

April 17, 2019

**The General Manager – Listing Dept.**

Department of Corporate Services,  
BSE Limited,  
Floor 25, PJ Towers, Dalal Street,  
Mumbai-400001.

**The Vice President - Listing Dept.**

National Stock Exchange of India Limited,  
"Exchange Plaza",  
Bandra-Kurla Complex, Bandra (E),  
Mumbai-400051

Scrip Code: 539978

Scrip Symbol: QUESS

Dear Sir / Madam,

**Sub: Acquisition of shares of Allsec Technologies Limited ("Allsec") by Connect Business Solutions Limited (the "Acquirer") along with Quess Corp Limited ("Quess/we") (which is a person acting in concert with the Acquirer).**

**Ref: Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.**

We wish to inform that the Acquirer has today signed definitive agreements to acquire upto 9,349,095 equity shares of Allsec (the "**Equity Shares**"), representing 61.35% of the total share capital of Allsec (the "**Underlying Transaction**"). Pursuant to the Underlying Transaction, the Acquirer is required to make an open offer to acquire upto 3,961,965 Equity Shares, representing 26% of the total share capital of Allsec (the "**Open Offer**"). Quess is a person acting in concert with the Acquirer for the purpose of Open Offer in terms of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The Acquirer is a subsidiary of Quess.

As required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/CMD/ 4/2015, dated September 9, 2015, we submit the details of the aforesaid acquisition in the SEBI prescribed format in the enclosed Annexure.

We request you to take the above on record.

Thanking you,

Yours faithfully,

**For Quess Corp Limited**



**Kundan K Lal**  
**Company Secretary & Compliance Officer**



Encl: As above.

**Annexure**

Information required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015, dated September 09, 2015

Sl. No	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.;	<p><b>Name:</b> Allsec Technologies Limited.</p> <p><b>Business:</b> Allsec is presently engaged in the business of providing, inter alia, Customer Lifecycle Management, Human Resource Outsourcing, and Anti-Money Laundering Services.</p> <p><b>Size &amp; Turnover:</b> Allsec has a workforce of around ~ 3,500 professionals across delivery centers in India, Philippines and the US. It reported a revenue of Rs. 324.96 crores in FY18.</p>
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length";	<p>The proposed acquisition does not fall within related party transaction(s). While the promoter/promoter group/group companies of Quess do not have any interest in Allsec, Allsec and Quess have entered into the following agreements:</p> <ol style="list-style-type: none"> <li>1. service agreement dated September 18, 2018 executed between Allsec and Quess in relation to deputation of skilled and semi-skilled employees of Quess to Allsec; and</li> <li>2. agreement for business process outsourcing services dated April 1, 2015 executed between Allsec and Quess in relation to, <i>inter-alia</i>, Quess engaging the services of Allsec for outsourcing its payroll.</li> </ol> <p>Each of the above agreements have been entered into on an "arms length" basis.</p>
3.	Industry to which the entity being acquired belongs;	Business Process Management.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	<ul style="list-style-type: none"> <li>The Acquirer has been largely a domestic and voice dominated BPO business. It has been looking to diversify its client base in terms of both non-voice practice revenue lines and higher margin dollar denominated international client base. The proposed transaction provides such opportunity for the Acquirer's business. Allsec's Customer Life Cycle Management (CLM) international operations are approximately split as 52% voice and 48% non-voice.</li> </ul>

Quess Corp Limited

Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru-560103, Karnataka, India  
Tel: +91 80 6105 6001 | connect@quesscorp.com | CIN No.L74140KA2007PLC043909

www.quesscorp.com





Sl.No.	Particulars	Details
		<ul style="list-style-type: none"> <li>➤ the Acquirer will get a strong established Human Resources Outsourcing (HRO) practice serving marquee clients and sizeable international CLM operations in the US in IT and Retail sector;</li> <li>➤ the Acquirer will be able to leverage existing delivery centres present in Philippines and the US; and</li> <li>➤ the consolidated entity will be accretive in terms of margins and cash flow conversion.</li> </ul>
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	N.A.
6.	Indicative time period for completion of the acquisition;	On or before August 31, 2019.
7.	Nature of consideration – whether cash consideration or share swap and details of the same;	<ul style="list-style-type: none"> <li>• Cash consideration.</li> <li>• The total net cash outflow is expected to be between INR 271 Cr to INR 398 Cr (depending upon the subscription in the open offer and the shares purchased pursuant to Underlying Transaction).</li> </ul>
8.	Cost of acquisition or the price at which the shares are acquired;	<ul style="list-style-type: none"> <li>• Of the current shareholding of Mr. Ramamoorthy Jagadish and Mr. Adishesan Saravanan in Allsec, the Acquirer has agreed to acquire upto 5,387,155 Equity Shares aggregating to 35.35% of the total share capital of Allsec at INR 320 per Equity Share.</li> <li>• Of the current shareholding of First Carlyle Ventures Mauritius in Allsec, the Acquirer has agreed to acquire 3,961,940 Equity Shares aggregating to 26% of the total share capital of Allsec at INR 250 per Equity Share.</li> </ul>



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Sl.No.	Particulars	Details								
		<ul style="list-style-type: none"><li>The Open Offer will be made to all shareholders of Allsec that are eligible to tender in the Open Offer at INR 320 per Equity Share.</li></ul>								
9.	Percentage of shareholding / control acquired and / or number of shares acquired;	Depending on the uptake in the Open Offer and final quantum of shares that are purchased pursuant to the Underlying Transaction, the Acquirer's stake in Allsec post transaction will range between 51% and 87.35%.								
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>Allsec was founded in the year 1998 and is headquartered in Chennai. Allsec was listed in May, 2005 on the National Stock Exchange of India Limited and BSE Limited.</p> <p>Allsec provides business process solutions across various industry verticals which include:</p> <ul style="list-style-type: none"><li><b>Human Resources Outsourcing (HRO)</b> business that offers the following services as part of its service offering: Managed Payroll Services, Human Resources Management Services (HRMS) &amp; Employee Statutory Services; and</li><li><b>Customer Life Cycle Management (CLM)</b> business that offers services across verticals like Retail, BFSI (Banking Financial Services &amp; Insurance), E-Commerce, F&amp;A (Finance &amp; Accounting), Manufacturing &amp; Home Appliance Companies in both the domestic market and the international market.</li></ul> <p>The Company has delivery centres in five locations: Chennai, Bangalore, Noida, Manila (Philippines) and Dallas (US) with a total seating capacity of 3,300 seats.</p> <p>Key Financials (in Rs. Crores.)</p> <table><tr><th>Particulars</th><th>FY 2016</th><th>FY 2017</th><th>FY 2018</th></tr><tr><td>Revenue</td><td>233</td><td>318</td><td>325</td></tr></table>	Particulars	FY 2016	FY 2017	FY 2018	Revenue	233	318	325
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