excelus has availed principal moratorium period of one year from the date of first disbursement.

21.4 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.

22 Other non-current financial liabilities

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Non-controlling interests put option (refer note 22.1)	-	19.72
	-	**19.72**

22.1 This represents non-controlling interests put option pertaining to Vedang Cellular Services Private Limited. During the current year, Non-controlling interest put option has been reclassified to other current financial liabilities.

23 Non-current provisions (Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 46)	2,743.40	2,394.23
	2,743.40	**2,394.23**

24 Current borrowings (Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Current maturities of long-term borrowings	122.86	168.34
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (refer note 24.1)	732.80	390.81
Working capital loan (refer note 24.2)	3,360.24	3,581.18
Unsecured		
Working capital loan (refer note 24.2)	500.00	500.00
Commercial papers	500.00	1,000.00
Loan from non-controlling shareholder of a subsidiary	0.19	0.32
	5,216.09	**5,640.65**

Information about the Group's exposure to interest rate and liquidity risk is included in note 39.

24.1 The various subsidiaries of the Company have taken cash credit and overdraft facilities having interest rates ranging from 1 month - 12 month MCLR ("Marginal cost of funds based lending rate") plus repo rate 0.45%.-2% and 6.5%-7.6%. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the respective subsidiaries on both present and future and collateral by way of pari passu first charge on the entire movable assets of the respective subsidiaries (excluding charge on vehicles/equipment's purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future.

24.2 Details of working capital loan:

Entity	Amount (in INR million)	Term
Quess Corp Limited	3,541.46	The Company has taken working capital loan from banks having interest rate ranging from 4.50%-8.65% (31 March 2022: 4.50%-7.00%). 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.
MFXchange Holdings, Inc. (MFXU)	318.78	On November 22, 2019, MFXU 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%.

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24.3 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 companies:

Borrowings secured against current assets:

Terrier Securities Services (India) Private 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
30-Jun-22	HDFC Bank Limited and Yes Bank Limited	Trade receivable	888.37	888.37	-	No difference
30-Sep-22			1,075.32	1,075.32	-	
31-Dec-22			1,120.30	1,120.30	-	
31-Mar-23			1,155.74	1,150.04	5.70	The trade receivables statement and trial balance was generated at different point of time.
31-Mar-23		Inventories	5.88	5.37	0.51	The difference is due to additional entries recorded in the books of accounts.

25 Trade payables

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Undisputed		
Total outstanding to related parties (refer note 45)	7.37	11.44
Total outstanding dues to others	1,242.01	1,142.23
	1,249.38	**1,153.67**

The Group's exposure to currency and liquidity risk related to trade payables is disclosed in note 39.

25(i) Trade payables ageing schedule as on 31 March 2023 and 31 March 2022:

(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 2023	1,078.93	109.95	28.53	31.97	1,249.38
-As at 31 March 2022	1,071.30	49.18	21.69	11.50	1,153.67

26 Other current financial liabilities

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued and not due	4.25	19.15
Amount payable to related parties	29.78	20.95
Capital creditors	50.12	129.71
Unclaimed dividend	8.30	4.80
Other Payables		
Accrued salaries and benefits	7,077.41	5,333.17
Customer liability	2,238.51	725.60
Provision for bonus and incentive	693.95	695.45
Provision for expenses	2,912.07	2,937.26
Non-controlling interests put option (refer note 22.1)	20.66	-
Uniform deposits	16.03	60.36
	13,051.08	**9,926.45**

The Group's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 39.

27 Income tax liabilities (net)

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for tax (net of advance tax) [refer note 8]	693.23	824.82
	693.23	**824.82**

28 Current provisions

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for compensated absences (refer note 46)	195.27	197.21
Other provisions		
Provision for disputed claims (refer note 28.1, 28.2, 28.3 and 28.4)	135.93	135.93
Provision for warranty (refer note 28.5)	5.64	5.64
	336.84	**338.78**

The disclosures of provisions movement as required under Ind AS 37 are as follows for year ended 31 March 2023:

(Amount in INR millions)

Particulars	Years pertaining to	Amount demanded	As at 31 March 2022	Provided during the year	Utilised during the year	As at 31 March 2023	Amount paid till date	Contingent liability
Provident Fund (refer note 28.1)	April 2008 to February 2012	42.89	17.97	-	-	17.97	10.72	24.92
Service tax (refer note 28.2)	October 2007 to March 2016	154.02	117.96	-	-	117.96	11.55	36.06
Service tax (refer note 28.3)	FY 2013-14 FY 2014-15	3.91	-	-	-	-	0.29	3.91
Service tax (refer note 28.4)	April 2009 to September 2011	3.11	-	-	-	-	3.11	3.11
Total		**203.93**	**135.93**	**-**	**-**	**135.93**	**25.67**	**68.00**

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28.1 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.

28.2 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.

28.3 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.

28.4 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.

28.5 There in no movement in provision for warranty during the year hence disclosures of provisions movement is not required under the provisions of Ind AS 37.

Provision for warranty (Amount in INR millions)

Particulars	As at	
	31 March 2023	31 March 2022
Balance as at the beginning of the year	5.64	5.48
Add: additions through business combinations [refer note 4 (ii)(b)]	-	-
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**	**5.64**

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.

29 Other current liabilities

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Unearned revenue	921.52	893.95
Advance received from customers	133.09	75.64
Balances payable to government authorities	4,547.36	3,923.56
Security deposits	90.45	64.48
	5,692.42	**4,957.63**

30 Revenue from operations

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Sale of services		
Workforce management	118,308.95	94,759.76
Operating asset management	26,215.77	21,095.03
Global Technology Solutions	21,722.63	17,535.57
Product led business	5,336.52	3,527.42
	171,583.87	**136,917.78**

(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 2023	As at 31 March 2022
Trade receivables		
- Billed	14,853.27	12,703.15
- Unbilled	12,032.64	10,619.80
Unearned revenue	921.52	893.95
Advance from customer	133.09	75.64

The following table discloses the movement in unbilled revenue balances for the year ended 31 March 2023 and 31 March 2022:

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Balance as at the beginning of the year	**10,619.80**	**9,050.56**
Add: Addition due to business combinations	26.65	22.47
Add: Revenue recognised during the year	32,386.35	32,951.45
Less: Invoiced during the year	(30,946.58)	(31,305.87)
Less: Impairment during the year	(132.93)	(142.94)
Add: Translation exchange difference	79.35	44.13
Balance as at the end of the year	**12,032.64**	**10,619.80**

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The following table discloses the movement in unearned revenue balances for the year ended 31 March 2023 and 31 March 2022

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Balance as at the beginning of the year	**893.95**	**578.66**
Less: Revenue recognised during the year	(4,572.58)	(3,830.83)
Add: Addition due to business combinations	-	2.24
Add: Invoiced during the period but not recognized as revenues during the year	4,573.56	4,005.52
Add: Translation exchange difference	26.59	138.36
Balance as at the end of the year	**921.52**	**893.95**

(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 2023, other than those meeting the exclusion criteria mentioned above, is INR 1,161.89 million (31 March 2022: INR 1,075.88 million). Out of this, the Group expects to recognize revenue of around 36.55% (31 March 2022: 78%) within the next one year and the remaining thereafter.

31 Other income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
(a) Interest income		
Interest income under the effective interest rate method on:		
Deposits with banks	100.53	70.57
Amortised cost adjustments for financial instruments	15.38	12.20
Interest on tax refunds received	22.73	64.93
(b) Other non-operating income		
Foreign exchange gain	61.59	4.30
Profit on sale of property, plant and equipment and intangible assets	1.73	1.07
Net gain on sale of investments in mutual funds	11.14	27.30
Rent from letting out properties	2.07	0.10
Liabilities no longer required written back	0.03	0.36
Net fair value gain on mutual funds	24.16	2.96
Miscellaneous income	23.99	14.22
	263.35	**198.01**

32 Cost of material and stores and spare parts consumed

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Inventory at the beginning of the year	274.80	290.29
Add: Purchases	4,801.16	2,771.76
Less: Inventory at the end of the year	(281.57)	(274.80)
Cost of materials and stores and spare parts consumed	**4,794.39**	**2,787.25**

33 Employee benefits expenses

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Salaries and wages	134,071.97	106,770.10
Contribution to provident and other funds	10,359.79	8,695.68
Expenses related to post-employment defined benefit plan (refer note 46)	666.92	577.84
Staff welfare expenses	1,204.67	686.21
Expense on employee stock option scheme (refer note 47)	292.26	140.09
	146,595.61	**116,869.92**

34 Finance costs

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Interest expense on financial liabilities at amortised cost	608.52	527.53
Interest expense on lease liabilities	440.57	241.72
Other borrowing costs	16.99	22.90
	1,066.08	**792.15**

35 Depreciation and amortisation expense

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Depreciation of property, plant and equipment [refer note 3(a)]	612.81	513.70
Depreciation of right-of-use assets [refer note 3(b)]	1,488.49	1,056.93
Amortisation of intangible assets (refer note 5)	644.82	549.85
	2,746.12	**2,120.47**

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36 Other expenses (Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Sub-contractor charges	5,469.63	3,918.28
Recruitment and training expenses	371.13	322.79
Rent	508.60	583.18
Power and fuel	385.52	287.28
Repairs and maintenance		
- buildings	167.20	246.95
- plant and machinery	507.77	631.57
- others	1,114.01	1,101.20
Legal and professional fees	1,131.27	664.90
Rates and taxes	170.03	121.32
Printing and stationery	90.58	73.89
Stores and tools consumed	284.78	273.14
Travelling and conveyance	1,053.62	684.57
Communication expenses	369.02	400.34
Loss allowance on financial assets, net [refer note 39 (i)]		
-Trade receivables (billed and unbilled)	704.47	272.73
Equipment hire charges	146.89	163.66
Insurance	523.05	467.74
Database access charges	108.59	47.50
Technological support services	6.42	4.59
Bank charges	31.13	25.14
Business promotion and advertisement expenses	982.39	542.95
Foreign exchange loss, net	-	0.07
Expenditure on corporate social responsibility	52.82	51.55
Deposits/advances written-off	8.31	56.48
Miscellaneous expenses	150.02	83.94
	14,337.25	**11,025.76**

37 Exceptional items (Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Gain on sale of subsidiary (refer note 37(i))	(535.03)	-
Impairment loss recognised/(reversed) on:		
Intangible assets [refer note 5.2]	-	(766.00)
Other financial assets [refer note 37 (ii)(a)]	-	200.00
Goods and Service Tax ("GST") ineligible credits charged off (refer note 37(ii)(b))	-	479.81
Others [refer note 37(iii)]	-	13.95
	(535.03)	**(72.24)**

37(i) During the year ended 31 March 2023, the Company sold its 53% stake in Simpliance Technologies Private Limited (Simpliance) with a carrying value of INR 45 Million to Aparajitha Corporate Services Limited (Aparajitha) and Dasa Consulting Private Limited, acting as a Trustee company of Poornatha Wellness Private Trust. Consequently, a gain on sale aggregating to INR 535.03 million is recorded as exceptional item during the year ended 31 March 2023.

37(ii) 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 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 year ended 31 March 2022, 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").

37(iii) 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 previous 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").

38 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR millions)

Particualrs	Note	31 March 2023			31 March 2022		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets:							
Non-current investments*	6	-	16.55	-	-	16.55	-
Loans	15	-	-	36.79	-	-	33.75
Current investments**	11	467.79	-	-	917.32	-	-
Trade receivables	12	-	-	26,885.91	-	-	23,322.95
Cash and cash equivalents including other bank balances	13 and 14	-	-	5,661.08	-	-	5,119.28
Other financial assets	7 and 16	-	-	1,812.61	-	-	1,751.30
Total financial assets		**467.79**	**16.55**	**34,396.39**	**917.32**	**16.55**	**30,227.28**
Financial Liabilities:							
Borrowings	21 and 24	-	-	5,310.81	-	-	5,877.41
Trade payables	25	-	-	1,249.38	-	-	1,153.67
Other financial liabilities**	3 (c) , 22 and 26	-	-	17,853.61	19.72	-	13,195.09
Total financial liabilities		**-**	**-**	**24,413.80**	**19.72**	**-**	**20,226.17**

*classified as FVTOCI upon initial designation

**mandatorily classified as FVTPL on initial recognition

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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 2023	Level 1	Level 2	Level 3
Financial assets not measured at fair value					
Loans	15	36.79	-	-	-
Trade receivables	12	26,885.91	-	-	-
Cash and cash equivalents including other bank balances	13 and 14	5,661.08	-	-	-
Other financial assets	7 and 16	1,812.61	-	-	-
Financial assets measured at fair value					
Non-current investments	6	16.55	-	-	16.55
Current investments	11	467.79	467.79	-	-
Total financial assets		**34,880.73**	**467.79**	**-**	**16.55**
Financial liabilities not measured at fair value					
Lease liabilities	3 (c)	4,802.53	-	-	-
Borrowings	21 and 24	5,310.81	-	-	-
Trade payables	25	1,249.38	-	-	-
Other financial liabilities	22 and 26	13,051.08	-	-	-
Total financial liabilities		**24,413.80**	**-**	**-**	**-**

(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	15	33.75	-	-	-
Trade receivables	12	23,322.95	-	-	-
Cash and cash equivalents including other bank balances	13 and 14	5,119.28	-	-	-
Other financial assets	7 and 16	1,751.30	-	-	-
Financial assets measured at fair value					
Non-current investments	6	16.55	-	-	16.55
Current investments	11	917.32	917.32	-	-
Total financial assets		**31,161.15**	**917.32**	**-**	**16.55**
Financial liabilities not measured at fair value					
Lease liabilities	3 (c)	3,268.64			
Borrowings*	21 and 24	5,877.41	-	-	-
Trade payables	25	1,153.67	-	-	-
Other financial liabilities	26	9,926.45	-	-	-
Financial liabilities measured at fair value					
Non-controlling interests put option	22	19.72	-	-	19.72
Total financial liabilities		**20,245.89**	**-**	**-**	**19.72**

*Current maturities of long-term borrowings forms part of other financial liabilities

There have been no transfer between levels during the period.

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:** Significant portion of non-current borrowings carries floating rate of interest, the fair value of these 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. Balance portion of Non-Current borrowings is insignificant at group level hence not fair valued.

   The current borrowings which includeccash 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.

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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)	Non-controlling interests put option*
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 34)	-	3.36
Balance as at 31 March 2022	**16.55**	**19.72**
Settlement	-	-
Net change in fair value recognised in statement of profit and loss (refer note 34)	-	0.94
Balance as at 31 March 2023	**16.55**	**20.66**

*Consideration payable with respect to Non-controlling interests put option is reclassified to "other current financial liabilities" as it is repayable on demand.

39 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 represents 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 historical credit loss experience, 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 2023	31 March 2022
Balance as at the beginning of the year	2,016.08	2,024.56
Add: Impairment loss recognised under expected credit loss model	704.47	272.73
Less: Bad debts written off	(17.39)	(250.00)
Less: Translation exchange differences	1.30	(31.21)
Balance as at the end of the year	**2,704.46**	**2,016.08**

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 24:

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022. The amounts are gross and undiscounted contractual cash flows and include contractual interest payments and exclude netting arrangements. The Company has an undrawn limit of INR 9,570 million as at 31 March 2023 (31 March 2022: 7,820 million).

As at 31 March 2023

(Amount in INR millions)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings*	5,310.81	5,216.09	89.73	4.99	-
Trade payables	1,249.38	1,249.38	-	-	-
Lease liabilities	4,802.53	1,774.86	1,541.79	1,809.93	534.75
Other financial liabilities	13,051.08	13,051.08	-	-	-

* Current maturities of long-term borrowings are included under borrowings and excluded from other financial liabilities

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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

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 21 and note 24, the Group has secured bank loans that contains loan covenants. A future breach of covenants may require the 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 2023	As at 31 March 2022
Variable rate borrowings	1,251.99	1,044.73

(b) Sensitivity

(Amount in INR millions)

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
31 March 2023				
Variable rate borrowings	(12.52)	12.52	(9.37)	9.37
31 March 2022				
Variable rate borrowings	(10.45)	10.45	(7.82)	7.82

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 2023	As at 31 March 2022
Investments in mutual fund units	467.79	917.32

(b) Sensitivity

(Amount in INR millions)

Particulars	Impact on profit after tax	
	1% increase	1% decrease
31 March 2023	4.68	(4.68)
31 March 2022	9.17	(9.17)

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.

40 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 shareholders 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 2023	As at 31 March 2022
Gross debt	5,310.81	5,877.41
Less: Cash and cash equivalents	4,375.74	4,104.66
Adjusted net debt	**935.07**	**1,772.75**
Total equity	25,687.51	24,377.55
Net debt to equity ratio	**0.04**	**0.07**

41 Capital commitments

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	90.35	55.59
	90.35	**55.59**

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42 Contingent liabilities

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Bonus [refer note 42.1]	325.88	325.88
Provident fund [refer note 42.6 and 42.7] [Also refer note 42.2 for details of significant case]	53.67	24.92
Direct and indirect tax matters [refer note 42.6 and 42.7] [Also refer note 42.3 and 42.4 for details of significant cases]	1,407.67	758.03
Other claims [refer note 42.6 and 42.7] [Also refer note 42.5 for details of significant case]	99.68	76.85

42.1 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 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 2022 and 2023.

42.2 (i) 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 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 23 May 2023. 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.

(ii) During the current year ended 31 March 2023, the subsidiary of the Company namely, Conneqt Business Solutions Private Limited (Conneqt) received a show cause notice ('notice') dated 26 December 2022 under Section 14B and Section 7Q respectively of the Employees' Provident Fund and Miscellaneous Provisions Act,1952 ("EPF Act"), Act for belated remittances made during the period from 14 April 2018 to 26 December 2022 show causing why damages and interest should not be levied amounting to INR 28.75 million (including damages of INR 18.86 million and interest of INR 9.89 million). Conneqt had time and again submitted letters/ responses to the EPFO highlighting the difficulties being faced by them as regards the non-generation of the UAN/ non-seeding of UAN with Aadhaar during onboarding process of the new employees which caused the delay in the timely payment of the necessary Provident Fund dues for the period 14 April 2018 to 26 December 2022. The Management of Conneqt basis legal opinion from its external attorney is of the view that the above claims shall be contested by Conneqt and no provision is required to be made at this stage, pending outcome of the matter.

Conneqt is subject to legal proceedings and claims, which have arisen in the ordinary course of business including litigation before various tax authorities. The amounts included above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by Conneqt or the claimants as the case may be and therefore cannot be predicted accurately. Conneqt engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such dispute. Conneqt's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Conneqt's results of operations or financial conditions. Conneqt has accrued appropriate provision wherever required.

Pursuant to the Supreme Court Judgement dated 28 February 2019, the Conneqt has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of reliable measurement of the provision for the earlier periods, Conneqt has made a provision for provident fund contribution pursuant to the judgement only from the date of Supreme Court Order.

42.3 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 443.35 million 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.

42.4 Income Tax Matters:

During the year ended 31 March 2023, the Company received assessment order ('Order') under section 143(3) read with section 144C(13) of the Income Tax Act after completion of Dispute Resolution Panel ('DRP') proceedings for fiscal 2017-2018 resulting in disallowances primarily relating to deduction under section 80JJAA of the Income Tax Act and depreciation on goodwill. The Company has filed appeal with the Income Tax Appellate Tribunal relating to these disallowances. Further, during the year ended 31 March 2023, the Company also received a draft assessment order for fiscal 2018-2019 under section 144C(1) of the Income Tax Act in which primarily deduction under section 80JJAA of the Income Tax Act and depreciation on goodwill has been disallowed. The Company has filed objections before the DRP against the draft assessment order.

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 Income Tax Act. Based on its internal evaluation, the Company has disclosed a contingent liability of INR 740 million for fiscal 2017-2018 and fiscal 2018-2019, excluding interest and penalties if any. The contingent liability 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 80JJAA deduction of INR 1,922.90 million is claimed for the year ended 31 March 2023. The Company believes that such deduction, including its quantum, has been validly and consistently claimed, in conformity with its interpretation of the statute.

42.5 Allsec Technologies Limited ("Allsec") 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 Allsec in two of its delivery centres with retrospective effect from 2005. During the previous year, the Hon'ble High Court of Madras vide its order dated 12 January 2022 directed Allsec to approach the Electricity Regulatory Commission to get the grievances settled and instructed the Commission to conclude the plea in line with applicable provisions laid down by the Commission in this regard. While the procedural approach as directed by the Hon'ble High Court was in progress, Allsec got demand notices from the Board towards disputed claim of INR 10.9 million for the above cited period and additional demand for the enhanced period from July 2007 to July 2010 amounting to INR 11.2 million along with Belated Payment surcharge ("BPSC") on the principal amount and was demanded to be settled within the stipulated time frame, failure to which the supply will get disconnected. In order to avoid unforseen situation that may adversly impact the business, Allsec proposed to pay the dues in installments under protest and simultaneously proceed with the legal resolutions in the manner directed by the Hon'ble Madras High Court, bearing strong grounds. Accordingly Allsec made necessary provision for the liability of INR 22.1 million towards the prolonging disputes, barring BPSC. The BPSC amounting to INR 45.7 million has been considered by the Group as contingent liability and the Group is of the view based on opinion from legal experts that it will succeed in its proceedings before the said Commissionerate.

42.6 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 these proceedings will not have material adverse effect on the Group's financial position and results of operations.

42.7 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.

43 Earnings per share

(Amount in INR millions except number of shares and per share data)

Particulars	For the year ended	
	31 March 2023	31 March 2022
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)	2244.17	2,412.25
Weighted average number of shares used in computing basic earnings per share	148,112,507	147,787,738
Basic earnings per share (INR)	**15.16**	**16.32**
Weighted average number of shares used in computing diluted earnings per share	149,246,722	149,100,632
Diluted earnings per share (INR)	**15.04**	**16.18**

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Computation of weighted average number of shares

Particulars	For the year ended	
	31 March 2023	31 March 2022
Number of equity shares outstanding at beginning of the year	147,990,557	147,678,864
Add: Weighted average number of equity shares issued during the year	121,950	108,874
Weighted average number of shares outstanding at the end of year for computing basic earnings per share	**148,112,507**	**147,787,738**
Add: Impact of potentially dilutive equity shares	1,134,215	1,312,894
Weighted average number of shares outstanding at the end of year for computing diluted earnings per share	**149,246,722**	**149,100,632**

44 Segment reporting

The Executive Director and Group Chief Executive Officer 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 and technology solutions.
Product Led Business	It provides break fix services, hiring technology platform and workforce management tool.

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 2023 is as follows:

(Amount in INR millions)

Particulars	Workforce Management	Operating Asset Management	Global Technology Solutions	Product Led Business	Unallocated	Total
Segment revenue	118,308.97	26,215.77	21,722.63	5,336.50		171,583.87
Segment result	**3,452.82**	**1,195.71**	**3,540.78**	**(964.27)**		**7,225.04**
Other income		-	-	-	263.35	263.35
Depreciation and amortisation expense		-	-	-	(2,746.12)	(2,746.12)
Finance costs		-	-	-	(1,066.08)	(1,066.08)
Unallocated corporate expenses		-	-	-	(1,368.42)	(1,368.42)
Exceptional items		-	-	-	535.03	535.03
Share of profit of equity accounted investees (net of income tax)		-	-	-	0.84	0.84
Profit /(loss) before tax	**3,452.82**	**1,195.71**	**3,540.78**	**(964.27)**	**(4,381.40)**	**2,843.64**
Tax expense					(614.55)	(614.55)
Profit/(loss) after tax	**3,452.82**	**1,195.71**	**3,540.78**	**(964.27)**	**(4,995.95)**	**2,229.09**
Segment assets	18,077.36	13,926.15	14,461.28	2,409.32	12,313.60	61,187.71
Segment liabilities	12,475.72	4,943.18	7,534.30	2,390.37	6,536.12	33,879.69
Capital expenditure	65.95	92.63	480.55	71.05	208.37	918.55

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	Product Led Business	Unallocated	Total
Segment revenue	94,759.76	21,095.03	17,535.57	3,527.42	-	136,917.78
Segment result	**2,914.29**	**1,198.80**	**3,168.42**	**(117.45)**	**-**	**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 loss of equity accounted investees (net of income tax)		-	-	-	(16.87)	(16.87)
Profit/(loss) before tax	**2,914.29**	**1,198.80**	**3,168.42**	**(117.45)**	**(3,588.45)**	**3,575.61**
Tax expense		-	-	-	(1,065.84)	(1,065.84)
Profit/(loss) after tax	**2,914.29**	**1,198.80**	**3,168.42**	**(117.45)**	**(4,654.29)**	**2,509.77**
Segment assets	18,559.42	12,066.50	12,230.46	1,859.97	9,732.35	54,448.70
Segment liabilities	10,906.07	3,843.26	6,088.51	1,817.22	6,106.29	28,761.35
Capital expenditure	394.77	24.23	542.59	114.26	179.33	1,255.18

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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 2023	31 March 2022	31 March 2023	31 March 2022
India	154,302.21	122,087.92	22,821.48	19,306.11
Other countries:				
- Singapore	8,233.60	5,722.55	53.67	62.19
- Canada	3,136.00	2,859.07	138.07	150.73
- United States of America	2,490.13	2,478.50	328.65	429.80
- Rest of the world	3,421.93	3,769.74	57.10	41.00
Total	**171,583.87**	**136,917.78**	**23,398.97**	**19,989.83**

C Major customer

None of the customers of the Group has revenue which is more than 10.00 % of the Group's total revenue.

45 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 45 (ii)
- Entities having common directors	Go Digit Infoworks Service Private Limited
	Go Digit General Insurance Limited
	Fairbridge Capital Private Limited
	National Commodities Management Services Limited (formerly known as National Collateral Management Services Limited)
- Entity controlled by promoters	Careworks foundation
	Iris Realty LLP
	Isaac Healthcare Services LLP
	Fairbridge Capital Private Limited
	Thomas Cook (India) Limited
	Net Resources Investments Private Limited
Key executive management personnel	
Ajit Isaac	Non-Executive Chairman (w.e.f. 1 April 2022)
	Executive Chairman (w.e.f. 1 April 2021 to 31 March 2022)
K. Suraj Moraje	Group Chief Executive Officer and Managing Director (w.e.f 1 April 2021 to 10 February 2022)
Guruprasad Srinivasan	Executive Director and Group Chief Executive Officer (w.e.f. 11 February 2022)
N. Ravi Vishwanath	Group Chief Financial Officer (w.e.f. 1 April 2021 to 10 January 2023)
Kamal Pal Hoda	Group Chief Financial Officer (w.e.f. 11 January 2023)
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 2023	31 March 2022
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%
Excelus Learning Solutions Private Limited		Subsidiary	India	100.00%	100.00%
Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited)	12	Subsidiary	India	100.00%	100.00%
Vedang Cellular Services Private Limited	4	Subsidiary	India	92.47%	92.47%
Quess International Services Private Limited (formerly known as 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	9	Subsidiary	India	83.12%	90.57%
Monster.com.SG PTE Limited	9	Subsidiary	Singapore	100.00%	100.00%
Monster.com HK Limited	9	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 (till 20 October 2022)	15	Subsidiary	India	-	53.00%
Allsec Technologies Limited		Subsidiary	India	73.38%	73.38%
Allsectech Inc., USA	5	Subsidiary	USA	73.38%	73.38%
Allsectech Manila Inc., Philippines	5	Subsidiary	Philippines	73.38%	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	6	Subsidiary	India	48.05%	41.57%
Quess East Bengal FC Private Limited	7	Subsidiary	India	100.00%	100.00%
Heptagon Technologies Private Limited	8	Subsidiary	India	60.67%	60.67%
Billion Careers Private Limited	10	Subsidiary	India	100.00%	100.00%
Stellarslog Technovation Private Limited	13	Subsidiary	India	53.91%	100.00%

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Name of the entity	Note	Nature of relation	Country of domicile	Holdings as at	
				31 March 2023	31 March 2022
Quess Corp NA LLC (w.e.f 17 May 2022)	14	Subsidiary	India	100.00%	100.00%
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	11	Associate	India	-	49.00%
Himmer Industrial Services (M) SDN. BHD.		Joint venture	Malaysia	49.00%	49.00%

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. 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%
5. Wholly owned subsidiaries of Allsec Technologies Limited
6. 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%.
7. 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
8. During the year, additional 11.67% stake acquired in Heptagon Technologies Private limited, increasing its equity stake to 60.67%. (refer note 6.2)
9. During the year, Monster.com SG PTE Limited and Monster.com HK Limited became the subsidiaries of Monster.com (India) Private Limited.
10. During the year ended Quess Corp Limited acquired 100% stake in Billion Careers Private Limited.
11. 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%.
12. 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%
13. During the year ended 31 March 2023, Quess Corp Limited acquired additional 4.91% stake in Stellerslog Technovation Private Limited, increasing its equity stake to 53%.
14. During the year ended 31 March 2023, Quess Corp NA LLC was floated by the Group having 100% equity stake.
15. On 20 October 2022, the Company sold its stake in Simpliance Technologies Private Limited.

(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 2023	For the year ended 31 March 2022
Revenue from operations			
Associate	Heptagon Technologies Private Limited*	-	5.47
	Agency Pekerjaan Quess Recruit SDN. BHD.	-	2.98
Entities having common directors	Go Digit General Insurance Limited	7.89	8.07
	National Collateral Management Services Limited	41.90	51.99
	Net Resources Investments Private Limited	1.00	1.69
Entities controlled by promoters	Careworks foundation	35.75	28.66
	Thomas Cook (India) Limited	69.64	59.64
Other expenses			
Entities having common directors	Net Resources Investments Private Limited	42.52	40.39
	Go Digit General Insurance Limited	32.83	14.35
Associate	Heptagon Technologies Private Limited*	-	92.52
	Stellarslog Technovation Private Limited	-	15.05
Intangible assets under development			
Associate	Heptagon Technologies Private Limited*	-	23.22
Repayment/ Adjustment of loans given to related parties			
	Heptagon Technologies Private Limited*	-	265.17

(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 2023	As at 31 March 2022
Trade receivables (gross of loss allowance)			
Associate	Heptagon Technologies Private Limited*	-	49.33
Entities having common directors	Go Digit Infoworks Service Private Limited	0.35	0.34
	Go Digit General Insurance Limited	-	2.86
Entities controlled by promoters	Careworks foundation	74.78	33.43
	Thomas Cook (India) Limited	75.14	64.92
Trade payables			
Entities having common directors	National Collateral Management Services Limited	-	0.03
	Go Digit General Insurance Limited	7.37	-
Unbilled revenue			
Entities having common directors	Net Resources Investments Private Limited	0.09	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			
Entities having common directors	Go Digit General Insurance Limited	1.18	-

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(v) Compensation of key managerial personnel*

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	**31 March 2022**
Salaries and other employee benefits to whole-time directors and executive officers	60.57	93.48
	60.57	**93.48**

*Managerial remuneration does not include cost of employee benefits such as gratuity, compensated absences and provision for these are based on an actuarial valuation carried out for the Company as a whole.

46 Assets and liabilities relating to employee benefits

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability, gratuity plan	2,743.40	2,394.23
Liability for compensated absences	195.27	197.21
Total employee benefit liability	**2,938.67**	**2,591.44**
Current (refer note 28)	195.27	197.21
Non-current (refer note 23)	2,743.40	2,394.23
	2,938.67	**2,591.44**

For details about employee benefit expenses, see note 33.

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, ICICI Prudential Life Insurance 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 941.55 million contributions to its defined benefit plans in FY 2023-2024.

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 2023	As at 31 March 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	2,753.66	2,247.59
Additions through business combination	-	10.99
Disposals	(4.26)	(0.35)
Current service cost	554.22	495.17
Interest cost	131.37	99.20
Past service cost	0.62	0.17
Benefit settled	(276.79)	(194.65)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	25.78	128.35
- Changes in demographic assumptions	(3.49)	4.63
- Changes in financial assumptions	(135.87)	(37.44)
Obligation at the end of the year	**3,045.24**	**2,753.66**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	359.43	354.16
Adjustments to fair value asset at beginning of the year	-	6.27
Interest income on plan assets	18.78	16.70
Remeasurement - actuarial gain/(loss)	0.11	(0.55)
Return on plan assets recognised in other comprehensive income	(7.07)	(2.52)
Contributions	190.29	170.01
Benefits settled	(259.70)	(184.64)
Plan assets as at the end of the year, at fair value	**301.84**	**359.43**
Net defined benefit liability	**2,743.40**	**2,394.23**

C Information on funded and non-funded net defined benefit liability

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Funded	2,562.92	2,238.50
Non-funded	180.48	155.74
Total net defined benefit liability	**2,743.40**	**2,394.24**

D i) Expense recognised in profit or loss

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current service cost	553.70	495.17
Interest cost	131.38	99.20
Past service cost	0.62	0.17
Interest income	(18.78)	(16.70)
Net gratuity cost	**666.92**	**577.84**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2023

ii) Remeasurement loss recognised in other comprehensive income

(Amount in INR millions)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Remeasurement of the net defined benefit liability	(113.58)	95.54
Remeasurement of the net defined benefit asset	6.97	3.08
	(106.61)	**98.62**

E Plan assets

(Amount in INR millions)

Particulars	As at 31 March 2023	As at 31 March 2022
Funds managed by insurer	301.84	359.43
	301.84	359.43

F Defined benefit obligation - Actuarial Assumptions

Particulars	For the year ended	
	31 March 2023	31 March 2022
Discount rate	7.13% - 7.45%	4.35% - 6.96%
Future salary growth	1.00% - 10.00%	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)

Particulars	As at			
	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	301.91	411.77	342.66	382.10
Future salary growth (1% movement)	409.18	302.88	379.20	342.77
Attrition rate (1% - 50% movement)	340.49	375.78	288.81	240.26

Associate employees (Amount in INR millions)

Particulars	As at			
	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	2,289.05	2,385.93	2,027.59	2,121.37
Future salary growth (1% movement)	2,386.53	2,287.79	2,121.13	2,027.15
Attrition rate (10% - 50% movement)	2,264.40	2,429.39	1,993.04	2,173.50

47 Share-based payments

A Description of share based payment arrangement

At 31 March 2023, the Group 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 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 2023, the Group has 27,841 (31 March 2022: 41,263) 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 2023, the Group has 88,130 (31 March 2022: 43,676) 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 2023, the Group has no exercisable options outstanding.

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 not disclosed since no ESOP's under this scheme was granted during the year.

No options have expired during the current year and previous year.

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 2023	31 March 2022
Weighted average share price at grant date (INR)	547.09	677.66
Exercise price (INR)	10.00	10.00
Risk free rate of interest	3.61% - 6.81%	2.78% - 4.50%
Expected volatility	33.00% -42.00%	37.00% - 44.00%
Expected dividend	-	-
Expected life of the option	4 - 9 years	4 - 9 years
Weighted average fair value at grant date (INR)	539.28	668.89

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.

No options have expired during the current year and previous year.

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for the year ended 31 March 2023

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 2023	31 March 2022
Weighted average share price at grant date (INR)	79,576.00	79,576.00
Exercise price (INR)	10.00	10.00
Risk free rate of interest	4.69% - 5.79%	4.69% - 5.79%
Expected volatility	37% - 41%	37% - 41%
Expected dividend	-	-
Expected life of the option	1 - 4 years	1 - 4 years
Weighted average fair value at grant date (INR)	79,576.00	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.

No options have expired during the current year and previous year.

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 2023		31 March 2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	**41,263**	**10.00**	**68,199**	**10.00**
Less: Exercised during the year	(13,422)	10.00	(26,936)	10.00
Less: Lapsed/forfeited during the year	-	10.00	-	10.00
Balance as at the end of the year	**27,841**	**10.00**	**41,263**	**10.00**
Options vested and exercisable as at the end of the year	27,841		41,263	

The options outstanding as at 31 March 2023 have an exercise price of INR 10.00 (31 March 2022: INR 10.00) and a weighted average remaining contractual life of nil years (31 March 2022: Nil 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 2023	31 March 2022
18 August 2017	10.00	27,841	41,263

Scheme 2020 (Share price in INR)

Particulars	For the year ended			
	31 March 2023		31 March 2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	1,689,269	10.00	2,575,165	10.00
Add: Granted during the year	374,041	10.00	435,836	10.00
Less: Exercised during the year	(198,374)	10.00	(284,757)	10.00
Less: Lapsed/forfeited during the year	(267,822)	10.00	(1,036,975)	10.00
Balance as at the end of the year	**1,597,114**	**10.00**	**1,689,269**	**10.00**
Options vested and exercisable as at the end of the year	**88,130**		**42,676**	

The options outstanding as at 31 March 2023 have an exercise price of INR 10.00 (31 March 2022: INR 10.00) and a weighted average remaining contractual life of 4.86 years (31 March 2022: 3.86 years)

Details of Grant date of options issued under Scheme 2020:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2023	31 March 2022
11 May 2020	10.00	934,559	1,217,811
24 July 2020	10.00	18,784	35,789
27 January 2021	10.00	-	12,083
01 June 2021	10.00	192,253	322,608
10 February 2022	10.00	94,779	100,978
15 June 2022	10.00	47,103	-
14 October 2022	10.00	234,452	-
03 February 2023	10.00	75,184	-

Scheme 2021 (Share price in INR)

Particulars	For the year ended			
	31 March 2023		31 March 2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	8,568	10.00	-	10.00
Add: Granted during the year	2,225	10.00	8,568	10.00
Less: Exercised during the year	-	10.00	-	10.00
Less: Lapsed/forfeited during the year	(745)	10.00	-	10.00
Balance as at the end of the year	**10,048**	**10.00**	**8,568**	**10.00**
Options vested and exercisable as at the end of the year	**-**		**-**	

The options outstanding as at 31 March 2023 have an exercise price of INR 10.00 (31 March 2022:INR 10)and a weighted average remaining contractual life of 2.875 years (31 March 2022:3.75 years)

Details of Grant date of options issued under Scheme 2021:

Grant date	Exercise price (INR)	Number of options outstanding as at	
		31 March 2023	31 March 2022
22 December 2021	10.00	10,048	8,568

During the year 27,135 (31 March 2022: nill) options was excercised relating to ESOP Scheme 2009.

D Expense recognised in consolidated statement of profit and loss

For details on the employee benefits expense, refer note 33.

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for the year ended 31 March 2023

48 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 consolidated net assets	Amount	as percentage of consolidated profit or loss	Amount	as percentage of consolidated other comprehensive income	Amount	as percentage of consolidated total comprehensive income	Amount
Parent								
Quess Corp Limited	56.06%	21,866.95	48.85%	1,301.68	17.62%	50.53	45.82%	1,352.21
Subsidiaries - Indian		-		-		-		
MFX Infotech Private Limited	0.35%	135.15	2.23%	59.36	1.08%	3.11	2.12%	62.46
Dependo Logistics Solutions Private Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Excelus Learning Solutions Private Limited	0.37%	144.62	-2.39%	(63.60)	0.37%	1.05	-2.12%	(62.55)
Conneqt Business Solutions Limited	16.35%	6,380.79	33.44%	891.14	6.85%	19.65	30.86%	910.79
Vedang Cellular Services Private Limited	0.90%	352.70	5.32%	141.83	-0.15%	(0.43)	4.79%	141.41
Golden Star Facilities and Services Private Limited	0.84%	327.80	0.77%	20.60	-1.58%	(4.53)	0.54%	16.07
Monster.com (India) Private Limited	2.81%	1,095.66	-31.10%	(828.79)	0.98%	2.82	-27.99%	(825.97)
Qdigi Services Limited	0.88%	343.81	1.58%	42.16	0.38%	1.08	1.47%	43.24
Greenpiece Landscapes India Private Limited	-0.45%	(177.38)	-1.66%	(44.28)	0.11%	0.32	-1.49%	(43.95)
Simpliance Technologies Private Limited	0.29%	112.25	0.64%	17.11	0.00%	-	0.58%	17.11
Allsec Technologies Limited	5.89%	2,296.90	18.33%	488.57	6.50%	18.64	17.19%	507.21
Trimax Smart Infraprojects Private Limited	0.10%	39.30	1.02%	27.22	0.00%	-	0.92%	27.22
Terrier Security Services (India) Private Limited	0.86%	335.11	2.41%	64.32	-0.15%	(0.44)	2.16%	63.88
Quess East Bengal Football Club	-0.01%	(2.24)	-0.02%	(0.60)	0.00%	-	-0.02%	(0.60)
Heptagon Technologies Private Limited	-0.61%	(238.90)	-3.27%	(87.12)	1.10%	3.16	-2.84%	(83.96)
Billion Careers Private Limited	-0.14%	(56.33)	-3.94%	(104.86)	0.00%	-	-3.55%	(104.86)
Stellarslog Technovation Private Limited	-0.05%	(21.17)	-3.43%	(91.46)	0.00%	-	-3.10%	(91.46)
Subsidiaries - Foreign								
Brainhunter Systems Ltd.	0.62%	241.77	3.14%	83.79	-0.16%	(0.46)	2.82%	83.33
Quess (Philippines) Corp.	0.25%	95.90	0.89%	23.83	1.25%	3.59	0.93%	27.42
Quess Corp (USA) Inc.	0.51%	199.97	-0.50%	(13.45)	-0.57%	(1.63)	-0.51%	(15.08)
Quesscorp Holdings Pte. Ltd.	8.52%	3,322.81	16.64%	443.49	17.67%	50.66	16.74%	494.15

(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 consolidated net assets	Amount	as percentage of consolidated profit or loss	Amount	as percentage of consolidated other comprehensive income	Amount	as percentage of consolidated total comprehensive income	Amount
Quess Corp Vietnam LLC	-0.03%	(10.59)	-0.33%	(8.66)	-0.11%	(0.32)	-0.30%	(8.98)
Quessglobal (Malaysia) Sdn. Bhd.	0.53%	207.76	-0.64%	(16.93)	2.30%	6.61	-0.35%	(10.33)
Quess Corp Lanka (Private) Limited	0.28%	108.87	0.58%	15.41	-0.26%	(0.76)	0.50%	14.65
Quesscorp Singapore Pte Limited	3.21%	1,254.47	17.81%	474.61	40.37%	115.75	20.00%	590.36
MFXchange Holdings, Inc.	0.86%	335.97	4.66%	124.16	1.98%	5.68	4.40%	129.83
Comtelpro Pte. Limited.	-0.26%	(99.77)	-0.49%	(12.93)	-3.15%	(9.04)	-0.74%	(21.96)
Comtelink Sdn. Bhd	0.06%	22.11	-0.02%	(0.40)	0.25%	0.72	0.01%	0.32
Monster.com.SG PTE Limited	0.11%	41.08	-4.09%	(109.10)	-2.02%	(5.79)	-3.89%	(114.89)
Monster.com HK Limited	-0.05%	(17.73)	-0.18%	(4.77)	-0.37%	(1.06)	-0.20%	(5.83)
Agensi Pekerjaan Monster Malaysia Sdn. Bhd	0.01%	2.85	-2.18%	(58.03)	0.06%	0.17	-1.96%	(57.86)
Quesscorp Manpower Supply Services LLC	1.07%	415.97	-0.96%	(25.64)	11.75%	33.68	0.27%	8.04
Quesscorp Management Consultancies	-0.22%	(87.09)	0.00%	0.08	-2.53%	(7.25)	-0.24%	(7.17)
Quess Services Limited	0.00%	(0.86)	-0.02%	(0.52)	0.02%	0.06	-0.02%	(0.46)
Quesscorp NA LLC	0.10%	38.13	-3.13%	(83.53)	0.41%	1.17	-2.79%	(82.36)
Subtotal	**100%**	**39,006.63**	**100%**	**2,664.68**	**100%**	**286.74**	**100%**	**2,951.42**
Adjustment arising out of consolidation		(13,367.14)		(420.94)		259.60		(161.34)
Non-controlling interests in subsidiaries		1,620.51		(15.08)		7.79		(7.30)
Associates - Foreign								
Quess Recruit, Inc.		45.87		0.43		0.42		0.84
Agency Pekerjaan Quess Recruit Sdn. Bhd.		2.16		-		-		-
Total		**27,308.03**		**2,229.09**		**554.54**		**2,783.63**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2023

49 The Board of Directors of the Company at its meeting held on 7 July 2021 considered and approved the revised Scheme of Amalgamation ("Scheme AAA") among Quess Corp Limited ("Transferee Company") with three of its wholly owned subsidiaries viz. MFX Infotech Private Limited ("MFXI") and Greenpiece Landscape India Private Limited ("GLPL") and Conneqt Business Solutions Limited ("CBSL") 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 necessary approvals by the national Company Law Tribunal (NCLT), Bengaluru branch. The Scheme AAA will be effected in the standalone financial results once it is approved by National Company Law Tribunal ("NCLT"), Bengaluru Bench. The applicant companies had filed the application before Hon'ble NCLT, Bengaluru bench on 21 January 2022 and received order dated 30 November 2022 for dispensation of the meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of Applicant Companies and direction to issue notices to the creditors and the statutory authorities specified in the order. Further, the applicant companies after the due compliance filed the Company petition on 9th January, 2023 for sanctioning of the Scheme. The Hon'ble NCLT has admitted the petition and the next date of hearing is 13 June 2023.

50 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.

51 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.

52 The Board of Directors at their meeting held on 31 May 2022 declared interim dividend of INR 4.00 per equity share (face value of INR 10.00 each) for the previous financial year aggregating to INR 591.97 million which was paid on 21 June 2022.

The Board of Directors at their meeting held on 9 November 2022 declared interim dividend of INR 8.00 per equity share (face value of INR 10.00 each) for the financial year 2022-23 aggregating to INR 1,185.18 million which was paid on 29 November 2022.

53 The Company evaluated subsequent event through 17 May 2023 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.

54 As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain back-up of the 'books of account and other relevant books and papers' ('books of account') in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis.

The books of account of the Company and its subsidiaries incorporated in India are maintained in electronic mode on servers physically located in India and are readily accessible in India at all times. The Company and its subsidiaries incorporated in India are maintaining backup of books of account on a daily basis, except for one application where the Company has maintained the backup on quarterly basis.

55 Other Disclosure

55.1 The Company has not been declared wilful defaulter by any bank or financial institution or Other lender.

55.2 The Company has complied with requirement of number of layers of companies

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/ incorporation	Reporting currency	Closing ex-change rate	Financial period ended	Issued & subscribed share capital	Re-serves	Total assets	Total liabilities	Invest-ments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of holding
1	MFX Infotech Private Limited	20.08.2014	INR	NA	31.03.2023	10.00	125.15	343.90	208.74	-	999.30	77.12	17.76	59.36	100%
2	Brainhunter Systems Limited.[2]	23.10.2014	CAD	60.67	31.03.2023	385.39	-212.44	488.13	475.21	-	1006.54	39.93	-	39.95	100%
3	Mindwire Systems Limited[1]	23.10.2014	CAD	60.67	31.03.2023	128.08	68.82	265.10	36.24	-	2,133.23	61.25	17.39	43.84	100%
4	Quess Corp (USA) Inc.	19.11.2014	USD	82.17	31.03.2023	6.25	193.72	229.14	29.16	-	-	-13.38	0.07	-13.45	100%
5	Quess (Philippines) Corp.	14.05.2013	PHP	1.51	31.03.2023	12.27	83.62	306.17	210.27	0.31	411.58	42.62	18.78	23.84	100%
6	Quesscorp Holdings Pte Ltd.	16.06.2015	SGD	61.79	31.03.2023	2227.86	1094.95	3325.25	2.43	0.74	30.83	443.50	0.00	443.50	100%
7	Quessglobal (Malaysia) Sdn. Bhd.[2]	12.08.2015	MYR	18.62	31.03.2023	8.33	199.43	321.57	113.81	2.07	899.42	-8.81	8.13	-16.94	100%
8	MFXchange Holdings, Inc.	01.01.2016	USD	82.17	31.03.2023	3090.39	-1409.11	2130.14	448.86	-	385.32	46.89	15.46	31.13	100%
9	MFXchange US, Inc.[3]	01.01.2016	USD	82.17	31.03.2023	0.00	-1345.31	1394.52	2739.83	-	2,206.33	92.57	(0.16)	93.02	100%
10	Excelus Learning Solutions Private Limited	09.01.2017	INR	NA	31.03.2023	0.10	144.61	410.98	266.36	-	133.44	-66.67	(3.07)	-63.60	100%
11	Quess International Services Private Limited	01.12.2016	INR	NA	31.03.2023	10	317.80	472.30	144.50	-	2050.16	30.13	9.53	20.60	100%
12	Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte Ltd)	14.02.2017	SGD	61.79	31.03.2023	23.57	1230.90	2329.05	1074.57	-	8053.99	569.49	(94.88)	474.61	100%
13	Quess Corp Lanka (Private) Limited[2]	26.04.2016	LKR	0.25	31.03.2023	5.53	103.34	179.08	70.20	-	484.70	23.47	5.00	18.47	100%

Sl. No.	Name of the subsidiary	Date of acquisition/ incorporation	Reporting currency	Closing exchange rate	Financial period ended	Issued & subscribed share capital	Reserves	Total assets	Total liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of holding
14	Vedang Cellular Services Private Limited	10.11.2017	INR	NA	31.03.2023	1.82	350.88	727.50	374.80	-	1648.73	197.70	55.88	141.83	92%
15	Conneqt Business Solution Limited	27.11.2017	INR	NA	31.03.2023	1494.64	4886.16	11552.82	5172.02	-	14260.72	1171.19	280.05	891.14	100%
16	Comtelink Sdn. Bhd	14.11.2017	MYR	18.62	31.03.2023	15.61	6.50	22.28	0.17	-	0.00	-0.29	0.10	-0.39	100%
17	Quess Selection and Services Pte Ltd (formerly known as Comtelpro Pte. Limited.)[2]	10.10.2017	SGD	61.79	31.03.2023	9.64	-109.41	7.75	107.52	-	11.63	-12.93	-	-12.93	100%
18	Monster.com (India) Private Limited	08.02.2018	INR	NA	31.03.2023	0.60	1095.05	2553.85	1458.18	-	1303.88	-774.34	8.76	-783.10	83.12%
19	Monster.com.SG PTE Limited[4]	08.02.2018	SGD	61.79	31.03.2023	161.59	-120.51	279.78	238.69	-	194.35	-109.22	-0.12	-109.10	100%
20	Monster.com HK Limited[4]	08.02.2018	HKD	10.47	31.03.2023	318.71	-336.44	5.14	22.85	-	9.05	-4.56	0.00	-4.56	100%
21	Agensi Pekerjaan Monster Malaysia Sdn. Bhd[4]	08.02.2018	MYR	18.62	31.03.2023	8.18	-5.33	110.97	108.11	-	80.16	-58.04	0.00	-58.04	49%
22	Quess Corp Vietnam LLC	26.03.2018	VND	0.00	31.03.2023	13.00	-23.60	25.88	36.47	-	60.77	-8.67	0.00	-8.67	100%
23	Quesscorp Management Consultancies[2]	19.12.2018	AED	22.37	31.03.2023	3.82	-90.91	8.49	95.58	-	3.23	0.09	0.00	0.09	100%
24	Quesscorp Manpower Supply Services LLC[2]	31.01.2019	AED	22.37	31.03.2023	0.00	415.97	558.53	142.55	-	1553.11	-25.64	0.00	-25.64	100%
25	Qdigi Services Limited	11.04.2018	INR	NA	31.03.2023	53.50	290.32	1378.06	1034.23	-	3787.29	52.27	10.11	42.16	100%
26	Greenpiece Landscapes India Private Limited	02.04.2018	INR	NA	31.03.2023	8.00	-185.38	81.87	259.24	-	95.35	-44.28	0.00	-44.28	100%
27	Simpliance Technologies Private Limited[9]	31.07.2018	INR	NA	31.03.2023	0.23	112.01	127.94	15.70	-	98.09	24.06	6.95	17.11	53%

Sl. No.	Name of the subsidiary	Date of acquisition/ incorporation	Reporting currency	Closing exchange rate	Financial period ended	Issued & subscribed share capital	Reserves	Total assets	Total liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of holding
28	Trimax Smart Infraprojects Private Limited	15.10.2019	INR	NA	31.03.2023	0.10	39.20	348.34	309.04	-	81.93	2.58	0.00	2.58	100%
29	Quess Services Limited	25.06.2019	BDT	0.77	31.03.2023	3.49	-4.35	2.78	3.63	-	0.21	-0.52	0.00	-0.52	100%
30	Allsec Technologies Limited[6]	03.06.2019	INR	NA	31.03.2023	152.38	1349.09	2020.59	867.60	467.80	2252.70	285.30	115.40	169.90	73.38%
31	Allsectech Inc., USA5	03.06.2019	USD	82.17	31.03.2023	-	(74.27)	203.41	30.38	-	1,301.50	8.70	0.80	7.90	73.38%
32	Allsectech Manila Inc., Philippines[5]	03.06.2019	PHP	1.51	31.03.2023	-	869.58	643.90	140.92	-	350.30	351.40	40.60	310.80	73.38%
33	Terrier Security Services (India) Private Limited[6]	09.12.2016	INR	NA	31.03.2023	8.90	326.21	1,890.31	1,555.19	-	5,743.2	84.41	(39.55)	123.96	48.05%
34	Heptagon Technologies Private Limited	6/22/2017	INR	NA	31.03.2023	0.36	(239.26)	194.44	433.32	-	317.6	(87.13)	-	(87.13)	60.67%
35	Billion Careers Private Limited	11/26/2021	INR	NA	31.03.2023	60.10	(116.43)	95.13	151.46	-	38.8	(104.86)	-	(104.86)	100.00%
36	Quess East Bengal FC Private Limited[7]	13.07.2018	INR	NA	31.03.2023	14.79	(17.03)	42.14	44.37	-	-	(0.60)	-	(0.60)	100.00%
37	Stellarslog Technovation Private Limited[8]	29.01.2021	INR	NA	31.03.2023	4.34	(25.51)	121.74	142.91	-	190.7	(91.55)	(0.09)	(91.46)	100.00%
38	Quess Corp NA LLC	17.05.2022	USD	82.17	31.03.2023	120.50	(82.36)	51.20	13.07	-	4.4	(106.07)	(22.6)	(83.52)	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] Subsidiary of Conneqt Business Solutions Limited

[7] Quess East Bengal FC Private Limited is under liquidation

[8] On 07 April 2022, Quess Corp Limited acquired additional stake of 4.91% in Stellarslog Technovation Private Limited increasing its stake to 53.91% and making it a subsidiary.

[9] On 21 October 2022, Quess Corp Limited sold 100% stake in Simpliance Technologies Private Limited.

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.	31.12.2021	28.03.2017	49,000	0.74	49.00	More than 20% holding	No control	(2.52)	-	-
2	Quess Recruit, Inc.	31.03.2020	01.01.2018	2,500	0.31	25.00	More than 20% holding	No control	766.54	0.84	0.88
3	Agency Pekerjaan Quess Recruit Sdn. Bhd.	31.03.2023	23.01.2018	122,500	2.07	49.00	More than 20% holding	No control	0.69	-	4.31

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