

## Print Coverage

**'Quess Corp Limited – Approval of IPO'**

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# Quess Who's Hitting Primary Market to Raise ₹500 crore?

Chairman and CEO Ajit Isaac says there will be no stake sale by any of the existing investors

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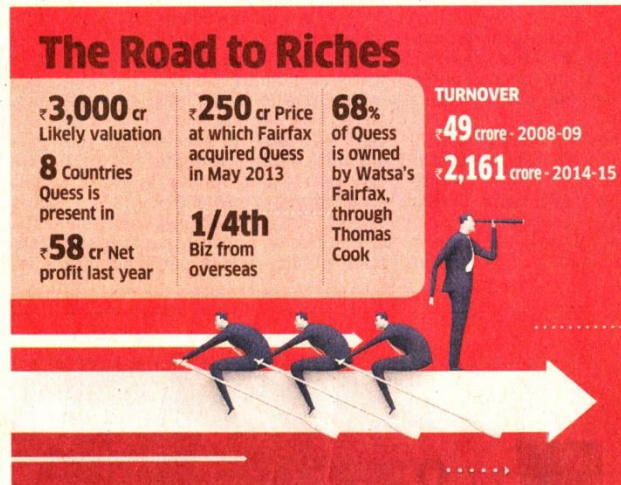
**Bengaluru:** Business services group Quess is expected to tap the primary market by April 2015 to raise ₹400 crore-₹500 crore after Canadian billionaire Prem Watsa, whose Fairfax Holdings controls the company, gave the green signal for a share sale.

The firm is currently working on the valuation metrics. Industry sources say it could be seeking a valuation upwards of ₹3,000 crore.

Quess Chairman & CEO Ajit Isaac, 48, confirmed that the company board has cleared the IPO plan.

He added that there will be no stake sale by any of the existing investors. The IPO proceeds will be used to grow the business.

Quess, which used to be known as IKYA Global, was aiming to be the first firm in the HR space to go for an IPO, but delays in decision-making by the promoters slowed the pace. Rival Teamlease, meanwhile, has moved ahead and received approval from the Securities and Exchange Board of India to raise ₹450-500 crore. Quess is expected to file its draft red-herring prospectus in about



two weeks and the firm has roped in Axis Bank to lead manage the issue, assisted by ICICI Securities, IIFL and YES Bank.

Present in eight countries including the US, Canada and Malaysia, the Bengaluru-headquartered firm counts IBM, Amazon India and Samsung among its customers, and

reported a net profit of ₹58 crore last year. A fourth of its revenue comes from its overseas business.

Watsa's Fairfax, through Thomas Cook, owns 68% stake in Quess on a fully-diluted basis. Fairfax acquired Quess in May 2013 for about ₹250 crore. Even at the lower end of the valuation band, the Canadian bil-

**NOT THE FIRST**  
Teamlease has already received approval from Sebi to raise ₹450-500 crore

lionaire would be staring at an eight-fold return on his investment in three years.

Those who have watched Watsa's style of doing business say he is known for fully backing professions running his group firms, and attracting long-term investors.

Quess has diversified into areas such as industrial asset management, managed services and IT product development.

The company, founded in 2007, has made at least one acquisition every year, and widened its geographical footprint to become a multinational company with a manpower of 1.2 lakh staff.

The company's turnover has risen from ₹49 crore in 2008-09 to ₹2,161 crore in 2014-15.

Post IPO, Thomas Cook will own less than 60% of Quess, and Isaac and his associates about 25%.