

October 28, 2024

To,

**BSE Limited,**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, PJ Towers, Dalal Street,  
Mumbai – 400 001  
**Security Code – 539978**

**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai – 400 051  
**NSE Symbol – QUESS**

Dear Sir/Madam,

**Sub.: Outcome of Board Meeting of the Company held on October 28, 2024**

Time of Commencement : 06:30 PM

Time of Conclusion : 09:15 PM

This is to inform you that the Board of Directors at their meeting held today, i.e., Monday, October 28, 2024, *inter-alia*, considered and approved the:

1. Unaudited Financial Results (Standalone and Consolidated) for the second quarter and half year ended September 30, 2024. Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we are enclosing herewith the Unaudited (Standalone and Consolidated) financial results along with the Limited Review Report issued by the Statutory Auditors of the Company for the second quarter and half year ended September 30, 2024 as “**Annexure 1**”.
2. Closure of Quess Corp Limited - Employee Stock Option Scheme 2015 (“ESOP 2015”) due to completion of 5 years from the date of last vesting. At present, all the options have been exercised/lapsed/forfeited and there is no outstanding balance under the said Scheme. As a result, ESOP 2015 stands closed.

The same will be made available on the Company’s website [www.uesscorp.com](http://www.uesscorp.com).

Kindly take the above information on record.

Yours sincerely,

**FOR QUESS CORP LIMITED**

**KUNDAN K LAL**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**

## **INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF QUESS CORP LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **QUESS CORP LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and half year ended 30 September 2024 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities listed in Annexure 1 to this report.
5. **Basis for Qualified Conclusion**

As stated in note 5 to the Statement, certain tax deductions claimed by the Parent and recognised in computation of income tax expense in the current and preceding periods have been disallowed by the Income Tax Authority. The disallowance has been challenged by the Parent in a judicial forum. The Parent, supported by external opinions from legal counsel and other tax experts, has assessed the basis of the disallowances and concluded that it is probable that these deductions will be accepted upon ultimate resolution.

In January 2024, as described in note 5, another regulatory authority has made certain observations (referred to as "new information") on the applicability of certain deductions in the Income Tax Act and related reports submitted to the Income Tax Authority in respect of these deductions. The Parent has taken into consideration this new information and continues to believe that it is probable that these deductions upon ultimate resolution will be accepted by the Income Tax Authority.

As a result of the uncertainty in respect of the outcome in the aforesaid matter, pending ultimate resolution and acceptance by the Income Tax Authority, we are unable to comment whether any adjustments are necessary.

This matter was also qualified in our report on the consolidated financial results for the quarter ended 30 June 2024 and year ended 31 March 2024.

**6. Qualified Conclusion**

Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, except for the possible effects of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**7. Emphasis of Matter**

We draw attention to note 4 of the Statement, regarding the demands received by the Parent in respect of provident fund and contingency related to the pending litigation on the said matter.

Our conclusion on the Statement is not modified in respect of this matter.

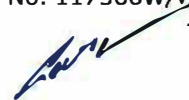
8. We did not review the financial information/financial results of 18 subsidiaries included in the consolidated unaudited financial results, whose interim financial information/financial results reflect total assets of Rs. 10,316.94 million as at 30 September 2024 and total revenues of Rs. 6,314.41 million and Rs. 12,592.01 million for the quarter and half year ended 30 September 2024 respectively, total net profit after tax of Rs. 625.38 million and Rs. 827.20 million for the quarter and half year ended 30 September 2024 respectively and total comprehensive income of Rs. 719.98 million and Rs. 917.75 million for the quarter and half year ended 30 September 2024 respectively, and net cash outflows of Rs. 594.71 million for the half year ended 30 September 2024, as considered in the Statement. These interim financial information/ financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

9. The consolidated unaudited financial results includes the financial information/ financial results of 17 subsidiaries which have not been reviewed by their auditors, whose interim financial information/ financial results reflect total assets of Rs. 885.50 million as at 30 September 2024 and, total revenue of Rs. 382.94 million and Rs. 735.04 million for the quarter and half year ended 30 September 2024 respectively, total profit after tax of Rs. 2.34 million and Rs. 0.93 million for the quarter and half year ended 30 September 2024 respectively and total comprehensive income of Rs. 9.11 million and Rs. 1.36 million for the quarter and half year ended 30 September 2024 respectively and net cash inflows of Rs. 75.32 million for the half year ended 30 September 2024, as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial information/financial results are not material to the Group.

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

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



**Gurvinder Singh**  
Partner

Membership No. 110128  
UDIN: 24110128BKBGZZ6500

Place: Bengaluru  
Date: 28 October 2024

**ANNEXURE 1:**

<b>Nature</b>	<b>S. No.</b>	<b>Entity name</b>
Subsidiaries/Step-down subsidiaries:	1.	Brainhunter Systems Ltd.
	2.	Mindwire Systems Limited
	3.	MFX Infotech Private Limited (Merged with Quess Corp Ltd w.e.f. 1 December 2023)
	4.	Quess (Philippines) Corp.
	5.	Quess Corp (USA) Inc.
	6.	Quess Corp Holdings Pte. Ltd.
	7.	Quessglobal (Malaysia) Sdn. Bhd.
	8.	MFXchange Holdings, Inc.
	9.	MFXchange US, Inc.
	10.	Quess Corp Lanka (Private) Limited
	11.	Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte. Limited)
	12.	Quess East Bengal FC Private Limited
	13.	Excelus Learning Solutions Private Limited
	14.	Conneqt Business Solutions Limited (Merged with Quess Corp Ltd w.e.f. 1 December 2023)
	15.	Vedang Cellular Services Private Limited
	16.	Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)
	17.	Quess Selection & Services Pte Ltd (formerly known as Comtelpro Pte. Ltd.)
	18.	Quess Malaysia Digital Sdn Bhd (formerly known as Comtelink Sdn. Bhd.)
	19.	Monster.com.SG PTE Limited
	20.	Monster.com.HK Limited
	21.	Agensi Pekerjaan Monster Malaysia Sdn. Bhd (formerly known as Monster Malaysia Sdn Bhd)
	22.	Monster.com (India) Private Limited
	23.	Quess Corp Vietnam LLC
	24.	Qdigi Services Limited (till 31 March 2024)
	25.	Greenpiece Landscapes India Private Limited (Merged with Quess Corp Ltd w.e.f. 1 December 2023)
	26.	Quesscorp Management Consultancies (formerly known as Styracorp Management Services)
	27.	Quesscorp Manpower Supply Services LLC [formerly known as S M S Manpower Supply Services (LLC)]
	28.	Alldigi Tech Limited [formerly known as Allsec Technologies Limited]
	29.	Allsectech Inc., USA
	30.	Allsectech Manila Inc., Philippines
	31.	Quess Services Limited (till 20 March 2024)
	32.	Trimax Smart Infraprojects Private Limited
	33.	Terrier Security Services (India) Private Limited
	34.	Heptagon Technologies Private Limited
	35.	Billion Careers Private Limited
	36.	Quess Corp NA LLC
	37.	Stellarslog Technovation Private Limited
	38.	Quess Recruit, Inc. (w.e.f 1 January 2024)

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**Deloitte  
Haskins & Sells LLP**

<b>Nature</b>	<b>S. No.</b>	<b>Entity name</b>
	39.	Agency Pekerjaan Quess Recruit Sdn. Bhd. (w.e.f 1 July 2023)
	40.	Quess GTS Canada Holdings Inc. (w.e.f 5 October 2023)
	41.	Digitide Solutions Limited (w.e.f 10 February 2024)
	42.	Bluspring Enterprises Limited (w.e.f 11 February 2024)
Associates:	1.	Quess Recruit, Inc. (till 31 December 2023)
	2.	Agency Pekerjaan Quess Recruit Sdn. Bhd. (till 30 June 2023)
Joint Venture Company:	1.	Himmer Industrial Services (M) Sdn. Bhd. (till 4 March 2024)



Part 1: Statement of consolidated unaudited financial results for the quarter and half year ended 30 September 2024

(INR in million except per share data)

Sl. No.	Particulars	Consolidated					
		Quarter ended			Half year ended		Year ended
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	<b>Income</b>						
	a) Revenue from operations	51,793.62	50,031.07	47,483.40	1,01,824.69	93,485.50	1,91,001.33
	b) Other income	43.84	101.50	151.34	145.35	192.06	294.53
	<b>Total income (a + b)</b>	<b>51,837.46</b>	<b>50,132.57</b>	<b>47,634.74</b>	<b>1,01,970.04</b>	<b>93,677.56</b>	<b>1,91,295.86</b>
2	<b>Expenses</b>						
	a) Cost of material and stores and spare parts consumed	502.91	461.69	1,391.87	964.60	2,510.88	4,771.95
	b) Employee benefits expense (refer note 8)	45,767.95	44,394.07	40,726.98	90,162.04	80,632.03	1,65,374.31
	c) Finance costs (refer note 8)	284.15	281.54	329.62	565.69	650.42	1,366.65
	d) Depreciation and amortisation expense	697.18	689.76	696.59	1,386.95	1,382.28	2,831.95
	e) Other expenses	3,567.07	3,291.20	3,680.59	6,858.27	7,071.47	13,726.55
	<b>Total expenses (a + b + c + d + e)</b>	<b>50,819.26</b>	<b>49,118.26</b>	<b>46,825.65</b>	<b>99,937.55</b>	<b>92,247.08</b>	<b>1,88,071.41</b>
3	<b>Profit before share of profit of equity accounted investees, exceptional items and tax (1 - 2)</b>	<b>1,018.20</b>	<b>1,014.31</b>	<b>809.09</b>	<b>2,032.49</b>	<b>1,430.48</b>	<b>3,224.45</b>
4	Share of loss of equity accounted investees (net of tax)	-	-	(0.47)	-	(0.36)	(0.69)
5	<b>Profit before exceptional items and tax (3 + 4)</b>	<b>1,018.20</b>	<b>1,014.31</b>	<b>808.62</b>	<b>2,032.49</b>	<b>1,430.12</b>	<b>3,223.76</b>
6	Exceptional items (gain)/loss (refer note 6)	(3.08)	(171.26)	15.87	(174.34)	15.87	271.59
7	<b>Profit before tax (5 - 6)</b>	<b>1,021.28</b>	<b>1,185.57</b>	<b>792.75</b>	<b>2,206.83</b>	<b>1,414.25</b>	<b>2,952.17</b>
8	<b>Tax expense/(credit)</b>						
	Current tax	128.54	108.31	203.44	236.85	369.09	518.40
	Income tax relating to previous year	0.11	(5.89)	-	(5.78)	-	0.69
	Deferred tax	(43.61)	(33.63)	(120.15)	(77.24)	(145.47)	(370.96)
	<b>Total tax expense</b>	<b>85.04</b>	<b>68.79</b>	<b>83.29</b>	<b>153.83</b>	<b>223.62</b>	<b>148.13</b>
9	<b>Profit for the period (7 - 8)</b>	<b>936.24</b>	<b>1,116.78</b>	<b>709.46</b>	<b>2,053.00</b>	<b>1,190.63</b>	<b>2,804.04</b>
10	<b>Other comprehensive income</b>						
	<i>(i) Items that will not be reclassified subsequently to profit or loss</i>						
	Remeasurement of defined benefit plans	(113.61)	19.43	(127.38)	(94.18)	(194.46)	(318.24)
	Income tax (expense)/credit relating to items that will not be reclassified to profit or loss	29.99	(4.91)	26.88	25.08	47.69	81.75
	<i>(ii) Items that will be reclassified subsequently to profit or loss</i>						
	Exchange differences in translating financial statements of foreign operations	225.48	(84.34)	29.40	141.14	(57.46)	(19.12)
	<b>Other comprehensive income /(loss) for the period, net of tax</b>	<b>141.86</b>	<b>(69.82)</b>	<b>(71.10)</b>	<b>72.04</b>	<b>(204.23)</b>	<b>(255.61)</b>
11	<b>Total comprehensive income for the period (9 + 10)</b>	<b>1,078.10</b>	<b>1,046.96</b>	<b>638.36</b>	<b>2,125.04</b>	<b>986.40</b>	<b>2,548.43</b>
12	<b>Profit/(loss) attributable to:</b>						
	Owners of the Company	923.89	1,038.10	719.26	1,961.97	1,197.37	2,778.56
	Non-controlling interests	12.35	78.68	(9.80)	91.03	(6.74)	25.48
13	<b>Other comprehensive income/(loss) attributable to:</b>						
	Owners of the Company	139.32	(60.82)	(59.79)	78.50	(198.24)	(236.41)
	Non-controlling interests	2.54	(9.00)	(11.31)	(6.46)	(5.99)	(19.20)
14	<b>Total comprehensive income/(loss) attributable to:</b>						
	Owners of the Company	1,063.21	977.28	659.47	2,040.47	999.13	2,542.15
	Non-controlling interests	14.89	69.68	(21.11)	84.57	(12.73)	6.28
15	Paid-up equity share capital (Face value of INR 10.00 per share)	1,486.26	1,485.10	1,484.20	1,486.26	1,484.20	1,485.10
16	Reserves i.e. Other equity						26,504.83
17	<b>Earning per equity share</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (in INR)	6.15	6.99	4.85	13.21	8.07	18.72
	(b) Diluted (in INR)	6.10	6.94	4.82	13.12	8.03	18.61

See accompanying notes to the financial results



Consolidated Balance Sheet as at 30 September 2024

(INR in million)

Particulars	As at	As at
	30 September 2024	31 March 2024
	(Unaudited)	(Audited)
<b>A ASSETS</b>		
1 <b>Non-current assets</b>		
Property, plant and equipment	1,823.75	1,960.37
Right-of-use assets	3,895.41	4,220.66
Capital work-in-progress	5.78	26.07
Goodwill	10,146.19	10,038.63
Other intangible assets	824.52	732.93
Intangible assets under development	151.85	299.50
<b>Financial assets</b>		
Investments	366.57	366.57
Other financial assets	1,410.74	1,880.60
Deferred tax assets (net)	1,606.92	1,504.01
Income tax assets (net)	5,104.64	5,127.33
Other non-current assets	559.01	589.53
<b>Total non-current assets</b>	<b>25,895.38</b>	<b>26,746.20</b>
2 <b>Current assets</b>		
Inventories	67.87	71.28
<b>Financial assets</b>		
Investments	1,001.56	562.79
Trade receivables		
-Billed	16,762.78	15,388.29
-Unbilled	13,695.23	12,333.00
Cash and cash equivalents	4,450.30	5,201.25
Bank balances other than cash and cash equivalents above	415.32	251.39
Loans	12.10	8.65
Other financial assets	360.28	244.18
Other current assets	1,478.12	1,663.32
<b>Total current assets</b>	<b>38,243.56</b>	<b>35,724.15</b>
Asset classified as held for sale	-	80.08
<b>Total Assets</b>	<b>64,138.94</b>	<b>62,550.43</b>
<b>B EQUITY AND LIABILITIES</b>		
1 <b>Equity</b>		
Equity share capital	1,486.26	1,485.10
Other equity	27,697.76	26,504.83
<b>Total equity attributable to equity holders of the Company</b>	<b>29,184.02</b>	<b>27,989.93</b>
Non-controlling interests	1,678.77	1,656.09
<b>Total equity</b>	<b>30,862.79</b>	<b>29,646.02</b>
2 <b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	14.06	17.58
Lease liabilities	3,021.76	3,258.60
Provisions	3,718.54	3,361.59
<b>Total non-current liabilities</b>	<b>6,754.36</b>	<b>6,637.77</b>
3 <b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	2,512.37	3,677.78
Trade payables	1,182.42	1,175.58
Lease liabilities	1,356.00	1,427.18
Other financial liabilities	15,397.73	13,731.19
Income tax liabilities (net)	220.04	204.99
Provisions	220.16	334.04
Other current liabilities	5,633.07	5,689.92
	<b>26,521.79</b>	<b>26,240.68</b>
Liabilities directly associated with assets classified as held for sale	-	25.96
<b>Total current liabilities</b>	<b>26,521.79</b>	<b>26,266.64</b>
<b>Total Liabilities</b>	<b>33,276.15</b>	<b>32,904.41</b>
<b>Total Equity and Liabilities</b>	<b>64,138.94</b>	<b>62,550.43</b>

See accompanying notes to the financial results

A  
QESS CORP LTD.

Statement of Consolidated Cash flows for the half year ended 30 September 2024

(Amount in INR million)

Particulars	For the half year ended	
	30 September 2024	30 September 2023
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>		
Profit after tax	2,053.00	1,190.63
<b>Adjustments to reconcile net profit to net cash provided by operating activities:</b>		
Tax expenses	153.83	223.62
Exceptional items [refer note 6]		
-Gain on sale of Labour Law Compliance (LLC) Division	(176.90)	-
-Others	-	15.87
Interest income on term deposits	(31.49)	(47.88)
Amortised cost adjustments for financial instruments	(8.45)	(6.76)
Interest on income tax refunds	(65.12)	(76.27)
Loss on sale of property, plant and equipment, net	0.41	6.34
Gain on sale of investments in mutual funds	(0.62)	-
Fair value gain on financial assets designated at fair value through profit or loss	(29.01)	(20.52)
Employee stock option cost	43.36	124.79
Finance costs	565.69	650.42
Depreciation and amortisation	1,386.95	1,382.28
Expected credit Loss on financial assets	(255.21)	418.51
Bad debts written off	582.71	18.64
Foreign exchange gain, net	14.43	(26.74)
Share of loss of equity accounted investees	-	0.36
<b>Operating cash flows before working capital changes</b>	<b>4,233.58</b>	<b>3,853.29</b>
<b>Changes in operating assets and liabilities</b>		
Changes in inventories	3.41	(29.62)
Changes in trade receivables and unbilled revenue	(3,045.15)	(2,640.50)
Changes in loans, other financial assets and other assets	201.93	(431.85)
Changes in trade payables	21.46	74.19
Changes in other financial liabilities, other liabilities and provisions	2,150.83	1,904.98
<b>Cash generated from operations</b>	<b>3,566.06</b>	<b>2,730.49</b>
Income taxes (paid), net	(128.81)	(412.85)
<b>Net cash flows from operating activities (A)</b>	<b>3,437.25</b>	<b>2,317.64</b>
<b>Cash flows from investing activities</b>		
Expenditure on property, plant and equipment and intangibles	(471.77)	(471.25)
Proceeds from sale of property, plant and equipment and intangibles	6.34	-
Proceeds from sale of division of a subsidiary [refer note 6]	171.10	-
Purchase of mutual fund	(409.14)	(61.38)
Placement of bank deposits	(227.45)	(67.80)
Redemption of bank deposits	51.28	583.98
Interest received on term deposits	26.92	70.67
<b>Net cash from/(used in) in investing activities (B)</b>	<b>(852.72)</b>	<b>54.22</b>
<b>Cash flows from financing activities</b>		
Proceeds from term loans	-	79.94
Repayment of term loans	(64.90)	(56.15)
Proceeds from short term borrowings	46,602.45	3,321.91
Repayment of short term borrowings	(48,610.35)	(3,630.99)
Proceeds from/(repayment of) short-term borrowings	903.99	(299.51)
Payment of lease liability	(991.91)	(941.28)
Proceeds from issue of equity shares, net of share issue expenses	1.07	2.45
Payment of stamp duty in relation to merger and issue of shares in earlier year	-	(124.64)
Payment of dividend to non-controlling interest of subsidiary	(60.83)	-
Dividends paid	(891.75)	-
Interest paid	(240.06)	(324.08)
Others	(3.00)	-
<b>Net cash (used in)/from in financing activities (C)</b>	<b>(3,355.29)</b>	<b>(1,972.35)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(770.76)</b>	<b>399.51</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,201.25</b>	<b>4,375.74</b>
Effect of exchange rate fluctuations on cash and cash equivalents	19.81	(7.71)
<b>Cash and cash equivalents at the end of the period</b>	<b>4,450.30</b>	<b>4,767.54</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	5.95	9.39
Balances with banks		
In current accounts	4,435.18	4,701.98
In EEFC accounts	9.17	43.74
In deposit accounts (with original maturity of less than 3 months)	-	12.43
<b>Cash and cash equivalents in consolidated balance sheet</b>	<b>4,450.30</b>	<b>4,767.54</b>

The disclosure for the half year ended 30 September 2024 and 30 September 2023 are prepared in compliance with Indian Accounting Standard (Ind AS 34) Interim Financial Reporting.



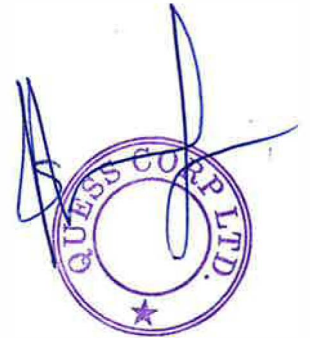
**Qess Corp Limited**  
Registered Office: Qess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103;  
CIN No. L74140KA2007PLC043909

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments.

Statement of consolidated unaudited segment wise revenue, results, assets and liabilities for the quarter and half year ended 30 September 2024 (INR in million)

Sl. No.	Particulars	Consolidated					
		Quarter ended			Half year ended		Year ended
		30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	<b>Segment revenue</b>						
	a) Workforce management	37,472.79	36,218.99	33,152.73	73,691.78	65,358.94	1,34,422.84
	b) Operating asset management	7,680.46	7,325.35	7,054.60	15,005.81	13,953.96	28,007.37
	c) Global technology solutions	6,247.06	6,100.60	5,842.65	12,347.66	11,475.25	23,400.26
	d) Product led business	393.31	386.13	1,433.42	779.44	2,697.35	5,170.86
	<b>Total</b>	<b>51,793.62</b>	<b>50,031.07</b>	<b>47,483.40</b>	<b>1,01,824.69</b>	<b>93,485.50</b>	<b>1,91,001.33</b>
2	<b>Segment results</b>						
	a) Workforce management	916.10	885.03	871.73	1,801.13	1,703.98	3,511.82
	b) Operating asset management	371.69	351.30	351.52	722.99	659.62	1,409.83
	c) Global technology solutions	1,093.03	1,069.94	1,041.17	2,162.97	2,042.92	4,252.98
	d) Product led business	(75.52)	(84.06)	(202.15)	(159.58)	(458.16)	(628.49)
	<b>Total</b>	<b>2,305.30</b>	<b>2,222.21</b>	<b>2,062.27</b>	<b>4,527.51</b>	<b>3,948.36</b>	<b>8,546.14</b>
	Less: (i) Unallocated corporate expenses	349.61	338.10	378.31	687.73	677.24	1,417.62
	Less: (ii) Depreciation and amortisation expense	697.18	689.76	696.59	1,386.95	1,382.28	2,831.95
	Less: (iii) Finance costs	284.15	281.54	329.62	565.69	650.42	1,366.65
	Add: (iv) Other income	43.84	101.50	151.34	145.35	192.06	294.53
	Add: (v) Share of profit/(loss) of equity accounted investees (net of tax)	-	-	(0.47)	-	(0.36)	(0.69)
	<b>Profit before exceptional items and tax</b>	<b>1,018.20</b>	<b>1,014.31</b>	<b>808.62</b>	<b>2,032.49</b>	<b>1,430.12</b>	<b>3,223.76</b>
	Exceptional item loss/(gain)	(3.08)	(171.26)	15.87	(174.34)	15.87	271.59
	<b>Profit before tax</b>	<b>1,021.28</b>	<b>1,185.57</b>	<b>792.75</b>	<b>2,206.83</b>	<b>1,414.25</b>	<b>2,952.17</b>
3	<b>Segment assets</b>						
	a) Workforce management	19,184.27	19,320.79	19,796.64	19,184.27	19,796.64	19,004.98
	b) Operating asset management	14,619.83	13,853.91	14,392.45	14,619.83	14,392.45	13,950.95
	c) Global technology solutions	15,184.37	15,188.56	15,240.84	15,184.37	15,240.84	15,018.86
	d) Product led business	1,606.62	1,686.84	2,555.57	1,606.62	2,555.57	1,588.01
	e) Unallocated	13,543.85	13,191.43	11,952.20	13,543.85	11,952.20	12,987.63
	<b>Total</b>	<b>64,138.94</b>	<b>63,241.53</b>	<b>63,937.70</b>	<b>64,138.94</b>	<b>63,937.70</b>	<b>62,550.43</b>
4	<b>Segment liabilities</b>						
	a) Workforce management	16,217.24	14,819.99	14,770.23	16,217.24	14,770.23	14,269.54
	b) Operating asset management	6,581.45	6,195.07	5,573.86	6,581.45	5,573.86	5,982.45
	c) Global technology solutions	6,923.27	7,038.76	7,402.74	6,923.27	7,402.74	7,310.62
	d) Product led business	1,212.47	1,277.47	2,311.83	1,212.47	2,311.83	1,368.42
	e) Unallocated	2,341.72	3,169.74	5,237.65	2,341.72	5,237.65	3,973.38
	<b>Total</b>	<b>33,276.15</b>	<b>32,501.03</b>	<b>35,296.31</b>	<b>33,276.15</b>	<b>35,296.31</b>	<b>32,904.41</b>

See accompanying notes to the financial results



**Qess Corp Limited**

Registered Office: Qess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103;  
CIN No. L74140KA2007PLC043909

**Consolidated unaudited financial results for the quarter and half year ended 30 September 2024**

**Notes for the quarter and half year ended 30 September 2024:**

- 1 The consolidated financial results of Qess Corp Limited ("the Company") including its subsidiaries (collectively known as the "Group") (as mentioned in Appendix 1 to these notes) for the quarter and half year ended 30 September 2024 have been taken on record by the Board of Directors at its meeting held on 28 October 2024. The statutory auditors have expressed a qualified conclusion on the consolidated financial results for the quarter and half year ended 30 September 2024. These consolidated financial results have been extracted from the interim consolidated financial information.
- 2 The consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The consolidated unaudited financial results and the review report of the Statutory Auditors is being filed with Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") and will be made available on the Company's website [www.qesscorp.com](http://www.qesscorp.com).
- 4 During fiscal year 2020, the Regional PF Commissioner ("RPF") passed an order under Section 7-A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("Act") demanding INR 716.56 million on the grounds that it failed to remit Provident Fund ("PF") on wages for its employees for the period from April 2018 to March 2019 for certain components of salary. The Company filed an appeal before the Central Government Industrial Tribunal ("CGIT") under section 7-I of the Act challenging the Employees' Provident Fund Organisation's ("EPFO") order along with the application under Section 7-O of the Act seeking a waiver from pre-deposit of the alleged Provident Fund Contributions till the final disposal of the Appeal. The CGIT after hearing the submissions made by the parties passed an Order allowing complete waiver from any pre-deposit and also staying the operation of the EPFO order. The matter has been adjourned to 10 December 2024. The Company has taken external independent legal advice as per which the EPFO's order is prima facie erroneous and unsustainable in law and therefore will not be sustained on ultimate resolution.

**5 Income Tax matters:**

During the previous quarters, the Company received assessment orders for fiscal 2018, 2019 and 2020; and draft assessment order for fiscal 2021 in which primarily deduction under section 80JJAA of the Income Tax Act ('IT Act') and depreciation on goodwill has been disallowed.

The Income Tax department disallowed the claim under section 80JJAA of the IT Act on the grounds of non-existence of employer – employee relationship in respect of associate employees of the Company. Additionally, the Income Tax Department also disputed the interpretations adopted by the Company for computing the deduction under section 80JJAA by disallowing claims for:

- additional employees whose emoluments exceed Rs.25,000 in a month but the average emoluments for these additional employees does not exceed Rs.25,000 in a month during the service period;
- additional employees who have served more than 240 days in a year but are not an employee on March 31 of the respective financial year for which the claim is availed; and
- employees for whom which the employer's contribution of provident fund for any part of the year is paid by the Government under Employee Pension Scheme (EPS) but the entire employer's contribution is not reimbursed by the Government during the year.

The Company filed an appeal with the Income Tax Appellate Tribunal against the assessment orders for fiscal 2018, 2019 and 2020 and believes that the tax treatment availed by the Company for deductions under 80JJAA and depreciation on goodwill are valid and will be sustained on ultimate resolution supported by external opinions from legal counsel and other tax experts. Additionally, the Company filed similar objections against the draft assessment order for fiscal 2021 with the Dispute Resolution Panel.

During the quarter, the Dispute resolution Panel rejected the objections filed by the Company for fiscal 2021 on similar lines of fiscal 2018, 2019 and 2020. The assessment order for fiscal 2021 was received subsequently on 28 October 2024. The Company will file an appeal before the Income Tax Appellate Tribunal.

In January 2024, National Financial Reporting Authority ('NFRA'), in an Order relating to certification for fiscal 2019 to 2021 by an external Chartered Accountant pertaining to claims under 80JJAA made by the Company, has made certain observations on the applicability of certain conditions in the Income Tax Act and related reports submitted to the Income Tax Authority in respect of these deductions. This order was subsequently stayed by the Hon'ble Delhi High Court. As specified above, the Company continues to believe that its claim under 80JJAA is valid and intends to vigorously contest its position and interpretative stance of these sections on merits and based on external third-party assessments of the claim made, believes that the deduction under 80JJAA will be sustained upon ultimate resolution by the Income Tax Authority.

Pending resolution of these Income Tax disputes, the Group has disclosed a contingent liability of INR 1,631.07 million towards demands including interest in the order for these fiscal years.

The Company continues to maintain its stand on the manner of claiming the 80JJAA deduction and accordingly 80JJAA-deduction (reduced from taxable income) of INR 1,079.34 million is claimed for the quarter and INR 2,015.94 million for half year ended 30 September 2024 (year ended 31 March 2024: INR 4,161.85 million) by the Company and its one subsidiary. The Company believes that such deduction, including its quantum, has been validly and consistently claimed, in conformity with its interpretation of the statute.



**6 Exceptional items:**

i) During the quarter and half year ended 30 September 2024, the Company incurred certain transaction costs amounting to INR 3.02 million and INR 2.56 respectively towards scheme of demerger as explained in below note which is disclosed under exceptional items.

ii) During the half year ended 30 September 2024, Alldigi Tech Limited (Alldigi), a subsidiary of the Company, completed sale of its Labour Law Compliance (LLC) division forming part of Global Technology Solutions segment for a consideration of INR 221.1 million resulting in a gain of INR 170.80 million presented as exceptional item.

iii) During the quarter, Alldigi has transferred few of its customer contracts pertaining to payroll compliance business to the buyer of LLC division, pursuant to the request of those customers in order to avail all their statutory compliance services from one service provider and recorded a gain of INR 6.1 million, which is presented under exceptional item for the quarter and six months ended 30 September 2024.

7 During the year ended 31 March 2024, the Board of Directors of the Company, approved the Composite Scheme of Arrangement amongst the Company, Digitide Solutions Limited (“Resulting Company 1 or Digitide”) and Bluspring Enterprises Limited (“Resulting Company 2 or Bluspring”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (“Scheme”).

The Scheme provides for the following:

(a) the demerger of the Company’s undertakings (Divisions and investments) engaged in Business Process Management (BPM) solutions, Insurtech and Human Resource Outsourcing (HRO) business into Digitide and in consideration, Digitide will issue new equity shares to all the equity shareholders of the Company in accordance with the Share Entitlement Ratio of one new equity share of Digitide to one equity share of the Company.

(b) the demerger of the Company’s undertakings (Divisions and investments) engaged in Facility Management, Industrial Services and Product led businesses into Bluspring and in consideration, Bluspring will issue new equity shares to all the equity shareholders of the Company in accordance with the Share Entitlement Ratio of one new equity share of Bluspring to one equity share of the Company.

The Scheme is subject to receipt of requisite approvals from National Company Law Tribunal, Bengaluru Bench (“Tribunal”) and other statutory and regulatory authorities, and approval of the requisite majority of the shareholders and creditors of the Companies, under applicable law.

8 During the Quarter, the Company has changed its accounting policy for presentation of net interest cost on defined benefit obligation from employee benefits expense to finance cost as this results in providing reliable and more relevant information about the financial performance of the Company. Pursuant to change in the accounting policy, the Company has reclassified the prior period figures. The impact on employee benefits expense and finance cost for the periods presented is as under:

Particulars	<i>(INR in millions)</i>					
	Quarter ended			Half year ended		Year ended
	30 September 2024	30-Jun-24	30 September 2023	30 September 2024	30 September 2023	31 March 2024
Decrease in Employee benefits expense	(65)	(46)	(48)	(112)	(97)	(193)
Increase in Finance cost	65	46	48	112	97	193
Net impact on consolidated financial results	-	-	-	-	-	-

for and on behalf of Board of Directors of  
**Qess Corp Limited**

  
**Guruprasad Srinivasan**

Executive Director (Whole time director) and Group Chief Executive Officer  
DIN: 07596207  
Place: Bengaluru  
Date: 28 October 2024



**Appendix - 1**

Nature	S. No. Entity name
<b>Subsidiary/Step-subsiary:</b>	<p>1 Brainhunter Systems Ltd.</p> <p>2 Mindwire Systems Limited</p> <p>3 MFX Infotech Private Limited (Merged with Quess Corp Ltd w.e.f. 1 December 2023)</p> <p>4 Quess (Philippines) Corp.</p> <p>5 Quess Corp (USA) Inc.</p> <p>6 Quess Corp Holdings Pte. Ltd.</p> <p>7 Quessglobal (Malaysia) Sdn. Bhd.</p> <p>8 MFXchange Holdings, Inc.</p> <p>9 MFXchange US, Inc.</p> <p>10 Quess Corp Lanka (Private) Limited</p> <p>11 Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte. Limited)</p> <p>12 Quess East Bengal FC Private Limited</p> <p>13 Excelus Learning Solutions Private Limited</p> <p>14 Conneqt Business Solutions Limited (Merged with Quess Corp Ltd w.e.f. 1 December 2023)</p> <p>15 Vedang Cellular Services Private Limited</p> <p>16 Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)</p> <p>17 Quess Selection &amp; Services Pte Ltd (formerly known as Comtelpro Pte. Ltd.)</p> <p>18 Quess Malaysia Digital Sdn Bhd (formerly known as Comtelink Sdn. Bhd.)</p> <p>19 Monster.com.SG PTE Limited</p> <p>20 Monster.com.HK Limited</p> <p>21 Agensi Pekerjaan Monster Malaysia Sdn. Bhd (formerly known as Monster Malaysia Sdn Bhd)</p> <p>22 Monster.com (India) Private Limited</p> <p>23 Quess Corp Vietnam LLC</p> <p>24 Qdigi Services Limited (till 31 March 2024)</p> <p>25 Greenpiece Landscapes India Private Limited (Merged with Quess Corp Ltd w.e.f. 1 December 2023)</p> <p>26 Quesscorp Management Consultancies (formerly known as StyraCorp Management Services)</p> <p>27 Quesscorp Manpower Supply Services LLC [formerly known as S M S Manpower Supply Services (LLC)]</p> <p>28 Alldigi Tech Limited (formerly known as Allsec Technologies Limited)</p> <p>29 Alldigi Tech Inc.,USA (formerly known as Allsectech Inc., USA)</p> <p>30 Allsectech Manila Inc., Philippines</p> <p>31 Quess Services Limited (till 20 March 2024)</p> <p>32 Trimax Smart Infraprojects Private Limited</p> <p>33 Terrier Security Services (India) Private Limited</p> <p>34 Heptagon Technologies Private Limited</p> <p>35 Billion Careers Private Limited</p> <p>36 Quess Corp NA LLC (w.e.f 17 May 2022)</p> <p>37 Stellarslog Technovation Private Limited (w.e.f 7 April 2022)</p> <p>38 Quess Recruit, Inc. (w.e.f 1 January 2024)</p> <p>39 Agency Pekerjaan Quess Recruit Sdn. Bhd. (w.e.f 1 July 2023)</p> <p>40 Quess GTS Canada Holdings Inc. (w.e.f 5 October 2023)</p> <p>41 Digitide Solutions Limited (w.e.f 10 February 2024)</p> <p>42 Bluspring Enterprises Limited (w.e.f 11 February 2024)</p>
<b>Associate:</b>	<p>1 Quess Recruit, Inc. (till 31 December 2023)</p> <p>2 Agency Pekerjaan Quess Recruit Sdn. Bhd. (till 30 June 2023)</p>
<b>Joint venture:</b>	<p>1 Himmer Industrial Services (M) Sdn. Bhd. (till 4 March 2024)</p>



## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF QUESS CORP LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **QUESS CORP LIMITED** ("the Company"), for the quarter and half year ended 30 September 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### 4. **Basis for Qualified Conclusion**

As stated in note 7 to the Statement, certain tax deductions claimed by the Company and recognised in computation of income tax expense in the current and preceding periods have been disallowed by the Income Tax Authority. The disallowance has been challenged by the Company in a judicial forum. The Company, supported by external opinions from legal counsel and other tax experts, has assessed the basis of the disallowances and concluded that it is probable that these deductions will be accepted upon ultimate resolution.

In January 2024, as described in note 7 to the Statement, another regulatory authority has made certain observations (referred to as "new information") on the applicability of certain conditions in the Income Tax Act and related reports submitted to the Income Tax Authority in respect of these deductions. The Company has taken into consideration this new information and continues to believe that it is probable that these deductions upon ultimate resolution will be accepted by the Income Tax Authority.

As a result of the uncertainty in respect of the outcome in the aforesaid matter, pending ultimate resolution and acceptance by the Income Tax Authority, we are unable to comment whether any adjustments are necessary.

This matter was also qualified in our report on the financial results for the quarter ended 30 June 2024 and for the year ended 31 March 2024.

**5. Qualified Conclusion**

Based on our review conducted as stated in paragraph 3 above, except for the possible effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**6. Emphasis of Matter**

We draw attention to note 6 of the Statement, regarding the demands received by the Company in respect of provident fund and contingency related to the pending litigation on the said matter.

Our conclusion on the Statement is not modified in respect of this matter.

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



**Gurvinder Singh**  
Partner  
Membership No. 110128  
UDIN: 24110128BKBGZY7890

Place: Bengaluru  
Date: 28 October 2024

**Quess Corp Limited**

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

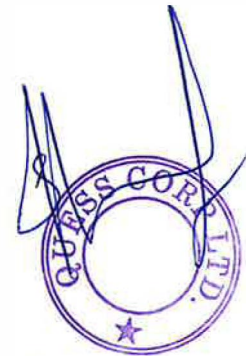
Part 1: Statement of standalone unaudited financial results for the quarter and half year ended 30 September 2024

*(INR in millions except per share data)*

Sl. No	Particulars	Standalone					
		Quarter ended			Half year ended		Year ended
		30 September 2024	30 June 2024	30 September 2023*	30 September 2024	30 September 2023*	31 March 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	<b>Income</b>						
	a) Revenue from operations	43,819.06	42,119.37	38,508.46	85,938.41	75,703.24	1,55,711.84
	b) Other income	870.01	363.40	440.63	1,233.45	590.93	1,611.69
	<b>Total income (a + b)</b>	<b>44,689.07</b>	<b>42,482.77</b>	<b>38,949.09</b>	<b>87,171.86</b>	<b>76,294.17</b>	<b>1,57,323.53</b>
2	<b>Expenses</b>						
	a) Cost of material and stores and spare parts consumed	502.61	450.61	520.38	953.23	939.57	1,877.91
	b) Employee benefits expense (refer note 10)	39,437.43	38,027.27	34,131.85	77,464.70	67,284.91	1,38,846.69
	c) Finance costs (refer note 10)	223.27	236.44	280.29	459.70	551.58	1,078.53
	d) Depreciation and amortisation expense	479.68	478.26	466.10	957.94	924.60	1,852.32
	e) Other expenses	2,575.48	2,407.69	2,681.44	4,983.14	5,080.88	9,999.99
	<b>Total expenses (a + b + c + d + e)</b>	<b>43,218.47</b>	<b>41,600.27</b>	<b>38,080.06</b>	<b>84,818.71</b>	<b>74,781.54</b>	<b>1,53,655.44</b>
3	<b>Profit before exceptional items and tax (1 - 2)</b>	<b>1,470.60</b>	<b>882.50</b>	<b>869.03</b>	<b>2,353.15</b>	<b>1,512.63</b>	<b>3,668.09</b>
4	Exceptional items loss, net (refer note 8)	3.49	95.23	143.04	98.73	111.21	506.24
5	<b>Profit before tax (3 - 4)</b>	<b>1,467.11</b>	<b>787.27</b>	<b>725.99</b>	<b>2,254.42</b>	<b>1,401.42</b>	<b>3,161.85</b>
6	<b>Tax (credit)/expense</b>						
	Current tax	-	-	73.39	-	152.89	53.41
	Income tax relating to previous year	-	(7.19)	-	(7.19)	-	-
	Deferred tax	(48.83)	(61.02)	(118.30)	(109.85)	(127.11)	(320.77)
	<b>Total tax (credit)/expense</b>	<b>(48.83)</b>	<b>(68.21)</b>	<b>(44.91)</b>	<b>(117.04)</b>	<b>25.78</b>	<b>(267.36)</b>
7	<b>Profit for the period (5 - 6)</b>	<b>1,515.94</b>	<b>855.48</b>	<b>770.90</b>	<b>2,371.46</b>	<b>1,375.64</b>	<b>3,429.21</b>
8	<b>Other comprehensive income</b>						
	<i>Items that will not be reclassified subsequently to profit or loss</i>						
	Remeasurement of defined benefit plans	(98.55)	28.75	(106.82)	(69.80)	(190.02)	(284.90)
	Income tax expense/(credit) relating to items that will not be reclassified to profit or loss	24.80	(7.24)	26.88	17.57	47.82	72.21
	<b>Other comprehensive income/(loss) for the period, net of taxes</b>	<b>(73.75)</b>	<b>21.51</b>	<b>(79.94)</b>	<b>(52.23)</b>	<b>(142.20)</b>	<b>(212.69)</b>
9	<b>Total comprehensive income for the period (7 + 8)</b>	<b>1,442.19</b>	<b>876.99</b>	<b>690.96</b>	<b>2,319.23</b>	<b>1,233.44</b>	<b>3,216.52</b>
10	Paid-up equity share capital (Face value of INR 10.00 per share)	1,486.26	1,485.10	1,484.20	1,486.26	1,484.20	1,485.10
11	Reserves i.e. Other equity						25,404.59
12	Earnings per equity share	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (in INR)	10.09	5.76	5.19	15.96	9.27	23.11
	(b) Diluted (in INR)	10.02	5.72	5.16	15.85	9.22	22.97

See accompanying notes to the financial results

\*retrospectively restated to give effect to matters stated in note 5



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

Standalone Balance Sheet as at 30 September 2024

(INR in millions)

Particulars		As at	As at
		30 September 2024	31 March 2024
		(Unaudited)	(Audited)
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	Property, plant and equipment	1,455.63	1,500.35
	Right-of-use assets	3,160.68	3,394.96
	Capital work in progress	1.41	0.45
	Goodwill	3,427.45	3,427.45
	Other intangible assets	444.39	586.49
	Intangible assets under development	30.78	20.59
	<b>Financial assets</b>		
	Investments	10,130.19	10,243.19
	Loans	716.43	560.18
	Other financial assets	970.57	1,504.65
	Deferred tax assets (net)	1,169.66	1,042.25
	Income tax assets (net)	4,385.83	4,435.20
	Other non-current assets	496.66	531.53
	<b>Total non-current assets</b>	<b>26,389.68</b>	<b>27,247.29</b>
2	<b>Current assets</b>		
	Inventories	56.48	63.22
	<b>Financial assets</b>		
	Trade receivables		
	Billed	12,955.14	11,542.17
	Unbilled	11,154.55	10,166.72
	Cash and cash equivalents	2,834.68	2,823.04
	Bank balances other than cash and cash equivalents above	342.78	179.12
	Loans	4.07	3.33
	Other financial assets	431.01	316.33
	Other current assets	849.11	1,032.40
	<b>Total current assets</b>	<b>28,627.82</b>	<b>26,126.33</b>
	<b>Total Assets</b>	<b>55,017.50</b>	<b>53,373.62</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	Equity share capital	1,486.26	1,485.10
	Other equity	26,884.57	25,404.59
	<b>Total Equity</b>	<b>28,370.83</b>	<b>26,889.69</b>
2	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	<b>Financial liabilities</b>		
	Borrowings	14.06	17.58
	Lease liabilities	2,454.50	2,631.68
	Non-current provisions	3,102.43	2,897.63
	<b>Total non-current liabilities</b>	<b>5,570.99</b>	<b>5,546.89</b>
3	<b>Current liabilities</b>		
	<b>Financial liabilities</b>		
	Borrowings	1,670.48	3,062.64
	Lease liabilities	1,073.87	1,109.09
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	167.95	134.80
	Total outstanding dues of creditors other than micro enterprises and small enterprises	395.34	528.70
	Other financial liabilities	13,001.19	11,561.93
	Income tax liabilities	51.55	19.89
	Current provisions	237.22	228.48
	Other current liabilities	4,478.08	4,291.51
	<b>Total current liabilities</b>	<b>21,075.68</b>	<b>20,937.04</b>
	<b>Total Liabilities</b>	<b>26,646.67</b>	<b>26,483.93</b>
	<b>Total Equity and Liabilities</b>	<b>55,017.50</b>	<b>53,373.62</b>

See accompanying notes to the financial results



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

Standalone statement of cash flows for half year ended 30 September 2024

(INR in millions)

Particulars	For the half year ended	
	30 September 2024	30 September 2023*
	(Unaudited)	(Unaudited)
<b>Cash flows from operating activities</b>		
Profit after tax	2,371.46	1,375.64
<b>Adjustments to reconcile net profit to net cash provided by operating activities:</b>		
Tax expense / (credit)	(117.04)	25.78
Interest on tax refunds	(62.97)	(75.17)
Interest on term deposits	(27.35)	(25.72)
Loss/(Profit) on sale of property, plant and equipment, net	(0.95)	6.41
Dividend income on investment in subsidiaries	(1,015.82)	(406.32)
Employee stock option cost	52.61	33.37
Loss/(Profit) on sale of investment	(0.62)	-
Interest on loans given to related parties	(22.21)	(32.37)
Finance costs	459.70	551.58
Depreciation and amortisation	957.94	924.60
Amortised cost adjustments for financial instruments,	(20.72)	(5.15)
Exceptional items loss [refer note 8 ]		
- Impairment/ (reversal) of impairment on investment, loan and advances of subsidiaries	96.17	111.21
Foreign exchange gain	(0.91)	(2.62)
Provision for bad and doubtful debts, net	44.00	364.39
Bad debts written off	330.11	9.17
<b>Operating cash flows before working capital changes</b>	<b>3,043.40</b>	<b>2,854.80</b>
<b>Changes in operating assets and liabilities</b>		
Changes in inventories	6.74	5.46
Changes in trade receivables and unbilled revenue	(2,774.91)	(2,566.01)
Changes in loans, other financial assets and other assets	180.47	(298.15)
Changes in trade payables	(100.21)	110.64
Changes in other financial liabilities, other liabilities and provisions	2,126.23	1,985.88
<b>Cash generated from operations</b>	<b>2,481.72</b>	<b>2,092.62</b>
Income taxes (paid) / refund received, net	228.37	(130.28)
<b>Net cash flows from operating activities (A)</b>	<b>2,710.09</b>	<b>1,962.34</b>
<b>Cash flows from investing activities</b>		
Expenditure on property, plant and equipment and intangibles	(139.80)	(260.99)
Proceeds from sale of property, plant and equipment and intangibles	1.91	34.26
Investment in debentures in subsidiaries	-	(274.96)
Proceeds from redemption of debentures in subsidiaries	23.00	-
Dividend received (net of tax deducted at source)	938.64	406.32
Placement of bank deposits	(199.43)	(27.01)
Redemption of bank deposits	23.52	231.57
Loans and advances given to related parties	(124.05)	(770.89)
Repayment of loans and advances by related parties	11.18	851.36
Interest received on term deposits	18.74	23.86
Others	(3.00)	-
<b>Net cash from investing activities (B)</b>	<b>550.71</b>	<b>213.52</b>
<b>Cash flows from financing activities</b>		
Payment of stamp duty in relation to merger and issue of shares in earlier year	-	(124.64)
Shares issued on exercise of employee stock options	1.07	1.90
Proceeds from working capital loan	46,588.44	3,321.63
Repayments of working capital loan	(48,610.35)	(3,541.26)
Proceeds/(repayments) from short term borrowings	630.38	(299.51)
Payment of term loan	(4.16)	-
Proceeds from term loan	-	11.40
Repayment of lease liabilities	(779.82)	(735.90)
Interest paid	(182.97)	(279.21)
Dividend paid	(891.75)	-
<b>Net cash used in financing activities (C)</b>	<b>(3,249.16)</b>	<b>(1,645.59)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>11.64</b>	<b>530.27</b>
Cash and cash equivalents at the beginning of the year	2,823.04	1,771.26
<b>Cash and cash equivalents at the end of the year</b>	<b>2,834.68</b>	<b>2,301.53</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	4.85	4.20
Balances with banks		
In current accounts	2,824.24	2,251.72
In EEFC account	5.59	33.18
In deposit accounts (with original maturity of less than 3 months)	-	12.43
<b>Cash and cash equivalents as per standalone balance sheet</b>	<b>2,834.68</b>	<b>2,301.53</b>

\*retrospectively restated to give effect to matter stated in note 5  
See accompanying notes to the financial results



## Qess Corp Limited

### Standalone unaudited financial results for the quarter and half year ended 30 September 2024

#### Notes relating to current quarter and half year ended 30 September 2024:

- 1 The standalone financial results of Qess Corp Limited ("the Company") for the quarter and half year ended 30 September 2024 have been approved by the Board of Directors at its meeting held on 28 October 2024. The statutory auditors have expressed a qualified conclusion on the financial results for the quarter and half year ended 30 September 2024. These standalone financial results have been extracted from the interim standalone financial information.
- 2 Pursuant to the provisions of the Listing Agreement, the Management has decided to publish consolidated unaudited financial results in the newspapers. The standalone unaudited financial results and the review report of the statutory auditors is being filed with Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") and will be made available on the Company website [www.qesscorp.com](http://www.qesscorp.com).
- 3 The standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 4 In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated unaudited financial results of the Company and therefore no separate disclosure on segment information is given in these standalone unaudited financial results.
- 5 The Board of Directors of the Company, at its meeting held on 7 July 2021 approved the Scheme of Amalgamation ("Scheme AAA") among Qess Corp Limited ("Transferee Company) with three of its wholly owned subsidiaries namely MFx Infotech Private Limited and Greenpiece Landscape India Private Limited and Conneqt Business Solutions Limited together known as ("Transferor Companies"). The Hon'ble National Company Law Tribunal, Bengaluru Special Bench pronounced the order on 30 October 2023, approving the aforesaid Scheme AAA from the appointed date of 1 April 2021. The certified true copy of the order was filed with the Registrar of Companies on 30 November 2023.

The Company accounted for the amalgamation by applying the common control guidance in Appendix C to Ind AS 103 - Business Combinations. Consequently, standalone results are restated for the quarter and half year ended 30 September 2023 to give effect to the amalgamation.

- 6 During fiscal year 2020, the Regional PF Commissioner ("RPFC") passed an order under Section 7-A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("Act") demanding INR 716.56 million on the grounds that it failed to remit Provident Fund ("PF") on wages for its employees for the period from April 2018 to March 2019 for certain components of salary. The Company filed an appeal before the Central Government Industrial Tribunal ("CGIT") under section 7-I of the Act challenging the Employees' Provident Fund Organisation's ("EPFO") order along with the application under Section 7-O of the Act seeking a waiver from pre-deposit of the alleged Provident fund Contributions till the final disposal of the Appeal. The CGIT after hearing the submissions made by the parties passed an Order allowing complete waiver from any pre-deposit and also staying the operation of the EPFO order. The matter has been adjourned to 10 December 2024. The Company has taken external independent legal advice as per which the EPFO's order is prima facie erroneous and unsustainable in law and therefore will not be sustained on ultimate resolution.

#### 7 Income Tax matters:

During the prior quarters, the Company received assessment orders for fiscal 2018, 2019 and 2020 and draft assessment order for fiscal 2021 in which primarily deduction under section 80JJAA of the Income Tax Act ('IT Act') and depreciation on goodwill has been disallowed.

The Income Tax department disallowed the claim under section 80JJAA of the IT Act on the grounds of non-existence of employer – employee relationship in respect of associate employees of the Company. Additionally, the Income Tax Department also disputed the interpretations adopted by the Company for computing the deduction under section 80JJAA by disallowing claims for:

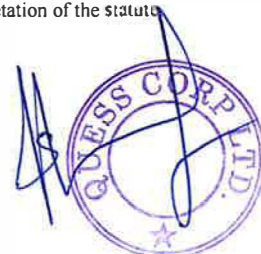
- additional employees whose emoluments exceed Rs.25,000 in a month but the average emoluments for these additional employees does not exceed Rs.25,000 in a month during the service period;
- additional employees who have served more than 240 days in a year but are not an employee on March 31 of the respective financial year for which the claim is availed; and
- employees for whom which the employer's contribution of provident fund for any part of the year is paid by the Government under Employee Pension Scheme (EPS) but the entire employees contribution is not reimbursed by the Government during the year.

The Company filed an appeal with the Income Tax Appellate Tribunal against the assessment orders for fiscal 2018, 2019 and 2020 and believes that the tax treatment availed by the Company for deductions under 80JJAA and depreciation on goodwill are valid and will be sustained on ultimate resolution supported by external opinions from legal counsel and other tax experts. Additionally, the Company filed similar objections against the draft assessment order for fiscal 2021 with the Dispute Resolution Panel.

During the quarter, the Dispute resolution Panel rejected the objections filed by the Company for fiscal 2021 on similar lines of fiscal 2018, 2019 and 2020. The assessment order for fiscal 2021 was received subsequently on 28 October 2024. The Company will file an appeal before the Income Tax Appellate Tribunal.

In January 2024, National Financial Reporting Authority ('NFRA'), in an Order relating to certification for fiscal 2019 to 2021 by an external Chartered Accountant pertaining to claims under 80JJAA made by the Company, has made certain observations on the applicability of certain conditions in the Income Tax Act and related reports submitted to the Income Tax Authority in respect of these deductions. This order was subsequently stayed by the Hon'ble Delhi High Court. As specified above, the Company continues to believe that its claim under 80JJAA is valid and intends to vigorously contest its position and interpretative stance of these sections on merits and based on external third-party assessments of the claim made, believes that the deduction under 80JJAA will be sustained upon ultimate resolution by the Income Tax Authority.

Pending resolution of these Income Tax disputes, the Company has disclosed a contingent liability of INR 1,513.94 million towards demands including interest in the order for these fiscal years. The Company continues to maintain its stand on the manner of claiming the 80JJAA deduction and accordingly 80JJAA deduction (reduced from taxable income) of INR 1,071.14 million is claimed for the quarter and INR 1,967.34 for half year ended 30 September 2024 (year ended 31 March 2024: INR 4,025.76 million). The Company believes that such deduction, including its quantum, has been validly and consistently claimed, in conformity with its interpretation of the statute.



## 8 Exceptional items:

- i) During the quarter and half year ended 30 September 2024, the Company assessed the recoverable value of loan (including interest receivable) for its subsidiaries and other assets, and recognised an impairment loss of INR 0.43 million and INR 5.66 million respectively which is disclosed under exceptional item.
- ii) During the quarter and half year ended 30 September 2024, the Company incurred certain transaction costs totalling to INR 3.06 million towards scheme of demerger as explained in below note which is disclosed under exceptional items.
- iii) Pursuant to internal restructuring, business contracts of a subsidiary of the Company, are being transferred to one of the division of the Company. Therefore, the Company recorded an impairment relating to investment of INR 90 million during the half year ended 30 September 2024.

- 9 During the year ended 31 March 2024, the Board of Directors of the Company ("Quess"), approved the Composite Scheme of Arrangement amongst the Company, Digitide Solutions Limited ("Resulting Company 1 or Digitide") and Bluspring Enterprises Limited ("Resulting Company 2 or Bluspring") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder ("Scheme").

The Scheme provides for the following:

(a) the demerger of the Company's undertakings (Divisions and investments) engaged in Business Process Management (BPM) solutions, Insurtech and Human Resource Outsourcing (HRO) business into Digitide and in consideration, Digitide will issue new equity shares to all the equity shareholders of the Company in accordance with the Share Entitlement Ratio of one new equity share of Digitide to one equity share of the Company.

(b) the demerger of the Company's undertakings (Divisions and investments) engaged in Facility Management, Industrial Services and Product led businesses into Bluspring and in consideration, Bluspring will issue new equity shares to all the equity shareholders of the Company in accordance with the Share Entitlement Ratio of one new equity share of Bluspring to one equity share of the Company.


The Scheme is subject to receipt of requisite approvals from National Company Law Tribunal, Bengaluru Bench ("Tribunal") and other statutory and regulatory authorities, and approval of the requisite majority of the shareholders and creditors of the Companies, under applicable law.

- 10 During the quarter, the Company has changed its accounting policy for presentation of net interest cost on defined benefit obligation from employee benefits expense to finance cost as this results in providing reliable and more relevant information about the financial performance of the Company. Pursuant to change in the accounting policy, the Company has reclassified the prior period figures. The impact on employee benefits expense and finance cost for the periods presented is as under:

*(INR in millions)*

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
Decrease in Employee benefits expense	54	46	41	101	82	167
Increase in Finance cost	(54)	(46)	(41)	(101)	(82)	(167)
Net impact on standalone financial results	-	-	-	-	-	-

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

  
**Guruprasad Srinivasan**  
Executive Director (Whole-time director) and Group Chief Executive Officer  
DIN: 07596207  
Place: Bengaluru  
Date: 28 October 2024

