

**November 24, 2020**

To,  
Department of Corporate Services  
**BSE Limited**  
1st Floor, New Trading Ring,  
Rotunda Building, PJ Towers,  
Dalal Street, Mumbai - 400 001  
**Security Code: 539978**

Dear Sir,

**Sub: Submission of detailed Cash Flow Statement (Standalone and Consolidated) for the half year ended September 30, 2020 in PDF mode**

This is to inform that the Company has submitted the unaudited financial results for the quarter and half year ended September 30, 2020 as per the format prescribed under Regulation 33/52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("the Listing Regulations") and Ind AS 34 - Interim Financial Reporting along with summarized statement of cash flows and limited review report, as approved by Board of Directors in its meeting held on October 30, 2020.

In response to your e-mail dated November 12, 2020, please find enclosed detailed statement of cash flows (Standalone and Consolidated) for the half year ended September 30, 2020 in pdf mode.

Request you to kindly take the above information on record.

Thanking you,

Yours faithfully,

**FOR QUESS CORP LIMITED**



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



**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](http://www.quesscorp.com)

**Qess Corp Limited**

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

Standalone Statement of Cash flows for the half year ended 30 September 2020

(INR in millions)

| Particulars  | For the half year ended |                    |
|--|-------------------------|--------------------|
|  | 30 September 2020       | 30 September 2019* |
|  | (Unaudited)             | (Unaudited)        |
| <b>Cash flows from operating activities</b>  |                         |                    |
| Profit after tax   | 34.87                   | 1,081.15           |
| <b>Adjustments to reconcile net profit to net cash provided by operating activities:</b> |                         |                    |
| Depreciation and amortisation expense  | 284.30                  | 335.90             |
| Profit/ (loss) on sale of property, plant and equipment, net                             | (0.15)                  | 25.56              |
| Bad debts written off  | 62.34                   | 80.28              |
| Liabilities no longer required written back  | (0.37)                  | -                  |
| Provision for bad and doubtful debts, net  | 6.71                    | (67.63)            |
| Interest on loans given to related parties   | (21.10)                 | (201.66)           |
| Interest income on term deposits   | (12.38)                 | (56.81)            |
| Interest income on present valuation of financial instruments                            | (7.67)                  | (31.45)            |
| Tax expense  | 287.26                  | (86.48)            |
| Expense on employee stock option scheme  | 50.06                   | 10.67              |
| Rent concession  | (31.77)                 | -                  |
| Finance costs  | 417.48                  | 510.71             |
| Exceptional item (Diminution in value of investments) [refer note 8]                     | 112.70                  | -                  |
| Interest income from investments in debentures   | -                       | (41.25)            |
| Net fair value loss on mutual funds  | -                       | 44.58              |
| Net gain on sale of investments in mutual funds  | -                       | (48.46)            |
| Foreign exchange gain  | (2.18)                  | -                  |
| <b>Operating profit before working capital changes</b>                                   | <b>1,145.23</b>         | <b>473.96</b>      |
| <b>Changes in operating assets and liabilities</b>                                       |                         |                    |
| Changes in inventories   | 21.21                   | 4.61               |
| Changes in trade receivables and unbilled revenue  | 7.24                    | (605.87)           |
| Changes in loans, other financial assets and other assets                                | (150.28)                | (67.95)            |
| Changes in trade payables and other financial liabilities                                | 260.22                  | 14.03              |
| Changes in other liabilities and provisions  | (296.87)                | 530.37             |
| <b>Cash generated from operations</b>  | <b>1,021.62</b>         | <b>1,430.30</b>    |
| Income taxes paid, net of refund   | 623.40                  | (486.67)           |
| <b>Net cash flows from operating activities (A)</b>                                      | <b>1,645.02</b>         | <b>943.63</b>      |
| <b>Cash flows from investing activities</b>  |                         |                    |
| Expenditure on property, plant and equipment and intangibles, net of sale proceeds       | (41.98)                 | (44.49)            |
| Investment in subsidiaries   | -                       | (260.41)           |
| Proceeds from sale of investments  | 333.18                  | 388.55             |
| Bank deposits (having original maturity of more than three months), net                  | (68.81)                 | 706.30             |
| Loans given to related parties   | 1,028.13                | -                  |
| Repayment of loans by related parties  | -                       | (2,841.39)         |
| Interest received on Debentures  | -                       | 41.25              |
| Interest received on term deposits   | 8.52                    | 60.74              |
| <b>Net cash from/ (used in) investing activities (B)</b>                                 | <b>1,259.04</b>         | <b>(1,949.44)</b>  |
| <b>Cash flows from financing activities</b>  |                         |                    |
| Proceeds from term loans   | 0.50                    | 1.36               |
| (Repayment)/ Proceeds from borrowings  | (4,741.88)              | 637.64             |
| Proceeds from issue of equity shares, net of issue expenses                              | 1.27                    | 847.21             |
| Loans from related parties   | 5.24                    | 0.13               |
| Repayment of lease liabilities   | (99.44)                 | (115.28)           |
| Interest paid  | (366.21)                | (412.26)           |
| <b>Net cash (used in)/ from financing activities (C)</b>                                 | <b>(5,200.52)</b>       | <b>958.80</b>      |
| <b>Net decrease in cash and cash equivalents (A+B+C)</b>                                 | <b>(2,296.46)</b>       | <b>(47.01)</b>     |
| Cash and cash equivalents at the beginning of the period                                 | 3,902.90                | 3,396.15           |
| <b>Cash and cash equivalents at the end of the period</b>                                | <b>1,606.44</b>         | <b>3,349.14</b>    |
| <b>Components of cash and cash equivalents</b>   |                         |                    |
| Cash in hand   | 2.63                    | 3.02               |
| Balances with banks  |                         |                    |
| In current accounts  | 1,603.73                | 3,297.59           |
| In deposit accounts (with original maturity of less than 3 months)                       | 0.08                    | 48.53              |
| <b>Cash and cash equivalents as per standalone balance sheet</b>                         | <b>1,606.44</b>         | <b>3,349.14</b>    |

\*Previously reviewed and retrospectively adjusted.

The disclosure for the half year ended 30 September 2020 and 30 September 2019 are prepared in compliance with Indian Accounting Standard (Ind AS 34) Interim Financial Reporting.



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

Consolidated Statement of Cash flows for the half year ended 30 September 2020

(INR in millions)

| Particulars  | For the half year ended          |                                   |
|--|----------------------------------|-----------------------------------|
|  | 30 September 2020<br>(Unaudited) | 30 September 2019*<br>(Unaudited) |
| <b>Cash flows from operating activities</b>  |                                  |                                   |
| Profit after tax   | 863.86                           | 1,231.81                          |
| <b>Adjustments to reconcile net profit to net cash provided by operating activities:</b>                 |                                  |                                   |
| Depreciation and amortisation expense  | 1,171.97                         | 1,231.89                          |
| Share of profit of equity accounted investees  | 106.67                           | 36.97                             |
| Net gain on sale of investments in mutual funds  | (11.06)                          | (18.59)                           |
| Loss/(Profit) on sale of property, plant and equipment, net  | (1.30)                           | 25.61                             |
| Exceptional items (Fair value gain on acquisition and profit on sale of subsidiary) [refer note 4 and 5] | (326.88)                         | -                                 |
| Bad debts written off  | 121.19                           | 118.18                            |
| Deposits written off   | 1.18                             | -                                 |
| Liabilities no longer required written back  | (0.43)                           | (0.10)                            |
| Provision for bad and doubtful debts, net  | (143.68)                         | (54.91)                           |
| Interest on loans given to related parties   | (8.72)                           | (130.14)                          |
| Interest income on term deposits   | (34.12)                          | (70.54)                           |
| Interest income on present valuation of financial instruments  | (25.99)                          | (10.70)                           |
| Interest on income tax refunds   | (229.39)                         | -                                 |
| Tax expense  | 495.58                           | 68.24                             |
| Change in fair value of contingent consideration   | -                                | (48.24)                           |
| Expense on employee stock option scheme  | 50.06                            | 10.67                             |
| Rent concession  | (85.31)                          | -                                 |
| Finance costs  | 702.01                           | 857.10                            |
| <b>Operating profit before working capital changes</b>   | <b>2,645.63</b>                  | <b>3,247.26</b>                   |
| <b>Changes in operating assets and liabilities</b>   |                                  |                                   |
| Changes in inventories   | (13.48)                          | (53.16)                           |
| Changes in trade receivables and unbilled revenue  | 988.68                           | (1,257.47)                        |
| Changes in loans, other financial assets and other assets  | (41.01)                          | (45.02)                           |
| Changes in trade payables and other financial liabilities  | (150.21)                         | 22.20                             |
| Changes in other liabilities and provisions  | (463.61)                         | 565.62                            |
| <b>Cash generated from operations</b>  | <b>2,965.99</b>                  | <b>2,479.43</b>                   |
| Income taxes paid, net of refund   | 1,429.86                         | (731.52)                          |
| <b>Net cash flow from operating activities (A)</b>   | <b>4,395.85</b>                  | <b>1,747.91</b>                   |
| <b>Cash flows from investing activities</b>  |                                  |                                   |
| Expenditure on property, plant and equipment and intangibles, net of sale proceeds                       | (234.81)                         | (286.58)                          |
| Proceeds/ (Investment) in subsidiaries   | 128.64                           | (2,362.60)                        |
| Investments/proceeds) in mutual fund units   | (40.28)                          | 733.35                            |
| Bank deposits (having original maturity of more than three months), net                                  | (30.18)                          | 653.63                            |
| Loans given to related parties   | (86.66)                          | (455.09)                          |
| Interest received on term deposits   | 24.39                            | 71.76                             |
| <b>Net cash (used in) investing activities (B)</b>   | <b>(238.90)</b>                  | <b>(1,645.53)</b>                 |
| <b>Cash flows from financing activities</b>  |                                  |                                   |
| (Repayment)/Proceeds from term loans   | (323.90)                         | 928.98                            |
| (Repayment)/Proceeds from borrowings   | (4,923.40)                       | 470.49                            |
| Proceeds from issue of equity shares, net of issue expenses  | 1.27                             | 510.19                            |
| Loans (repaid)/received from related parties   | 0.00                             | 9.72                              |
| Repayment of lease liabilities   | (645.14)                         | (671.28)                          |
| Interest paid  | (447.71)                         | (541.17)                          |
| <b>Net cash (used in)/from financing activities (C)</b>  | <b>(6,338.88)</b>                | <b>706.93</b>                     |
| Net (decrease)/increase in cash and cash equivalents (A+B+C)   | (2,181.93)                       | 809.31                            |
| Cash and cash equivalents at the beginning of the period   | 7,091.24                         | 5,047.74                          |
| Effect of exchange rate fluctuations on cash and cash equivalents  | 7.13                             | 6.18                              |
| <b>Cash and cash equivalents at the end of the period</b>  | <b>4,916.44</b>                  | <b>5,863.23</b>                   |
| <b>Components of cash and cash equivalents</b>   |                                  |                                   |
| Cash in hand   | 5.66                             | 9.83                              |
| Balances with banks  |                                  |                                   |
| In current accounts  | 4,719.75                         | 5,710.55                          |
| In EEFC accounts   | 70.19                            | 21.45                             |
| In deposit accounts (with original maturity of less than 3 months)                                       | 120.84                           | 121.40                            |
| <b>Cash and cash equivalents as per consolidated balance sheet</b>                                       | <b>4,916.44</b>                  | <b>5,863.23</b>                   |

\*Previously reviewed and retrospectively adjusted.

The disclosure for the half year ended 30 September 2020 and 30 September 2019 are prepared in compliance with Indian Accounting Standard (Ind AS 34) Interim Financial Reporting.

