

January 24, 2019

Department of Corporate Services,  
**BSE Limited,**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, Phiroze Jeejeebhoy  
Towers, Dalal Street,  
Mumbai – 400 001

**Security Code – 539978**

Department of Corporate Services,  
**National Stock Exchange of India  
Limited**  
Exchange Plaza,  
Bandra- Kundra Complex,  
Bandra (East),  
Mumbai – 400 001  
**NSE Symbol – QUESS**

Dear Sir/ Madam,

**Sub: Outcome of the Board Meeting.**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at its meeting held on January 24, 2019 (i.e. today) inter alia, considered the following items:

**Financial Results**

- Considered and approved the Unaudited financial results (Standalone and Consolidated) subjected to limited review by the Statutory auditors) for the third quarter ended December 31, 2018 is enclosed as Annexure-1.

**Restructuring of Quess Subsidiaries in North America**

- Considered and approved the restructuring of all USA and Canada based operating Companies under MFXchange Holdings Inc. (Canada).

**Press Release**

- Press Release dated January 24, 2019 is enclosed as Annexure-2.

The meeting commenced at 12:30 p.m. and concluded at 04:45 p.m.

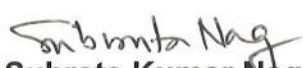
The same will be made available on the Company's website [www.quesscorp.com](http://www.quesscorp.com)

We request you to take the above information on record.

Thanking you,

Yours faithfully

**For Quess Corp Limited**

  
**Subrata Kumar Nag**  
**Executive Director & CEO**  
**DIN: 02234000**



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

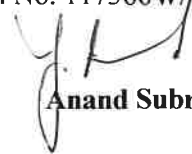
**TO THE BOARD OF DIRECTORS OF  
QUESS CORP LIMITED**

1. We have reviewed the Financial Results of **QUESS CORP LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2018, included in the statement of Standalone Unaudited Financial Results of Quess Corp Limited ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for 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. Our responsibility is to issue a report on the Statement based on our review.

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or the financial results for the quarter and nine months ended December 31, 2018 contain any material misstatement.

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

  
**Anand Subramanian**  
Partner  
(Membership No. 110815)

Bengaluru, January 24, 2019

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

Part 1: Statement of unaudited standalone financial results for the quarter and nine months ended 31 December 2018

(INR in lakhs except per share data)

Sl. No.	Particulars	Standalone					
		Quarter ended			Nine months ended		Year ended
		31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a) Revenue from operations	1,42,700.56	1,35,420.66	1,13,710.97	4,07,890.50	3,11,787.56	4,41,080.79
	b) Other income	1,432.49	996.78	1,336.94	3,508.51	3,425.94	4,630.25
	<b>Total income (a + b)</b>	<b>1,44,133.05</b>	<b>1,36,417.44</b>	<b>1,15,047.91</b>	<b>4,11,399.01</b>	<b>3,15,213.50</b>	<b>4,45,711.04</b>
2	<b>Expenses</b>						
	a) Cost of material and stores and spare parts consumed	3,254.97	3,395.20	3,500.87	9,580.87	8,705.16	12,305.84
	b) Employee benefits expense	1,15,570.32	1,10,063.08	94,259.47	3,30,438.96	2,60,075.91	3,64,302.10
	c) Finance costs	1,745.08	1,557.86	1,129.16	4,700.65	3,438.58	4,620.79
	d) Depreciation and amortisation expense	1,120.28	1,123.35	923.35	3,354.32	2,547.57	3,531.44
	e) Other expenses	16,249.47	14,845.74	10,345.40	46,308.81	26,265.15	40,548.52
	<b>Total expenses (a + b + c + d + e)</b>	<b>1,37,940.12</b>	<b>1,30,985.23</b>	<b>1,10,158.25</b>	<b>3,94,383.61</b>	<b>3,01,032.37</b>	<b>4,25,308.69</b>
3	<b>Profit before exceptional items and tax (1-2)</b>	<b>6,192.93</b>	<b>5,432.21</b>	<b>4,889.66</b>	<b>17,015.40</b>	<b>14,181.13</b>	<b>20,402.35</b>
4	Exceptional items	-	-	-	-	-	-
5	<b>Profit before tax (3 + 4)</b>	<b>6,192.93</b>	<b>5,432.21</b>	<b>4,889.66</b>	<b>17,015.40</b>	<b>14,181.13</b>	<b>20,402.35</b>
6	<b>Tax expense/(credit) [refer note 7]</b>						
	Current tax	1,326.97	1,084.63	996.85	3,533.31	2,891.13	4,205.15
	Income tax relating to previous year	-	-	-	-	(6,851.88)	(5,711.60)
	Deferred tax	(852.61)	(783.23)	(984.32)	(2,362.27)	(2,851.06)	(4,017.59)
	<b>Total tax expense/(credit)</b>	<b>474.36</b>	<b>301.40</b>	<b>12.53</b>	<b>1,171.04</b>	<b>(6,811.81)</b>	<b>(5,524.04)</b>
7	<b>Profit for the period (5 - 6)</b>	<b>5,718.57</b>	<b>5,130.81</b>	<b>4,877.13</b>	<b>15,844.36</b>	<b>20,992.94</b>	<b>25,926.39</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	(370.28)	(52.71)	3.91	(722.55)	(360.32)	(520.26)
	Income tax relating to items that will not be reclassified to profit or loss	129.39	19.42	(1.35)	252.48	124.70	165.82
	<b>Other comprehensive income for the period, net of taxes</b>	<b>(240.89)</b>	<b>(33.29)</b>	<b>2.56</b>	<b>(470.07)</b>	<b>(235.62)</b>	<b>(354.44)</b>
9	<b>Total comprehensive income for the period (7 + 8)</b>	<b>5,477.68</b>	<b>5,097.52</b>	<b>4,879.69</b>	<b>15,374.29</b>	<b>20,757.32</b>	<b>25,571.95</b>
10	Paid-up equity share capital (Face value of INR 10.00 per share)	14,608.48	14,608.48	14,548.42	14,608.48	14,548.42	14,548.42
11	Reserves i.e. Other equity						2,21,598.98
12	<b>Earnings Per Share (EPS)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (INR)	3.91	3.53	3.35	10.87	15.04	18.38
	(b) Diluted (INR)	3.89	3.51	3.32	10.81	14.88	18.19

See accompanying notes to the financials results



**Quess Corp Limited**

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

**Unaudited Standalone financial results for the quarter and nine months ended 31 December 2018****Notes :**

- 1 The statement of unaudited standalone financials results ("the Statement") of Quess Corp Limited ("the Company") for the quarter and nine months ended 31 December 2018 have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 24 January 2019. The statutory auditors, have issued an unqualified review report. Standalone financial results for the quarter and nine months ended 31 December 2017 and year ended 31 March 2018 were reviewed / audited by previous auditors.
- 3 Pursuant to the provisions of the Listing Agreement, the Management has decided to publish unaudited consolidated financial results in the newspapers. The review report of the Statutory Auditors is being filed with Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") and is also available on the Company's website [www.quesscorp.com](http://www.quesscorp.com).
- 4 In accordance with Ind AS 108, Operating segments, segment information has been provided in the unaudited consolidated financial results of the Company and therefore no separate disclosure on segment information is given in these unaudited standalone financial results.
- 5 During the previous year ended 31 March 2018, the Company had completed the Institutional Placement Programme ("IPP") and raised a total capital of INR 87,392.23 lakhs by issuing 10,924,029 equity shares of INR 10.00 each at a premium of INR 790.00 per equity share. The proceeds from IPP is INR 84,754.90 lakhs (net of estimated issue expenses).  
Details of utilisation of IPP proceeds are as follows:

(INR in lakhs)

Particulars	Objects of the issue as per the prospectus	Utilised upto 31 December 2018	Unutilised amount as on 31 December 2018
Acquisitions and other strategic initiatives	62,500.00	50,316.26	12,183.74
Funding incremental working capital requirement of our Company	15,000.00	15,000.00	-
General corporate purpose	7,254.90	7,254.90	-
<b>Total</b>	<b>84,754.90</b>	<b>72,571.16</b>	<b>12,183.74</b>

Unutilised amounts of the issue have been temporarily deployed in fixed deposit with banks and invested in mutual funds which is in accordance with objects of the issue. The deployment of net proceeds is expected to be completed by 2020.

Expenses estimated by the Company amounting to INR 2,637.33 lakhs, in connection with IPP have been adjusted towards the securities premium in accordance with Section 52 of the Companies Act, 2013.

**6 Acquisitions:**

- (a) During the previous year ended 31 March 2018, the Company had entered into Share Purchase Cum Shareholder's Agreement ("SPSHA") dated 24 January 2018 and subsequent amendment agreement dated 28 March 2018 with Greenpiece Projects Private Limited, Greenpiece Landscapes India Private Limited ("GLIPL") and its Shareholders to acquire equity stake in GLIPL. As per these agreements, the Company has agreed to acquire 100.00% equity stake in GLIPL in various tranches. During the quarter ended 30 June 2018, the Company had acquired 90.00% equity stake in GLIPL at a consideration of INR 2,160.00 lakhs and thus GLIPL has become the subsidiary of the Company. The Company has a contractual commitment to acquire the non-controlling interest.
  - (b) During the quarter ended 30 June 2018, the Company had acquired 100.00% equity stake in HCL Computing Products Limited ("HCPL") at an estimated consideration of INR 3,000.00 lakhs and thus HCPL has become the subsidiary of the Company. The name of HCPL has been changed to Qdigi Services Limited w.e.f. 21 February 2018.
  - (c) During the half year ended 30 September 2018, the Company had entered into an agreement (amendment to the original share subscription agreement dated 19 October 2016) with Simpliance Technologies Private Limited ("STPL") to subscribe for additional 8.00% equity stake at a consideration of INR 200.00 lakhs. Accordingly, the Company's equity stake has increased to 53.00% and STPL has become the subsidiary of the Company.
  - (d) During the half year ended 30 September 2018, the Company had entered into a Share Purchase Agreement ("SPA") dated 5 September 2018 with Heptagon Technologies Private Limited ("Heptagon") and its shareholders to acquire additional 3.00% shares for a consideration of INR 150.00 lakhs. As of 31 December 2018, the Company holds 49.00% equity stake in Heptagon.
  - (e) During the half year ended 30 September 2018, the Company had entered into a Share Purchase Agreement ("SPA") dated 5 July 2018 with Quess East Bengal FC Private Limited ("QEBFC") and its shareholders to subscribe for 70.00% shares for a consideration of INR 1,003.50 lakhs. During the quarter ended 31 December 2018, the Company has completed the transaction and QEBFC has become the associate of the Company.
- 7 As per the amendment in the Finance Act 2016, deduction under Section 80JJAA of Income Tax Act, 1961 was extended across all sectors subject to fulfilment of conditions as stipulated in the said Section. The amendment was first applicable for the financial year ended 31 March 2017. Since the provision was subject to a number of clarifications and interpretations, the Company had obtained an opinion from an external advisor establishing its eligibility and method to compute deduction under Section 80JJAA during the year ended 31 March 2018. Resultantly, the Company has accounted for 80JJAA deduction, for the year ended 31 March 2018 and the year ended 31 March 2017, in the previous year ended 31 March 2018.



8 Effective 1 April 2018, the Company had adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method. The standard is applied retrospectively only to contracts that were not completed as at the date of 1 April 2018 and the comparative information is not restated in the unaudited standalone financial results. The adoption of the standard did not have any material impact to the unaudited financial results of the Company.

9 During the quarter ended 30 June 2018, the Company had entered into a Composite Scheme of Arrangement and Amalgamation ("the Scheme") with Thomas Cook India Limited ("TCIL"), Travel Corporation (India) Limited, TC Travel and Services Limited, TC Forex Services Limited and SOTC Travel Management Private Limited and their respective shareholders and creditors, wherein TCIL will demerge its Human Resource Services business (including investment in shares of Quess Corp Limited) into the Company on a going concern basis. The Board vide its meeting dated 23 April 2018 had approved the Scheme and filed the Scheme with BSE and NSE and is awaiting approval. As a part of consideration, the Company will issue its own shares to the shareholders of TCIL.

10 During the half year ended 30 September 2018, the Company had completed the sale of 74.00% equity stake in Inticore VJP Advance Systems Private Limited.

for and on behalf of the Board of Directors of

**Quess Corp Limited**



**Ajit Isaac**

*Chairman & Managing Director*

Place: Bengaluru

Date: 24 January 2019



**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 Financial Results of **QUESS CORP LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its share of the profit / (loss) of its associates and joint venture for the quarter and nine months ended December 31, 2018, included in the statement of Consolidated Unaudited Financial Results of Quess Corp Limited ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in 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. Our responsibility is to issue a report on the Statement based on our review.

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the entities included in Annexure A to this report.
4. Based on our review conducted as stated above and based on the consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) regulations, 2015, as modified by CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or the financial results for the quarter and nine months ended December 31, 2018 contain any material misstatement.



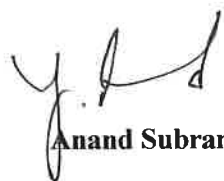
5. We did not review the interim financial information of 15 subsidiaries included in the unaudited consolidated financial results, whose interim financial information reflect total revenues of Rs. 60,294.03 lakhs and Rs. 1,73,774.42 lakhs for the Quarter and nine months ended December 31, 2018, respectively, and total comprehensive income of Rs. 144.28 lakhs and Rs. 2,592.03 lakhs for the Quarter and nine months ended December 31, 2018, respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of loss after tax of Rs. (12.47) lakhs and profit after tax of Rs. 482.70 lakhs for the quarter and nine months ended December 31, 2018, respectively, as considered in the unaudited consolidated financial results in respect of 1 associate, whose interim financial information has not been reviewed by us. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on the reports of the other auditors.

Our report on the statement is not modified in respect of this matter.

6. The unaudited consolidated financial results includes the interim financial information of 19 subsidiaries which have not been reviewed or audited by their auditors, whose interim financial information reflect total revenues of Rs. 16,421.09 lakhs and Rs. 45,901.96 lakhs for the quarter and nine months ended December 31, 2018, respectively, and total comprehensive income of Rs. 727.21 lakhs and Rs. 292.21 lakhs for the quarter and nine months ended December 31, 2018, respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of loss after tax of Rs. (460.61) lakhs and Rs. (525.02) lakhs for the quarter and nine months ended December 31, 2018, respectively, as considered in the unaudited consolidated financial results, in respect of 1 joint venture and 4 associates, based on their interim financial information which have not been reviewed or audited by their auditors. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our report on the statement is not modified in respect of our reliance on the interim financial information certified by the Management.

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

  
**Anand Subramanian**  
Partner  
(Membership No. 110815)

Bengaluru, January 24, 2019



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

Part I: Statement of unaudited consolidated financial results for the quarter and nine months ended 31 December 2018

(INR in lakhs except per share data)

Sl. No.	Particulars	Consolidated					
		Quarter ended			Nine months ended		Year ended
		31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a) Revenue from operations	217,215.40	209,171.14	158,395.00	623,221.84	427,650.78	616,726.07
	b) Other income	1,233.33	1,427.45	1,259.30	4,221.77	3,293.76	5,692.16
	<b>Total income (a + b)</b>	<b>218,448.73</b>	<b>210,598.59</b>	<b>159,654.30</b>	<b>627,443.61</b>	<b>430,944.54</b>	<b>622,418.23</b>
2	<b>Expenses</b>						
	a) Cost of material and stores and spare parts consumed	7,062.85	8,370.32	3,960.83	21,928.42	10,084.21	14,221.87
	b) Employee benefits expense	170,276.65	164,117.03	130,838.23	489,258.35	356,526.09	507,931.79
	c) Finance costs	2,802.38	2,818.86	1,766.90	8,231.48	5,030.07	7,545.39
	d) Depreciation and amortisation expense	3,167.41	2,907.71	1,830.76	9,062.18	4,626.70	7,474.01
	e) Other expenses	28,042.89	25,481.26	14,503.31	78,753.73	36,538.08	59,136.01
	<b>Total expenses (a + b + c + d + e)</b>	<b>211,352.18</b>	<b>203,695.18</b>	<b>152,900.03</b>	<b>607,234.16</b>	<b>412,805.15</b>	<b>596,309.07</b>
3	<b>Profit before share of profit/ (loss) of equity accounted investees, exceptional items and tax (1 - 2)</b>	<b>7,096.55</b>	<b>6,903.41</b>	<b>6,754.27</b>	<b>20,209.45</b>	<b>18,139.39</b>	<b>26,109.16</b>
4	Share of profit/ (loss) of equity accounted investees (net of income tax)	(489.47)	306.38	88.08	(23.98)	120.07	36.49
5	<b>Profit before exceptional items and tax (3+4)</b>	<b>6,607.08</b>	<b>7,209.79</b>	<b>6,842.35</b>	<b>20,185.47</b>	<b>18,259.46</b>	<b>26,145.65</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit before tax (5+6)</b>	<b>6,607.08</b>	<b>7,209.79</b>	<b>6,842.35</b>	<b>20,185.47</b>	<b>18,259.46</b>	<b>26,145.65</b>
8	<b>Tax expense/ (credit) [refer note 6]</b>						
	Current tax	1,815.54	1,784.93	1,693.09	5,854.04	4,313.28	6,260.55
	Income tax relating to previous year	-	-	-	-	(6,749.42)	(5,651.55)
	Deferred tax	(1,708.08)	(739.74)	(951.12)	(3,773.41)	(2,705.37)	(5,439.54)
	<b>Total tax expense/ (credit)</b>	<b>107.46</b>	<b>1,045.19</b>	<b>741.97</b>	<b>2,080.63</b>	<b>(5,141.51)</b>	<b>(4,830.54)</b>
9	<b>Profit for the period (7 - 8)</b>	<b>6,499.62</b>	<b>6,164.60</b>	<b>6,100.38</b>	<b>18,104.84</b>	<b>23,400.97</b>	<b>30,976.19</b>
10	<b>Other comprehensive income</b>						
	(i) Items that will not be reclassified subsequently to profit or loss						
	Remeasurement of defined benefit plans	(370.28)	(110.49)	165.29	(805.56)	(198.94)	(470.85)
	Income tax relating to items that will not be reclassified to profit or loss	129.39	39.61	(1.35)	281.49	124.70	152.46
	Share of other comprehensive income of equity accounted investees (net of income tax)	16.39	-	11.44	(18.34)	15.40	15.40
	(ii) Items that will be reclassified subsequently to profit or loss						
	Exchange differences in translating financial statements of foreign operations	(325.19)	1,078.80	(109.28)	1,003.91	91.63	(83.38)
	<b>Other comprehensive income for the period, net of taxes</b>	<b>(549.69)</b>	<b>1,007.92</b>	<b>66.10</b>	<b>461.50</b>	<b>32.79</b>	<b>(386.37)</b>
11	<b>Total comprehensive income for the period (9 + 10)</b>	<b>5,949.93</b>	<b>7,172.52</b>	<b>6,166.48</b>	<b>18,566.34</b>	<b>23,433.76</b>	<b>30,589.82</b>
12	<b>Profit attributable to:</b>						
	Owners of the Company	6,404.15	6,181.15	6,127.77	18,065.32	23,446.67	31,098.72
	Non-controlling interests	95.47	(16.55)	(27.39)	39.52	(45.70)	(122.53)
13	<b>Other comprehensive income attributable to:</b>						
	Owners of the Company	(549.69)	1,007.92	66.10	461.50	32.79	(386.37)
	Non-controlling interests	-	-	-	-	-	-
14	<b>Total comprehensive income attributable to:</b>						
	Owners of the Company	5,854.46	7,189.07	6,193.87	18,526.82	23,479.46	30,712.35
	Non-controlling interests	95.47	(16.55)	(27.39)	39.52	(45.70)	(122.53)
15	Paid-up equity share capital (Face value of INR 10.00 per share)	14,608.48	14,608.48	14,548.42	14,608.48	14,548.42	14,548.42
16	Reserves i.e. Other equity						231,527.90
17	<b>Earning Per Share (EPS)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic (INR)	4.38	4.25	4.21	12.40	16.80	22.05
	(b) Diluted (INR)	4.36	4.22	4.17	12.33	16.62	21.82

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

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. Accordingly, information has been presented along these business segments viz. People services, Technology solutions, Facility management, Industrials and Internet business. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

Statement of unaudited consolidated segment wise revenue, results, assets and liabilities for the quarter and nine months ended 31 December 2018

(INR in lakhs)

Sl. No.	Particulars	Consolidated					
		Quarter ended			Nine months ended		Year ended
		31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017	31 March 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment revenue</b>						
	a) People services	99,094.99	91,288.49	73,557.16	277,314.06	203,823.31	287,814.10
	b) Technology solutions	71,426.24	70,718.52	48,032.08	208,521.20	125,999.78	186,806.69
	c) Facility management	31,173.86	31,120.88	26,344.89	90,180.13	73,811.61	102,725.19
	d) Industrials	11,945.57	12,301.67	10,460.87	36,204.55	24,016.08	37,041.16
	e) Internet business	3,574.74	3,741.58	-	11,001.90	-	2,338.93
	<b>Total Income from operations</b>	<b>217,215.40</b>	<b>209,171.14</b>	<b>158,395.00</b>	<b>623,221.84</b>	<b>427,650.78</b>	<b>616,726.07</b>
2	<b>Segment results</b>						
	a) People services	4,670.75	4,160.82	3,521.93	12,753.82	9,854.94	13,624.35
	b) Technology solutions	4,021.79	3,963.47	3,100.87	11,448.27	7,954.56	11,805.90
	c) Facility management	2,143.12	2,113.29	1,765.11	5,909.63	4,844.44	6,715.02
	d) Industrials	410.60	529.38	383.11	1,414.94	1,011.01	1,497.62
	e) Internet business	(457.51)	(555.24)	-	(1,602.60)	-	(361.90)
	<b>Total</b>	<b>10,788.75</b>	<b>10,211.72</b>	<b>8,771.02</b>	<b>29,924.06</b>	<b>23,664.95</b>	<b>33,280.99</b>
	Less: (i) Unallocated corporate expenses	2,123.15	1,916.90	1,509.15	5,704.90	3,789.25	5,318.60
	Less: (ii) Finance costs	2,802.38	2,818.86	1,766.90	8,231.48	5,030.07	7,545.39
	Add: (iii) Other income	1,233.33	1,427.45	1,259.30	4,221.77	3,293.76	5,692.16
	Add: (iv) Share of profit/ (loss) of equity accounted investees (net of income tax)	(489.47)	306.38	88.08	(23.98)	120.07	36.49
	<b>Total profit before tax</b>	<b>6,607.08</b>	<b>7,209.79</b>	<b>6,842.35</b>	<b>20,185.47</b>	<b>18,259.46</b>	<b>26,145.65</b>
3	<b>Segment assets</b>						
	a) People services	51,638.08	49,203.46	45,158.42	51,638.08	45,158.42	42,809.19
	b) Technology solutions	151,146.30	150,068.78	126,897.61	151,146.30	126,897.61	132,538.39
	c) Facility management	110,547.74	109,465.42	99,687.71	110,547.74	99,687.71	101,772.97
	d) Industrials	24,779.47	24,483.88	20,424.77	24,779.47	20,424.77	25,552.78
	e) Internet business	20,165.86	18,730.79	-	20,165.86	-	18,493.38
	f) Unallocated	150,166.15	162,617.82	153,045.43	150,166.15	153,045.43	168,696.62
	<b>Total</b>	<b>508,443.60</b>	<b>514,570.15</b>	<b>445,213.94</b>	<b>508,443.60</b>	<b>445,213.94</b>	<b>489,863.33</b>
4	<b>Segment liabilities</b>						
	a) People services	31,962.71	35,112.56	19,300.06	31,962.71	19,300.06	29,433.67
	b) Technology solutions	54,338.84	56,415.21	42,847.45	54,338.84	42,847.45	42,967.14
	c) Facility management	17,611.28	21,629.80	18,233.60	17,611.28	18,233.60	15,597.43
	d) Industrials	7,356.80	6,851.98	7,135.99	7,356.80	7,135.99	8,665.02
	e) Internet business	13,947.03	12,707.52	-	13,947.03	-	13,142.20
	f) Unallocated	118,093.97	122,499.44	119,162.35	118,093.97	119,162.35	133,823.77
	<b>Total</b>	<b>243,310.63</b>	<b>255,216.51</b>	<b>206,679.45</b>	<b>243,310.63</b>	<b>206,679.45</b>	<b>243,629.23</b>

See accompanying notes to the financial results



**Quess Corp Limited**

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CIN No. L74140KA2007PLC043909

**Unaudited consolidated financial results for the quarter and nine months ended 31 December 2018****Notes :**

- 1 The statement of unaudited consolidated financials results ("the Statement") of Quess Corp Limited ("the Company") including its subsidiaries (collectively known as the "Group"), its associates and its joint venture (as mentioned in Appendix 1 to these notes) for the quarter and nine months ended 31 December 2018 are prepared in accordance with Indian Accounting Standards ("IND AS") as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 24 January 2019. The statutory auditors, have issued an unqualified review report. Consolidated financial results for the quarter and nine months ended 31 December 2017 and year ended 31 March 2018 were reviewed / audited by previous auditors.
- 3 Pursuant to the provisions of the Listing Agreement, the Management has decided to publish unaudited consolidated financial results in the newspapers. The review report of the Statutory Auditors is being filed with Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE") and is also available on the Company's website [www.uesscorp.com](http://www.uesscorp.com).
- 4 During the previous year ended 31 March 2018, the Company has completed the Institutional Placement Programme ("IPP") and raised a total capital of INR 87,392.23 lakhs by issuing 10,924,029 equity shares of INR 10.00 each at a premium of INR 790.00 per equity share. The proceeds from IPP is INR 84,754.90 lakhs (net of estimated issue expenses).

Details of utilisation of IPP proceeds are as follows:

(INR in lakhs)

Particulars	Objects of the issue as per the prospectus	Utilised upto 31 December 2018	Unutilised amount as on 31 December 2018
Acquisitions and other strategic initiatives	62,500.00	50,316.26	12,183.74
Funding incremental working capital requirement of our Company	15,000.00	15,000.00	-
General corporate purpose	7,254.90	7,254.90	-
<b>Total</b>	<b>84,754.90</b>	<b>72,571.16</b>	<b>12,183.74</b>

Unutilised amounts of the issue have been temporarily deployed in fixed deposit with banks and invested in mutual funds which is in accordance with objects of the issue. The deployment of net proceeds is expected to be completed by 2020.

Expenses estimated by the Company amounting to INR 2,637.33 lakhs, in connection with IPP have been adjusted towards the securities premium in accordance with Section 52 of the Companies Act, 2013.


**5 Acquisitions:**

- a) During the previous year ended 31 March 2018, the Company had entered into Share Purchase Cum Shareholder's Agreement ("SPSHA") dated 24 January 2018 and subsequent amendment agreement dated 28 March 2018 with Greenpiece Projects Private Limited, Greenpiece Landscapes India Private Limited ("GLIPL") and its Shareholders to acquire equity stake in GLIPL. As per these agreements, the Company has agreed to acquire 100.00% equity stake in GLIPL in various tranches. During the quarter ended 30 June 2018, the Company had acquired 90.00% equity stake in GLIPL at a consideration of INR 2,160.00 lakhs and thus GLIPL has become the subsidiary of the Company. The Company has a contractual commitment to acquire the non-controlling interest. The Company has opted for the measurement period exemption on purchase price allocation and based on the provisional allocation has recognised a goodwill of INR 1,892.06 lakhs.
  - b) During the quarter ended 30 June 2018, the Company had acquired 100.00% equity stake in HCL Computing Products Limited ("HCPL") at an estimated consideration of INR 3,000.00 lakhs and thus HCPL has become the subsidiary of the Company. The Company has opted for the measurement period exemption on purchase price allocation and based on the provisional allocation has recognised a goodwill of INR 1,512.10 lakhs. The name of HCPL has been changed to Qdigi Services Limited w.e.f. 21 February 2018.
  - c) During the half year ended 30 September 2018, the Company had entered into an agreement (amendment to the original share subscription agreement dated 19 October 2016) with Simpliance Technologies Private Limited ("STPL") to subscribe for additional 8.00% equity stake at a consideration of INR 200.00 lakhs. Accordingly, the Company's equity stake has increased to 53.00% and STPL has become the subsidiary of the Company. The Company has opted for the measurement period exemption on purchase price allocation and based on the provisional allocation has recognised a goodwill of INR 513.37 lakhs.
  - d) During the half year ended 30 September 2018, the Company had entered into a Share Purchase Agreement ("SPA") dated 5 September 2018 with Heptagon Technologies Private Limited ("Heptagon") and its shareholders to acquire additional 3.00% shares for a consideration of INR 150.00 lakhs. As of 31 December 2018, the Company holds 49.00% equity stake in Heptagon.
  - e) During the half year ended 30 September 2018, the Company had entered into a Share Purchase Agreement ("SPA") dated 5 July 2018 with Quess East Bengal FC Private Limited ("QEBFC") and its shareholders to subscribe for 70.00% shares for a consideration of INR 1,003.50 lakhs. During the quarter ended 31 December 2018, the Company has completed the transaction and QEBFC has become the associate of the Company.
- 6 As per the amendment in the Finance Act 2016, deduction under Section 80JJAA of Income Tax Act, 1961 was extended across all sectors subject to fulfilment of conditions as stipulated in the said Section. The amendment was first applicable for the financial year ended 31 March 2017. Since the provision was subject to a number of clarifications and interpretations, the Company had obtained an opinion from an external advisor establishing its eligibility and method to compute deduction under Section 80JJAA during the year ended 31 March 2018. Resultantly, the Company had accounted for 80JJAA deduction, for the year ended 31 March 2018 and the year ended 31 March 2017, in the previous year ended 31 March 2018.
  - 7 Effective 1 April 2018, the Group had adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method. The standard is applied retrospectively only to contracts that were not completed as at the date of 1 April 2018 and the comparative information is not restated in the unaudited consolidated financial results. The adoption of the standard did not have any material impact to the unaudited consolidated financial results of the Group.



- 8 During the quarter ended 30 June 2018, the Company had entered into a Composite Scheme of Arrangement and Amalgamation ("the Scheme") with Thomas Cook India Limited ("TCIL"), Travel Corporation (India) Limited, TC Travel and Services Limited, TC Forex Services Limited and SOTC Travel Management Private Limited and their respective shareholders and creditors, wherein TCIL will demerge its Human Resource Services business (including investment in shares of Qess Corp Limited) into the Company on a going concern basis. The Board vide its meeting dated 23 April 2018 had approved the Scheme and filed the Scheme with BSE and NSE and is awaiting approval. As a part of consideration, the Company will issue its own shares to the shareholders of TCIL.
- 9 During the half year ended 30 September 2018, the company had completed the sale of 74.00% equity stake in Inticore VJP Advance Systems Private Limited.
- 10 During the quarter ended 31 December 2018, the Company had completed the acquisition of residual 36.00% equity stake in Comtel Solutions Pte Ltd for a consideration of SGD 22.00 million of which SGD 19.00 million has been paid. An additional amount of SGD 5.00 million was paid by Comtel Solutions Pte Ltd to its erstwhile shareholder. The company has also completed the acquisition of residual 49.00% equity stake in Comtelpro Pte Ltd for a consideration of SGD 500,000 on the same date.

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

  
**Ajit Isaac**  
Chairman & Managing Director  
Place: Bengaluru  
Date: 24 January 2019



**Appendix - I**

Nature	Sl. No.	Entity name
<b>Subsidiary/Step-subsubsidiary:</b>	1	Aravon Services Private Limited
	2	Brainhunter Systems Ltd.
	3	Mindwire Systems Limited
	4	Brainhunter Companies LLC
	5	Coachieve Solutions Private Limited
	6	MFX Infotech Private Limited
	7	Quess Philippines Corp.
	8	Quess Corp (USA) Inc
	9	Quesscorp Holdings Pte Ltd
	10	Quessglobal Malaysia Sdn. Bhd.
	11	MFXchange Holdings Inc.
	12	MFXchange US Inc.
	13	Quess Lanka (Private) Limited [(fka: Randstad Lanka (Private) Limited)]
	14	Ikya Business Services (Private) Limited
	15	Inticore VJP Advance Systems Pvt. Ltd. (refer note 9)
	16	Comtel Solutions Pte. Limited
	17	Dependo Logistics Solutions Private Limited
	18	Excelus Learning Solutions Private Limited
	19	CentreQ Business Services Private Limited
	20	Conneqt Business Solutions Limited (fka: Tata Business Support Services Limited)
	21	Vedang Cellular Services Private Limited
	22	Master Staffing Solutions Private Limited
	23	Golden Star Facilities & Services Private Limited
	24	MFX Chile SpA
	25	Comtelpro Pte. Limited
	26	Comtelink Sdn. Bhd.
	27	Monster.com.SG PTE Limited
	28	Monster.com.HK Limited
	29	Monster Malaysia SDN. BHD
	30	Monster.com (India) Private Limited
	31	Quess Corp Vietnam LLC
	32	Greenpiece Landscapes India Private Limited
	33	Qdigi Services Limited (fka: HCL Computing Products)
	34	Simpliance Technologies Private Limited [refer note 5(c)]
<b>Associate:</b>	1	Terrier Security Services (India) Private Limited
	2	Heptagon Technologies Private Limited
	3	Quess Recruit, Inc
	4	Trimax Smart Infraprojects Private Limited
	5	Quess East Bengal FC Private Limited
<b>Joint venture:</b>	1	Himmer Industrial Services (M) Sdn. Bhd.



## Strong Quarter led by Organic Growth & Improved Cash flow Conversion

### Quarterly EBITDA up by 30% YoY

**Bengaluru, India – 24<sup>th</sup> January 2019:** Quess Corp, India's leading business services provider announced today its financial results for the **third quarter (Q3'19) and nine months (YTD 9M FY'19)** ended 31<sup>st</sup> December 2018. The key consolidated financials for the quarter are:

Particulars (in ₹ cr)	Q3'19	Q3'18	YoY(%)	Q2'19	QoQ(%)	9M'19	9M'18	YoY(%)
<b>Revenue</b>	2,172	1,584	37%	2,092	4%	6,232	4,277	46%
<b>EBITDA</b>	118	91	30%	112	6%	333	245	36%
<b>EBITDA Margin</b>	5.45%	5.74%	-29 bps	5.36%	9 bps	5.34%	5.73%	-39 bps
<b>PAT</b>	65	61	7%	62	5%	181	234	-23%
<b>PAT Margin</b>	2.99%	3.85%	-86 bps	2.95%	5 bps	2.91%	5.47%	-257 bps
<b>Diluted EPS (in ₹)</b>	4.36	4.17	5%	4.22	3%	12.33	16.62	-26%
<b>Cash Profit</b>	102	81	26%	97	5%	290	286	2%
<b>Cash EPS (in ₹)</b>	6.96	5.53	26%	6.65	5%	19.81	20.24	-2%

## Financial Highlights

- Our **Quarterly Revenue** grew **37%** YoY and YTD 9months Revenue grew by **46%** YoY. This was achieved on account of the following:
  - Our **Employee headcount** increased by **21%** YoY to **292,872** in Q3 FY19 as against 243,000 employees in Q3 FY18. Net addition in employee headcount stood at **12,472** for the quarter and **31,172** for YTD 9months FY19 period.
  - Our Quarterly **revenue realization per employee per month** increased by **9%** YoY and YTD 9months revenue realization increased by **6%** YoY
  - The **Organic revenue growth** contribution during the quarter stood at **23%** on a YoY basis.
- Our **Quarterly EBITDA** grew by **30%** YoY and **YTD 9months EBITDA** grew by **36%** YoY.
- EBITDA Margin** stood at **5.45%** in Q3 FY19 as against **5.74%** in Q3 FY18 YoY. The drop in margin is primarily on account of operating losses at Monster. However, sequentially, EBITDA margin improved by **9 bps** to **5.45%** as against **5.36%** in Q2 FY19.



- Our **Quarterly Profit after Tax (PAT)** stood at **₹65 cr** for Q3 FY19 and **₹181 cr** for YTD 9months FY19. PAT for the period during YTD 9months FY19 is not comparable on YoY basis due to the one-time tax benefit of ₹67 cr during YTD 9months FY18 period.
- **Cash Profit** (PAT adjusted for non-cash items such as Depreciation & Amortization expense and Non-controlling Put Option charge) stood at **₹102 cr** for Q3 FY19 and **₹81 cr** for YTD 9months FY19.
- **Diluted Earnings Per Share (EPS)** stood at **₹4.36** for Q3 FY19 and **₹12.33** for 9months FY19.
- **Cash EPS** stood at **₹6.96** for Q3 FY19 and **₹19.81** for 9months FY19.
- Our **Cash flow from Operations (OCF)** stood at **₹53 cr** for Q3 FY19 as against ₹39 cr in Q2 FY19 and **₹124 cr** during YTD 9months FY19 resulting in a **44% OCF/EBITDA conversion** during the quarter and **37%** for the period of YTD 9months FY19.

## Business Update:

### ➤ People Services:

- Quess' General Staffing headcount crossed **180,000** as on December 31, 2018. This was led by a strong addition of **18 new logos** during the quarter.
- Our General Staffing business achieved a **Core to Associate** FTE ratio of **1:300** in Q3 FY19.
- Our Training & Skill development arm, **Excelus** opened **17 new centers** across PMKK and DDU-GKY program and enrolled over **18,000 candidates** for training during Q3 FY19.

### ➤ Facility Management:

- Our **Facility Management** business crossed a revenue run rate of **₹100 cr per month** during the quarter led by strong addition of 27 new logos across sectors such as Education & Healthcare, IT & ITES, Real Estate and BFSI etc.
- **Terrier:** The Company has secured new licenses to operate in the states of Andhra Pradesh & Goa bringing up the total operational locations to **19 states**. A new Training center for Security service personnel was established in Bhubaneswar, Odisha under the Terrier banner in Q3FY19.



➤ **Customer Lifecycle Management:**

- **Conneqt:** The Company crossed **30,000** headcount as on December 31, 2018. Conneqt witnessed sustainable growth by addition of **06 new clients and 09 new lines of businesses** from existing clients across E-commerce, BFSI, Auto & Manufacturing, Hospitality etc., including digital services like Omni Channel & Social Media management.
- **DigiCare:** The Company expanded its service center network by an additional **50 new centers** in Q3 FY19 taking the total count to **210 centers**.

**Segment Wise Performance**

	Q3'19	Q3'18	YoY (%)	Q2'19	QoQ (%)
<b>People Services</b>					
Revenue	991	736	35%	913	9%
EBIT	47	35	33%	42	12%
EBIT Margin	4.71%	4.79%		4.56%	
<b>Technology Solutions</b>					
Revenue	714	480	49%	707	1%
EBIT	40	31	30%	40	1%
EBIT Margin	5.63%	6.46%		5.60%	
<b>Facility Management</b>					
Revenue	312	263	18%	311	0%
EBIT	21	18	21%	21	1%
EBIT Margin	6.87%	6.70%		6.79%	
<b>Industrials</b>					
Revenue	119	105	14%	123	-3%
EBIT	4	4	7%	5	-22%
EBIT Margin	3.44%	3.66%		4.30%	
<b>Internet Business</b>					
Revenue	36	-		37	-4%
EBIT	(5)	-		(6)	18%
EBIT Margin	-12.80%			-14.84%	



**Commenting on the financial results, Chairman & MD Mr. Ajit Isaac** said that, *"The strong Revenue and EBITDA growth in excess of 30% YoY during the quarter is a testament to our dual emphasis on execution led growth supported by balance sheet management. The highlight of the quarter is our achievement of 44% OCF/EBITDA conversion taking the cumulative conversion rate to 37% during the 9months FY19 period. Our staffing businesses continues to outpace the industry. We remain optimistic about the contribution of our People Services and Facility Management business that have shown healthy sequential margin expansions of 16 bps and 8 bps respectively. We believe we are well positioned to continue our journey of strong organic growth to deliver long term value to our shareholders."*

## About Quess Corp

Quess Corp Limited (BSE: 539978, NSE: QUESS), is India's leading business services provider. At Quess, we excel in helping large and emerging companies manage their non-core activities by leveraging our integrated service offerings across industries and geographies which provides significant operational efficiencies to our clients. Quess has a team of over 292,872 employees across India, North America, South America, South East Asia and the Middle East across segments such as Industrials, Facility Management, People Services, Technology Solutions and Internet Business. Quess serves over 1,900+ clients worldwide. Established in 2007, Quess is headquartered in Bengaluru, India and has a market cap of over ₹ 9,601 cr as on December 31, 2018.

For further details on Quess Corp Ltd., please visit: <http://www.uesscorp.com>.

For more information, please contact:

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*Disclaimer: This document contains statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in such forward-looking statements as a result of various factors and assumptions, which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements*